

SCOTTISH ATHLETICS LIMITED

A company limited by guarantee

YEAR ENDED 31 MARCH 2018

FINANCIAL STATEMENTS

Company Number: SC217377

Scottish Athletics Limited

Year ended 31 March 2018

COMPANY INFORMATION

Directors

Leslie Roy	(President)
Ian Beattie	(Chair)
Mark Munro	(Chief Executive Officer)
Ronald Morrison	
Sandra Frame	
Alison Johnstone	
John Rodger	
Margaret Brown	
Moira Maguire	
Hugh Buchanan	
Joanna Butterfield	

Secretary

David Lindgren (resigned 22/02/18)
Laura McCallum (appointed 11/06/18)

Company Number

SC217377

Registered Office

Caledonia House
South Gyle
Edinburgh
EH12 9DQ

Auditors

Henderson Loggie
Chartered Accountants
11-15 Thistle Street
Edinburgh
EH2 1DF

REPORT OF THE DIRECTORS AND STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors present their report and financial statements for the year ended 31 March 2018.

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. Our role is to provide a clear strategic lead for the sport whilst continuing to evolve and develop the support to all members (athletes, clubs, coaches, officials and event organisers) and we will continue to evolve and provide initiatives to support clubs and volunteers at the heart of the sport. 2017-18 was the third year of our strategy, Perform When It Counts, and the Board are very positive about the ongoing development of the sport. National (exchequer and lottery) funding continues to be a challenge for all sport in this country. No matter what the future funding picture looks like nationally, **scottishathletics** Ltd will continue to concentrate our investment at the heart of the sport where it matters. Our business strategy and direction relies upon clear and transparent partnerships both within the sport i.e. member clubs and with key stakeholders. Our partnerships remain strong and it is important that we continue to build on these if we are to continue with the current upwards trajectory.

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 £32,948 (2017 - £48,681) with reserves at 31 March 2018 of £367,790 (2017 - £334,842).

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 a minimum of three 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 £2,073,282 (2017 - £2,021,657) with grant funding providing 54%, membership and event income 38%, marketing and sponsorship 2% and other sources 6%. The financial performance gives Scottish Athletics a solid platform to advance the sport in the coming years despite ongoing financial challenges across sport in Scotland.

Scottish Athletics would like to thank its partners and sponsors - Scottish Government, sportscotland, UK Athletics, Lindsays, FPSG Professional Recruitment, DW Sport & Fitness, Scottish Association for Mental Health, Voice Mobile and Strathmore - for their support as well as the contributions made to events and essential development programmes by City of Edinburgh Council, Falkirk Leisure Trust, North Lanarkshire Leisure and Glasgow City Council, and the many other local authorities/leisure trusts who invest in the sport. Such support remains a keystone to the future success of the sport.

YEAR ENDED 31 March 2018

REPORT OF THE DIRECTORS (continued)

Directors

The directors of the company are detailed on page 1. With the exception of the Chief Executive Officer 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 2018, 170 Clubs and Associates were in membership of the company (2017 - 169) and there were 12,997 members of Athletics Scotland, the membership scheme of Scottish Athletics (2017 - 12,531).

Auditors

Henderson Loggie were reappointed as auditors at the 2017 AGM for another term.

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

13 July 2018

Opinion

We have audited the financial statements of Scottish Athletics Limited (the 'company') for the year ended 31 March 2018 which comprise the Profit And Loss Account, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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 companies 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.



James Davidson (Senior Statutory Auditor)

For and on behalf of Henderson Loggie Chartered Accountants, Statutory Auditors

11-15 Thistle Street, Edinburgh, EH2 1DF

13 July 2018

Scottish Athletics Limited

Profit and Loss Account

For the year ended 31 March 2018

	Notes	2018 £	2017 £
Income			
Income from grant funding		1,125,048	1,117,843
Income from marketing and sponsorship		40,728	24,959
Income from the membership and from events		793,893	768,705
Other income		113,613	110,150
Total operating income		<u>2,073,282</u>	<u>2,021,657</u>
Expenditure			
Administrative costs		573,166	604,159
Events and programme costs		1,385,473	1,275,589
Membership scheme costs		16,683	25,672
Marketing and fundraising costs		66,234	70,033
Total operating expenditure		<u>2,041,556</u>	<u>1,975,453</u>
Operating surplus/(deficit)	2	31,726	46,204
Interest receivable		5,949	6,043
Surplus for the year before taxation		37,675	52,247
Taxation		(4,727)	(3,566)
Surplus for the year		<u>32,948</u>	<u>48,681</u>

