

Charity registration number 1091114

Company registration number 04279448 (England and Wales)

EAST GRINSTEAD SPORTS CLUB LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

EAST GRINSTEAD SPORTS CLUB LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|-----------------------------|--|
| Trustees | R Leman K Ellis R Thornley - Gibson G Christopherson G Needle C Gregory L Farren N Fish M Chappell |
| Charity number | 1091114 |
| Company number | 04279448 |
| Registered office | Saint Hill Road East Grinstead West Sussex RH19 4JU |
| Independent examiner | Darren Harding ACA FCCA DChA Richard Place Dobson Services Limited Chartered Accountants 1 - 7 Station Road Crawley West Sussex RH10 1HT |
| Solicitors | Rohan & Co Aberdeen House South Road Haywards Heath RH16 4NG |

EAST GRINSTEAD SPORTS CLUB LIMITED

CONTENTS

| | Page |
|-----------------------------------|-------------|
| Trustees' report | 1 - 4 |
| Independent examiner's report | 5 |
| Statement of financial activities | 6 - 7 |
| Balance sheet | 8 - 9 |
| Notes to the financial statements | 10 - 23 |

EAST GRINSTEAD SPORTS CLUB LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

The Trustees present their annual report and financial statements for the year ended 30 September 2021.

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 Charitable Company's Memorandum and Articles of Association, 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)".

Objectives and activities

The objects of the charity are to promote the benefit of the inhabitants of East Grinstead and the surrounding area without distinction of sex, sexual orientation, race or of political, religious or other opinions, to advance education and to provide and assist in the provision of recreation and leisure-time occupation with the object of improving the conditions of life of the said inhabitants.

The Trustees pay due regard to guidance issued by the Charity Commission, including guidance on public benefit, in deciding what activities the Charitable Company should undertake

History of significant events

In 1989 East Grinstead Cricket Club and East Grinstead Hockey Club merged to create East Grinstead Sports Club. Both clubs had a long tradition of playing sport in the town but could see the benefits of joining forces for mutual advantage.

As part of the merger the cricket ground at West Street was sold, and the cricket club moved to the current site at Saint Hill, which the Hockey Club had purchased in 1959. The proceeds of the cricket ground sale were invested in building a new pavilion and sports hall at Saint Hill, laying an artificial hockey pitch, and creating a new cricket square. East Grinstead Ladies Hockey Club played its hockey at the old cricket ground and decided to move to Saint Hill at the same time and become another founder member club of the Sports Club.

The Sports Club expanded further in 1997 through the joining of the Felbridge Badminton Club.

Key developments and milestones in the subsequent years include:

- In 2002 there was a £1.7m investment (including a lottery grant of over £1m) to provide a new water-based all-weather hockey pitch, a new fitness suite, new changing facilities, function room and improved office accommodation.
- Charitable status to the East Grinstead Sports Club was granted in 2003, achieving a significant strategic milestone of the Sports Club by becoming a true multi sport community club.
- The construction of 9 netball courts was completed in 2007.
- In 2008 the Club was chosen by Sport England as the first 'Pathfinder' multi-sport club in Sussex and was also designated by the London Organising Committee of the Olympic Games as an official Training Venue for 2012. Both awards recognising the quality of the facilities and the potential the site has to offer sport for all.
- In 2008, following the closure of a local gym, squash and fitness club, the Sports Club was able to offer members the chance to relocate and enjoy similar fitness facilities. This move was achieved in less than six months, enabling a substantial part of that former club to be kept together for the benefit of the community. After raising the required funds, the Sports Club was able to complete its objective of developing three new squash courts, which were officially opened in September 2012.
- In 2010 the sand based football pitch was replaced with a 3G pitch financed in part by a loan, and in part by a generous donation from a local benefactor.
- In 2013 the surface of the water-based hockey pitch was replaced; financed through grants, donations and sponsorship funds.
- In 2019/20 a number of improvements were made to the facility to benefits users and encourage greater participation in the long term, all made possible through generous grant funding support from MSDC. These works included improvements to the gym and gym changing facilities, upgrading internal lighting to LEDs, refurbishment of the cafe/bar, and the creation of a designated indoor childrens activity space.
- In December 2019 the hockey pitch floodlights were replaced with more sustainable and environmentally friendly LED lights, which also reduced light pollution for those living locally.
- In November 2020 the charity received permission to use some of its land for junior football, further expanding the range of facilities available to the local community.

