

## **Bowls Scotland**

Directors' Report and Unaudited

Financial Statements

Year Ended

31 August 2017

Company Number SC386410

**Bowls Scotland**  
**(A Company Limited by Guarantee)**

**Company Information**

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<b>Directors</b>	Anna Marshall Robert Christie William Knox (resigned 26 November 2016) Sue Beatt Thomas Hamilton Craig McArthur Andrew Upton (appointed 4 October 2016) David Scouller (appointed 4 October 2016) Scott Meechan (appointed 31 August 2017)
<b>Registered number</b>	SC386410
<b>Registered office</b>	National Centre For Bowling Northfield Hunters Avenue Ayr Ayrshire KA8 9AL
<b>Accountants</b>	BDO LLP 4 Atlantic Quay 70 York Street Glasgow G2 8JX
<b>Bankers</b>	The Royal Bank of Scotland 30 Sandgate Ayr Ayrshire KA7 1NY

**Bowls Scotland**  
**(A Company Limited by Guarantee)**

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**Bowls Scotland**  
**(A Company Limited by Guarantee)**

**Directors' Report**  
**For the Year Ended 31 August 2017**

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The directors present their report and the financial statements for the year ended 31 August 2017.

**Directors**

The directors who served during the year were:

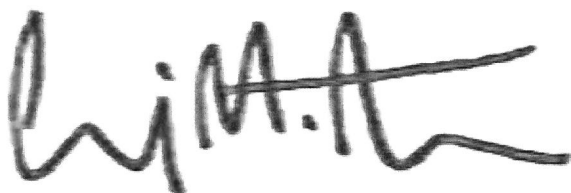
Anna Marshall  
Robert Christie  
William Knox (resigned 26 November 2016)  
Sue Beatt  
Thomas Hamilton  
Craig McArthur  
Andrew Upton (appointed 4 October 2016)  
David Scouller (appointed 4 October 2016)  
Scott Meechan (appointed 31 August 2017)

**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on

and signed on its behalf.

A handwritten signature in black ink, appearing to read 'C. McArthur', with a stylized flourish at the end.

Craig McArthur  
Director

13<sup>th</sup> October 2017

# **Bowls Scotland**

## **(A Company Limited by Guarantee)**

### **Chartered Accountants' Report to the Board of Directors on the Unaudited Financial Statements of Bowls Scotland**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Bowls Scotland Limited for the year ended 31 August 2017 which comprise the statement of comprehensive income, balance sheet and related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the board of directors of Bowls Scotland Limited, as a body, in accordance with the terms of our engagement letter dated 8 October 2015. Our work has been undertaken solely to prepare for your approval the accounts of Bowls Scotland Limited and state those matters that we have agreed to state to the board of directors of Bowls Scotland Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Bowls Scotland Limited and its board of directors as a body for our work or for this report.

It is your duty to ensure that Bowls Scotland Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit/loss of Bowls Scotland Limited. You consider that Bowls Scotland Limited is exempt from the statutory audit requirement for the year .

We have not been instructed to carry out an audit or a review of the financial statements of Bowls Scotland Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

*BDO LLP*

**BDO LLP**  
Chartered Accountants  
Glasgow  
United Kingdom

**13 OCTOBER 2017**

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**Bowls Scotland**  
**(A Company Limited by Guarantee)**

**Statement of Comprehensive Income**  
**For the Year Ended 31 August 2017**

	Note	2017 £	2016 £
Turnover		949,732	941,499
Cost of sales		(890,839)	(853,380)
<b>Gross profit</b>		<b>58,893</b>	88,119
Administrative expenses		(55,279)	(85,941)
<b>Operating profit</b>		<b>3,614</b>	2,178
Interest receivable and similar income	5	1,129	2,343
<b>Profit before tax</b>		<b>4,743</b>	4,521
Tax on profit	6	(1,145)	451
<b>Profit for the financial year</b>		<b>3,598</b>	4,972

There was no other comprehensive income for 2017 (2016:£NIL).

