

Charity registration number 1048000

Company registration number 03070194 (England and Wales)

**SOUTH MANCHESTER GYMNASTICS CENTRE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

SOUTH MANCHESTER GYMNASTICS CENTRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Joan Ward (Treasurer) John Parker Ellen Joyce Bolchover Susan Langley John McCoubrey Lucy Worsley	(Appointed 28 April 2022)
Secretary	John Parker	
Charity number	1048000	
Company number	03070194	
Registered office	Fenside Road Manchester United Kingdom M22 4WZ	
Independent examiner	Azets Audit Services Alpha House 4 Greek Street Stockport Cheshire United Kingdom SK3 8AB	

SOUTH MANCHESTER GYMNASTICS CENTRE

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SOUTH MANCHESTER GYMNASTICS CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees present their annual report and financial statements for the year ended 31 August 2022.

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 sage 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 £277,023 compared with £275,878 in 2020-21. Expenses in 2021-22 were £269,783 compared with £219,769 in the previous year.

The net resources expended for the year to 31 August 2021 were £7,240 compared with net incoming resources of £56,109 in the previous year.

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 consider 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 have 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) (Resigned 28 April 2022)

Joan Ward (Treasurer)

John Parker

Ellen Joyce Bolchover

Susan Langley

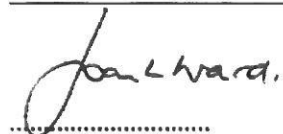
John McCoubrey

Lucy Worsley (Appointed 28 April 2022)

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

SOUTH MANCHESTER GYMNASTICS CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022



.....
Joan Ward (Treasurer)

Trustee

Dated: 31/05/2023

SOUTH MANCHESTER GYMNASTICS CENTRE

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF SOUTH MANCHESTER GYMNASTICS CENTRE

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 2022.

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

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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.

Jonathan Ward



Azets Audit Services
Alpha House
4 Greek Street
Stockport
Cheshire
SK3 8AB
United Kingdom

Dated: 31/8/2022

SOUTH MANCHESTER GYMNASTICS CENTRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Donations and legacies	3	7,321	-	7,321	87,034	-	87,034
Charitable activities	4	262,371	-	262,371	182,880	-	182,880
Other trading activities	5	7,331	-	7,331	5,964	-	5,964
Total income		277,023	-	277,023	275,878	-	275,878
Expenditure on:							
Charitable activities	6	264,424	5,359	269,783	214,144	5,625	219,769
Net incoming/(outgoing) resources before transfers		12,599	(5,359)	7,240	61,734	(5,625)	56,109
Gross transfers between funds		(5,359)	5,359	-	(5,625)	5,625	-
Net income for the year/ Net movement in funds		7,240	-	7,240	56,109	-	56,109
Fund balances at 1 September 2021		287,459	-	287,459	231,350	-	231,350
Fund balances at 31 August 2022		294,699	-	294,699	287,459	-	287,459

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 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10		112,004		105,115
Current assets					
Debtors	11	280		-	
Cash at bank and in hand		218,099		211,599	
		218,379		211,599	
Creditors: amounts falling due within one year	12	(35,684)		(29,255)	
Net current assets			182,695		182,344
Total assets less current liabilities			294,699		287,459
Income funds					
Unrestricted funds			294,699		287,459
			294,699		287,459

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 2022.

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

31/5/23

Joan Ward (Treasurer)

Trustee

Company registration number 03070194

SOUTH MANCHESTER GYMNASTICS CENTRE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

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, United Kingdom.

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. 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 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

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
Fixtures and fittings	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 the statement of financial activities.

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.

1.9 Financial instruments

The charity 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 charity's balance sheet when the charity 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.

SOUTH MANCHESTER GYMNASTICS CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

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.

1.10 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.

There are no critical accounting estimates or judgements.

SOUTH MANCHESTER GYMNASTICS CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	1,483	56,530
Grants	5,838	30,504
	<u>7,321</u>	<u>87,034</u>

4 Charitable activities

	Gymnastics Centre	Gymnastics Centre
	2022	2021
	£	£
Subscriptions and rent	262,371	182,880
	<u>262,371</u>	<u>182,880</u>

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Kit sales	7,331	5,964
	<u>7,331</u>	<u>5,964</u>

SOUTH MANCHESTER GYMNASTICS CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

6 Charitable activities

	Gymnastics Centre 2022 £	Gymnastics Centre 2021 £
Staff costs	109,958	96,504
Depreciation and impairment	9,259	8,750
Rent and rates	1,501	-
Insurance	6,228	5,426
Kit	7,741	6,814
Repairs	4,689	2,033
Heat and light	10,629	5,537
Competitions	5,716	196
Transaction costs	7,636	5,402
Subcontractor costs	85,996	74,442
Other	10,969	7,794
	<u>260,322</u>	<u>212,898</u>
Share of support costs (see note 7)	7,151	4,695
Share of governance costs (see note 7)	2,310	2,176
	<u>269,783</u>	<u>219,769</u>
Analysis by fund		
Unrestricted funds	264,424	214,144
Restricted funds	5,359	5,625
	<u>269,783</u>	<u>219,769</u>

SOUTH MANCHESTER GYMNASTICS CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

7 Support costs

	Support costs £	Governance costs £	2022 Support costs £	Governance costs £	2021 £
Subscriptions	4,963	-	4,963	3,199	3,199
Telephone	1,824	-	1,824	883	883
Postage & printing	364	-	364	613	613
Accountancy fees	-	2,220	2,220	-	1,584
Legal and professional	-	90	90	-	592
	<u>7,151</u>	<u>2,310</u>	<u>9,461</u>	<u>4,695</u>	<u>6,871</u>
Analysed between Charitable activities	<u>7,151</u>	<u>2,310</u>	<u>9,461</u>	<u>4,695</u>	<u>6,871</u>

8 Trustees

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

9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	<u>8</u>	<u>8</u>
Employment costs	2022 £	2021 £
Wages and salaries	<u>109,958</u>	<u>96,504</u>

There were no employees whose annual remuneration was more than £60,000.

SOUTH MANCHESTER GYMNASTICS CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

10 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Total £
Cost				
At 1 September 2021	156,260	143,204	-	299,464
Additions	-	9,507	6,638	16,145
At 31 August 2022	156,260	152,711	6,638	315,609
Depreciation and impairment				
At 1 September 2021	65,629	128,718	-	194,347
Depreciation charged in the year	3,125	5,359	774	9,258
At 31 August 2022	68,754	134,077	774	203,605
Carrying amount				
At 31 August 2022	87,506	18,634	5,864	112,004
At 31 August 2021	90,631	14,484	-	105,115

11 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	280	-

12 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	2,447	1,777
Trade creditors	21,891	17,245
Other creditors	9,126	8,356
Accruals and deferred income	2,220	1,877
	35,684	29,255

13 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).