EAST GRINSTEAD SPORTS CLUB LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

As at 30 September 2021 there were 6 sports clubs affiliated to the charity and based at the Saint Hill site – EG Men's and Ladies' Hockey Club, EG Cricket Club, Felbridge Badminton Club, CD Phoenix Netball Club, Dunnings Squash & Racketball Club, and East Grinstead Meads Football Club. The charity also works closely with other clubs that use the facilities.

Achievements and performance

With effect from 29 September 2017 the Trustees leased the site and facilities to a specialist leisure management company, Wave Leisure Trust Limited (itself a registered charity). Wave Leisure Trust Limited has entered into a twelve year lease to operate the facilities at EGSC, with an option to extend beyond that period if both parties agree.

Leasing the facility in this way enables the Trustees to focus on the Charity's objectives through identifying and working towards future developments to maintain and enhance the facilities, and providing sporting/well-being opportunities to the local community.

The main focus of the Trustees and all volunteers during the current year has been in maintaining the facilities as well as possible during long periods of closure due to the Covid pandemic.

Financial review

The Charity has net incoming resources of £17,874 (net outgoing resources in 2020: £37,083), as shown in the Statement of Financial Activities on page 6, and accompanying notes to these financial statements. Included within the incoming resources are donations of £38,833 (2020: £49,879), and included within the resources expended are depreciation charges totalling £27,795 (2020: £27,795).

The Charity continues to work with all sports clubs and users to raise funds to offset the depreciation charges (and hence eventually replace/replenish existing facilities). The Charity has a policy of building up sinking funds for the replacement and developments of all the facilities it owns. These sinking funds are held in the Charity's restricted funds. Over the year these sinking funds decreased by £1,705 mainly as a result of improvements and repairs to the squash courts and area around the netball courts (decreased in 2020 by £37,551, due largely to investments in new LED flood lights.).

The Charity, working with the East Grinstead Hockey Club, has a funding target of £22,000 per annum towards the future replacement/refurbishment of the hockey pitch. The Charity continually works with the affiliated clubs and other interested parties to identify specific targets for development of other key facilities.

The Charity's only sources of funding are donations and grants from third parties, and the rent received from the operator to which the facilities are leased. Donations and grants that are given for specific purposes are used entirely for those purposes. The Charity minimises as best it can the costs associated with its operations (noting that all Trustees provide their time on a voluntary basis), and as a result a minimum of 85%-90% of all unallocated income (essentially rental income above that received for specific costs such as insurance) is used for charitable activities in accordance with the Charity's objects. As all grants and donations are fully utilised in this way, well over 90% of all income received is used directly to support the work of the Charity.

Reserves policy

It is the policy of the board to have a prudent and balanced view on reserves. Free reserves are intended to reflect a level of approximately between three and six months' expenditure over and above the value of the land, buildings and pitches.

EAST GRINSTEAD SPORTS CLUB LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

Structure, governance and management

East Grinstead Sports Club Limited is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association.

The Directors of the charitable company ("the charity") are Trustees for the purpose of charity law and Directors for the purpose of company law. Collectively they are referred to as Directors.

The Directors who served during the year were:

R Leman

K Ellis

R Thornley - Gibson

G Christopherson

G Needle

C Gregory

L Farren

N Fish

M Chappell

None of the Directors has any beneficial interest in the company. Every member of the Company has a liability to contribute up to £1 to the assets of the Company in the event of it being wound up whilst they are a member or within one year after ceasing to be a member.