**Bowls Scotland**  
**(A Company Limited by Guarantee)**  
Registered number: SC386410

**Balance Sheet**  
**As at 31 August 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	7	4,124	4,764
		<u>4,124</u>	<u>4,764</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	8	22,007	5,795
Cash at bank and in hand	9	725,785	826,282
		<u>747,792</u>	<u>832,077</u>
Creditors: amounts falling due within one year	10	(427,730)	(516,988)
<b>Net current assets</b>		<u>320,062</u>	<u>315,089</u>
<b>Total assets less current liabilities</b>		<u>324,186</u>	<u>319,853</u>
<b>Net assets</b>		<u>324,186</u>	<u>319,853</u>
<b>Capital and reserves</b>			
General reserve	12	212,566	212,567
Revenue reserve	12	111,620	107,286
		<u>324,186</u>	<u>319,853</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

**Craig McArthur**

Director

The notes on pages 5 to 13 form part of these financial statements.

# **Bowls Scotland**

## **(A Company Limited by Guarantee)**

### **Notes to the Financial Statements** **For the Year Ended 31 August 2017**

#### **1. General information**

Bowls Scotland Limited is a company incorporated in the United Kingdom as a company limited by guarantee. The address of the registered office is given on the contents page and the nature of the company's principal activities is set out in the directors' report. The financial statements have been prepared on a going concern basis in accordance with Section 1A of Financial Reporting Standard 102 the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

##### **2.2 Income**

Income represents membership contributions and registration fees, income from championships and events and revenue grants received from funding bodies.

Income is recognised to the extent that it is probable that the economic benefits will flow to the company and the income can be reliably measured. Income is measured as the fair value of the consideration received or receivable, excluding discounts, rebates and value added tax.

##### **2.3 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Equipment and fittings	-	25% straight line
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.



# **Bowls Scotland**

## **(A Company Limited by Guarantee)**

### **Notes to the Financial Statements** **For the Year Ended 31 August 2017**

#### **2. Accounting policies (continued)**

##### **2.4 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### **2.5 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### **2.6 Financial instruments**

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

##### **2.7 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### **2.8 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

##### **2.9 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

##### **2.10 Holiday pay accrual**

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance Sheet date.

##### **2.11 Interest income**

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

# Bowls Scotland

## (A Company Limited by Guarantee)

### Notes to the Financial Statements For the Year Ended 31 August 2017

#### 2. Accounting policies (continued)

##### 2.12 Taxation

The company is a not for profit organisation with any operating surplus allowed for the benefit of its members. As a result the company is exempt from corporation tax on the operating surplus.

#### 3. Operating profit

The operating profit is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets	2,762	3,093
Other operating lease rentals	7,500	7,500

#### 4. Employees

The average monthly number of employees during the year was 12 (2016 - 12).

#### 5. Interest receivable

	2017 £	2016 £
Other interest receivable	1,129	2,343
	1,129	2,343

#### 6. Taxation

	2017 £	2016 £
<b>Corporation tax</b>		
Current tax on profits for the year	226	468
Adjustments in respect of previous periods	919	(919)
	1,145	(451)
<b>Total current tax</b>	1,145	(451)

# Bowls Scotland

## (A Company Limited by Guarantee)

### Notes to the Financial Statements For the Year Ended 31 August 2017

#### 6. Taxation (continued)

##### Factors affecting tax charge for the year

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 20% (2016 - 20%).

#### 7. Tangible fixed assets

	Equipment and fittings £
<b>Cost or valuation</b>	
At 1 September 2016	30,402
Additions	2,122
At 31 August 2017	32,524
<b>Depreciation</b>	
At 1 September 2016	25,638
Charge for the year on owned assets	2,762
At 31 August 2017	28,400
<b>Net book value</b>	
At 31 August 2017	4,124
At 31 August 2016	4,764

Tangible fixed assets do not include the collection of bowling trophies that have been held for a number of years. These trophies are rarely sold on the open market and in the opinion of the directors it would be difficult and cost prohibitive to obtain a valuation of the items held.

