

COMPANY REGISTRATION NUMBER: 05588094

CHARITY REGISTRATION NUMBER: 1112659

**Waveney Gymnastics Club
Company Limited by Guarantee
Unaudited financial statements
31 December 2022**

Waveney Gymnastics Club

Company Limited by Guarantee

Financial statements

Year ended 31 December 2022

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Waveney Gymnastics Club

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report)

Year ended 31 December 2022

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 2022.

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:

Ms T Bullard
Mr D Chipperfield (deceased on 18 March 2022)
Mr A Greenfield
Mr N Jack
Mrs M Mullender
Mr G Parr
Mr J Pawsey
Mr R Rushmere (deceased 14 March 2023)

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 2022

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. All equipment and apparatus is kept and bought in as regular replacement of any deteriorating apparatus, in order to maintain top standards for our own users and any visiting international teams who may train at the centre.

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 steadily evolved as we all begin to move forward with caution and strict safety procedures as a consequence of the Covid-19 pandemic. The whole area of catering and party bookings has taken a long while to build up, which has had significant implications for the income in this area, but there are signs of greater promise for the coming years.

Throughout the year we have seen a return to the sport of gymnastics developing in a gradual way as more people become confident in the socialising practices of life as we knew it, prior to the pandemic. The social media output of the club has been a great advantage in encouraging members to join the club and enjoy the variety of disciplines within the programme we offer. The club are extremely lucky to have the enthusiasm and expertise of Mrs. Jess Etherington taking a lead on this aspect, well supported by other coaching and administration staff, together with some very active and supportive parents. A whole programme of social events from film nights, quizzes, sponsored events, presentation evenings and more are planned at different times of the year. In addition, a considerable number of local businesses have sponsored the club through advertising banners at the gym centre and other applications for grants and sponsorship have been successful in helping the club upgrade their heating system, buy new equipment and maintain the facility in top condition for the members and visitors to the club. The club would like to thank all those that have supported us over the year, grants from the following groups East Suffolk Council, Birds Eye, Arnold Clark, Little Lives UK, Special Olympics Norfolk, Special Olympics Great Britain, The Blakemore Foundation, Oulton Parish Council, Suffolk Community Foundation, Adhams Community Fund and Suffolk County Council. The club have also received Government support via the apprentice incentive scheme. The club would also like to thank its sponsors, The Hotel Victoria, Matt Cox, Medusa Unisex Hair, Kirkley Run Wheels and Tyres, Lovewell Blake, Ocean Rooms, AC Electricals.

In the summer the club were able to host the Australian men's and the Canadian men's teams to train for the Commonwealth Games. Both teams did extremely well and were very complimentary about the facility and hospitality of the club. Following their visit the club undertook the decision to upgrade the heating system, which was becoming unreliable after nearly twenty years. Using some of the bounce back loan, seeking sponsorship help, fund raising activities and careful financial management we were able to replace the original system, ready for use by the end of September. The CM Mr. Alex Row was the lead person in achieving this improvement. This new system was in place ready for our hosting of the Japanese men's and women's gymnastics teams to train at the club, leading up to the World Championships in October. All this was possible thanks to the contacts of our Director of Coaching and Head Coach Mr. Peter Etherington. With the purchase of several pieces of new equipment, in order to host these visiting teams during the year, our finances have taken a big hit, but we are now in a position to focus on building the contingency reserves for the club as we move towards 2023 and beyond.

Waveney Gymnastics Club

Company Limited by Guarantee

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

Year ended 31 December 2022

Achievements and performance *(continued)*

From our own club members we are able to report further successes on many fronts:- a) several boys were selected to represent the east region teams at the National Finals, with most winning either a team or individual medal; success also in other competitions, b) the standard of the girls continues to improve and again many have won medals at competitions throughout the year, c) our trampoline members have performed well at regional and area events with some now beginning to work on national set routines for next year, d) the special needs section continues to thrive with good numbers and great success too, with some preparing for consideration to be selected for the Great Britain team to compete in an Olympic event in 2023, e) the recreational classes and numbers are increasing all the time and many take part in internal and county events when they are scheduled, f) Pre-School classes are very popular and the team of coaches in all sections at the club are hard working and very professional.

The club has lost some coaches to other areas of the world of employment in 2022, but we have taken on some new coaches in the recreational, free running/tumbling and a couple of apprentices too. As we expand further, we will need to advertise for more staff to fit the available positions.

The success of several young coaches in recent courses this year is encouraging.

