

Company Registration No. SC284954 (Scotland)

THE CAMANACHD ASSOCIATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

THE CAMANACHD ASSOCIATION

COMPANY INFORMATION

Directors	Mr J Finlayson L Bradley R Brown W MacDonald S C MacKenzie R W McCuish B M Morrison K Deans Mr D R Palombo	(Appointed 28 May 2020) (Appointed 27 November 2020)
Secretary	D J Keir	
Company number	SC284954	
Registered office	10 Ardross Street Inverness United Kingdom IV3 5NS	
Accountants	Azets 10 Ardross Street Inverness United Kingdom IV3 5NS	

THE CAMANACHD ASSOCIATION

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THE CAMANACHD ASSOCIATION

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their annual report and financial statements for the year ended 31 December 2020.

Principal activities

The principal activity of the company continued to be that of sports activities.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr J Finlayson	
L Bradley	
R Brown	
K R Loades	(Resigned 27 November 2020)
W MacDonald	
S C MacKenzie	
R W McCuish	
B M Morrison	
K Deans	(Appointed 28 May 2020)
Mr D R Palombo	(Appointed 27 November 2020)

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

.....
S C MacKenzie
Director

Date:

THE CAMANACHD ASSOCIATION

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF THE CAMANACHD ASSOCIATION FOR THE YEAR ENDED 31 DECEMBER 2020

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of The Camanachd Association for the year ended 31 December 2020 which comprise and the related notes from the company's accounting records and from information and explanations you have given us.

As a 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/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of The Camanachd Association, as a body, in accordance with the terms of our engagement letter dated 17 September 2021. Our work has been undertaken solely to prepare for your approval the financial statements of The Camanachd Association and state those matters that we have agreed to state to the Board of Directors of The Camanachd Association, as a body, in this report. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Camanachd Association and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that The Camanachd Association has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and surplus of The Camanachd Association. You consider that The Camanachd Association 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 The Camanachd Association. 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 financial statements.

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10 Ardross Street
Inverness
United Kingdom
IV3 5NS

THE CAMANACHD ASSOCIATION

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
Income		352,819	614,568
Cost of sales		(32,695)	(226,182)
		<hr/>	<hr/>
Gross surplus		320,124	388,386
Administrative expenses		(330,383)	(365,079)
Other operating income		31,207	12,299
		<hr/>	<hr/>
Surplus before taxation		20,948	35,606
Tax on surplus	3	(4,508)	(8,696)
		<hr/>	<hr/>
Surplus for the financial year		16,440	26,910
Retained earnings brought forward		156,412	129,502
		<hr/>	<hr/>
Retained earnings carried forward		172,852	156,412
		<hr/> <hr/>	<hr/> <hr/>

THE CAMANACHD ASSOCIATION

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	4		6,191		5,689
Current assets					
Stocks		2,271		2,804	
Debtors	5	3,823		27,604	
Cash at bank and in hand		250,441		204,122	
		<u>256,535</u>		<u>234,530</u>	
Creditors: amounts falling due within one year	6	<u>(88,809)</u>		<u>(82,840)</u>	
Net current assets			167,726		151,690
Total assets less current liabilities			<u>173,917</u>		<u>157,379</u>
Provisions for liabilities			(1,065)		(967)
Net assets			<u>172,852</u>		<u>156,412</u>
Reserves					
Income and expenditure account			172,852		156,412
Members' funds			<u>172,852</u>		<u>156,412</u>

For the financial year ended 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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

.....
S C MacKenzie
Director

Company Registration No. SC284954

THE CAMANACHD ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

The Camanachd Association is a private company limited by guarantee incorporated in Scotland. The registered office is 10 Ardross Street, Inverness, United Kingdom, IV3 5NS.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

In common with most businesses the company is facing potential issues in respect of the COVID-19 pandemic. This is an ongoing situation and the company is adopting a strategy to manage the everchanging situation as effectively as possible.

The directors are satisfied that these events do not affect the company's ability to continue as a going concern and this basis is appropriate for the preparation of the accounts.

1.3 Income and expenditure

Income and expenses are included in the financial statements as they become receivable or due.