**Bowls Scotland**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2017**

**8. Debtors**

	2017 £	2016 £
Trade debtors	1,152	3,438
Other debtors	20,855	2,357
	<u>22,007</u>	<u>5,795</u>

**9. Cash and cash equivalents**

	2017 £	2016 £
Cash at bank and in hand	725,785	826,282
	<u>725,785</u>	<u>826,282</u>

**10. Creditors: Amounts falling due within one year**

	2017 £	2016 £
Trade creditors	15,998	49,570
Corporation tax	226	468
Other taxation and social security	-	11,432
Other creditors	260,417	302,513
Accruals and deferred income	151,089	153,005
	<u>427,730</u>	<u>516,988</u>

Other creditors and accruals include £25,167 (2016 - £21,597) regarding World Bowls Levy.

# Bowls Scotland

## (A Company Limited by Guarantee)

### Notes to the Financial Statements For the Year Ended 31 August 2017

#### 11. Financial instruments

	2017 £	2016 £
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	725,785	826,282
Financial assets measured at amortised cost	22,007	5,795
	747,792	832,077
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	276,415	352,083
	276,415	352,083

Financial assets measured at fair value through profit or loss comprise cash and cash equivalents.

Financial assets measured at amortised cost comprise of trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise of trade creditors and other creditors.

#### 12. Reserves

##### Other reserves

The general reserve comprise the combined reserves at the date of amalgamation.

##### Profit and loss account

The revenue reserve comprises the cumulative profit and loss trading results.

#### 13. Company status

The company is a private company limited by guarantee and consequently does not have share capital.

If on winding up or dissolution of the company there remains after the satisfaction of all its debts and liabilities any property whatsoever it shall not be paid to or distributed among the Members but given or transferred to some other body having similar objectives to that of the company.

# Bowls Scotland

## (A Company Limited by Guarantee)

### Notes to the Financial Statements For the Year Ended 31 August 2017

#### 14. Commitments under operating leases

At 31 August 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	7,500	7,500
	<u>7,500</u>	<u>7,500</u>

#### 15. Related party transactions

The directors are volunteers who do not receive any remuneration for their duties and are only reimbursed for expenses incurred in undertaking their duties.

During the year the following expenses were paid in respect of the board members carrying out their duties as company directors or district secretaries:

	2017 £	2016 £
Anna Marshall	1,787	2,288
Robert Christie	2,015	3,402
William Knox	559	512
Sue Beatt	391	126
Duncan McLaren	-	863
Craig McArthur	574	530
Thomas Hamilton	-	-
David Scouller	78	-
Andrew Upton	-	-
Scott Meechan	-	-
	<u>5,404</u>	<u>7,721</u>

#### 16. Controlling party

The company is under the day to day control of the directors and as directed by the membership. The company is limited by guarantee and as such has no shareholders.

**Bowls Scotland**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2017**

**17. Grant funding - sportscotland**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Contribution towards operational costs	<b>230,000</b>	246,000
Coach and Volunteering Programme	<b>35,000</b>	62,500
High Performance Staff	<b>125,178</b>	97,903
High Performance Programme	<b>166,918</b>	162,918
	<hr/> <b>557,096</b>	<hr/> 569,321

**18. Playing the game - tournament and events**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
National Championships	<b>99,226</b>	94,359
British Isles and International events	<b>54,277</b>	46,118
County Championships	<b>8,377</b>	9,148
High Performance Programme	<b>250,534</b>	137,253
Other National Competitions	<b>5,668</b>	2,855
Super Series	<b>27,412</b>	31,489
	<hr/> <b>445,494</b>	<hr/> 321,222

This is purely cost of events. Income is included within a separate section of the financial statements.

