

SCOTTISH ATHLETICS LIMITED
A company limited by guarantee

YEAR ENDED 31 MARCH 2014

FINANCIAL STATEMENTS

Company Number: SC217377

Scottish Athletics Limited

Year ended 31 March 2014

COMPANY INFORMATION

Directors

Leslie Roy	(President)	
Ian Beattie	(Chairperson)	
Nigel Holl	(Chief Executive)	
Tommy Boyle		Resigned 26/08/13
Alex Barr		Resigned 26/08/13
James Stewart		
Ronald Morrison		
Sandra Frame		Appointed 26/08/13
Stewart McCallum		Appointed 26/08/13

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 2014

REPORT OF THE DIRECTORS AND STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors present their report and financial statements for the year ended 31 March 2014.

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 unique opportunity to continue to build upon the "catalytic" impact of the "Home" Commonwealth Games in Glasgow - an impact that has been felt up to this point across the business - not only on the elite performance end. Our challenge is maintaining that momentum with athletes, clubs, members, coaches, volunteers. We will take the opportunity to consider and revise our strategic priorities for the year ahead, and continue to work closely with our key partners and stakeholders for the positive benefit of our members and our sport.

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 £39,010 (2013 - £66,921) with reserves at 31 March 2014 of £241,715 (2013 - £202,705).

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

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 £2,156,964 (2013 - £2,015,368) with grant funding providing 59%, membership and event income 33%, 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 their partners and sponsors: **sportscotland**, UK Athletics, Big Lottery Fund, Kukri 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, as well as many other local authorities. Such support remains vital to the sport's success.

Scottish Athletics Limited

YEAR ENDED 31 March 2014

REPORT OF THE DIRECTORS (continued)

Directors

The directors of the company are detailed on page 1. With the exception of the Chair, President and Chief Executive, all Board Members retire at the Annual General Meeting but are eligible for re-election. The tenure of the Chair is four years but he or she is eligible for re-appointment. The President shall be elected for a maximum period of four years, with eligibility for re-election after a period of one year.

Membership

At 31 March 2014, 156 Clubs and Associates were in membership of the company (2013 - 156) and there were 10,915 members of Athletics Scotland, the membership scheme of Scottish Athletics (2013 - 10,102).

Auditors

Henderson Loggie are part way through the three year 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



Nigel Holl
Director

Date 18 June 2014



HENDERSON LOGGIE
Chartered Accountants

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 2014 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 April 2008) (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.

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 2014 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.

Janet Stevenson (Senior Statutory Auditor)
For and on behalf of Henderson Loggie Statutory Auditors
Edinburgh
20 June 2014

Scottish Athletics Limited

Profit and Loss Account

For the year ended 31 March 2014

	Notes	2014 £	2013 £
Income			
Income from grant funding		1,265,122	1,123,943
Income from marketing and sponsorship		31,334	47,066
Income from the membership and from events		706,689	673,999
Other income		153,819	170,360
Total operating income		2,156,964	2,015,368
Expenditure			
Administrative costs		531,951	551,450
Events and programme costs		1,534,324	1,319,822
Membership scheme costs		31,818	40,675
Marketing and fundraising costs		32,621	39,727
Total operating expenditure		2,130,714	1,951,674
Operating surplus	2	26,250	63,694
Interest receivable		20,969	13,951
Surplus for the year before taxation		47,219	77,645
Taxation		8,209	10,724
Surplus for the year		39,010	66,921

Scottish Athletics Limited

Balance Sheet

For the year ended 31 March 2014

	Notes	2014 £	2013 £
Fixed assets			
Investments	5	22,914	22,914
Tangible assets	6	54,400	21,128
		<u>77,314</u>	<u>44,042</u>
Current assets			
Stocks		1,100	-
Debtors	7	74,270	123,295
Cash at bank and in hand		976,087	986,977
		<u>1,051,457</u>	<u>1,110,272</u>
Creditors: amounts falling due within one year	8	(887,056)	(951,609)
Net current assets		164,401	158,663
Total assets less current liabilities		<u>241,715</u>	<u>202,705</u>
Net assets		<u>241,715</u>	<u>202,705</u>
Reserves	9	<u>241,715</u>	<u>202,705</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 April 2008), and were approved and authorised for issue by the board on 16 June 2014 and signed on its behalf by:



Ian Beattie
Director
18 June 2014

Scottish Athletics Limited

Notes to the financial statements

For the year ended 31 March 2014

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 April 2008).

Going concern

At 31 March 2014 the company had net current assets of £164,401 (2013 - £158,663). Having reviewed the financial projections for the year to 31 March 2015 and having regard to both confirmed and indicative funding for the period to 2016, 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 2014

2. OPERATING SURPLUS

	2014	2013
	£	£
Operating surplus is stated after charging:		
Depreciation of tangible fixed assets	13,201	11,875
Auditors' remuneration	5,750	5,445
Pension costs	31,566	30,468
	<hr/>	<hr/>

3. TAXATION

	2014	2013
	£	£
Corporation tax charge	8,209	10,724
	<hr/>	<hr/>

4. DIRECTORS EMOLUMENTS

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

	2014	2013
	£	£
Emoluments receivable	71,188	71,508
Remuneration		
Pension	4,038	3,978
	<hr/>	<hr/>

As at 31 March 2014 retirement benefits were accruing to one director in respect of money purchase pension schemes