The close down week in 2022 was carried out as usual.

The Recharge Cafe', which although under the independent company of Waveney Gymnastics Enterprise will establish itself more in the coming years. During 2022 this area of the club has gradually built up , but we will need to recruit some replacement staff to cover the opening times, as we have seen a couple of our original staff either retire or take alternative employment.

The directors/trustees of the club have met regularly throughout the year of 2022 to plan and support the staff through these difficult times.

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 May due to a couple of minor delays not being met by the due date. Eventually all was finalised, including the signing off of the accounts for 2021 at the AGM in May. 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 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 directors wish to acknowledge and thank the Centre Manager, the Section Coordinators, Administrators, 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

Company Limited by Guarantee

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

Year ended 31 December 2022

Financial review and reserves policy

The clubs bank balances at the start of the year was around £95,000 overall and with the increase in 'living wage' and energy rises later in the year of 2022, created by the uncertainty of world supplies of oil and gas, following the war in Ukraine which started in February, our income has not been sufficient to build any real reserves for the future. Consequently, the club's financial position is still not where we are intending to be, bearing in mind that the cost of upgrading the heating system and the purchase of new equipment has meant a considerable outlay of over £70,000. At the end of the year 2022 the accounts showed a total of around £33,000, which reflects that we are operating at expenditure exceeding income over the last year. The club received £1,000 from Bridgewater College to support our Apprenticeships employees. Other sponsors, grants and businesses/individuals who have made donations/contributions to heating, equipment etc in 2022 as previously mentioned. As we move into the beginning of 2023 we are aware the 'living wage' situation and the expected pension contributions required by the club, will again increase in April, which we will have to address through increasing the fees, not an ideal position to be in. Running costs in general are also rising sharply particularly with energy charges.

The board discussed at a meeting earlier in the year, revising our governance and projected contingency reserve fund targets. This was documented in the minutes, but at this particular stage, due to expenditure related information provided in this report, we are still some way short of achieving this target, but we continue to review our situation regularly. This figure may need reviewing again in 2023 as the continuing rise in wages due to government legislation is putting more and more pressure on finances. 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 and possible host visiting teams.

The board has a current objective to retain reserves equal to around £90,000 to meet the two months salary for all staff (£45,000), which fluctuate during the year.

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.

During the year the Club saw an increase in revenues to £600,273 (2021: £487,396), with this came an increase in costs incurred, resulting in the Club recording a deficit of £28,014 (2021: deficit of £16,278).

The Club's free reserves were in a deficit of £42,373 after the Bounce Back loan (2021: free reserves of £28,860). In addition the Club had restricted reserves amounting to £731,511 (2021: £749,837). The Club has fixed assets amounting to £857,967 (2021: £818,845) 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 2022

Financial review and reserves policy *(continued)*

Going Concern

Irrespective of the end of year financial statement presented for the year ending 31st December 2023, the directors/ trustees are confident that the business remains a genuine going concern on all fronts. Throughout the last year, the heating system has been replaced and upgraded, bearing in mind it was 20 years old. The whole lighting system within the building was replaced with LED tubes etc around three or four years ago. These major capital spending items, together with some replaced equipment (apparatus) have been achieved without the club finances going into the red. In the current climate, this is an encouraging situation.

An increase in tuition fees and further attempts to secure grant funding, sponsorship partnership and more fundraising social events, we remain optimistic for the future of the club. The directors/ trustees know that the assets of the club regarding ownership of the building together with all the equipment (apparatus) in good condition, we have security for the short and medium term. Coming out of the pandemic in such a strong position with a strong membership we predict a considerable improvement in in cash flow and an opportunity to build up reserves.

Many schools are contacting the club to provide coaching, support programs and hire opportunities to help develop their students' other activities are being developed and introduced to bring more income to the club.

Waveney Gymnastics Club is one of the biggest sports clubs in the local community and as social interaction and confidence returns to local families, we are convinced that the club remains a going concern. Our monthly income outweighs the current expenditure on wages and salaries and energy running costs, but we continue to review and assess the situation financially at management meetings. In 2020 the club were identified as an example of a well-run, successful small business by the parliamentary review team which demonstrates the club is well run.

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.

Waveney Gymnastics Club

Company Limited by Guarantee

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

Year ended 31 December 2022

Financial review and reserves policy *(continued)*

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 individuals contributions to the club through some element of remuneration. This section of our employees has not benefited from any increase in salary for the year 2022 as our outgoings for payments of the yearly increases of "the living wage" across the board of other staff has quickly evaporated, together with the increasing energy costs and other expenditure referred to earlier in the Achievements and Performance section.

