

REGISTERED COMPANY NUMBER: 02866118 (England and Wales)
REGISTERED CHARITY NUMBER: 1050805

Report of the Trustees and
Financial Statements for the Year Ended 31 August 2022
for
Basingstoke Gymnastic Club

Harris Lacey and Swain
Chartered Accountants and Statutory Auditors
Suite 1
The Riverside Building
Hessle
East Yorkshire
HU13 0DZ

Basingstoke Gymnastic Club

**Contents of the Financial Statements
for the Year Ended 31 August 2022**

	Page
Report of the Trustees	1 to 5
Report of the Independent Auditors	6 to 9
Statement of Financial Activities	10
Balance Sheet	11
Cash Flow Statement	12
Notes to the Cash Flow Statement	13
Notes to the Financial Statements	14 to 24

**Report of the Trustees
for the Year Ended 31 August 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2022. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the charity are:

- 1) to advance the education of pre-school children, children, teenagers and adults especially those with special needs by organising, or assisting in the organisation of, the provision of a facility which will enable and encourage such children to participate in gymnastics.
- 2) to assist in ensuring that due attention is given to the physical education and development of such children and adults and,
- 3) to the development and occupation of such children's and adults' minds with a view to furthering these objects.

Objectives for the year

The main objectives for the year were to maintain our active membership, continue to improve the quality of service and coach education, and reform our model to recover post COVID-19 and build a stable financial position for the club.

Social investments

The trustees have a due regard to guidance published by the charities commission on public benefit. Our principal source of income is through receipt of training fees. These are calculated to cover the carefully managed costs of the Centre with a small surplus, and are graduated in rate per hour cost from £2.29 to £10.29. This places the highest cost per hour on those who attend for one hour per week for general gymnastics. The rate per hour reduces with each additional hour's attendance to allow those who progress to higher levels and who train for the longest hours to afford to continue the sport.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Our purpose as a sports charity is to provide a suitable environment for the participation and enjoyment of gymnastics, trampolining and freestyle gymnastics, primarily, but not exclusively, to children under 16.

We remain an innovative and leading club for participants aged 14 to 25 and offer avenue for participation to participants with disabilities. We continue to ensure we are an accessible facility and regularly look at opportunities for new classes, provide one to one classes and dedicated classes for disabilities alongside participation in regular classes.

Fundraising activities

Our membership and session fees cover the day to day running costs, coach education, maintenance and successful operation of Basingstoke Gymnastic Club Ltd.

In order to upgrade equipment, support high performance gymnasts in international training and competition, invest in high performance coach education and invest in specialist equipment, we have to rely on additional fundraising activities.

During 2021-22 period the club appointed a voluntary Commercial & Fundraising Manager who worked alongside the fundraising committee and continued to increase efforts to attract donations and external fundraising. That said, 2021-22 proved a challenging time for fundraising due to the wider backdrop of post COVID-19, war in Europe and increasing inflationary pressures. Material work was made in professionalizing the club's fundraising function to ensure capitalisation of opportunities as they arose.

**Report of the Trustees
for the Year Ended 31 August 2022**

ACHIEVEMENT AND PERFORMANCE

Annual performance

We measure our performance and success via a number of indicators. Historically, the club has used measures such as class numbers which are reported on weekly and provide a quick indication of participation. Across 21-22 year, much work was completed on the reform of classes and timetables to increase capacity and therefore participation. This work was completed mid-way through the financial year, with the Trustees expecting the fruits of this labour to materialize in the 22-23 financial year.

The performance of the staff across this period remained strong, however, inflationary pressures meant the club had to build contingency within the budget to support wages during the cost-of-living crisis we now find ourselves in. During the period, the club's Operations Director left the club and the Trustees wish to thank him for his contributions. Whilst it was a tough transition, newly appointed senior management delivered a material overhaul of the classes, club technology, processes and cost efficiency savings effectively.

FINANCIAL REVIEW

Financial review

The club still feels significant effects post COVID-19 and continue to battle with the following increased inflationary environment which materially impacts the cost-of-living for our members and staff. Much work has been focused across the period on reforming the club's offering and increasing capacity to the wider community whilst simultaneously improving the club's service. Changes driven by the management included modification to fees, fundraising and grant approaches, the design and building of a mid-tier to support gymnasts transition from recreational participation to elite participation.