The Board shall consist of not less than six members. There is no maximum.

Under the terms of the Company's Articles of Association one third of the Board members are required to retire each year, although all are eligible for re-election. At the Annual General Meeting on 22 July 2021 R Thornley-Gibson, K Ellis and R Leman stood down as Directors under rotation, but agreed to stand for re-appointment. All three were reappointed unanimously by the members present at the AGM. Those entitled to vote at the AGM are either a current Trustee of the Charity or an adult member of one of the following sports clubs: East Grinstead Hockey Club, East Grinstead Cricket Club, Dunnings Squash and Racketball Club, CD Phoenix Netball Club, Felbridge Badminton Club, and East Grinstead Meads Football Club.

The Directors have identified and considered the overall risks to the Charity. These risks are regularly reassessed with regard to their impact and their likelihood of occurring within the organisation. Systems to control and mitigate these risks have been introduced.

EAST GRINSTEAD SPORTS CLUB LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

Risk management

As a result of the Covid-19 pandemic the facilities at the club have been closed for part of the year, as required by Government guidance.

When possible the facilities have been opened and made available subject to procedures being put in place to meet Government guidelines and for the safety of users.

During closure there was no income for the operators, and when the facilities were open the income continued to be restricted because of the reduced capacity and new operating procedures that had been put in place. As a result the Charity agreed to a reduction in the rent due from Wave leisure Trust. The Charity and Wave Leisure Trust have worked closely together, and continue to do so, with the aim of opening facilities as and when possible to provide safe access to the local community in a viable manner.

Key actions taken by the Charity, its affiliated clubs (including many volunteers), and Wave Leisure Trust during this period include:

- Maintaining the facilities as far as possible during closure.
- Successful applications for Covid-19 grant funding.
- Facilitating the safe reintroduction of sports and fitness activities as and when possible.
- Temporary closure of café and changing facilities in line with Government guidelines.

All facilities have now reopened, following full compliance with Government guidance and having regard to the safety of all users.

Small company exemption

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

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



K Ellis

Trustee

Dated: 25 May 2022

EAST GRINSTEAD SPORTS CLUB LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF EAST GRINSTEAD SPORTS CLUB LIMITED

I report to the Trustees on my examination of the financial statements of East Grinstead Sports Club Limited (the Charitable Company) for the year ended 30 September 2021.

Responsibilities and basis of report

As the Trustees of the Charitable Company (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).

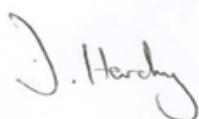
Having satisfied myself that the financial statements of the Charitable Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charitable Company's financial statements carried out under section 145 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 Charitable Company 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.



Darren Harding ACA FCCA DChA
Richard Place Dobson Services Limited
Chartered Accountants
1 - 7 Station Road
Crawley
West Sussex
RH10 1HT

Dated: 27 May 2022

EAST GRINSTEAD SPORTS CLUB LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2021

Current financial year

| | | Unrestricted funds general | Unrestricted funds Designated fund | Restricted funds | Total | Total |
|---|-------|----------------------------------|---|---------------------|------------------|------------------|
| | Notes | 2021 £ | 2021 £ | 2021 £ | 2021 £ | 2020 £ |
| <u>Income from:</u> | | | | | | |
| Donations and legacies | 3 | 97 | - | 38,736 | 38,833 | 49,879 |
| Provision of leisure facilities | 4 | 62,073 | - | 2,953 | 65,026 | 116,405 |
| Investments | 5 | 12,476 | - | 26 | 12,502 | 52,424 |
| Other income | 6 | - | - | - | - | 600 |
| Total income | | 74,646 | - | 41,715 | 116,361 | 219,308 |
| <u>Expenditure on:</u> | | | | | | |
| Charitable activities | 7 | 30,752 | 27,795 | 39,940 | 98,487 | 256,391 |
| Net incoming/(outgoing) resources before transfers | | 43,894 | (27,795) | 1,775 | 17,874 | (37,083) |
| Gross transfers between funds | | (42,000) | 39,750 | 2,250 | - | - |
| Net income/(expenditure) for the year/ Net movement in funds | | 1,894 | 11,955 | 4,025 | 17,874 | (37,083) |
| Fund balances at 1 October 2020 | | 17,293 | 2,500,698 | 64,258 | 2,582,249 | 2,619,332 |
| Fund balances at 30 September 2021 | | 19,187 | 2,512,653 | 68,283 | 2,600,123 | 2,582,249 |

