

SCOTTISH ATHLETICS LIMITED

A company limited by guarantee

YEAR ENDED 31 MARCH 2016

FINANCIAL STATEMENTS

Company Number: SC217377

Scottish Athletics Limited

Year ended 31 March 2016

COMPANY INFORMATION

Directors

Leslie Roy	(President)
Ian Beattie	(Chair)
Nigel Holl (resigned 31/05/16)	(Chief Executive Officer)
James Stewart	
Ronald Morrison	
Sandra Frame	
Stewart McCallum (resigned 23/08/15)	
Alison Johnstone	
John Rodger (appointed 26/09/15)	
Margaret Brown (appointed 26/09/15)	
Moira Maguire (appointed 26/09/15)	
Hugh Buchanan (appointed 26/09/15)	
Joanna Butterfield (appointed 18/01/16)	

Secretary

David Lindgren

Company Number

SC217377

Registered Office

Caledonia House
South Gyle
Edinburgh
EH12 9DQ

Auditors

Henderson Loggie
Chartered Accountants
34 Melville Street
Edinburgh
EH3 7HA

Scottish Athletics Limited

Year Ended 31 March 2016

REPORT OF THE DIRECTORS AND STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors present their report and financial statements for the year ended 31 March 2016.

Principal Activities

The company's principal activity is to act as the governing body for athletics in Scotland and as such to foster, develop and control the sport of athletics in Scotland. The year ahead offers the opportunity to build on the successes of 2015-16 and capitalise on the performances of Scottish athletes at the Rio Olympics and Paralympics in August 2016. Undoubtedly this inspiration will create an impact that will be felt way beyond the elite end of the sport and will provide a positive impact across the sport and business as a whole. Our role (and challenge) is to continue to provide a clear strategic lead for the sport whilst maintaining and improving support to athletes, clubs, members, coaches, and officials. The new financial year is the second year of our strategy, Perform When It Counts and the signs at present are encouraging. Our business strategy and direction relies upon clear and transparent partnerships both, within the sport (ie member clubs), and with key stakeholders - at Local, National and UK level. Those partnerships are strong, and represent a positive framework for future success.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial Review

The company has recorded a surplus for the year of £53,587 (2015 - £1,322) with reserves at 31 March 2016 of £296,624 (2015 - £243,037).

The results are consistent with the budgetary expectations stated at the last annual general meeting.

As with recent years, the financial strategy of the company has been to maintain the normal operating budget for ongoing activities on a break-even basis, seeking to increase the Reserves by a minimum of 10% year on year - seeking to achieve a reserve of 6 months operating costs ultimately. Investment funding from sportscotland is allocated primarily to staff costs, administration and to international performance and competition, with the balance of funding required to be generated from commercial income and sponsorship, membership or generated through activity.

Scottish Athletics is a company limited by guarantee incorporated on 28/03/2001. The company was established under a Memorandum of Association which established the objects and powers of the company and is governed by the Articles of Association.

The total income of the company was £2,134,214 (2015 - £2,143,450) with grant funding providing 57%, membership and event income 35%, marketing and sponsorship 1% and other sources 7%. The financial performance gives Scottish Athletics a solid platform to advance the sport in the coming years.

As ever, Scottish Athletics would like to thank its partners and sponsors: Scottish Government, sportscotland, UK Athletics, Lindsays and Run 4 It for their support as well as the contributions made to events and essential development programmes by City of Edinburgh Council and Glasgow City Council, and the many other local authorities/leisure trusts who invest in the sport. Such support remains vital to the sport's success.

Scottish Athletics Limited

YEAR ENDED 31 March 2016

REPORT OF THE DIRECTORS (continued)

Directors

The directors of the company are detailed on page 1. With the exception of the Chair, the President, the Chief Executive and those Board members representing the Commissions and other parties with representation rights on the Board, all Board members appointed shall be subject to retirement by rotation after they have been in office for four or more years since they were appointed or reappointed. Such Board members may serve a maximum of two terms. Any Board member retiring in accordance with these provisions shall be eligible for re-appointment after the end of their first tenure, but shall not be eligible for re-election thereafter.

Membership

At 31 March 2016, 166 Clubs and Associates were in membership of the company (2015 - 156) and there were 11,974 members of Athletics Scotland, the membership scheme of Scottish Athletics (2015 - 11,303).

Auditors

Henderson Loggie have completed the contract term. A resolution proposing their continued appointment will be submitted at the Annual General Meeting.