Scottish Athletics Limited

Balance Sheet

For the year ended 31 March 2018

	Notes	2018 £	2017 £
Fixed assets			
Investments	5	12,931	12,931
Tangible assets	6	1,642	7,138
		<u>14,573</u>	<u>20,069</u>
Current assets			
Debtors	7	100,916	43,159
Cash at bank and in hand		1,124,132	1,029,514
		<u>1,225,048</u>	<u>1,072,673</u>
Creditors: amounts falling due within one year	8	(871,831)	(757,900)
Net current assets		353,217	314,773
Total assets less current liabilities		<u>367,790</u>	<u>334,842</u>
Net assets		<u>367,790</u>	<u>334,842</u>
Reserves	9	<u>367,790</u>	<u>334,842</u>

The financial statements have been prepared in accordance with the provision applicable to companies subject to the small companies regime, and were approved and authorised for issue by the board on 13 July 2018 and signed on its behalf by:



Ian Beattie
Chair
13 July 2018

Scottish Athletics Limited

Notes to the financial statements

For the year ended 31 March 2018

1. ACCOUNTING POLICIES

Basis of preparation

Scottish Athletics is a company limited by guarantee incorporated in Scotland. The registered office is as noted in page 1. The financial statements are prepared under the historical cost convention and in accordance with the provisions of FRS102 Section 1A small entities.

Going concern

At 31 March 2018 the company had net current assets of £353,217 (2017 - £314,773). Having reviewed the financial projections for the year to 31 March 2019 and having regard to both confirmed and indicative funding for the period to 2019, 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

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 three 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 fair 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.

Taxation

The tax currently payable is based on taxable profit for the year.

2. OPERATING SURPLUS/(DEFICIT)

	2018 £	2017 £
Operating surplus/(deficit) is stated after charging:		
Depreciation of tangible fixed assets	5,496	22,484
Auditors' remuneration	6,465	6,280
Pension costs	41,729	38,349
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Scottish Athletics Limited

Notes to the financial statements

For the year ended 31 March 2018

3. TAXATION

	2018	2017
	£	£
Corporation tax charge	4,727	3,566

4. DIRECTORS EMOLUMENTS

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

		2018	2017
		£	£
Emoluments receivable	Remuneration	75,094	52,529
	Pension	3,535	2,573

The lower remuneration figure in 2017 reflects the fact that no Chief Executive was in place for the first part of that financial year.

As at 31 March 2018 retirement benefits were accruing to one director in respect of money purchase pension schemes.

The average number of employees during the year was 51 (split between 20 full time and 31 part time) (2017 - 20 full time and 44 part time).

5. INVESTMENTS

	2018	2017
	£	£
At 1 April 2017 and 31 March 2018	12,931	12,931

Investments at the year ended 31 March 2018 relate to the McLanaghan Trust. All investments are held at fair value.

Scottish Athletics Limited

Notes to the financial statements

Interest receivable

6. TANGIBLE FIXED ASSETS

	Office Equipment £	Furniture & Fittings £	Website £	Total £
Cost				
At 1 April 2017	117,938	11,315	77,590	206,843
Additions	-	-	-	-
At 31 March 2018	117,938	11,315	77,590	206,843
Depreciation				
At 1 April 2017	(110,800)	(11,315)	(77,590)	(199,705)
Charge for year	(5,496)	-	-	(5,496)
At 31 March 2018	(116,296)	(11,315)	(77,590)	(205,201)
Net book value				
At 31 March 2018	1,642	-	-	1,642
At 31 March 2017	7,138	-	-	7,138

7. DEBTORS

	2018 £	2017 £
Trade debtors	79,658	24,836
Prepayments	21,258	17,060
VAT debtor	-	1,263
	100,916	43,159

8. CREDITORS - Amounts falling due within one year

	2018 £	2017 £
Trade creditors	114,623	53,474
VAT payable	2,010	-
Corporation Tax	4,727	3,566
Trust fund creditors	12,177	12,177
Other creditors	89,791	89,791
Deferred income	485,745	476,487
Accrued charges	158,992	119,232
Pension charges	3,766	3,173
	871,831	757,900

Scottish Athletics Limited

Notes to the financial statements

For the year ended 31 March 2018

9. RESERVES

	2018	2017
	£	£
Prior year balance carried forward	334,842	286,161
Surplus for the current year	32,948	48,681
	367,790	334,842

10. COMMITMENTS UNDER OPERATING LEASES

Total future minimum lease payments under non-cancellable operating leases for each of the following periods are as follows:

	2018	2017
	£	£
Less than one year	43,307	45,401
In two to five years	2,632	8,163
Expiring in over five years		
	45,939	53,564

11. RELATED PARTY TRANSACTION

Scottish Athletics and SAMH have worked in partnership in areas of common interest governed by a Memorandum of Understanding since November 2013. During the year SAMH contributed £25,000 to Scottish Athletics to support the continuation of jogscotland. This aligns to the recreational element of the Scottish Athletics strategy and is considered to be in the normal course of business. Ian Beattie Scottish Athletics Chair, is also the Vice Chair of SAMH. Mr Beattie duly declared his interest at the Scottish Athletics Board meeting of the 20th March 2017, where this was discussed. This has been noted in the minute under item 16.

12. 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.