

**North Lanarkshire Leisure Trading  
Community Interest Company**

**Directors' report and financial statements  
for the year ended 31 March 2018**

Registered Number SC365792



# **North Lanarkshire Leisure Trading Community Interest Company**

## **Directors' report and financial statements for the year ended 31 March 2018**

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# **North Lanarkshire Leisure Trading Community Interest Company**

## **Directors' report for the year ended 31 March 2018**

The directors have pleasure in submitting the report and the audited financial statements of the company for the year ended 31 March 2018.

### **Reference and administrative details**

#### **Directors**

P Kelly	Appointed 20.06.17
F McNally	Appointed 20.06.17
P Hogg	Appointed 20.06.17
N Wilson	Appointed 20.06.17
F Fotheringham	Appointed 20.06.17
W Shields	Appointed 22.06.17
B McCulloch	Resigned 05.05.17
J Logue	Resigned 14.06.17
I Majid	Resigned 05.05.17
A Spowart	Resigned 05.05.17
J Taggart	Resigned 05.05.17
A Airlie	Resigned 06.04.17
D Gamble	
W Shearer	
G McKenzie	
R McCallum	
K McLoughlin	

**Registered Office** 1 Ardgoil Drive, Cumbernauld, Glasgow, G68 9NE

**Registered Number** SC365792

**Independent auditor** RSM UK Audit LLP  
Third Floor, Centenary House, 69 Wellington Street, Glasgow, G2 6HG

**Solicitors** DWF LLP  
Dalmore House, 310 St Vincent Street, Glasgow, G2 5QR

**Bankers** Royal Bank of Scotland  
10 Buchanan Street, Glasgow, G1 3PL.

# **North Lanarkshire Leisure Trading Community Interest Company**

## **Principal activities**

The company was created to undertake non-charitable trading activities on behalf of its parent company, North Lanarkshire Leisure Ltd, which is a registered charity. These activities include the following:

- Conferencing;
- Hospitality; and
- Special events (e.g. boxing events, careers fairs and any events not linked to the charitable objectives of the Trust).

## **Review of business risks and uncertainties**

The income statement is set out on page 6 of the financial statements. The company has made a profit of £26,208 during the period and this was distributed to the parent company.

A risk analysis has been undertaken to ensure that the company is aware of the key risks facing it. A pro-active approach is taken towards addressing the identified risks through improvement strategies.

The main function of the company is as detailed in the principal activities, to provide events and hospitality outwith the charitable objectives of North Lanarkshire Leisure. These events predominantly take place at Broadwood Stadium and Ravenscraig Regional Sports facility.

## **Dividends**

The company made a profit of £26k during the period which was distributed to North Lanarkshire Leisure Ltd. The directors recommend that no dividend be paid.

## **Directors and their interests**

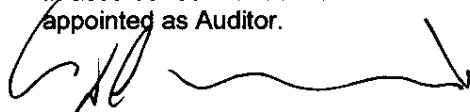
The directors who served during the period and who held office during the year are noted on page 1. The directors have no interest in the shares of the company or of its parent company.

## **Statement on disclosure of information to the auditors**

So far as each director is aware, there is no relevant audit information of which the company's auditor is unaware. Each director has taken all the steps (such as making enquiries of other directors and the auditor and any other steps required by the director's duty to exercise due care, skill and diligence) that he ought to have taken in his duty as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

## **Auditor**

In accordance with section 487 of the Companies Act 2006, RSM UK Audit LLP have been appointed as Auditor.



**By Order of the Board:**

**D. Gamble**

**Director**

**Date:** 2.10.18

# **North Lanarkshire Leisure Trading Community Interest Company**

## **Statement of directors' responsibilities in respect of the directors' report and the financial statements**

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; and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguarding the assets of the company and to prevent and detect fraud and other irregularities.

