

Oscw

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

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014
FOR
LOCHSIDE ARENA**

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

**CONTENTS OF THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2014**

	Page
Report of the Trustees	1 to 2
Independent Examiner's Report	3
Statement of Financial Activities	4
Balance Sheet	5 to 6
Notes to the Financial Statements	7 to 9
Detailed Statement of Financial Activities	10 to 11

**REPORT OF THE TRUSTEES
for the Year Ended 31 December 2014**

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 2014. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC352223 (Scotland)

Registered Charity number

SC040150

Registered office

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

Trustees

Mrs F Chisholm	- resigned 6.2.15
Mrs D Macleod	- resigned 20.5.14
Mrs M Finlayson	- resigned 20.5.14
J Chisholm	
T Robson	- resigned 27.8.14
H A Low	- appointed 21.7.14
	- resigned 6.2.15
Mrs A Macleod	- appointed 20.5.14
	- resigned 6.2.15
Mrs D E Macdonald	- appointed 7.7.14
	- resigned 6.2.15
R P Fellows	- appointed 8.8.14
Ms E M Howey	- appointed 12.8.14
Mrs L S Maclean	- appointed 12.8.14
Mrs I MacIver	- appointed 12.8.14
Mrs L A Maciver	- appointed 6.2.15
Mrs M Macleod	- appointed 6.2.15
Mrs D G Morrison	- appointed 6.2.15

Company Secretary

Independent examiner

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

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.

LOCHSIDE ARENA

REPORT OF THE TRUSTEES for the Year Ended 31 December 2014

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

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.

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 close 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

Throughout the year the board have been actively looking at how to maximise the usage of the arena to ensure that the local community extracts the maximum value from the facilities. 2014 utilisation was up on 2013 and the board will endeavour to ensure the same progress is maintained through 2015 and onwards.

FINANCIAL REVIEW

Reserves policy

Significant inroads were made into repaying the development costs outstanding from 2013. These costs will be cleared by the end of 2015. Following this the surplus income will be used to enhance the facility for all as well as covering routine and non routine maintenance.

Currently we are looking at options to improve the surface for all arena users, add facilities such as extra stables and review hire charges and membership rates to ensure all can use the facility.

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 21 July 2015 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 2014 set out on pages four to nine.

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.

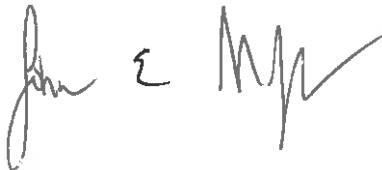
Independent examiner's statement

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

21 July 2015

LOCHSIDE ARENA

STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 December 2014

	Notes	Unrestricted fund £	Restricted fund £	31.12.14 Total funds £	31.12.13 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	16,719	-	16,719	20,441
Activities for generating funds	3	2,395	-	2,395	3,593
Other incoming resources		<u>6,851</u>	<u>-</u>	<u>6,851</u>	<u>3,060</u>
Total incoming resources		25,965	-	25,965	27,094
RESOURCES EXPENDED					
Costs of generating funds					
Fundraising trading: cost of goods sold and other costs		2,912	-	2,912	1,084
Charitable activities					
Charitable		13,126	16,206	29,332	26,990
Governance costs		<u>858</u>	<u>-</u>	<u>858</u>	<u>504</u>
Total resources expended		<u>16,896</u>	<u>16,206</u>	<u>33,102</u>	<u>28,578</u>
NET INCOMING/(OUTGOING) RESOURCES		9,069	(16,206)	(7,137)	(1,484)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>19,603</u>	<u>437,900</u>	<u>457,503</u>	<u>458,987</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>28,672</u></u>	<u><u>421,694</u></u>	<u><u>450,366</u></u>	<u><u>457,503</u></u>

The notes form part of these financial statements

LOCHSIDE ARENA

**BALANCE SHEET
At 31 December 2014**

	Not es	Unrestricted fund £	Restricted fund £	31.12.14 Total funds £	31.12.13 Total funds £
FIXED ASSETS					
Tangible assets	6	31,643	421,694	453,337	470,826
CURRENT ASSETS					
Debtors	7	1,645	-	1,645	3,553
Cash at bank and in hand		<u>5,295</u>	<u>-</u>	<u>5,295</u>	<u>14,708</u>
		6,940	-	6,940	18,261
CREDITORS					
Amounts falling due within one year	8	(9,911)	-	(9,911)	(31,584)
		<u>(2,971)</u>	<u>-</u>	<u>(2,971)</u>	<u>(13,323)</u>
NET CURRENT ASSETS/(LIABILITIES)					
		<u>28,672</u>	<u>421,694</u>	<u>450,366</u>	<u>457,503</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>28,672</u>	<u>421,694</u>	<u>450,366</u>	<u>457,503</u>
NET ASSETS					
		<u>28,672</u>	<u>421,694</u>	<u>450,366</u>	<u>457,503</u>
FUNDS					
Unrestricted funds	9			28,672	19,603
Restricted funds				<u>421,694</u>	<u>437,900</u>
TOTAL FUNDS					
				<u>450,366</u>	<u>457,503</u>

The notes form part of these financial statements

BALANCE SHEET - CONTINUED
At 31 December 2014

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2014.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2014 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 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on 21 July 2015 and were signed on its behalf by:

L S Maclean - Trustee



**Notes to the Financial Statements
for the Year Ended 31 December 2014**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