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.

EAST GRINSTEAD SPORTS CLUB LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2021

Prior financial year

| | | Unrestricted funds general | Unrestricted funds Designated fund | Restricted funds | Total |
|---|-------|----------------------------------|---|---------------------|------------------|
| | Notes | 2020 £ | 2020 £ | 2020 £ | 2020 £ |
| <u>Income from:</u> | | | | | |
| Donations and legacies | 3 | 604 | - | 49,275 | 49,879 |
| Provision of leisure facilities | 4 | 20,052 | - | 96,353 | 116,405 |
| Investments | 5 | 38,178 | 13,324 | 922 | 52,424 |
| Other income | 6 | 600 | - | - | 600 |
| Total income | | 59,434 | 13,324 | 146,550 | 219,308 |
| <u>Expenditure on:</u> | | | | | |
| Charitable activities | 7 | 26,667 | 44,862 | 184,862 | 256,391 |
| Net incoming/(outgoing) resources before transfers | | 32,767 | (31,538) | (38,312) | (37,083) |
| Gross transfers between funds | | (25,761) | 25,000 | 761 | - |
| Net income/(expenditure) for the year/ Net movement in funds | | 7,006 | (6,538) | (37,551) | (37,083) |
| Fund balances at 1 October 2019 | | 10,287 | 2,507,236 | 101,809 | 2,619,332 |
| Fund balances at 30 September 2020 | | 17,293 | 2,500,698 | 64,258 | 2,582,249 |

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.

EAST GRINSTEAD SPORTS CLUB LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|--|-------|------------------|------------------|------------------|------------------|
| Fixed assets | | | | | |
| Tangible assets | 11 | | 2,425,562 | | 2,453,357 |
| Current assets | | | | | |
| Debtors | 12 | 24,304 | | 28,788 | |
| Cash at bank and in hand | | 221,201 | | 176,893 | |
| | | <u>245,505</u> | | <u>205,681</u> | |
| Creditors: amounts falling due within one year | 14 | <u>(70,944)</u> | | <u>(34,817)</u> | |
| Net current assets | | | 174,561 | | 170,864 |
| Total assets less current liabilities | | | 2,600,123 | | 2,624,221 |
| Creditors: amounts falling due after more than one year | 15 | | - | | (41,972) |
| Net assets | | | <u>2,600,123</u> | | <u>2,582,249</u> |
| Income funds | | | | | |
| Restricted funds | 16 | | 68,283 | | 64,258 |
| <u>Unrestricted funds</u> | | | | | |
| Designated funds | 17 | 2,512,653 | | 2,500,698 | |
| General unrestricted funds | | 19,187 | | 17,293 | |
| | | <u>2,531,840</u> | | <u>2,517,991</u> | |
| | | | <u>2,600,123</u> | | <u>2,582,249</u> |

EAST GRINSTEAD SPORTS CLUB LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 SEPTEMBER 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 September 2021.

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 25 May 2022.


.....

K Ellis

Trustee

Company Registration No. 04279448

EAST GRINSTEAD SPORTS CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

Charity information

East Grinstead Sports Club Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Saint Hill Road, East Grinstead, West Sussex, RH19 4JU.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charitable Company'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 Charitable Company is a Public Benefit Entity as defined by FRS 102.

The Charitable Company 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 Charitable 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

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charitable Company has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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.

