

COMPANY REGISTRATION NUMBER: 05588094

CHARITY REGISTRATION NUMBER: 1112659

Waveney Gymnastics Club
Company Limited by Guarantee
Unaudited financial statements
31 December 2020

Waveney Gymnastics Club

Company Limited by Guarantee

Financial statements

Year ended 31 December 2020

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Waveney Gymnastics Club

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report)

Year ended 31 December 2020

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published in October 2019.

Reference and administrative details

Registered charity name	Waveney Gymnastics Club
Charity registration number	1112659
Company registration number	05588094
Principal office and registered office	104 Notley Road Lowestoft Suffolk NR33 0UG

The trustees

The trustees who served during the year and at the date of approval were as follows:

Mr D Chipperfield
Mr A Greenfield
Mr N Jack
Mrs M Mullender
Mr G Parr
Mr J Pawsey
Mr R Rushmere

Independent examiner	M Proctor FCA DChA Lovewell Blake LLP Chartered accountants Bankside 300 Peachman Way Broadland Business Park Norwich NR7 0LB
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Bankers	Barclays Bank plc 61 London Road North Lowestoft Suffolk NR32 1LT
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Waveney Gymnastics Club

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 December 2020

Objectives and activities

The main objective of the Club is to provide gymnastic related activities in a purpose built facility for all members of the local community to participate, irrespective of their age, ability, ethnicity, religion, sexuality or individual needs, in a safe environment under the tuition of qualified staff.

Public Benefit

The Trustees have paid regard to the guidance issued by the Charity Commission in deciding what activities the Charity should undertake to provide for its members and users. In providing the sessions within the programme available to the Club members and the general public, the Trustees consider that they are fulfilling the requirements expected of them to encourage healthier lifestyles and self esteem within the local community and area.

Achievements and performance

The year has been the most difficult one that any of us can remember, irrespective of our age and previous experience. Within the report that was included in last year's report, we had to outline the club's response and planned approach to deal with the developing Covid-19 pandemic, which had circulated around the world from the beginning of the year. We found ourselves facing a complete national lockdown of all facilities from Monday 23rd March 2020. As the club is a not for profit entity we knew that the way forward would be difficult from a financial position as standing orders for payment of energy supplies, water rates, printing machines etc would still be outgoings on a monthly basis.

We recognised that our best approach would be to notify all members of the club that we would be terminating all their monthly standing order payments as to continue collecting them, without knowing how long the lockdown would last could put the club into a false position regarding its financial stability, especially if we eventually had to pay them all back later in the year. The club were able to apply for a few of the government schemes that were made available to small businesses, including some rates relief, the furlough support system to help retain employed staff and there was also a variety of other grants and loan schemes introduced for organisations to try and get support from over this very unpredictable period.

Needless to say, the pandemic eased off for a period of time during some of the summer months but returned with a vengeance later in the year as the autumn and winter periods arrived. The country returned to a more stringent set of rules regarding movement and preventive practices in November, which was followed up by another complete lockdown of all sporting facilities (gyms etc) and non essential shops and travel beyond the local community from Boxing day, 26th December 2020.

During this last year it has not been possible to deliver anything more than non contact coaching of gymnastics skills and no competitions have been possible in any form anywhere. Consequently, the levels of new skills and development of our members, when they have been allowed to attend sessions from late June/early July through to December has been restricted to small improvements. Throughout the period until lockdown restrictions lifted we were restricted to delivering the best we could through online fitness training exercises and stringent PPE, health and safety practices when they were able to access the gymnastic centre.

Throughout this very challenging year we have managed to retain the majority of our staff on our payroll, all but one at a reduced financial rate as the furlough scheme supports individual salaries/wages up to 80% of the full rate. The centre manager and one other part time member of staff involved with the club's financial administration matters have not been full furloughed during the difficult months. Many of the club's staff have assisted in some aspects of keeping the club's profile going by volunteering with some of their time on essential health and safety related practices.

Waveney Gymnastics Club

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 December 2020

Achievements and performance *(continued)*

In the previous year (2019) the club were invited to make a contribution to the Parliamentary Review publication with an article about how we had developed from our early beginnings as a small sports club to a successful small thriving business in the area of Leisure and Tourism as an example for others similar sports. This was produced for an official circulation across the country in the spring of 2020, just as the lockdown was about to hit us all. Unfortunately, this has resulted in a significant delay, but we are hoping to use the recognition and prestige of this article to support us and our marketing at a later date.