Statement as to Disclosure of Information to Auditors

The Board Members who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Board Members have confirmed that they have taken all the steps that they ought to have taken as Board Members in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Small Company Rules

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

By order of the Board



Ian Beattie

Chair

11 July 2016



Independent auditors' report to the members of Scottish Athletics Limited

We have audited the financial statements of Scottish Athletics Limited for the year ended 31 March 2016 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice Applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the directors' responsibilities statement (set out on page 2), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material inconsistencies we consider the implications for our report. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small company regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

James Davidson (Senior Statutory Auditor)

For and on behalf of Henderson Loggie Chartered Accountants, Statutory Auditors
34 Melville Street, Edinburgh, EH3 7HA
18 July 2016

Scottish Athletics Limited

Profit and Loss Account

For the year ended 31 March 2016

	Notes	2016 £	2015 £
Income			
Income from grant funding		1,223,207	1,245,675
Income from marketing and sponsorship		14,844	33,616
Income from the membership and from events		741,105	707,614
Other income		155,058	156,545
Total operating income		<u>2,134,214</u>	<u>2,143,450</u>
Expenditure			
Administrative costs		572,462	589,476
Events and programme costs		1,442,562	1,479,260
Membership scheme costs		38,506	37,868
Marketing and fundraising costs		31,331	41,362
Total operating expenditure		<u>2,084,861</u>	<u>2,147,966</u>
Operating surplus/(deficit)	2	49,353	(4,516)
Interest receivable		6,887	12,895
Surplus for the year before taxation		<u>56,240</u>	<u>8,379</u>
Taxation		2,653	7,057
Surplus for the year		<u>53,587</u>	<u>1,322</u>

Scottish Athletics Limited

Balance Sheet

For the year ended 31 March 2016

	Notes	2016 £	2015 £
Fixed assets			
Investments	5	22,914	22,914
Tangible assets	6	28,568	52,699
		<u>51,482</u>	<u>75,613</u>
Current assets			
Stocks		-	500
Debtors	7	117,754	70,678
Cash at bank and in hand		951,355	891,238
		<u>1,069,109</u>	<u>962,416</u>
Creditors: amounts falling due within one year	8	(823,967)	(794,992)
Net current assets		245,142	167,424
Total assets less current liabilities		<u>296,624</u>	<u>243,037</u>
Net assets		<u>296,624</u>	<u>243,037</u>
Reserves	9	<u>296,624</u>	<u>243,037</u>

The financial statements have been prepared in accordance with the provision applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective January 2015), and were approved and authorised for issue by the board on 11 July 2016 and signed on its behalf by:



Ian Beattie
Chair
11 July 2016

Scottish Athletics Limited

Notes to the financial statements

For the year ended 31 March 2016

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Going concern

At 31 March 2016 the company had net current assets of £245,142 (2015 - £167,424). Having reviewed the financial projections for the year to 31 March 2017 and having regard to both confirmed and indicative funding for the period to 2017, the Directors are satisfied that the going concern basis is appropriate.

Recognition of income

Income is credited in the accounts on the date of receipt, except for subscriptions, fees and grants received in advance that are credited in the year in which they fall due.

Should grant income received during the financial period be unspent during that period, the position is discussed with the funders and subject to the agreement of the organisation providing that income, the sums concerned will be deferred and utilised to meet appropriate business needs in subsequent financial periods.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is calculated to write off evenly the cost of fixed assets over their expected useful life, as follows:-

Computer equipment	- 4 years
Other office equipment	- 4 years
Furniture and Fittings	- 10 years

Website design and content development costs are capitalised to the extent that they lead to the creation of an enduring asset delivering benefits at least as great as the amount capitalised. The website costs are depreciated on a straight line basis over 3 years following completion of the development work. Grant income in respect of the development is released to the Profit and Loss account over the same 3 year period.

Investments

Fixed asset investments are stated at cost less provision for impairment in value.

Stocks

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

Pensions

The company operates a group pension scheme, contributing a fixed percentage of each employee's salary to an individual pension plan. Costs in respect of this are charged to the Profit and Loss account in the period they are incurred.

Leased assets

The annual rentals on operating leases on equipment and vehicles, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Scottish Athletics Limited

Notes to the financial statements

For the year ended 31 March 2016

2. OPERATING SURPLUS/(DEFICIT)	2016	2015
	£	£
Operating surplus/(deficit) is stated after charging:		
Depreciation of tangible fixed assets	24,131	29,005
Auditors' remuneration	6,400	6,790
Pension costs	43,610	35,983
	<hr/>	<hr/>

3. TAXATION	2016	2015
	£	£
Corporation tax charge	2,653	7,057
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4. DIRECTORS EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2016	2015
	£	£
Emoluments receivable		
Remuneration	96,789	79,573
Pension	5,468	4,774
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Remuneration in 2016 includes £30,000 which was recharged to UK Athletics Limited in respect of the secondment of Nigel Holl to UK Athletics Limited, to act as their Head of Strategy.

As at 31 March 2016 retirement benefits were accruing to one director in respect of money purchase pension schemes.

During the year, 3 (2015 - 3) directors received reimbursement of travel expenses of £1,824 (2015 - £1,670).

5. INVESTMENTS	2016	2015
	£	£
At 1 April 2015 and 31 March 2016	22,914	22,914
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Investments at the year ended 31 March 2016 relate to Trophies and McLanaghan Trust. All investments are held at cost.