1.4 Income

Income is recognised when the Charitable Company 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.

Other grants, donations and legacies are included in full in the Statement of Financial Activities when receivable.

Income from charitable activities and other income is included in the Statement of Financial Activities in the year to which it relates.

Income from investments is included in the Statement of Financial Activities in the year in which it is receivable.

EAST GRINSTEAD SPORTS CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

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.

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries and their associated costs.

Support costs now include governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity and include independent examination fees and other professional fees.

Allocation and apportionment of support costs

The main activity of the charitable company is the provision of leisure activities to the local community, so all costs related to this are classified as direct costs and all other costs are allocated as support costs.

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 | Not depreciated |
| Freehold buildings | Straight line over 50 years |
| Squash court components | Straight line over 10-30 years |
| Pitches | Straight line over 10 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.

The residual value of the land elements of the pitches has been found to be in excess of the net book value of those assets. As such, no further depreciation is charged. The directors will review the residual value of the assets yearly. The surface elements of the pitches are still being depreciated in line with the depreciation policies set out above.

1.7 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.

EAST GRINSTEAD SPORTS CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

(Continued)

1.8 Financial instruments

The Charitable 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 Charitable Company's balance sheet when the Charitable 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.

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 Charitable Company's contractual obligations expire or are discharged or cancelled.

1.9 Taxation

The company has been granted charitable status and is therefore not liable to corporation tax.

2 Critical accounting estimates and judgements

In the application of the Charitable Company'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.

EAST GRINSTEAD SPORTS CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

2 Critical accounting estimates and judgements

(Continued)

The main judgements and accounting estimates included in the accounts are:

Depreciation - Management has made assumptions and estimated depreciation rates in respect of showing a true and fair value of the assets at the balance sheet date.

Prepayments and Accruals - Management has made estimates and established prepayments and accruals in respect of potential assets and liabilities as at the balance sheet date.

3 Donations

| | Unrestricted funds general 2021 £ | Restricted funds 2021 £ | Total 2021 £ | Total 2020 £ |
|-----------|---|----------------------------------|--------------------|--------------------|
| Donations | 97 | 38,736 | 38,833 | 49,879 |

4 Provision of leisure facilities

| | 2021 £ | 2020 £ |
|------------------------------|---------------|----------------|
| Grants | 52,238 | 106,353 |
| Affiliation fees | 12,788 | 10,052 |
| | <u>65,026</u> | <u>116,405</u> |
| Analysis by fund | | |
| Unrestricted funds - general | 62,073 | 20,052 |
| Restricted funds | 2,953 | 96,353 |
| | <u>65,026</u> | <u>116,405</u> |

EAST GRINSTEAD SPORTS CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

5 Investments

| | Unrestricted funds general | Restricted funds | Total | Unrestricted funds general | Unrestricted funds Designated fund | Restricted funds | Total |
|---------------------|----------------------------|------------------|---------------|----------------------------|------------------------------------|------------------|---------------|
| | 2021 £ | 2021 £ | 2021 £ | 2020 £ | 2020 £ | 2020 £ | 2020 £ |
| Rental income | 12,469 | - | 12,469 | 38,010 | 13,324 | 750 | 52,084 |
| Interest receivable | 7 | 26 | 33 | 168 | - | 172 | 340 |
| | <u>12,476</u> | <u>26</u> | <u>12,502</u> | <u>38,178</u> | <u>13,324</u> | <u>922</u> | <u>52,424</u> |

EAST GRINSTEAD SPORTS CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

6 Other income

| | Total | Unrestricted funds general 2020 £ |
|--------------|-------------------|--|
| | 2021 £ | |
| Other income | - | 600 |

