

INVICTA EAST KENT ATHLETIC CLUB
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021

INVICTA EAST KENT ATHLETIC CLUB

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr R A P Stickland
Mr M Gallyer-Barnett
Mr R Noel

Charity number

1111561

Independent examiner

MMP Limited
64 High Street
Broadstairs
Kent
England
CT10 1JT

INVICTA EAST KENT ATHLETIC CLUB

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INVICTA EAST KENT ATHLETIC CLUB

TRUSTEES' REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2021

The trustees present their annual report and financial statements for the year ended 28 February 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 charity's [governing document], the Charities Act 2011 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 objectives of the club are:

To assist and encourage all members of the Club in their athletic aspirations.

To promote the sport of athletics in the East Kent area.

To promote community participation in healthy recreation by the provision and assistance in the provision of facilities for athletics in the East Kent area.

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

The activities of the club are consistent with its objectives in that it offers facilities and encouragement to athletes of all ages, athletic disciplines and standards of ability.

Small grants are considered on an ad hoc basis by the Management Committee. Larger grants are considered by the trustees at Management Committee Meetings. These grants are then incorporated within the budget proposals for the following year and voted on by members at the AGM.

Achievements and performance

As with a lot of organisation the COVID-19 pandemic has had a significant impact on the performance of the Trust. All races and events were cancelled or postponed during the year.

Financial review

The results for the year and financial position of the Trust are as shown in the annexed Financial Statements.

Generally the finances of the Trust are sound.

Due to the COVID-19 pandemic our income was significantly affected however we did receive a Lottery funded grant of £8,000 during the year. The cost of hiring our facility was also reduced as we were unable to use it for some of the year.

The Reserve Fund represents the unrestricted funds arising from past operating results, excluding fixed assets, representing in excess of six months total expenditure. The Trustees are satisfied that the level of reserves is sufficient to deal with contractual obligations and any foreseeable expenditure.

The Trust invests the balance of funds not needed in the short term in varying length bonds. The Trust is aware of the need to continue building its reserve in case of default by other partners in the facility. Within what is likely to be the next 2 or 3 years the track at the facility will need a complete refurbishment at an approximate cost of over £200,000. The original business plan for the facility contained a sinking fund to which the management company of the facility would contribute so that funds would be in place when refurbishment was needed. The Trustees understand that this sinking fund is currently considerably less than envisaged in the original business plan. Over the past 12 months, the Trustees have had various meetings with the parties concerned, including the Canterbury Academy (the ultimate budget holders) and Sport England to try and clarify the situation. The Trustees have received legal advice which indicates that the original legal documentation in our possession which governs our use of the facility is still valid despite changes to the original signatories. The Trustees have initiated a proposal to set up an umbrella organisation - The Canterbury Athletic Partnership - which would involve more organisations being involved in the facility to provide a greater vested interest in the maintenance of the facility and the possibility of tapping a wider range of funding. The Trustees are aware of their duty of care to the Trust and fully understand the implications of a failure to ensure adequate finance for this sinking fund. They will continue to make the most strenuous efforts to resolve this matter in the near future.

INVICTA EAST KENT ATHLETIC CLUB

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2021

Plans for future periods

Future development is to some extent governed by the number and quality of volunteers available particularly coaches and officials and the Trustees intend to address this in the next 12 months. To increase income the Trustees plan to hold additional road races and to increase income from training fees by making greater use of the less popular training days.

Structure, governance and management

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr R A P Stickland

Mr M Gallyer-Barnett

Mr R Noel

Trustees are elected or re-elected at the annual general meeting.

Where there is a requirement for new trustees in the interim these would be identified and appointed by the remaining trustees.

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The management of the club is vested in a Management Committee (made up solely of the Trustees plus Treasurer) which meets 5 times a year to primarily consider strategic management issues and 5 times a year primarily as a General Committee to consider wider operational issues. Other club officers and members may attend General Committee meetings. Because of COVID-19 restrictions fewer meetings were held and those that were were done on-line.

Four additional officers have been asked to attend all meetings to assist the Trustees with their work. These are the Club Administrator, Membership Secretary, Child Welfare Officer and Minutes Secretary.

In addition to the Management Committee there are 4 sub committees with designated responsibilities which meet on an ad hoc basis although this has been very infrequent over the past year.

The chair of trustees is responsible for the induction of any new trustee which involves awareness of a trustee's responsibilities, the governing document, administrative procedures, the history and philosophical approach of the charity. A new trustee would receive copies of the previous year's annual report and accounts and a copy of the Charity Commission leaflet 'The Essential Trustee: What You Need to Know'.