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 2022 the club continued building back to the pre-pandemic situation through advertising for new members, marketing what we can offer to all members of the community, encourage schools to come and use our facility with structured taught sessions, open the facility for members of the community to watch top gymnastic athletes training when we are hosting other national teams and enjoy the opportunity to develop a healthy lifestyle in a safe environment.

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 in last year's report, but during 2022 there are signs of considerable improvement on this side of the club as confidence in the public to socialise more becomes normal again.

Waveney Gymnastics Club

Company Limited by Guarantee

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

Year ended 31 December 2022

Structure, governance and management

This aspect of the club was discussed during 2022 and will again be revisited in 2023 as the effects on running a sports business following the Covid-19 pandemic has several important implications for those offering a service to members of the community.

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.

Appointment and recruitment of Trustees

With the passing away of one of the club's directors which is mentioned earlier in this report, we still need to recruit others. In addition we have seen the resignation of another director (Mr. R. Rushmere), due to ill health, and the Chairman has recently had some health issues too, so we are focused on recruiting some new directors to join the board in 2023.

When recruiting new Trustees, the remaining Trustees seek to appoint an individual with skills and expertise which will be of benefit to the Club. Any new Trustees will be checked thoroughly regarding their suitability and record, prior to joining the board.

Trustee induction and training

The club continues to work 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.

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.

During the year Mr. Gary Parr has been appointed as Vice Chair of the Club.

Waveney Gymnastics Club

Company Limited by Guarantee

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

Year ended 31 December 2022

Structure, governance and management *(continued)*

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.

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 May 2021 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 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 2022

I report to the charity trustees on my examination of the financial statements of the company for the year ended 31 December 2022 which comprise the statement of financial activities (including income and expenditure account), balance sheet, statement of cash flows 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

Waveney Gymnastics Club

Company Limited by Guarantee

Statement of financial activities (including income and expenditure account)

Year ended 31 December 2022

		Unrestricted funds	2022 Restricted funds	Total funds	2021 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	26,840	19,858	46,698	45,650
Charitable activities	6	515,844	—	515,844	326,030
Other trading activities	7	37,685	—	37,685	8,040
Investment income	8	46	—	46	8
Other income	9	—	—	—	107,668
Total income		<u>580,415</u>	<u>19,858</u>	<u>600,273</u>	<u>487,396</u>
Expenditure					
Raising funds					
Costs of raising funds	10	(18,318)	—	(18,318)	(2,284)
Charitable activities	11	(577,245)	(32,724)	(609,969)	(501,390)
Total expenditure		<u>(595,563)</u>	<u>(32,724)</u>	<u>(628,287)</u>	<u>(503,674)</u>
Net expenditure before transfer of funds		(15,148)	(12,866)	(28,014)	(16,278)
Transfers between funds		5,460	(5,460)	—	—
Net movement in funds		<u>(9,688)</u>	<u>(18,326)</u>	<u>(28,014)</u>	<u>(16,278)</u>
Reconciliation of funds					
Total funds brought forward		106,572	749,837	856,409	872,687
Total funds carried forward		<u>96,884</u>	<u>731,511</u>	<u>828,395</u>	<u>856,409</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 14 to 25 form part of these financial statements.

Waveney Gymnastics Club

Company Limited by Guarantee

Balance sheet

31 December 2022

	Note	2022 £	£	2021 £	£
Fixed assets					
Tangible fixed assets	16		857,967		818,845
Investments	17		1		1
			<u>857,968</u>		<u>818,846</u>
Current assets					
Stock	18	11,578		9,408	
Debtors	19	7,546		8,001	
Cash at bank and in hand		33,161		94,851	
		<u>52,285</u>		<u>112,260</u>	
Creditors: Amounts falling due within one year	20	(56,028)		(38,867)	
Net current liabilities			(3,743)		73,393
Total assets less current liabilities			854,225		892,239
Creditors: Amounts falling due after more than one year	21		(25,830)		(35,830)
Net assets			<u>828,395</u>		<u>856,409</u>
Funds of the charity					
Restricted funds			731,511		749,837
Unrestricted funds			96,884		106,572
Total charity funds	23		<u>828,395</u>		<u>856,409</u>

For the year ending 31 December 2022 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 14 to 25 form part of these financial statements.

Waveney Gymnastics Club

Company Limited by Guarantee

Balance sheet *(continued)*

31 December 2022

These financial statements were approved by the board of trustees and authorised for issue on, 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 14 to 25 form part of these financial statements.