During the year of 2020, Alex Row, (the Club's Centre Manager) has worked extremely hard in securing a variety of grants to assist the club in these difficult times. The club wish to recognise the support we have had in some of the applications for grant applications from officers of British Gymnastics, local members of the community and the local MP, Mr. Peter Aldous with local government grants. Following a lot of telephone calls, emails, applications for support and regular communication and support from the directors, the club are able to report: -

- 4th June: a credit from Groundwork UK of £500.
- 22nd June: a bursary from Suffolk AGA of £750.
- 25th June: a grant from East Suffolk of £25,000.
- 2nd July: a Bounce Back loan approved at interest free for twelve months from Barclays Bank of £50,000.
- 21st July: a grant from East Suffolk Active Sports for £6,347.
- 24th July: a Lottery Fund Grant of £10,000
- 27th November: gift of support from the club Chairman £1,500.
- 30th November: a grant from East Suffolk of £3,000.
- 27th December: a grant from East Suffolk of £2,100.

These grants, gifts and the loan have helped the club with some of the ongoing monthly expenses that cannot be ignored, but we are conscious that our income, which fluctuates considerably from month to month is not sufficient to meet the full extent of our monthly running costs, so we will need to continue to seek other forms of financial support through sponsorship, partnership or donations over the short and medium term, in order to guarantee/secure the long-term future of the club. It is vital that we do not lose sight of the importance of what we offer and can provide for the youngsters of our local community in promoting healthier lifestyles through physical activities in our programme. This will help them with the growing issues around mental health as well as social integration and enabling each and every one of them to build up their self esteem and confidence as the world moves forward out of this dreadful crisis for everybody and their way of life. All our coaching staff and other employees at the club are very committed and keen to return to their rolls and support the community in returning to some sense of normality as soon as possible.

The directors/trustees at the club have met on occasions throughout the year of 2020 to plan and support the staff through these difficult times. Some of the meetings have been via video link/zoom/emails/telephone calls and more formal committee meetings when possible, always following the recommended government guidelines. When possible the main details of these meetings have been recorded and circulated following the meetings. Our AGM normally planned to be in the month of April had to be delayed until later in the year due to amendments being made to the report for aspects relating to Covid-19. Eventually all was finalised, including the signing off of the accounts for 2019 at a meeting in September, with other follow up meetings in October/November.

Waveney Gymnastics Club

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Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 December 2020

Achievements and performance *(continued)*

All necessary information has been appropriately recorded in minutes in accordance with the recommendations of the Charity Commission, and relevant documentation was uploaded to both Companies House and the Charities Commission on time.

The club are unable to report any significant successes on the various aspects and disciplines of gymnastics this year as the Covid-19 pandemic has a drastic affect on all areas of the sport and anything beyond what we can offer at the club in terms of training is too difficult to comprehend or predict at this stage. Our thanks go to all those staff and families who continue to support the club in any way they can.

During the year the Club has lost the services of a couple of coaching staff leaving to take up other coaching positions at a new club being set up locally, which is disappointing when investment has been put towards their training in the latter cases. At the end of the year we secured the coaching expertise of a National Coach for men's artistic gymnastics and his wife who is a level 4 WA coach. They joined the club in January 2021 as we prepared to plan for the eventual restart once we were able to to come out of lockdown.

The Club continues to use the Xero software to control the club's financial transactions and engages the help of Mr. K. Hall with some of the finer details and checks. The administration team are finding the gocardless software and card machines for payments beneficial as records and a paper trail are more easily collated.

The whole area of grant applications and funding streams is less successful than used to be the case, largely due to the fact that most awards are granted for new ventures rather than in general terms for existing and continuation projects, hence the Club's intended focus shifting towards trying to secure partnerships and sponsors in the future. We have a very useful conference room, which is available for training purposes or business meetings, and we are able to offer catering facilities as part of the hire.