Expenses include VAT where applicable as the company cannot reclaim it.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	10% on cost
Fixtures and fittings	25% on reducing balance
Computers	25% on reducing balance
Shinty equipment	5% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

THE CAMANACHD ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

THE CAMANACHD ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred Tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

THE CAMANACHD ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.11 Retirement benefits

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1.14 Debtors

Short term debtors are measured at transaction price, less any impairment.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	9	8

3 Taxation

	2020 £	2019 £
Current tax		
UK corporation tax on profits for the current period	4,410	8,483
Deferred tax		
Origination and reversal of timing differences	98	213
Total tax charge	4,508	8,696

Factors affecting tax charge for the year

The tax charge for the year has been calculated on the taxable profits at the standard rate of corporation tax in the UK of 19% (2019 - 19%)

THE CAMANACHD ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

4 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Computers £	Shinty equipment £	Total £
Cost					
At 1 January 2020	837	7,680	18,115	3,145	29,777
Additions	-	-	2,463	-	2,463
At 31 December 2020	837	7,680	20,578	3,145	32,240
Depreciation and impairment					
At 1 January 2020	755	7,068	13,886	2,379	24,088
Depreciation charged in the year	82	153	1,656	70	1,961
At 31 December 2020	837	7,221	15,542	2,449	26,049
Carrying amount					
At 31 December 2020	-	459	5,036	696	6,191
At 31 December 2019	82	612	4,229	766	5,689

5 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	1,311	3,267
Other debtors	2,512	24,337
	3,823	27,604

6 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	3,127	3,646
Corporation tax	4,411	8,483
Other taxation and social security	8,480	9,795
Other creditors	1,636	-
Accruals and deferred income	71,155	60,916
	88,809	82,840

THE CAMANACHD ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2020	Liabilities 2019
	£	£
Balances:		
Accelerated capital allowances	1,176	967
Retirement benefit obligations	(111)	-
	<u>1,065</u>	<u>967</u>
		2020
		£
Liability at 1 January 2020		967
Charge to profit or loss		98
		<u>1,065</u>
Liability at 31 December 2020		<u>1,065</u>

8 Retirement benefit schemes

	2020	2019
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	7,910	6,100
	<u>7,910</u>	<u>6,100</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. At the year end the company had outstanding contributions payable of £1,536 (2019 - £1,462).

9 Members' liability

The company is limited by guarantee, not having a share capital. Consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

10 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2020	2019
	£	£
	-	946
	<u>-</u>	<u>946</u>

THE CAMANACHD ASSOCIATION

DETAILED TRADING AND INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

		2020		2019
	£	£	£	£
Income				
Membership and entry fees		15,290		42,165
Grants		220,119		237,580
Sponsorship/donations		95,333		156,378
Services to club		14,534		74,759
Competition		33		36,397
Coach education		3,625		6,867
Sales		2,850		21,514
Development		1,035		38,908
		<hr/>		<hr/>
		352,819		614,568
Cost of sales				
Opening stocks	2,804		4,623	
Closing stocks	(4,567)		(2,804)	
Equipment for resale	2,944		4,090	
Services to club	19,099		82,533	
Competition costs	5,857		81,150	
Development	2,159		49,031	
Governance	1,477		2,307	
Coach education	2,922		5,252	
	<hr/>		<hr/>	
		(32,695)		(226,182)
Gross surplus	90.73%	320,124	63.20%	388,386
Other operating income				
Coronavirus job retention scheme grant	31,207		-	
Sundry income	-		12,299	
	<hr/>		<hr/>	
		31,207		12,299

THE CAMANACHD ASSOCIATION

DETAILED TRADING AND INCOME AND EXPENDITURE ACCOUNT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

	£	2020 £	£	2019 £
Administrative expenses				
Staff salaries	265,827		266,023	
Staff pension costs	7,910		6,100	
Irrecoverable VAT	-		8,712	
Office costs	13,241		18,617	
Hotel, travel and subsidence	13,120		32,331	
Accountancy fees	2,494		1,634	
Bank charges	32		257	
Bad debts	324		606	
Advertising and promotion	597		792	
General office expenses	23,879		27,084	
Sundry expenses	28		884	
Depreciation	1,961		1,767	
Sponsorship expenses	970		272	
	<hr/>	(330,383)	<hr/>	(365,079)
Operating surplus		<hr/> <u>20,948</u>		<hr/> <u>35,606</u>
