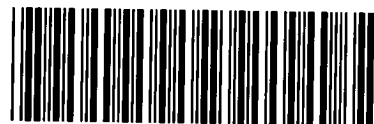


R.O.C

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

**Report of the Trustees and
Financial Statements for the Year Ended 31 December 2016
for
LOCHSIDE ARENA**

MONDAY



S6ERPSYW

SCT 11/09/2017 #94
COMPANIES HOUSE

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

LOCHSIDE ARENA

**Contents of the Financial Statements
for the Year Ended 31 December 2016**

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LOCHSIDE ARENA

Report of the Trustees for the Year Ended 31 December 2016

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 2016. 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 2015).

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
The Dog Training Club

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

We have managed to further reduce the hire fees for all and membership fees for concessions to help increase the number of users of the facility from all backgrounds. We have also offered further subsidised coaching sessions and successfully hosted a regional dressage final for the second year in succession.

FINANCIAL REVIEW

Reserves policy

The focus for 2016 was ensuring that the facility maintained a sound financial base whilst reviewing where best to utilise any additional reserves when the existing unsecured loan is repaid. Current plans include the creation of a part time caretaker position and the consideration of creating a food preparation area and additional pens. Further upgrades to the surface will also be considered.

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)

LOCHSIDE ARENA

**Report of the Trustees
for the Year Ended 31 December 2016**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

SC040150

Registered office

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

Trustees

R P Fellows
Ms E M Howey
Mrs L S Maclean
Mrs I MacIver
Mrs M Macleod
Mrs D G Morrison

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 23 August 2017 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 2016 set out on pages four to eleven.

Respective responsibilities of trustees and examiner

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.

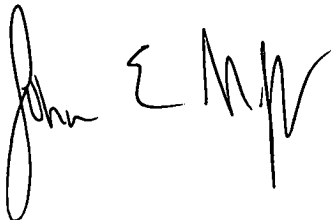
Independent examiner's statement

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

23 August 2017

LOCHSIDE ARENA

Statement of Financial Activities for the Year Ended 31 December 2016

	Notes	Unrestricted fund £	Restricted fund £	31.12.16 Total funds £	31.12.15 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	13,615	-	13,615	17,332
Charitable activities					
Charitable		2,560	-	2,560	3,156
Other trading activities	3	3,170	-	3,170	5,509
Investment income	4	-	-	-	1
Total		<u>19,345</u>	-	<u>19,345</u>	<u>25,998</u>
 EXPENDITURE ON					
Raising funds		3,117	-	3,117	3,327
Charitable activities					
Charitable		<u>14,590</u>	<u>15,100</u>	<u>29,690</u>	<u>31,553</u>
Total		<u>17,707</u>	<u>15,100</u>	<u>32,807</u>	<u>34,880</u>
NET INCOME/(EXPENDITURE)		1,638	(15,100)	(13,462)	(8,882)
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>35,005</u>	<u>406,479</u>	<u>441,484</u>	<u>450,366</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>36,643</u></u>	<u><u>391,379</u></u>	<u><u>428,022</u></u>	<u><u>441,484</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

LOCHSIDE ARENA

**Balance Sheet
At 31 December 2016**

	Notes	Unrestricted fund £	Restricted fund £	31.12.16 Total funds £	31.12.15 Total funds £
FIXED ASSETS					
Tangible assets	8	35,654	391,379	427,033	444,279
CURRENT ASSETS					
Debtors	9	1,173	-	1,173	1,185
Cash at bank and in hand		<u>4,908</u>	<u>-</u>	<u>4,908</u>	<u>3,310</u>
		6,081	-	6,081	4,495
CREDITORS					
Amounts falling due within one year	10	<u>(2,774)</u>	<u>-</u>	<u>(2,774)</u>	<u>(2,803)</u>
NET CURRENT ASSETS		<u>3,307</u>	<u>-</u>	<u>3,307</u>	<u>1,692</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		38,961	391,379	430,340	445,971
CREDITORS					
Amounts falling due after more than one year	11	<u>(2,318)</u>	<u>-</u>	<u>(2,318)</u>	<u>(4,487)</u>
NET ASSETS		<u>36,643</u>	<u>391,379</u>	<u>428,022</u>	<u>441,484</u>
FUNDS					
Unrestricted funds	13			36,643	35,005
Restricted funds				<u>391,379</u>	<u>406,479</u>
TOTAL FUNDS				<u>428,022</u>	<u>441,484</u>

The notes form part of these financial statements

LOCHSIDE ARENA

**Balance Sheet - continued
At 31 December 2016**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2016.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2016 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.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 23 August 2017 and were signed on its behalf by:

R Fellows

R P Fellows -Trustee

LOCHSIDE ARENA

Notes to the Financial Statements for the Year Ended 31 December 2016

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 2015)', 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.