The catering area of the club has been unable to function in any real capacity since the first lockdown was enforced in March 2020, but we continue to retain staff in this area in preparation for a later date. Income in the cafe' area will be a while before we are able to return to our pre pandemic position, but we are keeping all staff up to date on a regular basis.

The directors wish to acknowledge and thank the Centre Manager, the Section Coordinators, the Administrators, the Coaches, Volunteers, Cleaners and all other staff, parents and individuals attached to the Club for their continued support in the gymnastic activities we offer to members and users.

The directors and management group of the Club meet on a regular basis throughout the year at about a six week pattern, with all matters recorded and invariably the majority of action points addressed within the recommended time scale. Serious consideration of the overall fees and subscriptions may be necessary to restore a better balance within the finances. However, on a positive note, the Club continues to be a successful, growing and developing sports facility within the local community and our fully integrated philosophy to cater for all abilities and categories is a testament to the contributions of the staff, volunteers and trustee/directors of the club.

Waveney Gymnastics Club

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Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 December 2020

Financial review and reserves policy

The clubs bank balances at the start of the year were around £42k overall and with the pandemic throughout the year of 2020 and the restricted service that we have been able to provide, our income has not been sufficient to build any real reserves for the future. Consequently, the year end position shows an increase in the bank balance to £69k including the Bounce Back loan of £50K and grants obtained from various sources. We are uncertain of the 'living wage' situation and the expected pension contributions required by the club, so as information becomes available we have to address the situation accordingly.

During the 2020 the club have had to implement another annual rise in the 'living wage' and pension contributions for members of staff, which was addressed through an increase in fees for users in at the beginning of March, prior to the first enforced lockdown.

The success of several coaches with upgrading their levels of qualification at the end of 2019 had a knock on effect on the rates of pay that the club scheme made them entitled to be paid, so more on the expenditure.

There was an initial set up cost for the catering area now known as the Recharge Cafe', which although under the independent company of Waveney Gymnastics Enterprise will establish itself more in the coming years. During 2020 this area of the club has been closed down for the majority of the year, because of the pandemic constraints and as mentioned above, it will be some time before it can return to full operational capacity.

The board has an objective to retain reserves equal to around £80k to meet the two months salary for all staff (£45k), which fluctuate during the year. There will be maintenance costs and the need to keep equipment in good condition, so we are able to deliver our programmes safely for all members. The requirements to sanitise, wipe equipment regularly and clean surfaces as well as ensure that PPE is readily available is another cost which needs factoring in to the equation for the foreseeable future.

During the year the Club saw a decrease in revenues to £408,217 (2019: £518,011), coupled with the level of costs incurred, as mentioned above, the Club recorded a deficit of £40,771 (2019: deficit of £12,669).

It is the Trustees intention to maintain funds sufficient to meet the day to day requirements of the Club and set participants' fees at appropriate levels to achieve this. The long-term policy is that the Club will seek to build reserves for reinvestment in the Club's facilities and equipment as this becomes necessary. It is important that all equipment is kept at its best and is regularly checked or replaced, since gymnastics is dependant upon safe and up to date equipment.

The Club had free reserves of £23,592 after the Bounce Back loan (2019: £28,458) at the year end which represents around 0.75 months of expenditure. In addition the Club had restricted reserves amounting to £772,330 (2019: £794,823). The Club has fixed assets amounting to £840,391 (2019: £876,296) represented in the main by the gym building.

Waveney Gymnastics Club

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 December 2020

Financial review and reserves policy *(continued)*

Investment policy

The investment policy of the Club remains to maximise income by placing funds into interest bearing accounts at the best available interest levels. The Club maintains and replaces any fittings, equipment or identified needs to ensure the Club continues to deliver gymnastics related activities in a safe, controlled and manageable way within the Club's financial constraints. All underpinned by the Club's safeguarding and venerable policy guidelines. Recent events have required the Trustees to reiterate the Club's requirement for all fund movements to be formally approved by the Board of Trustees prior to any such transactions taking place.

The expenditure spent for a variety of essential improvements and unavoidable wage rises during the year has created a major reduction in the different contingency accounts and major initiatives and research for sponsorship/grant opportunities will be essential for the next few years, together with severe cutbacks on any further training facility expenditure.