Waveney Gymnastics Club

Company Limited by Guarantee

Statement of cash flows

Year ended 31 December 2022

	2022 £	2021 £
Cash flows from operating activities		
Net expenditure	(28,014)	(16,278)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	40,727	39,341
Other interest receivable and similar income	(46)	(8)
Interest payable and similar charges	1,031	1,128
Accrued expenses	4,708	174
<i>Changes in:</i>		
Stock	(2,170)	1,478
Trade and other debtors	455	9,454
Trade and other creditors	12,453	12,983
Cash generated from operations	29,144	48,272
Interest paid	(1,031)	(1,128)
Interest received	46	8
Net cash from operating activities	<u>28,159</u>	<u>47,152</u>
Cash flows from investing activities		
Purchase of tangible assets	(79,849)	(17,795)
Net cash used in investing activities	<u>(79,849)</u>	<u>(17,795)</u>
Cash flows from financing activities		
Repayments of borrowings	(10,000)	(4,170)
Net cash used in financing activities	<u>(10,000)</u>	<u>(4,170)</u>
Net (decrease)/increase in cash and cash equivalents	(61,690)	25,187
Cash and cash equivalents at beginning of year	94,851	69,664
Cash and cash equivalents at end of year	<u>33,161</u>	<u>94,851</u>

The notes on pages 14 to 25 form part of these financial statements.

Waveney Gymnastics Club

Company Limited by Guarantee

Notes to the financial statements

Year ended 31 December 2022

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

Irrespective of financial statements presented for the year ending 31 December 2023, the directors / trustees are confident that the charity remains a genuine going concern on all fronts. Throughout the last year, the heating system has been replaced and upgraded, bearing in mind it was 20 years old. The whole lighting system within the building was replaced with LED tubes etc around three or four years ago. These major capital spending items, together with some replaced equipment (apparatus) have been achieved without the club finances going into the red. In the current climate, this is an encouraging situation.

An increase in tuition fees and further attempts to secure grant funding, sponsorship partnership and more fundraising social events, we remain optimistic for the future of the club. The directors / trustees know that the assets of the club regarding ownership of the building together with all the equipment (apparatus) in good condition, we have security for the short and medium term. Coming out of the pandemic in such a strong position with a strong membership we predict a considerable improvement in cash flow and an opportunity to build up reserves.

Many schools are contacting the club to provide coaching, support programs and hire opportunities to help develop their students' other activities are being developed and introduced to bring more income to the club.

Waveney Gymnastics Club is one of the biggest sports clubs in the local community and as social interaction and confidence returns to local families, we are convinced that the club remains a going concern. Our monthly income outweighs the current expenditure on wages and salaries and energy running costs, but we continue to review and assess the situation financially at management meetings.

In 2020 the club were identified as an example of a well-run, successful small business by the parliamentary review team which demonstrates the club is well run.

Waveney Gymnastics Club

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

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:

- 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.

Waveney Gymnastics Club

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

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	-	10% & 25% straight line
Motor vehicles	-	25% reducing balance
Gym equipment	-	10% straight line

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.

Waveney Gymnastics Club

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2022

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 2022 £
Donations			
Donations and gifts	6,840	—	6,840
Grants			
Grants	20,000	19,858	39,858
Covid-19 grants	—	—	—
	<u>26,840</u>	<u>19,858</u>	<u>46,698</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations and gifts	4,040	—	4,040
Grants			
Grants	1,500	—	1,500
Covid-19 grants	40,110	—	40,110
	<u>45,650</u>	<u>—</u>	<u>45,650</u>

Included in donations and legacies is Government grants of £23,399 (2021: £41,610).

6. Charitable activities

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Gymnastic services	<u>515,844</u>	<u>515,844</u>	<u>326,030</u>	<u>326,030</u>

7. Other trading activities

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Sponsorships	3,350	3,350	—	—
Income from the sale of merchandise	20,064	20,064	4,140	4,140
Fundraising	12,071	12,071	—	—
Rent from cafe	2,200	2,200	3,900	3,900
	<u>37,685</u>	<u>37,685</u>	<u>8,040</u>	<u>8,040</u>

Waveney Gymnastics Club

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2022

8. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Interest receivable	<u>46</u>	<u>46</u>	<u>8</u>	<u>8</u>

9. Other income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
CJRS - government income	<u>—</u>	<u>—</u>	<u>107,668</u>	<u>107,668</u>