# Bowls Scotland

## (A Company Limited by Guarantee)

### Notes to the Financial Statements For the Year Ended 31 August 2017

#### 19. First time adoption of FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 1 September 2015. The impact of the transition to FRS 102 is as follows:

##### Reconciliation of equity at 1 September 2015

	Note	£
Equity at 1 September 2015 under previous UK GAAP		321,303
Recognition of holiday pay		(6,422)
<b>Equity shareholders funds at 1 September 2015 under FRS 102</b>		<b>314,881</b>

##### Reconciliation of equity at 31 August 2016

	Note	£
Equity at 31 August 2016 under previous UK GAAP		326,275
Recognition of holiday pay		(6,422)
<b>Equity shareholders funds at 31 August 2016 under FRS 102</b>		<b>319,853</b>

##### Reconciliation of profit and loss account for the year ended 31 August 2016

	£
Profit for the year under previous UK GAAP	4,972
<b>Profit for the year ended 31 August 2016 under FRS 102</b>	<b>4,972</b>

The following were changes in accounting policies arising from the transition to FRS 102:

- 1 Short term compensated absences - prior to the adoption of FRS 102, Bowls Scotland Ltd did not make provision for holiday pay earned but not yet taken before the year end. FRS 102 requires the cost of short term compensated absences to be recognised when employees render the service that increases their entitlement.



**Bowls Scotland**  
**(A Company Limited by Guarantee)**

**Detailed profit and loss account**  
**For the Year Ended 31 August 2017**

	Note	2017 £	2016 £
Turnover		<b>949,732</b>	941,499
Cost Of Sales		<b>(890,839)</b>	(853,380)
<b>Gross profit</b>		<b>58,893</b>	88,119
<b>Less: overheads</b>			
Administration expenses		<b>(55,279)</b>	(85,941)
<b>Operating profit</b>		<b>3,614</b>	2,178
Interest receivable		<b>1,129</b>	2,343
Tax on profit on ordinary activities		<b>(1,145)</b>	451
<b>Profit for the year</b>		<b>3,598</b>	4,972

# Bowls Scotland

## (A Company Limited by Guarantee)

### Detailed profit and loss account For the Year Ended 31 August 2017

	2017 £	2016 £
<b>Turnover</b>		
Governance - membership & registration fees	151,466	166,238
Playing the game - championships, events & development	217,837	158,669
Marketing, branding and partnerships	23,333	37,271
Grant funding - Sportscotland (note 17)	557,096	569,321
Awards for all	-	10,000
	<b>949,732</b>	<b>941,499</b>
	2017 £	2016 £
<b>Cost of sales</b>		
Governance - staff costs and expenses	376,072	410,854
Governance - committee and group costs	21,305	30,566
Playing the game - committee and group costs	318	200
Playing the game - tournament & events (note 18)	445,494	321,222
Playing the game - coach development & volunteers	28,304	64,368
Marketing, branding and partnership costs	19,346	26,170
	<b>890,839</b>	<b>853,380</b>
	2017 £	2016 £
<b>Administration expenses</b>		
Telephone	8,195	5,966
Postage, printing and stationery	17,634	13,804
Legal fees and professional fees	1,223	11,695
Accountancy	5,973	6,093
Bank charges	2,874	1,935
Bad debts	276	-
IT costs	5,334	6,160
Miscellaneous expenses	428	776
Rent and rates	7,500	7,500
Insurances	1,769	1,403
Repairs and maintenance	216	144
Depreciation	2,762	3,093
Irrecoverable value added tax	1,095	27,372
	<b>55,279</b>	<b>85,941</b>

**Bowls Scotland**  
**(A Company Limited by Guarantee)**

Detailed profit and loss account  
For the Year Ended 31 August 2017

	2017 £	2016 £
<b>Interest receivable</b>		
Bank interest receivable	1,129	2,343
	<u>1,129</u>	<u>2,343</u>
	<u><u>1,129</u></u>	<u><u>2,343</u></u>