

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

**Report of the Trustees and
Financial Statements for the Year Ended 31 December 2022
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 2022**

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**Report of the Trustees
for the Year Ended 31 December 2022**

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 2022. 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, with particular emphasis on equestrian sport 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 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 or support our activities:

- Western Isles Branch of the Pony Club
- Lewis and Harris Riding Club
- The British Horse Society
- Horse Scotland
- Western Isles Dogs Group

The Arena saw a significant development in October 2021 when it was fully resurfaced with Silica sand - replacing the synthetic surface installed in 2015.

In April 2022 funding was obtained to further enhance the surface and available equipment. The Board purchased a stabilising fibre component to add to the silica sand, a towed mixing/levelling device required to maintain it. An ATV from which to operate the towed equipment was also procured. A full set of competition standard show jumps was also purchased to add to the centre facilities.

ACHIEVEMENT AND PERFORMANCE

Arena Utilisation

A full programme of events was delivered including 2 horse shows, 4 multi day coaching clinics with visiting instructors, numerous in-house practice days for both dressage and show jumping and a Dressage competition in April. Lewis and Harris Riding Club held working hunter and show jumping competitions at the Arena and Western Isles Pony Club used it for their Spring and Autumn camps.

Towards the end of the year the Western Isles Dogs Facebook Group started to use the arena for group meetings on Saturday afternoons.

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.

The local trekking centre - Traigh Mhor Pony Trekking - used the arena for a winter youth camp and for their annual "Santa Trot" Christmas event - with over 400 people attending during the 3 days.

**Report of the Trustees
for the Year Ended 31 December 2022**

FINANCIAL REVIEW

Reserves policy

A significant proportion of previously held reserves were used to support income from a fund raising campaign and facilitate the replacement of the arena surface in 2021 - which had been identified by users of the facility as a priority project required to ensure their continued support and to allow expansion of activities.

The new Board has continued a period of investment and development throughout 2022 which was required to regenerate interest in the facility after the Pandemic and encourage new and returning members and users of the facility.

The existing reserves depleted in 2021 were replaced in by the end of 2022 with all additional development being fully funded without reliance on revenue.

A breakdown of income by sales code is presented below:

Sales code:	Total (£)
Donations	£21,079.76
Commercial Hire	£120.00
Arena Hire	£4,571.50
Non Equestrian	£192.50
Membership Signup	£820.00
Membership Renewal	£155.00
Membership (concession)	£141.00
Lessons	£9,982.66
Dressage	£245.00
Dressage Practice Days	£190.00
Horse Show	£590.00
Jumping	£10.00

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)

Registered Charity number

SC040150

Registered office

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

**Report of the Trustees
for the Year Ended 31 December 2022**

Trustees

A L Fraser
J M Fraser
J Ross
G Taylor (resigned 15.10.22)
A J Trevor

Independent Examiner

John E Moffat
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 25 September 2023 and signed on its behalf by:

A J Trevor - Trustee

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

I report on the accounts for the year ended 31 December 2022 set out on pages five to thirteen.

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 (as amended). 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
The Institute of Chartered Accountants in England and Wales

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

25 September 2023

**Statement of Financial Activities
for the Year Ended 31 December 2022**

	Notes	Unrestricted fund £	Restricted fund £	31.12.22 Total funds £	31.12.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	8,814	20,000	28,814	8,378
Charitable activities					
Charitable		9,983	-	9,983	-
Other trading activities	3	1,035	-	1,035	798
Total		<u>19,832</u>	<u>20,000</u>	<u>39,832</u>	<u>9,176</u>
EXPENDITURE ON					
Charitable activities					
Charitable		<u>24,961</u>	<u>15,100</u>	<u>40,061</u>	<u>19,866</u>
NET INCOME/(EXPENDITURE)		(5,129)	4,900	(229)	(10,690)
RECONCILIATION OF FUNDS					
Total funds brought forward		36,010	315,879	351,889	362,579
TOTAL FUNDS CARRIED FORWARD		<u>30,881</u>	<u>320,779</u>	<u>351,660</u>	<u>351,889</u>

LOCHSIDE ARENA (REGISTERED NUMBER: SC352223)

**Balance Sheet
31 December 2022**

	Notes	Unrestricted fund £	Restricted fund £	31.12.22 Total funds £	31.12.21 Total funds £
FIXED ASSETS					
Tangible assets	7	24,503	315,563	340,066	341,584
CURRENT ASSETS					
Debtors	8	5,347	-	5,347	4,119
Cash at bank and in hand		<u>1,931</u>	<u>5,216</u>	<u>7,147</u>	<u>6,586</u>
		7,278	5,216	12,494	10,705
CREDITORS					
Amounts falling due within one year	9	(900)	-	(900)	(400)
NET CURRENT ASSETS					
		<u>6,378</u>	<u>5,216</u>	<u>11,594</u>	<u>10,305</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		30,881	320,779	351,660	351,889
NET ASSETS FUNDS					
	10	<u>30,881</u>	<u>320,779</u>	<u>351,660</u>	<u>351,889</u>
Unrestricted funds				30,881	36,010
Restricted funds				<u>320,779</u>	<u>315,879</u>
TOTAL FUNDS					
				<u>351,660</u>	<u>351,889</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 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.