Pay policy for key management personnel

The remuneration for key management personnel is set by the Chairman of the charity, Mr J Pawsey, following discussion with the Board of Trustees. Pay rates are benchmarked against average salary rates in the industry and local area, together with other relevant factors such as government legislation on 'living wage' which has a knock on effect on more senior employees who are salaried.

Through the annual performance reviews of the staff the board try whenever possible and if justifiable and affordable to reflect the individual's contributions to the club through some element of remuneration.

Plans for future periods

The Club plans to continue to provide the best service possible for the interest, safety and development of the sport of gymnastics within the community. The Club intends to deliver the highest standard of expectation for all customers, within the capabilities and capacity of the facility and staff. A fully integrated provision is a key factor, which underpins the Club's philosophy.

During the year of 2020 the club has undertaken the production of some online and zoom sessions to keep in touch with our members / this is an area that we are intending to develop further, and we may work in conjunction with other organisations in the future. We are investigating building partnerships with local care homes to offer streamed video/zoom sessions for their residents.

The cafe' area of the club is also now a formalised business with accompanying legal documentation produced with the club's solicitors Leathes Prior and is under the name of Recharge Cafe' and run by Waveney Gymnastics Enterprise Ltd as the trading company. This section of the club has of course been severely disrupted by the pandemic restrictions on operating practices, as referred to earlier but it is hoped business will improve over the following year.

Structure, governance and management

Governing document

The Charity was incorporated as a Company Limited by Guarantee on 10 October 2005 and was registered as a Charity on 9 January 2006. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members and required to contribute an amount not exceeding £1.

This aspect of the organisation is kept under review.

Waveney Gymnastics Club

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 December 2020

Structure, governance and management *(continued)*

Appointment and recruitment of Trustees

Where a vacancy exists for a Trustee, the remaining Trustees seek to appoint an individual with skills and experience which will be of benefit to the Club. Any new Trustee will be checked thoroughly regarding their suitability and record, prior to joining the board.

Trustee induction and training

The Club are working towards enlisting new Trustees to the board, but this is taking some time to achieve. Any new Trustee will be provided with the latest information about the Club's position and the associated documents relating to the operational procedures being followed. Several of the important issues relating to small businesses and Charities can be reviewed and downloaded through the various websites and a new Trustee would be allocated a buddy to understand the complexities of the organisation.

A plan is being considered to allow new trustees and some existing trustees to shadow more established members of the group, in preparation for changes which are likely to occur in the next couple of years. All members of our trustees bring a unique contribution and expertise to the team, which is invaluable to professional debate and decision making.

Organisation structure

The Club's Trustees and Head Coach/Centre Manager meet every six to eight weeks as a controlling management group. All meetings are minuted and information passed between one another; the day to day operations are overseen by the Head Coach/Centre Manager underpinned by the senior management team with key feedback to the board at the management meetings and coaches through the Head Coach/Centre Manager when required.

Any issues relating to welfare matters are dealt with by a small group of trained welfare officers, which includes some named directors together with trained employees from the administration team and/or Head Coach. All matters of this nature and accidents are recorded formally and held on file confidentially, with outside agencies being kept in the picture, if necessary.

All matters of confidentiality regarding employees, the finances of the club, grievances, etc will be dealt with by the trustees through either extraordinary meetings or personal contact with another knowledgeable trustee. The Head Coach will be involved and kept informed at the discretion of the trustees.

Risk management

The Trustees regularly review the major risks which the Charity faces, in particular regarding Health and Safety, and the requirements of the Child Protection Act. This process is ongoing and is regularly reviewed.

Regular risk assessment checks are made by members of the Club's staff and the information is recorded in the appropriate documentation book. All matters relating to H&S checks are expected to be done on a weekly basis for recording purposes. Other equipment checks and general hygiene and safety matters are monitored on a daily basis by those with cleaning and caretaking responsibilities.

Volunteers

The Club is fortunate to have the support of a body of several unpaid volunteers who do sterling work with fund raising activities, some coaching and support for those who may have individual learning or physical difficulties. All are required to work within the safeguarding policy of the club.

Waveney Gymnastics Club

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 December 2020

Structure, governance and management *(continued)*

Appointment of Independent Examiner

The appointment of Mark Proctor FCA DChA of Lovewell Blake LLP as the Club's Independent Examiner was approved at the Annual General Meeting held in September 2020 and is documented accordingly. It is anticipated that the same procedure will be voted upon at the Club's Annual General Meeting for the current year.