10. Costs of raising funds

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Cost of goods sold	<u>18,318</u>	<u>18,318</u>	<u>2,284</u>	<u>2,284</u>

Waveney Gymnastics Club

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2022

11. Expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Direct staff costs	347,355	—	347,355
Other direct costs	206,654	10,230	216,884
Depreciation	18,233	22,494	40,727
Governance costs	5,003	—	5,003
	<u>577,245</u>	<u>32,724</u>	<u>609,969</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Direct staff costs	345,929	—	345,929
Other direct costs	111,884	—	111,884
Depreciation	16,848	22,493	39,341
Governance costs	4,236	—	4,236
	<u>478,897</u>	<u>22,493</u>	<u>501,390</u>

Analysis of governance costs:

	Total Funds 2022 £	Total Funds 2021 £
Independent examination fees - current year	3,168	2,940
Accountancy fees	600	168
Legal fees	204	—
Interest payable	1,031	1,128
	<u>5,003</u>	<u>4,236</u>

12. Net expenditure

Net expenditure is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	40,727	39,341
Operating lease costs	<u>3,036</u>	<u>3,036</u>

13. Independent examination fees

	2022 £	2021 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>3,168</u>	<u>2,940</u>

Waveney Gymnastics Club

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2022

14. Staff costs

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

	2022	2021
	£	£
Wages and salaries	361,219	343,638
Social security costs	12,946	9,014
Employer contributions to pension plans	4,769	4,170
	<u>378,934</u>	<u>356,822</u>
Less: recharged to Waveney Gymnastics Enterprise Ltd	(31,579)	(10,893)
	<u>347,355</u>	<u>345,929</u>

The remuneration of key management personnel, including senior staff, was £36,100 (2021: £36,732).

The average head count of employees during the year was 36 (2021: 37).

No employee received employee benefits of more than £60,000 during the year (2021: 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.

16. Tangible fixed assets

	Leasehold Fixtures and property	£	£	Motor vehicles	£	Gym equipment	£	Total	£
Cost									
At 1 January 2022	1,085,261	39,684	15,484	299,291	1,439,720				
Additions	–	47,754	–	32,095	79,849				
At 31 December 2022	<u>1,085,261</u>	<u>87,438</u>	<u>15,484</u>	<u>331,386</u>	<u>1,519,569</u>				
Depreciation									
At 1 January 2022	345,066	32,843	8,951	234,015	620,875				
Charge for the year	21,705	4,688	1,633	12,701	40,727				
At 31 December 2022	<u>366,771</u>	<u>37,531</u>	<u>10,584</u>	<u>246,716</u>	<u>661,602</u>				
Carrying amount									
At 31 December 2022	<u>718,490</u>	<u>49,907</u>	<u>4,900</u>	<u>84,670</u>	<u>857,967</u>				
At 31 December 2021	<u>740,195</u>	<u>6,841</u>	<u>6,533</u>	<u>65,276</u>	<u>818,845</u>				

Waveney Gymnastics Club

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2022

17. Investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2022 and 31 December 2022	<u>1</u>
Impairment	
At 1 January 2022 and 31 December 2022	<u>—</u>
Carrying amount	
At 31 December 2022	<u>1</u>
At 31 December 2021	<u>1</u>

All investments shown above are held at valuation.

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:

	2022 £	2021 £
Turnover	76,374	21,449
Other income	1	4,721
Expenditure	<u>(81,066)</u>	<u>(34,936)</u>
Net (loss)/profit	<u>(4,691)</u>	<u>(8,766)</u>
Net assets	<u>(10,548)</u>	<u>(5,857)</u>

18. Stocks

	2022 £	2021 £
Goods held for resale	<u>11,578</u>	<u>9,408</u>

19. Debtors

	2022 £	2021 £
Trade debtors	2,445	305
Prepayments and accrued income	<u>5,101</u>	<u>7,696</u>
	<u>7,546</u>	<u>8,001</u>

Waveney Gymnastics Club

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2022

20. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	10,000	10,000
Trade creditors	21,720	2,861
Amounts owed to group undertakings	1,510	2,300
Accruals and deferred income	7,642	2,934
Social security and other taxes	10,482	10,810
Other creditors	4,674	9,962
	<u>56,028</u>	<u>38,867</u>

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

	2022	2021
	£	£
Bank loans and overdrafts	<u>25,830</u>	<u>35,830</u>

During 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.

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 £4,769 (2021: £4,170).