7 Charitable activities

| | Provision of leisure facilities 2021 £ | Provision of leisure facilities 2020 £ |
|---------------------------------------|---|---|
| Depreciation and impairment | 27,795 | 27,795 |
| Donations/support for sports | 27,217 | 25,597 |
| Sporting Initiatives | 53 | - |
| Repairs, maintenance and improvements | 24,457 | 178,592 |
| Insurance | 12,097 | 11,649 |
| Sundry Expenses | 2,775 | 5,261 |
| | <u>94,394</u> | <u>248,894</u> |
| Support costs | - | 3,314 |
| Governance costs (see note 8) | 4,093 | 4,183 |
| | <u>98,487</u> | <u>256,391</u> |
| Analysis by fund | | |
| Unrestricted funds - general | 30,752 | 26,667 |
| Unrestricted funds - Designated fund | 27,795 | 44,862 |
| Restricted funds | 39,940 | 184,862 |
| | <u>98,487</u> | <u>256,391</u> |

EAST GRINSTEAD SPORTS CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

8 Support costs

| | Support costs | Governance costs | 2021 | Support costs | Governance costs | 2020 |
|------------------------|---------------|------------------|--------------|---------------|------------------|--------------|
| | £ | £ | £ | £ | £ | £ |
| Loan interest | - | - | - | 3,314 | - | 3,314 |
| Accountancy | - | 3,000 | 3,000 | - | 3,000 | 3,000 |
| Legal and professional | - | 1,093 | 1,093 | - | 1,183 | 1,183 |
| | <u>-</u> | <u>4,093</u> | <u>4,093</u> | <u>3,314</u> | <u>4,183</u> | <u>7,497</u> |
| Analysed between | | | | | | |
| Charitable activities | - | 4,093 | 4,093 | 3,314 | 4,183 | 7,497 |
| | <u>-</u> | <u>4,093</u> | <u>4,093</u> | <u>3,314</u> | <u>4,183</u> | <u>7,497</u> |

Governance costs includes payments to the accountants of £3,000 for independent examination fees (2020- £3,000).

9 Net movement in funds

| | 2021 | 2020 |
|--|---------------|---------------|
| | £ | £ |
| Net movement in funds is stated after charging/(crediting) | | |
| Depreciation of owned tangible fixed assets | 27,795 | 27,795 |
| | <u>27,795</u> | <u>27,795</u> |

10 Trustees

Trustees' Remuneration and Benefits

There were no trustees' remuneration or other benefits for the year ended 30 September 2021 nor for the year ended 30 September 2020.

Trustees' Expenses

There were no trustees' expenses paid for in the year ended 30 September 2021 nor for the year ended 30 September 2020.

EAST GRINSTEAD SPORTS CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

11 Tangible fixed assets

| | Freehold land £ | Pitches £ | Total £ |
|------------------------------------|--------------------|--------------|------------|
| Cost | | | |
| At 1 October 2020 | 2,120,531 | 2,124,060 | 4,244,591 |
| At 30 September 2021 | 2,120,531 | 2,124,060 | 4,244,591 |
| Depreciation and impairment | | | |
| At 1 October 2020 | 223,186 | 1,568,048 | 1,791,234 |
| Depreciation charged in the year | 6,567 | 21,228 | 27,795 |
| At 30 September 2021 | 229,753 | 1,589,276 | 1,819,029 |
| Carrying amount | | | |
| At 30 September 2021 | 1,890,778 | 534,784 | 2,425,562 |
| At 30 September 2020 | 1,897,345 | 556,012 | 2,453,357 |

Freehold land and buildings were donated to the charity at a value of £1,586,364 during the year ended 30 September 2003.

Freehold land was donated to the charity during the year ending 30 September 2017 with a value of £50,000, and during the year ending 30 September 2019 with a value of £80,000.

All freehold land and buildings are included in the financial statements at lower of cost, donated value or residual value agreed by the directors. In the opinion of the directors, the open market value of the freehold land and buildings is not less than the stated value.

In respect of the loan taken out from Barclays Bank in September 2008 (See Note 13), there is a legal charge over the land and buildings of East Grinstead Sports Club. There is a second legal charge over the netball courts in favour of Sport England, and a third over the squash courts in favour of England Squash and Racketball.