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. VOLUNTARY INCOME

	31.12.14	31.12.13
	£	£
Donations	79	356
Grants	-	10,000
Membership fees	1,096	555
Admissions	<u>15,544</u>	<u>9,530</u>
	<u>16,719</u>	<u>20,441</u>

Grants received, included in the above, are as follows:

	31.12.14	31.12.13
	£	£
Awards for all	<u>-</u>	<u>10,000</u>

LOCHSIDE ARENA

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 December 2014**

3. ACTIVITIES FOR GENERATING FUNDS

	31.12.14	31.12.13
	£	£
Fundraising events	640	3,143
Sponsorships	250	450
Dressage competitions	<u>1,505</u>	<u>-</u>
	<u>2,395</u>	<u>3,593</u>

4. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	31.12.14	31.12.13
	£	£
Depreciation - owned assets	<u>17,489</u>	<u>16,686</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There was no trustee's remuneration or other benefits for the year ended 31 December 2014 nor for the year ended 31 December 2013.

Mr T Robson (Trustee) is owed the sum of £4,000 at the balance sheet date in respect of a fee for the project management of the Arena construction. The fee is in respect of Mr Robsons professional services provided, and is not in relation to his duties as a Trustee of the charity.

At the balance sheet date the sum of £428 (2013 - £nil) is due to Rob Fellows, director, in respect of charity expenses incurred personally.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2014 nor for the year ended 31 December 2013.

6. TANGIBLE FIXED ASSETS

	Land and buildings	Plant and machinery etc	Totals
	£	£	£
COST			
At 1 January 2014 and 31 December 2014	<u>482,853</u>	<u>4,659</u>	<u>487,512</u>
DEPRECIATION			
At 1 January 2014	15,592	1,094	16,686
Charge for year	<u>16,598</u>	<u>891</u>	<u>17,489</u>
At 31 December 2014	<u>32,190</u>	<u>1,985</u>	<u>34,175</u>
NET BOOK VALUE			
At 31 December 2014	<u>450,663</u>	<u>2,674</u>	<u>453,337</u>
At 31 December 2013	<u>467,261</u>	<u>3,565</u>	<u>470,826</u>

LOCHSIDE ARENA

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 December 2014

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.14	31.12.13
	£	£
Trade debtors	1,645	-
Other debtors	-	493
Other debtors	-	3,060
	<u>1,645</u>	<u>3,553</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.14	31.12.13
	£	£
Trade creditors	9,083	30,220
Other creditors	828	1,364
	<u>9,911</u>	<u>31,584</u>

9. MOVEMENT IN FUNDS

	At 1.1.14	Net movement in funds	At 31.12.14
	£	£	£
Unrestricted funds			
General fund	19,603	9,069	28,672
Restricted funds			
Restricted funding	437,900	(16,206)	421,694
	<u>457,503</u>	<u>(7,137)</u>	<u>450,366</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	25,965	(16,896)	9,069
Restricted funds			
Restricted funding	-	(16,206)	(16,206)
	<u>25,965</u>	<u>(33,102)</u>	<u>(7,137)</u>

LOCHSIDE ARENA

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 December 2014

	Unrestricted funds £	Restricted funds £	31.12.14 Total funds £	31.12.13 Total funds £
INCOMING RESOURCES				
Voluntary income				
Donations	79	-	79	356
Grants	-	-	-	10,000
Membership fees	1,096	-	1,096	555
Admissions	<u>15,544</u>	-	<u>15,544</u>	<u>9,530</u>
	16,719	-	16,719	20,441
Activities for generating funds				
Fundraising events	640	-	640	3,143
Sponsorships	250	-	250	450
Dressage competitions	<u>1,505</u>	-	<u>1,505</u>	-
	2,395	-	2,395	3,593
Other incoming resources				
Insurance claim	6,651	-	6,651	3,060
Bank compensation	<u>200</u>	-	<u>200</u>	-
	<u>6,851</u>	-	<u>6,851</u>	<u>3,060</u>
Total incoming resources	25,965	-	25,965	27,094
RESOURCES EXPENDED				
Fundraising trading: cost of goods sold and other costs				
Fundraising costs	2,253	-	2,253	1,084
Dressage competition costs	<u>659</u>	-	<u>659</u>	-
	2,912	-	2,912	1,084
Charitable activities				
Rates and water	242	-	242	125
Insurance	882	-	882	1,665
Light and heat	1,281	-	1,281	1,785
Postage, stationery & advertising	471	-	471	285
Sundries	143	-	143	149
Annual return fee	26	-	26	13
Membership fees	339	-	339	514
Repairs	7,602	-	7,602	4,093
Fuel for quad	614	-	614	239
Licenses	242	-	242	169
Opening ceremony costs	-	-	-	1,267
Short leasehold depreciation	392	16,206	16,598	15,592
Plant and machinery depreciation	606	-	606	808
Fixtures & fittings depreciation	<u>286</u>	-	<u>286</u>	<u>286</u>
	13,126	16,206	29,332	26,990

This page does not form part of the statutory financial statements

LOCHSIDE ARENA**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 December 2014**

	Unrestricted funds £	Restricted funds £	31.12.14 Total funds £	31.12.13 Total funds £
Governance costs				
Accountancy	<u>858</u>	<u>-</u>	<u>858</u>	<u>504</u>
Total resources expended	16,896	16,206	33,102	28,578
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net expenditure	<u>9,069</u>	<u>(16,206)</u>	<u>(7,137)</u>	<u>(1,484)</u>

This page does not form part of the statutory financial statements