

**North Lanarkshire Leisure Trading
Community Interest Company**

**Directors' report and financial statements
for the year ended 31 March 2017**

Registered Number SC365792

North Lanarkshire Leisure Trading CIC

Directors' report and financial statements for the year ended 31 March 2017

Contents

Directors' Report for the year ended 31 March 2017.....	1
Independent Auditor's Report to the Members of North Lanarkshire Leisure Trading Community Interest Company.....	4
Income Statement for the year ended 31 March 2017.....	6
Statement of Financial Position as at 31 March 2017.....	7
Statement of Changes in Equity for the year ended 31 March 2017.....	8
Accounting Policies	9
Notes to the financial statements for the year ended 31 March 2017	10

North Lanarkshire Leisure Trading CIC

Directors' report for the year ended 31 March 2017

The directors have pleasure in submitting the report and the audited financial statements of the company for the year ended 31 March 2017.

Reference and administrative details

Directors

B McCulloch	
J Logue	
I Majid	
W Shields	
A Spowart	
A Airlie	Resigned 06.04.17
J Taggart	
D Gamble	
W Shearer	
G Docherty	Resigned 08.03.17
G McKenzie	
R McCallum	
K McLoughlin	Appointed 16.02.17
F Burns	Removed 09.08.16 (Deceased)

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 Clydesdale Bank
43 Hamilton Road, Motherwell, ML1 3DD

North Lanarkshire Leisure Trading CIC

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 £3,545 during the period and 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 functions undertaken by the company formed part of the transfer of Broadwood Stadium (Cumbernauld) Ltd into North Lanarkshire Leisure Ltd and therefore trading began on the transfer date of 21 September 2009. However, with the opening of Ravenscraig Regional Sports Facility in September 2010, the activities will continue to be reviewed to identify opportunities to expand the services on offer and maximise revenue for the events element of the business.

Dividends

The company has made neither a profit nor a loss during the period. 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 LLP have been appointed as Auditor.

By Order of the Board:

D. Gamble

Director

Date:



4th Oct. 2017

North Lanarkshire Leisure Trading CIC

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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

North Lanarkshire Leisure Trading CIC

Independent auditor's report to the members of North Lanarkshire Trading Community Interest Company

Opinion on financial statements

We have audited the financial statements on pages 6 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

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 [and, based on the work undertaken in the course of our audit, 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 any 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;
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 3, 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

North Lanarkshire Leisure Trading CIC

accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

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

10/10/17

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

North Lanarkshire Leisure Trading CIC

Income Statement for the year ended 31 March 2017

	Note	2017 £	2016 £
Turnover		73,386	54,080
Administrative expenses	1	(69,841)	(47,165)
Other operating income		-	-
Operating Profit		3,545	6,915
Profit on ordinary activities before taxation		3,545	6,915
Tax on profit on ordinary activities	4	-	-
Result for the financial period		3,545	6,915

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 company has no other gains or losses other than the result stated above and therefore no separate statement of recognised gains and losses has been presented.

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

Statement of Total Recognised Gains and Losses for the year ended 31 March 2017

	2017 £
Profit for the financial year	3,545
Prior period adjustment	-
Total gains and losses recognised since last annual report	3,545

North Lanarkshire Leisure Trading CIC

Registered number SC365792

Statement of Financial Position as at 31 March 2017

	Note	2017 £	2016 £
Current assets			
Stock		870	1,195
Debtors	5	17,976	16,343
Cash and cash equivalents		41,065	30,810
Creditors: amounts falling due within one year	6	(59,811)	(48,248)
Total assets less current liabilities		100	100
Capital and reserves			
Called up share capital	7	100	100
Profit and loss reserve	8	-	-
Total shareholder's funds	9	100	100

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:

4th Oct. 2017.

North Lanarkshire Leisure Trading CIC

Statement of Changes in Equity for the year ended 31 March 2017

	2017	2016
	£	£
Result for the financial year	-	-
Net proceeds of issue of ordinary share capital (see note 7)	100	100
Closing shareholder's funds	100	100

North Lanarkshire Leisure Trading CIC

Accounting policies

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, NLL Trading CIC 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.

This is the second year that the Company has prepared its accounts under FRS 102. The date of transition to FRS 102 was 1 April 2014 and no transition adjustments were required.

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 Ltd, its ultimate parent undertaking. In line with ACAEW 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 CIC

Notes to the financial statements for the year ended 31 March 2017

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 CIC 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 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 (2017: lower) (19%, 2016: 20%).

The differences are explained below:

	2017	2016
	£	£
Current Tax Reconciliation		
Profit in ordinary activities before tax and gift aid	3,545	6,915
Current Tax at 19% (2016: 20%)	674	1,383
Effects of: Gift aid	(674)	(1,383)
Total Current Tax Charge	-	-

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

North Lanarkshire Leisure Trading CIC

5 Debtors

	2017	2016
	£	£
Trade debtors (net of bad debt provision)	7,607	5,460
Amounts due from related party	5,341	1,858
Prepayments and accrued income	16	8,910
Intercompany debtor	5,012	115
Debtors	17,976	16,343

6 Creditors

	2017	2016
	£	£
Trade Creditors	(219)	(125)
Intercompany Creditor	(57,767)	(45,268)
Other Creditors & Accruals	(1,825)	(2,855)
Creditors	(59,811)	(48,248)

7 Share capital

	2017	2016
	£	£
Authorised, allotted and fully paid		
100 ordinary shares of £1	100	100

8 Profit & Loss reserve

	2017	2016
	£	£
Result for the year	3,545	6,915
Distributed to NLL	(3,545)	(6,915)
Balance at 31 March	-	-

North Lanarkshire Leisure Trading CIC

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 sole member of North Lanarkshire Leisure Limited 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