BGC continue to also utilize the CBIL scheme to provide a 'safety net' for the club and are delivering on our plan around this loan to ensure that the monies are used prudently and paid back in a timely fashion to ensure member funds are utilized effectively.

Looking ahead, the financial position of the club continues to be a key focus for the Trustees. In my previous report I noted that "It would be remiss to not note that the years ahead will prove a challenge on this front" 2021-22 proved to be a very challenging year from a financial perspective but offered the club the opportunity to lay the groundworks for more successful years in the future. This is being borne in the 22-23 financial year.

Reserves policy

In prior years, we set a new target date of 2022 to build up one month's income for our financial reserves which would amount to £81,466 in 2022, to protect ourselves against any severe fluctuations in cash. This target remains active, however, the club was unable to make improvements on our reserves across the 21-22 year due to the challenging economic environment.

The Gymnastic Club has an asset register with values and the life expectancy of equipment. Their replacement, partly paid for by the new Fundraising Committee, will be funded from reserves (where available) and any grants obtained by the club.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document the memorandum and articles of association dated the 26th October 1993, and amended by special resolution dated 26th October 1995. The charity is a limited company, limited by guarantee, as defined by the Companies Act 2006.

**Report of the Trustees
for the Year Ended 31 August 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

Prospective new trustees are normally proposed by an existing club member who may or may not be trustees for formal election at the club's AGM. Prior to their election prospective trustees are offered the opportunity to attend at least one board meeting as an observer to properly understand the working of the board. Trustees meet a minimum of once per quarter. Trustees are elected for a three-year period and may stand for re-election.

The General Manager / Club Manager is appointed by the trustees to manage the day-to-day activities of the charity. During the period, the Operations Director left the club and was not immediately re-appointed. Instead, a senior management team was formed from incumbent staff and supervised by a trustee who supported in an executive fashion. The Trustees extend their thanks to this Trustee for their contributions during this time.

Organisational structure

Jon Fuller, the club's Operational Director, who oversees the operation of the club and reports directly to the board of trustees left the club during the period (May 2022).

The senior management was expanded across the year and further empowered upon Jon's departure, with Amy Woods, Carl Dunne and Karen Rawson expanding roles. Joe Fraser remains as Performance Director.

Induction and training of new trustees

Upon showing interest, potential new Trustees will discuss the roles and requirements with the Chairman, and if suitable will be invited to attend one board meeting. Following this meeting, if they are suitable with appropriate skills, are put forward for election at the Annual General Meeting of the Club. Training is given as required.

Related parties

Basingstoke Gymnastic Club is a tenant of the Active Life Centre Limited (ALC) which is a completely independent business. ALC was set up to develop and manage the premises located at Stephenson Road, Basingstoke. At the end of the last financial year we transferred the lease from Active Life Centre to Basingstoke Gymnastics Club and ALC is now in the process of being wound down which will be complete by the end of the next year.

Carole Cairns is a qualified Book Keeper who over sees the Gym clubs' accounts on a monthly basis, this is a paid position. The club also liases with our auditor Harris Lacey and Swain..

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02866118 (England and Wales)

Registered Charity number

1050805

Registered office

The Active Life Centre
Stephenson Road
Houndmills
Basingstoke
Hampshire
RG21 6XR

**Report of the Trustees
for the Year Ended 31 August 2022**

Trustees

V R Bartlett

G J Dennis

S Fidgett (resigned 7.3.23)

T H D Moore

C Wright (appointed 20.9.22)

B Cummings (appointed 7.3.23)

K G Laing (appointed 7.3.23)

S J Hough (resigned 4.1.23)

C Loughlin (resigned 18.10.21)

A J Walsh (resigned 10.9.22)

Auditors

Harris Lacey and Swain

Chartered Accountants and Statutory Auditors

Suite 1

The Riverside Building

Hessle

East Yorkshire

HU13 0DZ

Solicitors

Brain Chase

Coles

Wote Street

Basingstoke

Club Manager

Jon Fuller (Resigned effective April 2022)