The notes form part of these financial statements

Balance Sheet - continued
31 December 2022

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

The financial statements were approved by the Board of Trustees and authorised for issue on 25 September 2023 and were signed on its behalf by:

A J Trevor - Trustee

**Notes to the Financial Statements
for the Year Ended 31 December 2022**

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 2022

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
Donations	1,454	20,000	21,454	2,498
Membership fees	1,116	-	1,116	795
Admissions	6,124	-	6,124	4,485
Commercial Hire	120	-	120	600
	<u>8,814</u>	<u>20,000</u>	<u>28,814</u>	<u>8,378</u>

3. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
Fundraising events	600	-	600	798
Dressage competitions	435	-	435	-
	<u>1,035</u>	<u>-</u>	<u>1,035</u>	<u>798</u>

4. NET INCOME/(EXPENDITURE)

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

	31.12.22 £	31.12.21 £
Depreciation - owned assets	<u>16,302</u>	<u>16,096</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2022 nor for the year ended 31 December 2021.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	8,378	-	8,378
Other trading activities	798	-	798
Total	<u>9,176</u>	<u>-</u>	<u>9,176</u>
EXPENDITURE ON			
Charitable activities			
Charitable	<u>4,766</u>	<u>15,100</u>	<u>19,866</u>
NET INCOME/(EXPENDITURE)	4,410	(15,100)	(10,690)
RECONCILIATION OF FUNDS			
Total funds brought forward	31,600	330,979	362,579
TOTAL FUNDS CARRIED FORWARD	<u>36,010</u>	<u>315,879</u>	<u>351,889</u>

7. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 January 2022	482,853	3,231	16,404	502,488
Additions	-	14,784	-	14,784
At 31 December 2022	<u>482,853</u>	<u>18,015</u>	<u>16,404</u>	<u>517,272</u>
DEPRECIATION				
At 1 January 2022	145,409	3,231	12,264	160,904
Charge for year	16,095	-	207	16,302
At 31 December 2022	<u>161,504</u>	<u>3,231</u>	<u>12,471</u>	<u>177,206</u>
NET BOOK VALUE				
At 31 December 2022	<u>321,349</u>	<u>14,784</u>	<u>3,933</u>	<u>340,066</u>
At 31 December 2021	<u>337,444</u>	<u>-</u>	<u>4,140</u>	<u>341,584</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Trade debtors	1,345	315
Paypal	<u>4,002</u>	<u>3,804</u>
	<u>5,347</u>	<u>4,119</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Accrued expenses	<u>900</u>	<u>400</u>

10. MOVEMENT IN FUNDS

	At 1.1.22	Net movement in funds	At 31.12.22
	£	£	£
Unrestricted funds			
General fund	36,010	(5,129)	30,881
Restricted funds			
Restricted funding	315,879	4,900	320,779
TOTAL FUNDS	<u>351,889</u>	<u>(229)</u>	<u>351,660</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	19,832	(24,961)	(5,129)
Restricted funds			
Restricted funding	20,000	(15,100)	4,900
TOTAL FUNDS	<u>39,832</u>	<u>(40,061)</u>	<u>(229)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

10. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	31,600	4,410	36,010
Restricted funds			
Restricted funding	330,979	(15,100)	315,879
TOTAL FUNDS	<u>362,579</u>	<u>(10,690)</u>	<u>351,889</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	9,176	(4,766)	4,410
Restricted funds			
Restricted funding	-	(15,100)	(15,100)
TOTAL FUNDS	<u>9,176</u>	<u>(19,866)</u>	<u>(10,690)</u>

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

	At 1.1.21 £	Net movement in funds £	At 31.12.22 £
Unrestricted funds			
General fund	31,600	(719)	30,881
Restricted funds			
Restricted funding	330,979	(10,200)	320,779
TOTAL FUNDS	<u>362,579</u>	<u>(10,919)</u>	<u>351,660</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

10. MOVEMENT IN FUNDS - continued

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	29,008	(29,727)	(719)
Restricted funds			
Restricted funding	20,000	(30,200)	(10,200)
TOTAL FUNDS	<u>49,008</u>	<u>(59,927)</u>	<u>(10,919)</u>

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2022.

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.