Small company provisions

This report has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

The trustees' annual report (incorporating the directors' report) was approved on 18 September 21 and signed on behalf of the board of trustees by:

Mr J Pawsey
Trustee

Waveney Gymnastics Club

Company Limited by Guarantee

Independent examiner's report to the trustees of Waveney Gymnastics Club

Year ended 31 December 2020

I report to the charity trustees on my examination of the financial statements of the company for the year ended 31 December 2020 which comprise the statement of financial activities (including income and expenditure account), balance sheet and the related notes.

Responsibilities and basis of report

As the charity's trustees of the 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 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 your company's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales.

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 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 accounts to be reached.

M Proctor FCA DChA
Independent Examiner

Lovewell Blake LLP
Chartered accountants
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB
28 September 2021

Waveney Gymnastics Club

Company Limited by Guarantee

Statement of financial activities (including income and expenditure account)

Year ended 31 December 2020

		Unrestricted funds £	2020 Restricted funds £	Total funds £	2019 Total funds £
	Note				
Income and endowments					
Donations and legacies	5	51,551	–	51,551	20,653
Charitable activities	6	216,741	–	216,741	476,177
Other trading activities	7	12,736	–	12,736	21,061
Investment income	8	25	–	25	120
Other income	9	127,164	–	127,164	–
Total income		<u>408,217</u>	<u>–</u>	<u>408,217</u>	<u>518,011</u>
Expenditure					
Raising funds					
Costs of raising funds	10	(6,614)	–	(6,614)	(7,594)
Charitable activities	11	(419,881)	(22,493)	(442,374)	(523,086)
Total expenditure		<u>(426,495)</u>	<u>(22,493)</u>	<u>(448,988)</u>	<u>(530,680)</u>
Net expenditure and net movement in funds		<u>(18,278)</u>	<u>(22,493)</u>	<u>(40,771)</u>	<u>(12,669)</u>
Reconciliation of funds					
Total funds brought forward		118,635	794,823	913,458	926,127
Total funds carried forward		<u>100,357</u>	<u>772,330</u>	<u>872,687</u>	<u>913,458</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 13 to 24 form part of these financial statements.

Waveney Gymnastics Club

Company Limited by Guarantee

Balance sheet

31 December 2020

	Note	2020 £	£	2019 £	£
Fixed assets					
Tangible fixed assets	16		840,391		876,296
Investments	17		1		1
			<u>840,392</u>		<u>876,297</u>
Current assets					
Stock	18	10,886		9,215	
Debtors	19	17,455		12,003	
Cash at bank and in hand		69,664		41,578	
		<u>98,005</u>		<u>62,796</u>	
Creditors: Amounts falling due within one year	20	(20,710)		(25,635)	
Net current assets			<u>77,295</u>		<u>37,161</u>
Total assets less current liabilities			<u>917,687</u>		<u>913,458</u>
Creditors: Amounts falling due after more than one year	21		(45,000)		—
Net assets			<u>872,687</u>		<u>913,458</u>
Funds of the charity					
Restricted funds			772,330		794,823
Unrestricted funds			100,357		118,635
Total charity funds	23		<u>872,687</u>		<u>913,458</u>

For the year ending 31 December 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- 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;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

The balance sheet
continues on the following page.

The notes on pages 13 to 24 form part of these financial statements.

Waveney Gymnastics Club

Company Limited by Guarantee

Balance sheet *(continued)*

31 December 2020

These financial statements were approved by the board of trustees and authorised for issue on 18 September 21 and are signed on behalf of the board by:

Mr N Jack
Trustee

Mr J Pawsey
Trustee

Company registration number: 05588094

The notes on pages 13 to 24 form part of these financial statements.

Waveney Gymnastics Club

Company Limited by Guarantee

Notes to the financial statements

Year ended 31 December 2020

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 104 Notley Road, Lowestoft, Suffolk, NR33 0UG.

2. Statement of compliance

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The accounts have been prepared on the going concern basis and the Club believes that no material uncertainties exist. The Trustees have considered the level of funds held and the expected income and expenditure for the next 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Trust to be able to continue as a going concern.