Carl Dunne (Appointed effective April 2022)

Administration Manager

Karen Rawson

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Basingstoke Gymnastic Club for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Report of the Trustees
for the Year Ended 31 August 2022**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Harris Lacey and Swain, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 27/05/23 and signed on its behalf by:


.....
G J Dennis - Trustee

**Report of the Independent Auditors to the Members of
Basingstoke Gymnastic Club**

Opinion

We have audited the financial statements of Basingstoke Gymnastic Club (the 'charitable company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
Basingstoke Gymnastic Club**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Members of Basingstoke Gymnastic Club

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

Audit response to risks identified

- the nature of the industry and sector, control environment and business performance including key drivers for directors' remuneration, bonus levels and performance targets
- results of our enquiries of management and their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the companies' documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of noncompliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
 - the matters discussed among the audit engagement team including regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in relation to revenue deferrals. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, UK Corporate Governance Code and local tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance
- obtained an understanding of provisions and held discussions with management to understand the basis of recognition or non-recognition of tax provisions; and

**Report of the Independent Auditors to the Members of
Basingstoke Gymnastic Club**

- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or noncompliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable 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 charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Laura J Drew BFP ACA FCCA (Senior Statutory Auditor)
for and on behalf of Harris Lacey and Swain
Chartered Accountants and Statutory Auditors
Suite 1
The Riverside Building
Hessle
East Yorkshire
HU13 0DZ

Date:

Basingstoke Gymnastic Club

**Statement of Financial Activities
for the Year Ended 31 August 2022**

	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	36,249	93,356	129,605	345,852
Charitable activities					
Provision of gymnastic facilities	5	766,132	-	766,132	508,464
Other trading activities	3	81,826	-	81,826	36,071
Investment income	4	24	-	24	8
Total		<u>884,231</u>	<u>93,356</u>	<u>977,587</u>	<u>890,395</u>
EXPENDITURE ON					
Raising funds	6	33,812	(4,525)	29,287	10,393
Charitable activities					
Provision of gymnastic facilities	7	1,032,256	3,571	1,035,827	914,650
Other		-	-	-	45,264
Total		<u>1,066,068</u>	<u>(954)</u>	<u>1,065,114</u>	<u>970,307</u>
NET INCOME/(EXPENDITURE)		(181,837)	94,310	(87,527)	(79,912)
RECONCILIATION OF FUNDS					
Total funds brought forward		(84,394)	105,360	20,966	100,878
TOTAL FUNDS CARRIED FORWARD		<u>(266,231)</u>	<u>199,670</u>	<u>(66,561)</u>	<u>20,966</u>

The notes form part of these financial statements

Basingstoke Gymnastic Club (Registered number: 02866118)

**Balance Sheet
31 August 2022**

	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	13	18,142	290,122	308,264	407,574
CURRENT ASSETS					
Stocks	14	3,713	-	3,713	2,110
Debtors	15	1,993	-	1,993	8,687
Cash at bank and in hand		256,747	(90,453)	166,294	315,838
		<u>262,453</u>	<u>(90,453)</u>	<u>172,000</u>	<u>326,635</u>
CREDITORS					
Amounts falling due within one year	16	(114,101)	1	(114,100)	(141,260)
NET CURRENT ASSETS		<u>148,352</u>	<u>(90,452)</u>	<u>57,900</u>	<u>185,375</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		166,494	199,670	366,164	592,949
CREDITORS					
Amounts falling due after more than one year	17	(157,629)	-	(157,629)	(203,531)
PROVISIONS FOR LIABILITIES	19	(47,500)	-	(47,500)	(47,500)
ACCRUALS AND DEFERRED INCOME	20	(227,596)	-	(227,596)	(320,952)
NET ASSETS		<u>(266,231)</u>	<u>199,670</u>	<u>(66,561)</u>	<u>20,966</u>
FUNDS	21				
Unrestricted funds				(266,231)	(84,394)
Restricted funds				<u>199,670</u>	<u>105,360</u>
TOTAL FUNDS				<u>(66,561)</u>	<u>20,966</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 27/05/23 and were signed on its behalf by:


G J Dennis - Trustee

The notes form part of these financial statements

Basingstoke Gymnastic Club
Cash Flow Statement
for the Year Ended 31 August 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	(96,096)	236,893
Interest paid		(3,495)	-
Net cash (used in)/provided by operating activities		<u>(99,591)</u>	<u>236,893</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(29,475)	(65,480)
Sale of tangible fixed assets		3,500	-
Interest received		24	8
Net cash used in investing activities		<u>(25,951)</u>	<u>(65,472)</u>
Cash flows from financing activities			
Loan repayments in year		(24,002)	-
Net cash (used in)/provided by financing activities		<u>(24,002)</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period		<u>(149,544)</u>	<u>171,421</u>
Cash and cash equivalents at the beginning of the reporting period		<u>315,838</u>	<u>144,417</u>
Cash and cash equivalents at the end of the reporting period		<u><u>166,294</u></u>	<u><u>315,838</u></u>

The notes form part of these financial statements

Basingstoke Gymnastic Club

**Notes to the Cash Flow Statement
for the Year Ended 31 August 2022**

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(87,527)	(79,912)
Adjustments for:		
Depreciation charges	128,785	125,346
Profit on disposal of fixed assets	(3,500)	-
Interest received	(24)	(8)
Interest paid	3,495	-
Purchase of fixed assets	-	65,480
(Increase)/decrease in stocks	(1,603)	1,906
Decrease/(increase) in debtors	6,694	(3,690)
(Decrease)/increase in creditors	(142,416)	127,771
Net cash (used in)/provided by operations	(96,096)	236,893

2. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	At 1.9.21 £	Cash flow £	At 31.8.22 £
Net cash			
Cash at bank and in hand	315,838	(149,544)	166,294
	<u>315,838</u>	<u>(149,544)</u>	<u>166,294</u>
Debt			
Debts falling due within 1 year	(24,050)	(21,900)	(45,950)
Debts falling due after 1 year	(203,531)	45,902	(157,629)
	<u>(227,581)</u>	<u>24,002</u>	<u>(203,579)</u>
Total	<u>88,257</u>	<u>(125,542)</u>	<u>(37,285)</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Charity is aware of their financial position at the year end. The accounts have been prepared on a going concern basis as a result of the budgets that the Charity has prepared for the next three years. It was felt that this still an appropriate basis of preparation.

Critical accounting judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on the Directors' best knowledge of the amount, events or actions, actual results ultimately differ from these estimates. The Directors do not consider there to be any material estimates and judgements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Sponsorships & Grant income

Income is recognised once confirmed by the sponsor. Where necessary it is deferred into the period in which it relates.

Room/Coach hire & Birthday parties

Partial payment in advance are taken upon booking, the income from these payments is not recognised until two weeks before the event, when the remaining balance has been settled.

Other income

All other sources of income are recognised in full, at the time of receipt.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold	- 5% on cost
Improvements to property	- 10% on cost
Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

Basingstoke Gymnastic Club

Notes to the Financial Statements - continued for the Year Ended 31 August 2022

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

It is the charity's policy to capitalise expenditure greater than £1,000 on gymnastic equipment and fixtures and fittings and computer equipment greater than £500. Amounts smaller than that are charged to resources expended in the Statement of Financial Activities.

During the year ended 31 August 2021 Basingstoke Gymnastic Club took over the leasehold building from Active Life Centre. The depreciation policy is to depreciate over the term of the lease which is 20 years. There is now 3 years left on the lease.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Grants	127,356	166,105
Job Retention Scheme	2,249	179,747
	<u>129,605</u>	<u>345,852</u>

Grants received, included in the above, are as follows:

	2022	2021
	£	£
ALC Grant	93,356	82,542
BAGA Grant	-	13,478
B&D Council Grant	28,000	28,000
Other Grants	6,000	42,085
	<u>127,356</u>	<u>166,105</u>

Basingstoke Gymnastic Club

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2022**

3. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Sponsorships	1,719	10,481
Shop income	9,430	3,690
Cafe income	2,635	101
Fundraising events	18,049	4,896
Birthday parties	11,223	-
Room and coach hire	4,020	16,227
Other income	966	676
Holiday club	33,784	-
	<u>81,826</u>	<u>36,071</u>