5. INVESTMENTS

	2014	2013
	£	£
At 1 April 2013 and 31 March 2014	22,914	22,914
	<hr/>	<hr/>

Investments at the year ended 31 March 2014 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 2014

6. TANGIBLE FIXED ASSETS

	Office Equipment £	Furniture & Fittings £	Website £	Total £
Cost				
At 1 April 2013	91,684	11,315	31,140	134,139
Additions	20,298	-	26,175	46,473
At 31 March 2014	111,982	11,315	57,315	180,612
Depreciation				
At 1 April 2013	(76,180)	(10,191)	(26,640)	(113,011)
Charge for year	(8,248)	(393)	(4,560)	(13,201)
At 31 March 2014	(84,428)	(10,584)	(31,200)	(126,212)
Net book value				
At 31 March 2014	27,554	731	26,115	54,400
At 31 March 2013	15,504	1,124	4,500	21,128

Scottish Athletics Limited

Notes to the financial statements

For the year ended 31 March 2014

7. DEBTORS

	2014	2013
	£	£
Trade debtors	59,734	110,924
Other debtors	-	456
Prepayments	14,536	11,915
	74,270	123,295

8. CREDITORS - Amounts falling due within one year

	2014	2013
	£	£
Trade creditors	152,365	93,361
V.A.T. payable	1,962	7,752
Corporation Tax	8,209	10,724
Trust fund creditors	12,177	12,177
Other creditors	56,721	36,911
Deferred income	567,114	650,648
Accrued charges	88,508	140,036
	887,056	951,609

9. RESERVES

	2014	2013
	£	£
Prior year balance carried forward	202,705	135,784
Surplus for the current year	39,010	66,921
	241,715	202,705

10. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2014 the company had annual commitments under non-cancellable operating leases as follows:

	2014	2013
	£	£
Land and Buildings		
Expiring in less than one year	34,230	34,230
Other		
Expiring in less than one year	3,390	1,474
Expiring in, between two and five years	12,996	19,000

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 2014

ANALYSIS OF INCOME	2014 £	2013 £
Income from grant funding		
sportscotland funding	876,161	907,243
Funded programmes	190,455	186,764
Lottery contribution	26,100	26,100
Other grant support	18,573	-
UKA fund income	153,833	3,835
	<u>1,265,122</u>	<u>1,123,943</u>
Income from marketing and sponsorship		
Sponsorship	16,000	19,716
Awards dinner	9,400	11,314
Advertising	5,934	7,485
On line entry fees	-	8,551
	<u>31,334</u>	<u>47,066</u>
Income from the membership and from events		
Membership scheme	99,005	95,684
Affiliation fees	100,416	89,818
Event income	126,858	128,670
Levies and permits	136,398	159,236
Athletes' contributions	6,932	7,582
Corporate challenge races	-	36,302
Special Projects	102,052	46,286
Club Together	135,028	110,421
	<u>706,689</u>	<u>673,999</u>
Other income		
Course fees	91,203	88,431
Kit & merchandising sales	-	6,907
Coaches conference	29,676	39,091
Donation	5	65
Sundry income	32,935	35,867
	<u>153,819</u>	<u>170,360</u>
Total income	<u>2,156,964</u>	<u>2,015,368</u>

Scottish Athletics Limited

Appendix to the financial statements

For the year ended 31 March 2014

ANALYSIS OF EXPENDITURE	2014	2013
	£	£
Administrative costs		
Staff costs	333,665	327,370
Recruitment and training	394	311
Leasing	9,761	16,801
Rent, rates and insurance	32,435	55,444
Repairs and maintenance	-	565
Computer maintenance and running costs	13,858	8,341
Postages	2,785	3,336
Stationery	4,932	11,654
Telephone, fax and internet	11,569	12,833
Travel and subsistence	18,252	18,224
Board, Commission and AGM expenses	2,541	1,249
Honoraria	2,000	2,000
Professional fees	7,371	12,437
Depreciation	13,201	11,875
Kit purchases	29,982	16,332
Bad debts	1,333	-
Irrecoverable VAT	38,548	40,641
Subscriptions and Publications	1,339	3,599
Miscellaneous	7,985	8,438
	<u>531,951</u>	<u>551,450</u>
Events and programme costs		
Event expenditure	162,500	130,506
Corporate challenge races	-	36,744
Commonwealth Games 2014	68,730	28,888
Performance programme	381,214	363,466
National performance staff	193,922	141,426
Jogscotland	210,542	179,689
Educational courses	65,756	56,732
Club & Youth development	111,163	112,611
Coaches and officials services	70,822	50,175
Special Projects	134,647	109,164
Club Together	135,028	110,421
	<u>1,534,324</u>	<u>1,319,822</u>

Scottish Athletics Limited

Appendix to the financial statements

For the year ended 31 March 2014

ANALYSIS OF EXPENDITURE (continued)

	2014	2013
	£	£
Membership scheme costs		
Administration	1,414	2,585
Postage	12,936	15,278
PB	17,468	22,812
	<u>31,818</u>	<u>40,675</u>
Marketing and fundraising costs		
Marketing		
Awards dinner	20,437	17,468
Web site	5,654	5,671
Promotion	6,530	16,588
	<u>32,621</u>	<u>39,727</u>
Total expenditure	<u>2,130,714</u>	<u>1,951,674</u>