The trustees have considered the impact of Covid-19 in making this assessment.

Consolidation

The charity is not required to prepare consolidated accounts in accordance with the Charities Act 2011.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the accounts.

Income

All income is included in the Statement of Financial Activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Waveney Gymnastics Club

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Income *(continued)*

- income from donations and fundraising is recognised on receipt.
- income from charitable activities is accounted for when earned.

Government grants

Government grants are recognised using the accrual model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the club recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on charitable activities includes all costs incurred by a charity in the delivery of its activities and services. All costs, including governance costs, are allocated between the expenditure categories of the Statement of Financial Activities on a basis to reflect the use of resources.

Operating leases

Lease income is recognised in income or expenditure on a straight line basis over the lease term. The aggregate cost of lease incentives are recognised as a reduction to income over the lease term on a straight-line basis. Costs, including depreciation, incurred in earning the lease income are recognised as an expense. Any initial direct costs incurred in negotiating and arranging the operating lease are added to the carrying amount of the lease and recognised as an expense over the lease term on the same basis as the lease income.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold property	-	2% straight line
Fixtures and fittings	-	25% straight line
Motor vehicles	-	25% reducing balance
Gym equipment	-	10% straight line

Waveney Gymnastics Club

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Stocks

Stock is valued at the lower of cost and net realisable value.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Limited by guarantee

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations and gifts	3,521	—	3,521
Donations under Gift aid from Waveney Gymnastics Enterprises Limited	458	—	458
Grants			
Grants	500	—	500
Covid-19 grants	47,072	—	47,072
	<u>51,551</u>	<u>—</u>	<u>51,551</u>

Waveney Gymnastics Club

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2020

5. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Donations and gifts	5,873	14,780	20,653
Donations under Gift aid from Waveney Gymnastics Enterprises Limited	—	—	—
Grants			
Grants	—	—	—
Covid-19 grants	—	—	—
	<u>5,873</u>	<u>14,780</u>	<u>20,653</u>

Included in donations and legacies is Government grants of £47,072 (2019: £Nil).

6. Charitable activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Gymnastic services	<u>216,741</u>	<u>216,741</u>	<u>476,177</u>	<u>476,177</u>

7. Other trading activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Income from the sale of merchandise	7,901	7,901	12,675	12,675
Fundraising	—	—	3,636	3,636
Rent from cafe	4,800	4,800	4,720	4,720
Advertising	35	35	30	30
	<u>12,736</u>	<u>12,736</u>	<u>21,061</u>	<u>21,061</u>

8. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Interest receivable	<u>25</u>	<u>25</u>	<u>120</u>	<u>120</u>

9. Other income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
CJRS - government income	<u>127,164</u>	<u>127,164</u>	<u>—</u>	<u>—</u>

Waveney Gymnastics Club

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2020

10. Costs of raising funds

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Cost of goods sold	6,614	6,614	7,594	7,594

11. Expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Direct staff costs	302,605	—	302,605
Other direct costs	92,349	—	92,349
Depreciation	20,980	22,493	43,473
Profit on disposal of tangible fixed asset	—	—	—
Governance costs	3,947	—	3,947
	<u>419,881</u>	<u>22,493</u>	<u>442,374</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Direct staff costs	315,489	—	315,489
Other direct costs	160,359	—	160,359
Depreciation	22,053	22,493	44,546
Profit on disposal of tangible fixed asset	(3,500)	—	(3,500)
Governance costs	6,192	—	6,192
	<u>500,593</u>	<u>22,493</u>	<u>523,086</u>

Analysis of governance costs:

	Total Funds 2020 £	Total Funds 2019 £
Independent examination fees - current year	2,952	2,898
Accountancy fees	370	3,294
Interest payable	625	—
	<u>3,947</u>	<u>6,192</u>

12. Net expenditure

Net expenditure is stated after charging/(crediting):

	2020 £	2019 £
Depreciation of tangible fixed assets	43,473	44,546
Operating lease costs	2,120	2,552
Profit on disposal of tangible fixed asset	—	(3,500)

Waveney Gymnastics Club

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2020

13. Independent examination fees

	2020 £	2019 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	2,760	2,658
Other financial services	192	977
	<u>2,952</u>	<u>3,635</u>

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020 £	2019 £
Wages and salaries	304,030	337,817
Social security costs	3,524	7,936
Employer contributions to pension plans	2,857	2,465
	<u>310,411</u>	<u>348,218</u>
Less: recharged to Waveney Gymnastics Enterprise Ltd	(7,806)	(32,729)
	<u>302,605</u>	<u>315,489</u>

The remuneration of key management personnel, including senior staff, was £36,596 (2019: £36,452).