# **North Lanarkshire Leisure Trading Community Interest Company**

## **Independent Auditor's report to the members of North Lanarkshire Leisure Trading Community Interest Company**

### **Opinion**

We have audited the financial statements of North Lanarkshire Leisure Trading CIC (the 'company') for the year ended 31 March 2018 which comprise the Income Statement, Statement of Financial Position, Statement of Changes in Equity 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 profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

# North Lanarkshire Leisure Trading Community Interest Company

## 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 in relation to which 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 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.

## Use of our 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.

Kelly Adams MA, (hons), C.A. (Senior Statutory Auditor)  
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
Third Floor, Centenary House  
69 Wellington Street  
Glasgow  
G2 6HG



Date 10/10/18

# North Lanarkshire Leisure Trading Community Interest Company

## Income Statement for the year ended 31 March 2018

	Note	2018 £	2017 £
<b>Turnover</b>		<b>103,753</b>	<b>73,386</b>
Administrative expenses	1	(77,545)	(69,841)
Other operating income		-	-
<b>Operating Profit</b>		<b>26,208</b>	<b>3,545</b>
<b>Profit on ordinary activities before taxation</b>		<b>26,208</b>	<b>3,545</b>
Tax on profit on ordinary activities	4	-	-
<b>Result for the financial period</b>		<b>26,208</b>	<b>3,545</b>

All items dealt with in arriving at the profit on ordinary activities before taxation relate to continuing operations.

There is no difference between the profit on ordinary activities before taxation and the result for the financial period and their historical cost equivalents.

The accompanying notes on pages 10-12 are an integral part of the financial statements.

## Statement of Total Recognised Gains and Losses for the year ended 31 March 2018

	2018 £
Profit for the financial year	26,208
Prior period adjustment	-
<b>Total gains and losses recognised since last annual report</b>	<b>26,208</b>



# North Lanarkshire Leisure Trading Community Interest Company

Registered number SC365792

## Statement of Financial Position as at 31 March 2018

	Note	2018 £	2017 £
<b>Current assets</b>			
Stock		790	870
Debtors	5	18,050	17,976
Cash and cash equivalents		85,806	41,065
Creditors: amounts falling due within one year	6	(104,546)	(59,811)
<b>Total assets less current liabilities</b>		<b>100</b>	<b>100</b>
<b>Capital and reserves</b>			
Called up share capital	7	100	100
Profit and loss reserve	8	-	-
<b>Total shareholder's funds</b>	9	<b>100</b>	<b>100</b>

The financial statements on pages 6 to 12 were approved and authorised for issue by the Board of Directors and were signed on its behalf by:



**D. Gamble**  
Director

Date: 2.10.18

# **North Lanarkshire Leisure Trading Community Interest Company**

## **Statement of Changes in Equity for the year ended 31 March 2018**

	<b>Share Capital</b>	<b>Profit &amp; Loss</b>	<b>Total</b>
Balance at 31 March 2017	100	-	100
Results for the year	-	26,208	26,208
Distributed to North Lanarkshire Leisure Limited	-	(26,208)	(26,208)
<b>Balance at 31 March 2018</b>	<b>100</b>	<b>-</b>	<b>100</b>

# **North Lanarkshire Leisure Trading Community Interest Company**

## **Accounting policies**

### **General Information / Legal Status**

North Lanarkshire Leisure Trading Community Interest Company is a United Kingdom company, limited by shares. The registered office details and principal activities are outlined in the Directors Report on pages 1 - 2.

### **Basis of preparation**

The accounts are prepared under the historical cost accounting rules and in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

As it is a wholly owned subsidiary of North Lanarkshire Leisure Limited, North Lanarkshire Leisure Trading Community Interest Company has taken advantage of the exemption set out in section 1.12(b) of FRS 102 and therefore no cash flow statement has been prepared.

The consolidated accounts of North Lanarkshire Leisure Limited, within which this Company is included, can be obtained from the address given in note 9.

These financial statements are prepared in pounds sterling (GBP) as that is the currency in which the charitable company's transactions are denominated.

