

Charity Registration No. 1048000

Company Registration No. 03070194 (England and Wales)

**SOUTH MANCHESTER GYMNASTICS CENTRE**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

# **SOUTH MANCHESTER GYMNASTICS CENTRE**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	Fred Lea (Chairman) Joan Ward (Treasurer) John Parker Ellen Joyce Bolchover Susan Langley John McCoubrey	(Appointed 10 November 2019) (Appointed 1 November 2019)
<b>Secretary</b>	John Parker	
<b>Charity number</b>	1048000	
<b>Company number</b>	03070194	
<b>Registered office</b>	Fenside Road Manchester UK M22 4WZ	
<b>Independent examiner</b>	Azets Alpha House 4 Greek Street Stockport Cheshire SK3 8AB	

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# **SOUTH MANCHESTER GYMNASTICS CENTRE**

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# **SOUTH MANCHESTER GYMNASTICS CENTRE**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2020**

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The trustees present their report and financial statements for the year ended 31 August 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

### **Objectives and activities**

South Manchester Gymnastics Centre is a company limited by guarantee and was granted charitable status in 1995. The centre is located in South Manchester and its aim is to provide facilities and opportunities for safe participation in gymnastic activities for a variety of groups.

The provision of gymnastic tuition / coaching for the groups using the centre is provided largely on a paid basis enabling the charity to increase the cohort of British Gymnastics Association (BGA) qualified coaches.

User groups contribute towards the upkeep of the premises and coaching facilities, their contribution being based on usage time.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

### **Financial review**

The general income for the year was £225,254 compared with £132,905 in 2018-19. Expenses in 2019-20 were £208,531 compared with £136,406 in the previous year.

The net incoming resources for the year to 31 August 2020 was £16,723 compared with £(3,501) in the previous year. The financial performance has improved considerably as a result of efforts to reduce costs across the board to bring them more in line with income as well as continuing to drive income levels.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

### **Structure, governance and management**

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Fred Lea (Chairman)

Joan Ward (Treasurer)

Shirley Myers

(Resigned 1 November 2019)

John Parker

Ellen Joyce Bolchover

Susan Langley

(Appointed 10 November 2019)

John McCoubrey

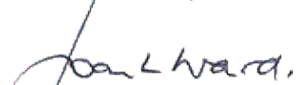
(Appointed 1 November 2019)

# **SOUTH MANCHESTER GYMNASTICS CENTRE**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)** ***FOR THE YEAR ENDED 31 AUGUST 2020***

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The trustees' report was approved by the Board of Trustees.

A handwritten signature in dark ink, appearing to read 'Joan Ward', is written over a horizontal dotted line.

**Joan Ward (Treasurer)**

Trustee

Dated: 26/08/2021

# **SOUTH MANCHESTER GYMNASTICS CENTRE**

## **INDEPENDENT EXAMINER'S REPORT**

### **TO THE TRUSTEES OF SOUTH MANCHESTER GYMNASTICS CENTRE**

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I report to the trustees on my examination of the financial statements of South Manchester Gymnastics Centre (the charity) for the year ended 31 August 2020.

This report is made solely to the charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity, the charity's members as a body and the charity's trustees as a body for my independent examiner's work, for this report, or for the opinions I have formed.

#### **Responsibilities and basis of report**

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Azets

Alpha House  
4 Greek Street  
Stockport  
Cheshire  
SK3 8AB

Dated: .....

# SOUTH MANCHESTER GYMNASTICS CENTRE

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 AUGUST 2020**

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes						
<b>Income from:</b>							
Donations and legacies	3	31,424	-	31,424	443	-	443
Charitable activities	4	188,950	-	188,950	126,764	-	126,764
Other trading activities	5	4,880	-	4,880	5,691	-	5,691
Investments	6	-	-	-	7	-	7
<b>Total income</b>		<b>225,254</b>	<b>-</b>	<b>225,254</b>	<b>132,905</b>	<b>-</b>	<b>132,905</b>
<b>Expenditure on:</b>							
Charitable activities	7	203,545	4,986	208,531	131,071	5,335	136,406
<b>Net incoming/ (outgoing) resources before transfers</b>		<b>21,709</b>	<b>(4,986)</b>	<b>16,723</b>	<b>1,834</b>	<b>(5,335)</b>	<b>(3,501)</b>
Gross transfers between funds		(4,986)	4,986	-	(125)	125	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>16,723</b>	<b>-</b>	<b>16,723</b>	<b>1,709</b>	<b>(5,210)</b>	<b>(3,501)</b>
Fund balances at 1 September 2019		214,627	-	214,627	212,918	5,210	218,128
<b>Fund balances at 31 August 2020</b>		<b>231,350</b>	<b>-</b>	<b>231,350</b>	<b>214,627</b>	<b>-</b>	<b>214,627</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# SOUTH MANCHESTER GYMNASTICS CENTRE

## BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	11		113,610		104,448
<b>Current assets</b>					
Cash at bank and in hand		128,904		113,129	
<b>Creditors: amounts falling due within one year</b>	12	(11,164)		(2,950)	
Net current assets			117,740		110,179
<b>Total assets less current liabilities</b>			231,350		214,627
<b>Income funds</b>					
Unrestricted funds			231,350		214,627
			231,350		214,627

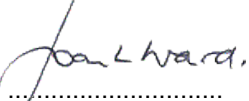
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2020.