The average head count of employees during the year was 39 (2019: 40).

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

15. Trustee remuneration and expenses

None of the trustees (or any persons connected with them) received any remuneration or expenses during either the current or previous year.

Waveney Gymnastics Club

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2020

16. Tangible fixed assets

	Leasehold property £	Fixtures and fittings £	Motor vehicles £	Gym equipment £	Total £
Cost					
At 1 January 2020	1,085,261	35,221	15,484	278,391	1,414,357
Additions	—	—	—	7,568	7,568
At 31 December 2020	<u>1,085,261</u>	<u>35,221</u>	<u>15,484</u>	<u>285,959</u>	<u>1,421,925</u>
Depreciation					
At 1 January 2020	301,656	24,089	3,871	208,445	538,061
Charge for the year	21,705	4,299	2,903	14,566	43,473
At 31 December 2020	<u>323,361</u>	<u>28,388</u>	<u>6,774</u>	<u>223,011</u>	<u>581,534</u>
Carrying amount					
At 31 December 2020	<u>761,900</u>	<u>6,833</u>	<u>8,710</u>	<u>62,948</u>	<u>840,391</u>
At 31 December 2019	<u>783,605</u>	<u>11,132</u>	<u>11,613</u>	<u>69,946</u>	<u>876,296</u>

17. Investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2020 and 31 December 2020	<u>1</u>
Impairment	
At 1 January 2020 and 31 December 2020	<u>—</u>
Carrying amount	
At 31 December 2020	<u>1</u>
At 31 December 2019	<u>1</u>

All investments shown above are held at valuation.

Waveney Gymnastics Club

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2020

17. Investments *(continued)*

Investments represents 100% share capital of Waveney Gymnastics Enterprise Limited, incorporated in England. Waveney Gymnastics Enterprise Limited was incorporated on 28 January 2019 and commenced trading from February 2019. The results for the company for the period are:

	2020 £	2019 £
Turnover	20,454	83,637
Other income	10,257	—
Expenditure	(29,019)	(81,963)
Net profit	<u>1,692</u>	<u>1,674</u>
Payment under gift aid	(458)	—
Net assets	<u>2,909</u>	<u>1,675</u>

18. Stocks

	2020 £	2019 £
Goods held for resale	<u>10,886</u>	<u>9,215</u>

Stock represents merchandise items held for resale.

19. Debtors

	2020 £	2019 £
Trade debtors	992	2,047
Amounts owed by group undertakings	1,151	4,756
Prepayments and accrued income	<u>15,312</u>	<u>5,200</u>
	<u>17,455</u>	<u>12,003</u>

20. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	5,000	—
Trade creditors	1,127	9,416
Amounts owed to group undertakings	—	2,472
Accruals and deferred income	2,760	2,658
Social security and other taxes	7,152	7,130
Other creditors	<u>4,671</u>	<u>3,959</u>
	<u>20,710</u>	<u>25,635</u>

Waveney Gymnastics Club

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2020

21. Creditors: Amounts falling due after more than one year

	2020	2019
	£	£
Bank loans and overdrafts	<u>45,000</u>	<u>—</u>

During the year (July 2020) Waveney Gymnastics Club accessed the Coronavirus Business Interruption Loan scheme and drew down a loan of £50,000, this is repayable over 5 years from the term of the first anniversary of the loan, interest is charged at 2.50% fixed rate. An amount of £5,833 included within the above balance is payable after five years.

22. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £2,857 (2019: £2,465).