23. Analysis of charitable funds

Unrestricted funds

	At 1 January 2022	Income	Expenditure	Transfers	At 31 December 2022
	£	£	£	£	£
General funds	<u>106,572</u>	<u>580,415</u>	<u>(595,563)</u>	<u>5,460</u>	<u>96,884</u>

	At 1 January 2021	Income	Expenditure	Transfers	At 31 December 2021
	£	£	£	£	£
General funds	<u>100,357</u>	<u>487,396</u>	<u>(481,181)</u>	<u>—</u>	<u>106,572</u>

Waveney Gymnastics Club

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2022

23. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 January 2022	Income	Expenditure	Transfers	At 31 December 2022
	£	£	£	£	£
Building fund	740,265	–	(21,704)	–	718,561
British Gymnastics	668	–	–	–	668
Equipment fund	640	6,169	(1,349)	(5,460)	–
Suffolk Foundation	300	5,168	(1,150)	–	4,318
Disability facilities fund	7,964	–	–	–	7,964
Special Olympics GB	–	3,622	(3,622)	–	–
Oulton Parish Council	–	500	(500)	–	–
East Suffolk Council - Love to Move	–	4,399	(4,399)	–	–
	<u>749,837</u>	<u>19,858</u>	<u>(32,724)</u>	<u>(5,460)</u>	<u>731,511</u>

	At 1 January 2021	Income	Expenditure	Transfers	At 31 December 2021
	£	£	£	£	£
Building fund	761,970	–	(21,705)	–	740,265
British Gymnastics	668	–	–	–	668
Equipment fund	1,278	–	(638)	–	640
Suffolk Foundation	450	–	(150)	–	300
Disability facilities fund	7,964	–	–	–	7,964
Special Olympics GB	–	–	–	–	–
Oulton Parish Council	–	–	–	–	–
East Suffolk Council - Love to Move	–	–	–	–	–
	<u>772,330</u>	<u>–</u>	<u>(22,493)</u>	<u>–</u>	<u>749,837</u>

Waveney Gymnastics Club

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2022

23. Analysis of charitable funds *(continued)*

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.

The Special Olympics GB Fund related to funds provided to host the Special Olympics summer series event.

The Oulton Parish Council Fund relates to funds donated towards Waveney Open to finance medals and t-shirts.

The East Suffolk Council Love to Move Fund relates to funds provided towards the Dementia Programme.

24. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total Funds 2022 £
Tangible fixed assets	139,256	718,711	857,967
Investments	1	—	1
Net current assets	(16,543)	12,800	(3,743)
Long term liabilities	(25,830)	—	(25,830)
	<u>96,884</u>	<u>731,511</u>	<u>828,395</u>

	Unrestricted funds £	Restricted funds £	Total Funds 2021 £
Tangible fixed assets	77,711	741,134	818,845
Investments	1	—	1
Net current assets	64,690	8,703	73,393
Long term liabilities	(35,830)	—	(35,830)
	<u>106,572</u>	<u>749,837</u>	<u>856,409</u>

Waveney Gymnastics Club

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2022

25. Analysis of changes in net debt

	At 1 January 2022	Cash flows	At 31 December 2022
	£	£	£
Cash at bank and in hand	94,851	(61,690)	33,161
Debt due within one year	(12,300)	790	(11,510)
Debt due after one year	(35,830)	10,000	(25,830)
	<u>46,721</u>	<u>(50,900)</u>	<u>(4,179)</u>

26. Operating lease commitments

As lessor

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

	2022	2021
	£	£
Not later than 1 year	2,277	3,036
Later than 1 year and not later than 5 years	—	2,016
	<u>2,277</u>	<u>5,052</u>

27. Related parties

During the year the Charity received income from Waveney Gymnastics Enterprises Limited totalling £33,780 (2021: £14,793), of which £2,200 (2021: £3,900) related to rental of the café and £31,580 (2021: £10,893) related to amounts recharged by the Charity. Of these amounts £5,619 (2021: £2,931) is outstanding at the year end.

At the year end there is an amount due to Waveney Gymnastics Enterprises Limited of £1,510 (2021: £2,300) included in creditors.

Catering services amounting to £21,002 (2021: £2,937) were provided to the Charity by Waveney Gymnastics Enterprises Limited, of which £Nil (2021: £Nil) is outstanding at the year end.

During the year sponsorship income of £500 (2021: £Nil) was received and expenses of £1,350 (2021: £Nil) was paid from The Hotel Victoria, a company of which Mr A Greenfield is a director.