12 Debtors

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Amounts falling due within one year: | | |
| Other debtors | 11,575 | 16,423 |
| Prepayments and accrued income | 12,729 | 11,503 |
| VAT | - | 643 |
| | 24,304 | 17,348 |

EAST GRINSTEAD SPORTS CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

13 Loans and overdrafts

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Loans | 50,080 | 50,080 |
| Payable within one year | 50,080 | 8,108 |
| Payable after one year | - | 41,972 |
| Amounts included above which fall due after five years: | | |
| Payable by instalments | - | 6,702 |

In December 2005, the charity entered into a loan agreement with D Brown, with an amount of £98,000 at an interest rate of Nil%. This loan is currently repayable at £1,000 per calendar month, although part of the loan was written off in 2019. It was agreed from June 2017 that the repayments would be suspended. The situation is reviewed annually, with the suspension of payments still in place as at 30 September 2021.

In September 2008, the charity entered into a loan agreement with Barclays Bank Plc, with an amount of £100,000 at an interest rate of 2% over the Barclays Base Rate. This loan was repaid monthly over a period of 10 years. As part of the agreement, Barclays Bank Plc has security by way of a charge over: Leisure Centre, Saint Hill Road, East Grinstead, a property owed by the charity. This loan was fully repaid as at the end of September 2018, and the Trustees are in the process of removing this charge.

In July 2010, the charity entered into a loan agreement with D Brown, with an amount of £100,000 at an interest rate of 4%. This loan is repayable at £1,027 per calendar month, inclusive of interest, although repayments continue to be suspended as at 30 September 2021. The situation will be reviewed annually.

14 Creditors: amounts falling due within one year

| | Notes | 2021 £ | 2020 £ |
|------------------------------------|-------|-----------|-----------|
| Loans | | 50,080 | 8,108 |
| Other taxation and social security | | 888 | 540 |
| Deferred income | | 1,276 | 1,329 |
| Other creditors | | 16,700 | 22,640 |
| Accruals | | 2,000 | 2,200 |
| | | 70,944 | 34,817 |

15 Creditors: amounts falling due after more than one year

| | 2021 £ | 2020 £ |
|-------|-----------|-----------|
| Loans | - | 41,972 |

EAST GRINSTEAD SPORTS CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Movement in funds | | | | Movement in funds | | | |
|--|------------------------------|-----------------------|-----------------------|-----------|------------------------------|-----------------------|-----------------------|-----------|
| | Balance at 1 October 2019 | Incoming resources | Resources expended | Transfers | Balance at 1 October 2020 | Incoming resources | Resources expended | Transfers |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| 3G pitch fund | 1,043 | - | - | - | 1,043 | - | - | - |
| Squash court sinking fund | 12,123 | 38 | - | - | 12,161 | 1,380 | (4,140) | - |
| Hockey fund | 4,250 | 25,052 | (25,595) | - | 3,707 | 32,947 | (27,217) | - |
| Hockey Pitch Sinking Fund | 66,145 | 37,336 | (75,679) | 750 | 28,552 | 2,651 | - | 2,250 |
| Netball Fund | 6,768 | 2,021 | - | - | 8,789 | 500 | (3,130) | - |
| Badminton Fund | 3,993 | - | - | - | 3,993 | - | - | - |
| Facility improvements / Development projects | - | 76,103 | (76,103) | - | - | - | - | - |
| Cricketer Fund | 7,487 | 750 | (2,224) | - | 6,013 | 1,284 | (2,500) | - |
| Park Run | - | - | - | - | - | 53 | (53) | - |
| Covid restricted grants | - | 5,250 | (5,261) | 11 | - | 2,900 | (2,900) | - |
| | 101,809 | 146,550 | (184,862) | 761 | 64,258 | 41,715 | (39,940) | 2,250 |
| | | | | | | | | 68,283 |

EAST GRINSTEAD SPORTS CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

16 Restricted funds

(Continued)

The 3G pitch fund represents amounts received and expended for construction and maintenance of the 3G pitch.