23. Analysis of charitable funds

Unrestricted funds

	At 1 January 2020	Income	Expenditure	Transfers	At 31 December 2020
	£	£	£	£	£
General funds	<u>118,635</u>	<u>408,217</u>	<u>(426,495)</u>	<u>—</u>	<u>100,357</u>

	At 1 January 2019	Income	Expenditure	Transfers	At 31 December 2019
	£	£	£	£	£
General funds	<u>116,775</u>	<u>503,231</u>	<u>(508,187)</u>	<u>6,816</u>	<u>118,635</u>

Waveney Gymnastics Club

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2020

23. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 January 2020	Income	Expenditure	Transfers	At 31 December 2020
	£	£	£	£	£
Building fund	783,675	—	(21,705)	—	761,970
British Gymnastics	668	—	—	—	668
Equipment fund	1,916	—	(638)	—	1,278
Suffolk Foundation	600	—	(150)	—	450
Disability facilities fund	7,964	—	—	—	7,964
	<u>794,823</u>	<u>—</u>	<u>(22,493)</u>	<u>—</u>	<u>772,330</u>

	At 1 January 2019	Income	Expenditure	Transfers	At 31 December 2019
	£	£	£	£	£
Building fund	805,380	—	(21,705)	—	783,675
British Gymnastics	668	—	—	—	668
Equipment fund	2,554	—	(638)	—	1,916
Suffolk Foundation	750	—	(150)	—	600
Disability facilities fund	—	14,780	—	(6,816)	7,964
	<u>809,352</u>	<u>14,780</u>	<u>(22,493)</u>	<u>(6,816)</u>	<u>794,823</u>

Transfers between funds

Transfers between funds represents the use of restricted funds to purchase fixed assets which no longer have a restriction upon them.

Restricted funds

The Building Fund consists of funds from the National Lottery and Local Authority grant received to construct and equip a gymnasium hall.

The British Gymnastics Fund is to provide funds to finance the cost of coaching and equipment.

The Equipment Fund relates to funds donated to the Club to finance some new equipment.

The Suffolk Foundation Fund is to provide funding to finance the cost of new equipment.

The Disability facilities fund related to funds donated to the club towards the costs of the installation of facilities for use by those with disabilities.

Waveney Gymnastics Club

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2020

24. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total Funds 2020 £
Tangible fixed assets	76,764	763,627	840,391
Investments	1	—	1
Net current assets	68,592	8,703	77,295
Long term liabilities	(45,000)	—	(45,000)
	<u>100,357</u>	<u>772,330</u>	<u>872,687</u>

	Unrestricted funds £	Restricted funds £	Total Funds 2019 £
Tangible fixed assets	90,176	786,120	876,296
Investments	1	—	1
Net current assets	28,458	8,703	37,161
	<u>118,635</u>	<u>794,823</u>	<u>913,458</u>

25. Operating lease commitments

As lessor

The total future minimum lease payments receivable under non-cancellable operating leases are as follows:

	2020 £	2019 £
Not later than 1 year	2,552	2,552
Later than 1 year and not later than 5 years	5,536	7,656
	<u>8,088</u>	<u>10,208</u>

Waveney Gymnastics Club

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2020

26. Related parties

During the year the Charity received income from Waveney Gymnastics Enterprises Limited totalling £12,606 (2019: £42,970), of which £4,800 (2019: £4,000) related to rental of the café and £7,806 (2019: £38,970) related to amounts recharged by the Charity. Of these amounts £1,151 (2019: £4,756) is outstanding at the year end, including gift aid due of £458 (2019: £Nil).

Catering services amounting to £4,113 (2019: £19,451) were provided to the Charity by Waveney Gymnastics Enterprises Limited, of which £Nil (2019: £2,472) is outstanding at the year end. In addition amounts of £Nil (2019: £850) were paid to Waveney Gymnastics Enterprises Limited for other costs.

During the year the Charity received income of £Nil (2019: £720) from Mr A Greenfield, a director, for rental of the café. An amount of £400 (2019: £400) is outstanding at the year end.

Catering services amounting to £Nil (2019: £1,928) were provided to the Charity by Mr A Greenfield during the year.

During the year advertising income of £Nil (2019: £30) was received from The Hotel Victoria, a company of which Mr A Greenfield is a director.

During the year a donation of £1,500 (2019: £Nil) was received from John Pawsey, Chair of the Charity.