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

Mr R A P Stickland

Trustee

19 August 2022

INVICTA EAST KENT ATHLETIC CLUB

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF INVICTA EAST KENT ATHLETIC CLUB

I report to the trustees on my examination of the financial statements of Invicta East Kent Athletic Club (the charity) for the year ended 28 February 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of 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

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

MMP Limited

64 High Street
Broadstairs
Kent
CT10 1JT
England

Dated: 19 August 2022

INVICTA EAST KENT ATHLETIC CLUB

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 28 FEBRUARY 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Income from:</u>			
Donations and legacies	3	8,000	-
Charitable activities	4	23,397	39,261
Other trading activities	5	-	49,128
Investments	6	176	191
		<hr/>	<hr/>
Total income		31,573	88,580
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Raising funds	7	-	18,193
		<hr/>	<hr/>
Charitable activities	8	30,033	79,502
		<hr/>	<hr/>
Total expenditure		30,033	97,695
		<hr/>	<hr/>
Net income/(expenditure) for the year/ Net movement in funds		1,540	(9,115)
Fund balances at 29 February 2020		124,614	133,729
		<hr/>	<hr/>
Fund balances at 28 February 2021		126,154	124,614
		<hr/>	<hr/>

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

All income and expenditure derive from continuing activities.

INVICTA EAST KENT ATHLETIC CLUB

BALANCE SHEET

AS AT 28 FEBRUARY 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12		6,272		8,363
Current assets					
Stocks	13	500		500	
Debtors	14	9,906		11,678	
Cash at bank and in hand		111,778		106,358	
		<u>122,184</u>		<u>118,536</u>	
Creditors: amounts falling due within one year	15	<u>(2,302)</u>		<u>(2,285)</u>	
Net current assets			119,882		116,251
Total assets less current liabilities			<u>126,154</u>		<u>124,614</u>
Income funds					
Unrestricted funds - general			126,154		124,614
			<u>126,154</u>		<u>124,614</u>

The financial statements were approved by the Trustees on 19 August 2022

Mr R A P Stickland
Trustee

INVICTA EAST KENT ATHLETIC CLUB

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2021

1 Accounting policies

Charity information

Invicta East Kent Athletic Club is a unincorporated charity based in Kent.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

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

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. 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.

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.

INVICTA EAST KENT ATHLETIC CLUB

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 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.

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:

Equipment	25% reducing balance
Timing equipment	25% reducing balance
Computer equipment	25% reducing balance

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 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 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.

INVICTA EAST KENT ATHLETIC CLUB

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2021

1 Accounting policies

(Continued)

1.10 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.

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.

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.

INVICTA EAST KENT ATHLETIC CLUB

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2021

3 Donations and legacies

	Unrestricted funds general 2021 £	Total 2020 £
Lotter fund	8,000	-

4 Charitable activities

	Athletics club 2021 £	Athletics club 2020 £
Membership fees	23,181	37,914
Track hire	216	630
Chip timer income	-	717
	23,397	39,261

5 Other trading activities

	Total 2021 £	Unrestricted funds general 2020 £
Races and other fundraising	-	49,128

6 Investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Interest receivable	176	191

INVICTA EAST KENT ATHLETIC CLUB

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2021

7 Raising funds

	Total	Unrestricted funds general
	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Races and other fundraising	-	18,083
	<hr/>	<hr/>
<u>Trading costs</u>		
Kit purchases	-	110
	<hr/>	<hr/>
	-	18,193
	<hr/> <hr/>	<hr/> <hr/>

8 Charitable activities

	Athletics club	Athletics club
	2021	2020
	£	£
Depreciation and impairment	2,091	2,787
Affiliation fees	2,005	3,080
Transport and accommodation	-	1,188
Competition fees	-	1,285
Trophy engraving	761	585
Facility hire	11,017	23,957
Development	8,254	38,810
Website	1,258	2,071
Donations	1,100	91
Equipment and maintenance	727	1,830
	<hr/>	<hr/>
	27,213	75,684
Share of support costs (see note 9)	1,708	2,706
Share of governance costs (see note 9)	1,112	1,112
	<hr/>	<hr/>
	30,033	79,502
	<hr/> <hr/>	<hr/> <hr/>

INVICTA EAST KENT ATHLETIC CLUB

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2021

9 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Club administration	1,708	-	1,708	2,706	-	2,706
Independent examiners fee	-	1,080	1,080	-	1,080	1,080
Bank charges	-	32	32	-	32	32
	<u>1,708</u>	<u>1,112</u>	<u>2,820</u>	<u>2,706</u>	<u>1,112</u>	<u>3,818</u>
Analysed between Charitable activities	<u>1,708</u>	<u>1,112</u>	<u>2,820</u>	<u>2,706</u>	<u>1,112</u>	<u>3,818</u>

10 Trustees

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

During the year expenses of £20.00 (2020 ; £52.49) were reimbursed to M Gallyer-Barnett.

11 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total	-	-

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

INVICTA EAST KENT ATHLETIC CLUB

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2021

12 Tangible fixed assets

	Equipment	Timing equipment	Computer equipment	Total
	£	£	£	£
Cost				
At 29 February 2020	22,751	33,833	700	57,284
At 28 February 2021	22,751	33,833	700	57,284
Depreciation and impairment				
At 29 February 2020	16,974	31,294	653	48,921
Depreciation charged in the year	1,444	635	12	2,091
At 28 February 2021	18,418	31,929	665	51,012
Carrying amount				
At 28 February 2021	4,333	1,904	35	6,272
At 28 February 2020	5,777	2,539	47	8,363

13 Stocks

	2021	2020
	£	£
Stock	500	500

14 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Other debtors	9,906	11,678

15 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other creditors	2,302	2,285

16 Related party transactions

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