The Squash court sinking fund represents restricted income and expenditure relating to the squash courts at the club, and their ongoing maintenance and repair.

The Hockey fund represents restricted income and expenditure relating to the provision of hockey activities and facilities.

The Hockey Pitch Sinking Fund represents donations and grants received specifically for the improvement and maintenance of the hockey pitch.

The Netball fund is set aside for the future income and expenditure on projects relating to the netball courts.

EGSC is working with a local group that has set up, and is operating, a weekly Park Run event in East Grinstead. The Directors have received grant funding to assist with this project and have set up a separate fund in the accounts.

The Cricket Fund represents restricted income and expenditure relating to the provision and support of cricket activities and facilities.

The Badminton fund is set aside for future income and expenditure on projects relating to the provision of facilities used for badminton.

The facility Improvements / Development fund represents grants or donations received for specific projects to improve/develop the facilities.

The Covid restricted grants fund is monies received for the purpose of specific costs that have arisen during the period when the facilities were closed or restricted due to COVID-19. All expenditure was in line with the purposes set out in the grant applications and agreed by the relevant funding bodies.

EAST GRINSTEAD SPORTS CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the Directors for specific purposes:

| | Movement in funds | | | | | | | |
|---------------------------|------------------------------|-----------------------|-----------------------|---------------|------------------------------|-----------------------|---------------|------------------------------------|
| | Balance at 1 October 2019 | Incoming resources | Resources expended | Transfers | Balance at 1 October 2020 | Resources expended | Transfers | Balance at 30 September 2021 |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| Land building and pitches | 2,471,141 | 13,324 | (31,109) | - | 2,453,356 | (27,795) | - | 2,425,561 |
| Development projects | 36,095 | - | (13,753) | 25,000 | 47,342 | - | 39,750 | 87,092 |
| | <u>2,507,236</u> | <u>13,324</u> | <u>(44,862)</u> | <u>25,000</u> | <u>2,500,698</u> | <u>(27,795)</u> | <u>39,750</u> | <u>2,512,653</u> |

The Land and Buildings Fund is set aside to represent the charity's use of land and buildings.

The Development projects fund has been set up to meet expenditure on projects that have been agreed upon by the Charity, or are envisaged within the Charity's future plans, as at 30 September 2021. Also, included is £2,000 towards any finance costs that may be incurred.

EAST GRINSTEAD SPORTS CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

| 18 | Analysis of net assets between funds | Unrestricted funds | Designated funds | Restricted funds | Total | Unrestricted funds | Designated funds | Restricted funds | Total |
|----|--|--------------------|------------------|------------------|-----------|--------------------|------------------|------------------|-----------|
| | | 2021 | 2021 | 2021 | 2021 | 2020 | 2020 | 2020 | 2020 |
| | | £ | £ | £ | £ | £ | £ | £ | £ |
| | Fund balances at 30 September 2021 are represented by: | | | | | | | | |
| | Tangible assets | - | 2,425,562 | - | 2,425,562 | - | 2,453,357 | - | 2,453,357 |
| | Current assets/(liabilities) | 19,187 | 87,091 | 68,283 | 174,561 | 17,293 | 89,313 | 64,258 | 170,864 |
| | Long term liabilities | - | - | - | - | - | (41,972) | - | (41,972) |
| | | 19,187 | 2,512,653 | 68,283 | 2,600,123 | 17,293 | 2,500,698 | 64,258 | 2,582,249 |

EAST GRINSTEAD SPORTS CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

19 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

20 Impact of Covid-19

As a result of the covid-19 pandemic the facilities at the club have been closed for part of the current year, as required by Government guidance.

When possible the facilities have been opened and made available subject to new procedures being put in place to meet Government guidelines and for the safety of users.