Scottish Athletics Limited

Notes to the financial statements

For the year ended 31 March 2016

6. TANGIBLE FIXED ASSETS

	Office Equipment £	Furniture & Fittings £	Website £	Total £
Cost				
At 1 April 2015	116,884	11,315	77,590	205,789
At 31 March 2016	116,884	11,315	77,590	205,789
Depreciation				
At 1 April 2015	(94,762)	(10,978)	(47,350)	(153,090)
Charge for year	(8,448)	(200)	(15,483)	(24,131)
At 31 March 2016	(103,210)	(11,178)	(62,833)	(177,221)
Net book value				
At 31 March 2016	13,674	137	14,757	28,568
At 31 March 2015	22,122	337	30,240	52,699

Scottish Athletics Limited

Notes to the financial statements

For the year ended 31 March 2016

7. DEBTORS	2016	2015
	£	£
Trade debtors	50,134	62,733
Other debtors	51,309	-
Prepayments	16,311	7,945
	<u>117,754</u>	<u>70,678</u>

8. CREDITORS - Amounts falling due within one year	2016	2015
	£	£
Trade creditors	92,463	99,061
V.A.T. payable	(2,308)	(432)
Corporation Tax	2,653	7,055
Trust fund creditors	12,177	12,177
Other creditors	90,316	72,016
Deferred income	428,879	508,382
Accrued charges	199,787	96,733
	<u>823,967</u>	<u>794,992</u>

9. RESERVES	2016	2015
	£	£
Prior year balance carried forward	243,037	241,715
Surplus for the current year	53,587	1,322
	<u>296,624</u>	<u>243,037</u>

10. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2016 the company had annual commitments under non-cancellable operating leases as follows:

	2016	2015
	£	£
Land and Buildings		
Expiring in less than one year	34,230	34,230
Other		
Expiring in less than one year	2,178	8,187
Expiring in, between two and five years	11,171	2,632

11. ULTIMATE CONTROLLING PARTY

The organisation is controlled by its Club and Associate members who are entitled to mandate one delegate each to attend any General Meeting, speak and vote on their behalf.

The following pages do not form part of the statutory accounts
 Scottish Athletics Limited

Appendix to the financial statements

For the year ended 31 March 2016

ANALYSIS OF INCOME	2016	2015
	£	£
Income from grant funding		
sportscotland general grant	173,900	194,891
sportscotland funding	731,579	746,565
Funded programmes	189,803	186,969
Lottery contribution	26,100	26,100
UKA fund income	101,825	91,150
	<u>1,223,207</u>	<u>1,245,675</u>
Income from marketing and sponsorship		
Sponsorship	4,000	19,560
Awards dinner	5,966	7,952
Advertising	4,878	6,104
	<u>14,844</u>	<u>33,616</u>
Income from the membership and from events		
Membership scheme	114,792	99,814
Affiliation fees	118,667	108,111
Event income	169,235	140,479
Levies and permits	121,658	128,517
Athletes' contributions	6,899	7,406
Special Projects	20,630	70,812
Club Together	189,224	152,475
	<u>741,105</u>	<u>707,614</u>
Other income		
Course fees	88,791	95,062
Donation		245
Sundry income	66,267	61,238
	<u>155,058</u>	<u>156,545</u>
Total income	<u>2,134,214</u>	<u>2,143,450</u>

Scottish Athletics Limited

Appendix to the financial statements

For the year ended 31 March 2016

ANALYSIS OF EXPENDITURE	2016	2015
	£	£
Administrative costs		
Staff costs	372,157	352,833
Recruitment and training	9,385	92
Leasing	9,627	10,844
Rent, rates and insurance	51,636	52,697
Computer maintenance and running costs	15,671	15,343
Postages	4,153	5,754
Stationery	3,546	9,104
Telephone, fax and internet	8,709	9,142
Travel and subsistence	20,468	19,633
Board, Commission and AGM expenses	3,524	2,748
Honoraria	1,517	2,000
Professional fees	7,600	12,941
Depreciation	24,131	26,877
Kit purchases	2,554	16,107
Irrecoverable VAT	25,781	42,546
Subscriptions and Publications	1,344	2,344
Miscellaneous	10,659	8,471
	<u>572,462</u>	<u>589,476</u>
Events and programme costs		
Event expenditure	189,503	167,815
Commonwealth Games 2014	39,404	82,441
Performance programme	394,269	415,349
National performance staff	169,621	204,084
Jogscotland	200,552	192,424
Educational courses	64,875	71,386
Club & Youth development	121,148	121,617
Coaches and officials services	872	1,348
Special Projects	73,094	70,323
Club Together	189,224	152,473
	<u>1,442,562</u>	<u>1,479,260</u>

Scottish Athletics Limited

Appendix to the financial statements

For the year ended 31 March 2016

ANALYSIS OF EXPENDITURE (continued)

	2016 £	2015 £
Membership scheme costs		
Administration	1,269	1,158
Postage	17,121	16,329
PB	20,116	20,381
	<u>38,506</u>	<u>37,868</u>
Marketing and fundraising costs		
Awards dinner	19,163	18,956
Web site	5,280	7,704
Promotion	6,888	14,702
	<u>31,331</u>	<u>41,362</u>
Total expenditure	<u>2,084,861</u>	<u>2,147,966</u>