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 Trustees on ...26/08/2021.....



Joan Ward (Treasurer)  
Trustee

Company Registration No. 03070194

# **SOUTH MANCHESTER GYMNASTICS CENTRE**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 AUGUST 2020**

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#### **1 Accounting policies**

##### **Charity information**

South Manchester Gymnastics Centre is a private company limited by guarantee incorporated in England and Wales. The registered office is Fenside Road, Manchester, M22 4WZ, UK.

##### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### **1.2 Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. However at this time the full impact of the Corona virus pandemic on the UK and Global economy is uncertain and the effect, both immediate and long term, this may have on the charity, its customers and suppliers is unknown.

##### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

##### **1.4 Income**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# SOUTH MANCHESTER GYMNASTICS CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

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### 1 Accounting policies

(Continued)

#### 1.5 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.

#### 1.6 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:

Freehold land and buildings	straight line over 50 years
Plant and equipment	straight line over 5 years

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 recognised in net income/(expenditure) for the year.

#### 1.7 Impairment of fixed assets

At each reporting end date, the charity 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).

#### 1.8 Cash and cash equivalents

Cash and cash equivalents 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.

##### **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.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans 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 operations 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.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

# SOUTH MANCHESTER GYMNASTICS CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 1 Accounting policies

(Continued)

#### 1.9 Employee benefits

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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations and gifts	61	416
Grants	31,363	27
	<u>31,424</u>	<u>443</u>

### 4 Charitable activities

	Gymnastics Centre	Gymnastics Centre
	2020	2019
	£	£
Subscriptions and rent	188,040	121,308
Competitions	910	5,456
	<u>188,950</u>	<u>126,764</u>

# SOUTH MANCHESTER GYMNASTICS CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

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### 5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Fundraising events	-	148
Kit sales	1,101	4,457
Other	3,779	1,086
	<hr/>	<hr/>
Other trading activities	4,880	5,691
	<hr/>	<hr/>

### 6 Investments

	Total	Unrestricted funds
	2020	2019
	£	£
Interest receivable	-	7
	<hr/>	<hr/>

# SOUTH MANCHESTER GYMNASTICS CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 7 Charitable activities

	Gymnastics Centre 2020 £	Gymnastics Centre 2019 £
Staff costs	155,741	88,857
Depreciation and impairment	8,111	8,460
Rent & rates	966	2,382
Insurance	3,695	2,741
Kit	16,423	5,846
Repairs	4,067	9,370
Heat & light	6,695	7,873
Competitions	3,258	1,201
Training	-	50
Other	6,648	4,101
	<u>205,604</u>	<u>130,881</u>
Share of support costs (see note 8)	2,927	5,525
	<u>208,531</u>	<u>136,406</u>
<b>Analysis by fund</b>		
Unrestricted funds	203,545	131,071
Restricted funds	4,986	5,335
	<u>208,531</u>	<u>136,406</u>
<b>For the year ended 31 August 2019</b>		
Unrestricted funds	131,071	
Restricted funds	5,335	
	<u>136,406</u>	

# SOUTH MANCHESTER GYMNASTICS CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 8 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Legal & professional	1,326	-	1,326	2,400	-	2,400
Subscriptions	-	-	-	1,512	-	1,512
Telephone	1,414	-	1,414	1,378	-	1,378
Postage & printing	187	-	187	235	-	235
	<u>2,927</u>	<u>-</u>	<u>2,927</u>	<u>5,525</u>	<u>-</u>	<u>5,525</u>
Analysed between Charitable activities	<u>2,927</u>	<u>-</u>	<u>2,927</u>	<u>5,525</u>	<u>-</u>	<u>5,525</u>

Legal and professional costs comprise of accountancy fees.

### 9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

### 10 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	<u>8</u>	<u>9</u>
<b>Employment costs</b>	<b>2020 £</b>	<b>2019 £</b>
Wages and salaries	<u>155,741</u>	<u>88,857</u>

# SOUTH MANCHESTER GYMNASTICS CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 11 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Total £
<b>Cost</b>			
At 1 September 2019	156,260	125,674	281,934
Additions	-	17,273	17,273
At 31 August 2020	156,260	142,947	299,207
<b>Depreciation and impairment</b>			
At 1 September 2019	59,378	118,108	177,486
Depreciation charged in the year	3,125	4,986	8,111
At 31 August 2020	62,503	123,094	185,597
<b>Carrying amount</b>			
At 31 August 2020	93,757	19,853	113,610
At 31 August 2019	96,882	7,566	104,448

### 12 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	1,432	-
Other creditors	6,782	-
Accruals and deferred income	2,950	2,950
	11,164	2,950

### 13 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).