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.

2. DONATIONS AND LEGACIES

	31.12.16	31.12.15
	£	£
Donations	743	1,567
Membership fees	1,535	2,038
Admissions	<u>11,337</u>	<u>13,727</u>
	<u>13,615</u>	<u>17,332</u>

LOCHSIDE ARENA

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**

3. OTHER TRADING ACTIVITIES

	31.12.16	31.12.15
	£	£
Fundraising events	167	1,734
Tuck shop income	22	603
Dressage competitions	2,981	3,022
Advertising	<u>-</u>	<u>150</u>
	<u>3,170</u>	<u>5,509</u>

4. INVESTMENT INCOME

	31.12.16	31.12.15
	£	£
Deposit account interest	<u>-</u>	<u>1</u>

5. NET INCOME/(EXPENDITURE)

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

	31.12.16	31.12.15
	£	£
Depreciation - owned assets	<u>19,442</u>	<u>17,698</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2016 nor for the year ended 31 December 2015.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2016 nor for the year ended 31 December 2015.

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Restricted fund	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	17,332	-	17,332
Charitable activities			
Charitable	3,156	-	3,156
Other trading activities	5,509	-	5,509
Investment income	<u>1</u>	<u>-</u>	<u>1</u>
Total	25,998	-	25,998
 EXPENDITURE ON			
Raising funds	3,327	-	3,327
Charitable activities			
Charitable	<u>16,338</u>	<u>15,215</u>	<u>31,553</u>
Total	19,665	15,215	34,880

LOCHSIDE ARENA

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – continued

	Unrestricted fund £	Restricted fund £	Total funds £
NET INCOME/(EXPENDITURE)	6,333	(15,215)	(8,882)
RECONCILIATION OF FUNDS			
Total funds brought forward	28,672	421,694	450,366
TOTAL FUNDS CARRIED FORWARD	<u>35,005</u>	<u>406,479</u>	<u>441,484</u>

8. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 January 2016	482,853	3,231	10,068	496,152
Additions	-	-	2,196	2,196
At 31 December 2016	<u>482,853</u>	<u>3,231</u>	<u>12,264</u>	<u>498,348</u>
DEPRECIATION				
At 1 January 2016	48,285	1,868	1,720	51,873
Charge for year	<u>16,648</u>	-	<u>2,794</u>	<u>19,442</u>
At 31 December 2016	<u>64,933</u>	<u>1,868</u>	<u>4,514</u>	<u>71,315</u>
NET BOOK VALUE				
At 31 December 2016	<u>417,920</u>	<u>1,363</u>	<u>7,750</u>	<u>427,033</u>
At 31 December 2015	<u>434,568</u>	<u>1,363</u>	<u>8,348</u>	<u>444,279</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.16 £	31.12.15 £
Trade debtors	199	650
Paypal	<u>974</u>	<u>535</u>
	<u>1,173</u>	<u>1,185</u>

LOCHSIDE ARENA

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.16	31.12.15
	£	£
Bank loans and overdrafts (see note 12)	2,168	2,168
Trade creditors	206	235
Accrued expenses	<u>400</u>	<u>400</u>
	<u>2,774</u>	<u>2,803</u>

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.16	31.12.15
	£	£
Bank loans (see note 12)	<u>2,318</u>	<u>4,487</u>

12. LOANS

An analysis of the maturity of loans is given below:

	31.12.16	31.12.15
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>2,168</u>	<u>2,168</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>2,318</u>	<u>4,487</u>

13. MOVEMENT IN FUNDS

	At 1.1.16	Net movement in funds	At 31.12.16
	£	£	£
Unrestricted funds			
General fund	35,005	1,638	36,643
Restricted funds			
Restricted funding	406,479	(15,100)	391,379
	<u>441,484</u>	<u>(13,462)</u>	<u>428,022</u>

LOCHSIDE ARENA

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**

13. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	19,345	(17,707)	1,638
Restricted funds			
Restricted funding	-	(15,100)	(15,100)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>19,345</u>	<u>(32,807)</u>	<u>(13,462)</u>

14. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2016.