

REGISTERED COMPANY NUMBER: SC352223 (Scotland)
REGISTERED CHARITY NUMBER: SC040150

Report of the Trustees and
Financial Statements for the Year Ended 31 December 2019
for
LOCHSIDE ARENA

Mann Judd Gordon Ltd
Chartered Accountants
26 Lewis Street
Stornoway
Isle of Lewis
HS1 2JF

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for the Year Ended 31 December 2019**

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**Report of the Trustees
for the Year Ended 31 December 2019**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2019. The trustees have adopted the provisions of 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 (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charitable objectives of the organisation are to advance the interests of education and social welfare of the community in Lewis and Harris by promoting the knowledge of and an interest in a variety of sports and sporting activities, including equitation and the care of horses, and to take steps as may be necessary to attain this purpose.

In the furtherance of these objectives the organisation proposed to build and provide a large indoor recreational facility suitable for a variety of sports and activities, which would be community owned and available for use by various community groups, clubs, organisations, members and individuals. This facility has now been built and is in daily use.

The aims are now to increase the user numbers of the Lochside Arena and to encourage other user groups to make use of the facilities. Several local community groups, together with private individuals book the Arena on a weekly basis.

Significant activities

The Facility has maintained closed links with the following organisations which use the facility on a regular basis:

Western Isles Branch of the Pony Club
Lewis and Harris Riding Club
Various dog obedience groups
The British Horse Society
British Dressage

The Lochside Arena Board welcome other user groups, clubs, and individuals to come and view the Arena facilities, and actively encourage users throughout the Western Isles to make full use of the Arena and its facilities.

ACHIEVEMENT AND PERFORMANCE

Arena Utilisation

2018 was broadly in line with 2017 for Arena Utilisation. This was maintained by the competitive process and sporting membership being available to members of local groups.

FINANCIAL REVIEW

Reserves policy

As per 2017, 2018 was very much a year of consolidation to strengthen the Arena's financial position to allow further improvements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Induction and training of new trustees

On appointment, new trustees will be fully instructed on the aims and objects and the methods of operation of the charity.

Governance

Work has been undertaken to review internal processes, policies and procedures. A Trustees Code of Conduct has been adopted as well as other policies to support financial control, and improve overall governance of Lochside Arena.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC352223 (Scotland)

**Report of the Trustees
for the Year Ended 31 December 2019**

Registered Charity number

SC040150

Registered office

24-26 Lewis Street
Stornoway
Isle of Lewis
HS1 2JF

Trustees

R P Fellows Engineer
Ms E M Howey None
Mrs L S Maclean Estate Manager (resigned 25.3.19)
Mrs M Macleod Care Coordinator
Mrs D G Morrison HR Adviser
Miss M Macleod Administrator (appointed 25.3.19)

Company Secretary

Independent Examiner

Mann Judd Gordon Ltd
Chartered Accountants
26 Lewis Street
Stornoway
Isle of Lewis
HS1 2JF

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

Approved by order of the board of trustees on 5 June 2020 and signed on its behalf by:

R P Fellows - Trustee

**Independent Examiner's Report to the Trustees of
Lochside Arena**

I report on the accounts for the year ended 31 December 2019 set out on pages four to twelve.

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention :

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

John E Moffat BA FCA
Institute of Chartered Accountants in England & Wales
Mann Judd Gordon Ltd
Chartered Accountants
26 Lewis Street
Stornoway
Isle of Lewis
HS1 2JF

5 June 2020

LOCHSIDE ARENA

**Statement of Financial Activities
for the Year Ended 31 December 2019**

	Notes	Unrestricted fund £	Restricted fund £	31.12.19 Total funds £	31.12.18 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	8,775	-	8,775	9,939
Charitable activities					
Charitable		715	-	715	2,952
Other trading activities	3	399	-	399	2,630
Total		9,889	-	9,889	15,521
EXPENDITURE ON					
Raising funds		776	-	776	2,165
Charitable activities					
Charitable		10,084	15,100	25,184	32,259
Total		10,860	15,100	25,960	34,424
NET INCOME/(EXPENDITURE)		(971)	(15,100)	(16,071)	(18,903)
RECONCILIATION OF FUNDS					
Total funds brought forward		34,868	361,179	396,047	414,950
TOTAL FUNDS CARRIED FORWARD		33,897	346,079	379,976	396,047

The notes form part of these financial statements

Balance Sheet
31 December 2019

	Notes	Unrestricted fund £	Restricted fund £	31.12.19 Total funds £	31.12.18 Total funds £
FIXED ASSETS					
Tangible assets	7	25,008	346,079	371,087	389,564
CURRENT ASSETS					
Debtors	8	3,329	-	3,329	3,084
Cash at bank and in hand		<u>6,072</u>	<u>-</u>	<u>6,072</u>	<u>3,799</u>
		9,401	-	9,401	6,883
CREDITORS					
Amounts falling due within one year	9	(512)	-	(512)	(400)
NET CURRENT ASSETS					
		<u>8,889</u>	<u>-</u>	<u>8,889</u>	<u>6,483</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		33,897	346,079	379,976	396,047
NET ASSETS FUNDS					
	10	<u>33,897</u>	<u>346,079</u>	<u>379,976</u>	<u>396,047</u>
Unrestricted funds				33,897	34,868
Restricted funds				<u>346,079</u>	<u>361,179</u>
TOTAL FUNDS				<u>379,976</u>	<u>396,047</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2019 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

**Balance Sheet - continued
31 December 2019**

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

The financial statements were approved by the Board of Trustees and authorised for issue on 5 June 2020 and were signed on its behalf by:

R P Fellows - Trustee

**Notes to the Financial Statements
for the Year Ended 31 December 2019**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The presentation currency of the financial statements is the Pound Sterling (£).