4. INVESTMENT INCOME

	2022	2021
	£	£
Interest receivable - trading	<u>24</u>	<u>8</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022	2021
		£	£
Gymnastic fees & subscription	Provision of gymnastic facilities	742,838	506,178
Gymnastic competitions	Provision of gymnastic facilities	<u>23,294</u>	<u>2,286</u>
		<u>766,132</u>	<u>508,464</u>

6. RAISING FUNDS

Other trading activities

	2022	2021
	£	£
Purchases	14,293	8,379
Bad debts	1,700	-
Other costs	4,621	525
Events costs	4,904	1,194
Holiday club costs	274	295
Interest payable and similar charges	<u>3,495</u>	<u>-</u>
	<u>29,287</u>	<u>10,393</u>

Basingstoke Gymnastic Club

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2022**

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Provision of gymnastic facilities	<u>893,453</u>	<u>142,374</u>	<u>1,035,827</u>

8. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Provision of gymnastic facilities	<u>115,687</u>	<u>21,167</u>	<u>5,520</u>	<u>142,374</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Auditors' remuneration	5,520	3,360
Depreciation - owned assets	128,785	125,346
Surplus on disposal of fixed assets	<u>(3,500)</u>	<u>-</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2022 nor for the year ended 31 August 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2022 nor for the year ended 31 August 2021.

11. STAFF COSTS

	2022 £	2021 £
Wages and salaries	612,400	561,551
Social security costs	42,169	30,662
Other pension costs	14,514	12,437
	<u>669,083</u>	<u>604,650</u>

The average monthly number of employees during the year was as follows:

	2022	2021
Average number of staff	<u>43</u>	<u>66</u>

No employees received emoluments in excess of £60,000.

Basingstoke Gymnastic Club

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2022**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	249,831	96,021	345,852
Charitable activities			
Provision of gymnastic facilities	508,464	-	508,464
Other trading activities	36,071	-	36,071
Investment income	8	-	8
Total	<u>794,374</u>	<u>96,021</u>	<u>890,395</u>
EXPENDITURE ON			
Raising funds	10,393	-	10,393
Charitable activities			
Provision of gymnastic facilities	912,141	2,509	914,650
Other	45,264	-	45,264
Total	<u>967,798</u>	<u>2,509</u>	<u>970,307</u>
NET INCOME/(EXPENDITURE)	(173,424)	93,512	(79,912)
RECONCILIATION OF FUNDS			
Total funds brought forward	89,029	11,849	100,878
TOTAL FUNDS CARRIED FORWARD	<u>(84,395)</u>	<u>105,361</u>	<u>20,966</u>

Basingstoke Gymnastic Club

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2022**

13. TANGIBLE FIXED ASSETS

	Long leasehold £	Improvements to property £	Plant and machinery £
COST			
At 1 September 2021	1,631,814	151,871	296,684
Additions	-	5,851	16,693
At 31 August 2022	1,631,814	157,722	313,377
DEPRECIATION			
At 1 September 2021	1,316,472	120,345	235,977
Charge for year	81,590	15,773	29,112
At 31 August 2022	1,398,062	136,118	265,089
NET BOOK VALUE			
At 31 August 2022	233,752	21,604	48,288
At 31 August 2021	315,342	31,526	60,707
	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 September 2021	23,311	21,317	2,124,997
Additions	-	6,931	29,475
At 31 August 2022	23,311	28,248	2,154,472
DEPRECIATION			
At 1 September 2021	23,311	21,318	1,717,423
Charge for year	-	2,310	128,785
At 31 August 2022	23,311	23,628	1,846,208
NET BOOK VALUE			
At 31 August 2022	-	4,620	308,264
At 31 August 2021	-	(1)	407,574

Basingstoke Gymnastic Club

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2022**

14. STOCKS

	2022	2021
	£	£
Stocks	<u>3,713</u>	<u>2,110</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	795	120
Other debtors	663	3,067
Prepayments	535	5,500
	<u>1,993</u>	<u>8,687</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Other loans (see note 18)	45,950	24,050
Trade creditors	11,598	92,240
Social security and other taxes	9,579	10,633
Other creditors	7,403	4,772
Accrued expenses	39,570	9,565
	<u>114,100</u>	<u>141,260</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Other loans (see note 18)	<u>157,629</u>	<u>203,531</u>

18. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>45,950</u>	<u>24,050</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>157,629</u>	<u>203,531</u>

Basingstoke Gymnastic Club

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2022**

19. PROVISIONS FOR LIABILITIES

	2022	2021
	£	£
Provisions	<u>47,500</u>	<u>47,500</u>

20. ACCRUALS AND DEFERRED INCOME

	2022	2021
	£	£
Deferred government grants	<u>227,596</u>	<u>320,952</u>

21. MOVEMENT IN FUNDS

	At 1.9.21	Net movement in funds	At 31.8.22
	£	£	£
Unrestricted funds			
General fund	(84,394)	(181,837)	(266,231)
Restricted funds			
Building fund	25,625	(1,853)	23,772
Leasehold fund	82,542	93,356	175,898
Equipment replacement	(2,859)	2,859	-
Sport England	52	(52)	-
	<u>105,360</u>	<u>94,310</u>	<u>199,670</u>
TOTAL FUNDS	<u>20,966</u>	<u>(87,527)</u>	<u>(66,561)</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	884,231	(1,066,068)	(181,837)
Restricted funds			
Building fund	-	(1,853)	(1,853)
Leasehold fund	93,356	-	93,356
Equipment replacement	-	2,859	2,859
Sport England	-	(52)	(52)
	<u>93,356</u>	<u>954</u>	<u>94,310</u>
TOTAL FUNDS	<u>977,587</u>	<u>(1,065,114)</u>	<u>(87,527)</u>

Basingstoke Gymnastic Club

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2022**

21. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.20 £	Net movement in funds £	At 31.8.21 £
Unrestricted funds			
General fund	89,029	(173,423)	(84,394)
Restricted funds			
Building fund	13,136	12,489	25,625
Leasehold fund	-	82,542	82,542
Equipment replacement	(1,606)	(1,253)	(2,859)
Sport England	319	(267)	52
	<u>11,849</u>	<u>93,511</u>	<u>105,360</u>
TOTAL FUNDS	<u>100,878</u>	<u>(79,912)</u>	<u>20,966</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	794,374	(967,797)	(173,423)
Restricted funds			
Building fund	13,478	(989)	12,489
Leasehold fund	82,542	-	82,542
Equipment replacement	1	(1,254)	(1,253)
Sport England	-	(267)	(267)
	<u>96,021</u>	<u>(2,510)</u>	<u>93,511</u>
TOTAL FUNDS	<u>890,395</u>	<u>(970,307)</u>	<u>(79,912)</u>

Basingstoke Gymnastic Club

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2022**

21. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.20 £	Net movement in funds £	At 31.8.22 £
Unrestricted funds			
General fund	89,029	(355,260)	(266,231)
Restricted funds			
Building fund	13,136	10,636	23,772
Leasehold fund	-	175,898	175,898
Equipment replacement	(1,606)	1,606	-
Sport England	319	(319)	-
	<u>11,849</u>	<u>187,821</u>	<u>199,670</u>
TOTAL FUNDS	<u>100,878</u>	<u>(167,439)</u>	<u>(66,561)</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,678,605	(2,033,865)	(355,260)
Restricted funds			
Building fund	13,478	(2,842)	10,636
Leasehold fund	175,898	-	175,898
Equipment replacement	1	1,605	1,606
Sport England	-	(319)	(319)
	<u>189,377</u>	<u>(1,556)</u>	<u>187,821</u>
TOTAL FUNDS	<u>1,867,982</u>	<u>(2,035,421)</u>	<u>(167,439)</u>

Basingstoke Gymnastic Club

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2022**

22. RELATED PARTY DISCLOSURES

Zeal Events Limited

Zeal Events Limited is a company which has common directors with Basingstoke Gymnastic Club.

During the year the Basingstoke Gymnastic Club paid £nil (2021: £nil) to Zeal Events Limited.

At the balance sheet date Basingstoke Gymnastic Club owed Zeal Events Limited £nil (2021: £nil).

23. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party. Control is shared equally amongst the members.