### **Turnover**

Turnover represents revenue, being conferencing and special events income in relation to North Lanarkshire Leisure facilities and the sale of sundry items, net of value added tax.

### **Stock**

Stocks held are in respect of provisions and supplies and are valued at the lower of cost and net realisable value in the ordinary course of operating.

### **Taxation**

The Directors have resolved that the full profits of the Company will be gifted on an annual basis to its parent company North Lanarkshire Leisure Limited (number SC303391) and a registered Scottish Charity (number SC037439). This means there is no requirement to provide for any tax on the profits of the company.

### **Value Added Tax**

Where output tax is charged or input tax is recoverable, the amounts are stated net of VAT.

### **Distribution of Profits**

The company has a policy of paying gift aid of an amount up to the taxable profits each year to North Lanarkshire Leisure Limited, its ultimate parent undertaking. In line with ICAEW technical release 'Tech 16/14 BL', the company treats this donation as a distribution of reserves and it is paid either pre year end or within 9 months of the year end. Any donation made in this manner is capped to the level of distributable reserves available. The Board are responsible for formally agreeing the amount to be distributed each year.

# North Lanarkshire Leisure Trading Community Interest Company

## Notes to the financial statements for the year ended 31 March 2018

### 1 Profit on ordinary activities before taxation

No emoluments were paid to the directors in respect of their services to the company, nor did the company receive a recharge for the directors' services from any employer entity.

No audit fees were charged to North Lanarkshire Leisure Trading Community Interest Company as all costs are borne by North Lanarkshire Leisure Ltd.

### 2 Employee information

North Lanarkshire Trading Community Interest Company has no direct employees as all staff are employed through North Lanarkshire Leisure Limited.

### 3 Gift aid

North Lanarkshire Leisure Trading Community Interest Company has donated all trading surpluses for the period to North Lanarkshire Leisure Limited, the ultimate parent undertaking (see note 9).

### 4 Tax on profit of ordinary activities

Factors affecting the tax charge for the current period:

The current tax charge for the period is the standard rate of corporation tax in the UK (2018: 19%, 2017: 19%).

The differences are explained below:

	2018	2017
	£	£
<b>Current Tax Reconciliation</b>		
Profit in ordinary activities before tax and gift aid	26,208	3,545
Current Tax at 19% (2017: 19%)	4,980	674
Effects of: Gift aid	(4,980)	(674)
Total Current Tax Charge	-	-

There are no other factors that may affect future and total tax charges.

# North Lanarkshire Leisure Trading Community Interest Company

## 5 Debtors

	2018	2017
	£	£
Trade debtors (net of bad debt provision)	11,876	7,607
Amounts due from related party	275	5,341
Prepayments and accrued income	5,899	16
Intercompany debtor	-	5,012
<b>Debtors</b>	<b>18,050</b>	<b>17,976</b>

## 6 Creditors

	2018	2017
	£	£
Trade Creditors	(1,217)	(219)
Intercompany Creditor	(99,221)	(57,767)
Other Creditors & Accruals	(4,108)	(1,825)
<b>Creditors</b>	<b>(104,546)</b>	<b>(59,811)</b>

## 7 Share capital

	2018	2017
	£	£
<b>Authorised, allotted and fully paid</b>		
100 ordinary shares of £1	100	100

## 8 Profit & Loss reserve

	2018	2017
	£	£
Result for the year	26,208	3,545
Distributed to NLL	(26,208)	(3,545)
<b>Balance at 31 March</b>	<b>-</b>	<b>-</b>

# **North Lanarkshire Leisure Trading Community Interest Company**

## **9 Ultimate control of the company**

The company is a wholly owned subsidiary of North Lanarkshire Leisure Limited, a company incorporated in the United Kingdom. The largest group into which the results of the company are consolidated is North Lanarkshire Council. Copies of the group accounts for the ultimate parent undertaking may be obtained from the following address:

The Secretary  
North Lanarkshire Leisure Limited  
Broadwood HQ  
1 Ardgoil Drive  
Cumbernauld  
G68 9NE