The financial statements are rounded to the nearest £1.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Tangible fixed assets are depreciated over their useful economic lives at the following rates:

Short leasehold property - straightline over the term of the lease

Plant and Machinery - 25% straightline

Fixtures & fittings - 20% straightline

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	31.12.19 Total funds £	31.12.18 Total funds £
Donations	-	-	-	513
Membership fees	401	-	401	597
Admissions	8,374	-	8,374	8,829
	<u>8,775</u>	<u>-</u>	<u>8,775</u>	<u>9,939</u>

3. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	31.12.19 Total funds £	31.12.18 Total funds £
Dressage competitions	<u>399</u>	<u>-</u>	<u>399</u>	<u>2,630</u>

4. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.19 £	31.12.18 £
Depreciation - owned assets	<u>18,477</u>	<u>18,580</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2019 nor for the year ended 31 December 2018.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2019 nor for the year ended 31 December 2018.

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	9,939	-	9,939
Charitable activities			
Charitable	2,952	-	2,952
Other trading activities	<u>2,630</u>	<u>-</u>	<u>2,630</u>
Total	<u>15,521</u>	<u>-</u>	<u>15,521</u>
EXPENDITURE ON			
Raising funds	2,165	-	2,165

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted fund £	Total funds £
Charitable activities			
Charitable	17,159	15,100	32,259
Total	<u>19,324</u>	<u>15,100</u>	<u>34,424</u>
NET INCOME/(EXPENDITURE)	<u>(3,803)</u>	<u>(15,100)</u>	<u>(18,903)</u>

RECONCILIATION OF FUNDS

Total funds brought forward	38,671	376,279	414,950
TOTAL FUNDS CARRIED FORWARD	<u>34,868</u>	<u>361,179</u>	<u>396,047</u>

7. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 January 2019 and 31 December 2019	<u>482,853</u>	<u>3,231</u>	<u>12,264</u>	<u>498,348</u>
DEPRECIATION				
At 1 January 2019	97,123	2,720	8,941	108,784
Charge for year	<u>16,095</u>	<u>128</u>	<u>2,254</u>	<u>18,477</u>
At 31 December 2019	<u>113,218</u>	<u>2,848</u>	<u>11,195</u>	<u>127,261</u>
NET BOOK VALUE				
At 31 December 2019	<u>369,635</u>	<u>383</u>	<u>1,069</u>	<u>371,087</u>
At 31 December 2018	<u>385,730</u>	<u>511</u>	<u>3,323</u>	<u>389,564</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.19 £	31.12.18 £
Trade debtors	345	182
Paypal	<u>2,984</u>	<u>2,902</u>
	<u>3,329</u>	<u>3,084</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.19	31.12.18
	£	£
Accrued expenses	<u>512</u>	<u>400</u>

10. MOVEMENT IN FUNDS

	At 1.1.19	Net movement in funds	At 31.12.19
	£	£	£
Unrestricted funds			
General fund	34,868	(971)	33,897
Restricted funds			
Restricted funding	361,179	(15,100)	346,079
TOTAL FUNDS	<u>396,047</u>	<u>(16,071)</u>	<u>379,976</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	9,889	(10,860)	(971)
Restricted funds			
Restricted funding	-	(15,100)	(15,100)
TOTAL FUNDS	<u>9,889</u>	<u>(25,960)</u>	<u>(16,071)</u>

Comparatives for movement in funds

	At 1.1.18	Net movement in funds	At 31.12.18
	£	£	£
Unrestricted funds			
General fund	38,671	(3,803)	34,868
Restricted funds			
Restricted funding	376,279	(15,100)	361,179
TOTAL FUNDS	<u>414,950</u>	<u>(18,903)</u>	<u>396,047</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2019**

10. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	15,521	(19,324)	(3,803)
Restricted funds			
Restricted funding	-	(15,100)	(15,100)
TOTAL FUNDS	<u>15,521</u>	<u>(34,424)</u>	<u>(18,903)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.18 £	Net movement in funds £	At 31.12.19 £
Unrestricted funds			
General fund	38,671	(4,774)	33,897
Restricted funds			
Restricted funding	376,279	(30,200)	346,079
TOTAL FUNDS	<u>414,950</u>	<u>(34,974)</u>	<u>379,976</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	25,410	(30,184)	(4,774)
Restricted funds			
Restricted funding	-	(30,200)	(30,200)
TOTAL FUNDS	<u>25,410</u>	<u>(60,384)</u>	<u>(34,974)</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2019**

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2019.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.