

Middlesbrough Sportability Club
Unaudited Financial Statements
31 March 2021

Middlesbrough Sportability Club

Financial Statements

Year ended 31 March 2021

	Page
Trustees' annual report	1
Independent examiner's report to the trustees	3
Statement of financial activities	4
Statement of financial position	5
Notes to the financial statements	6

Middlesbrough Sportability Club

Trustees' Annual Report

Year ended 31 March 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2021.

Reference and administrative details

Registered charity name Middlesbrough Sportability Club

Charity registration number 1134582

Principal office

The trustees

Mr B Jones
Mr M Mctiernan
Mrs L Rhodes
Mr T Jones
Mr M Sullivan
Miss R Southgate
Mrs N Whittaker
Mrs D Wilson
Mr J Keenan
Mr S Wilson
Mr S Hall
Miss J Salmon

Independent examiner SJ Accounting Services (NE) Ltd

Structure, governance and management

Governing document

Middlesbrough Sportability is an unincorporated registered charity governed by its constitution which was adopted on 24 March 2003. The charity is administered by a management committee.

Objectives and activities

To relieve the needs of young persons resident in Middlesbrough and the surrounding area by the provision of facilities for recreation and sport for individuals in particular, but not exclusively, those aged 8-19 years of age who have learning disabilities and those with physical and/or sensory impairments who have need of such facilities by reason of their youth and disablement in the interests of social welfare with the object of improving the conditions of life of the said young persons.

Middlesbrough Sportability Club

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

Achievements and performance

In a very difficult year we have had to adapt our methods with our biggest battle being keeping the group together given many of our members fell into the high risk categories. We have tried to adapt using new ways to connect including online meetings and activities as well as being outside a lot more than past years.

We were unable to attend our usual premises however we spent a lot of time outside and went for lots of walks, met in parks etc. which our members loved and really kept up the member's fitness. One of the outside activities that was particular enjoyed by all was the purchasing of an allotment. We purchased all the equipment to go with it and the members loved coming together to tidy it up, planted fruit and veg, made a pond and decorated a bench. We cannot wait for spring to carry on our good work and see it evolve and grow.

In addition we did a lot of the regular activities which are always enjoyed including cinema, bowling and McDonalds lunch.

The Club continues to actively work with Parents for Change and Disability Forum to give the best care and support throughout Tees Valley.

It feels a fantastic achievement that the Club has made it through another tough yet and we definitely feel we have come out stronger. We have learnt that the members enjoy being outside and will definitely be making an effort to be doing more outside related activities in the next year. Our members support has been amazing, it was clear to see they love and rely on the club and really pulled together to help us make it through.

We look forward to another amazing year and, despite the challenges we will no doubt face, remain positive that the year will be as productive as ever and our members will continue to rely on our support. We know the good we do in the community and how much a lot of the families rely on us so we will continue to be there for them.

Financial review

The Statement of Financial Activities shows the total reserves stand at £15,933 with £14,033 being unrestricted funds.

Reserves Policy

The trustees aim is to expend all funds on their charitable objects; however, they recognise the need to maintain a certain level of reserves as a cushion against possible future difficulties. Free reserves at the level of 6 months running costs would allow the charity to continue it's operations while alternative funding sources were sought.

The trustees' annual report was approved on 14th December 2021 and signed on behalf of the board of trustees by:

Mr T Jones
Trustee

Mrs D Wilson
Trustee

Middlesbrough Sportability Club

Independent Examiner's Report to the Trustees of Middlesbrough Sportability Club

Year ended 31 March 2021

I report to the trustees on my examination of the financial statements of Middlesbrough Sportability Club ('the charity') for the year ended 31 March 2021.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

SJ Accounting Services (NE) Ltd
Independent Examiner

Middlesbrough Sportability Club

Statement of Financial Activities

Year ended 31 March 2021

			2021		2020
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	4	27,544	10,369	37,913	21,292
Other trading activities	5	—	—	—	2,857
Total income		<u>27,544</u>	<u>10,369</u>	<u>37,913</u>	<u>24,149</u>
Expenditure					
Expenditure on charitable activities	6,7	16,785	8,469	25,254	23,600
Total expenditure		<u>16,785</u>	<u>8,469</u>	<u>25,254</u>	<u>23,600</u>
Net income and net movement in funds		<u>10,759</u>	<u>1,900</u>	<u>12,659</u>	<u>549</u>
Reconciliation of funds					
Total funds brought forward		3,274	—	3,274	2,725
Total funds carried forward		<u>14,033</u>	<u>1,900</u>	<u>15,933</u>	<u>3,274</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 6 to 14 form part of these financial statements.

Middlesbrough Sportability Club

Statement of Financial Position

31 March 2021

	Note	2021 £	£	2020 £
Fixed assets				
Tangible fixed assets	12		1,684	36
Current assets				
Debtors	13	1,325		—
Cash at bank and in hand		13,481		3,729
		14,806		3,729
Creditors: amounts falling due within one year	14	557		491
Net current assets			14,249	3,238
Total assets less current liabilities			15,933	3,274
Net assets			15,933	3,274
Funds of the charity				
Restricted funds			1,900	—
Unrestricted funds			14,033	3,274
Total charity funds	17		15,933	3,274

These financial statements were approved by the board of trustees and authorised for issue on 14th December 2021, and are signed on behalf of the board by:

Mr T Jones
Trustee

Mrs D Wilson
Trustee

The notes on pages 6 to 14 form part of these financial statements.

Middlesbrough Sportability Club

Notes to the Financial Statements

Year ended 31 March 2021

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Holmwood Space for Sports & Arts, Holmwood School, Saltersgill Avenue, Middlesbrough, TS4 3PT.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

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

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

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

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Middlesbrough Sportability Club

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are 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 or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

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 raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Middlesbrough Sportability Club

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

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:

Equipment	- 25% reducing balance
-----------	------------------------

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or a financial liability is recognised only when the charity 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.

Middlesbrough Sportability Club

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

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.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations	4,132	–	4,132

Middlesbrough Sportability Club

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

4. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Grants			
CDCF Food For Families	–	4,000	4,000
Philanthropic	–	–	–
Groundworks	500	–	500
National Lottery Covid Community Support	–	5,144	5,144
Sport England	–	1,225	1,225
Greggs	–	–	–
Middlesbrough Borough Council	12,225	–	12,225
Horizons Specials	1,110	–	1,110
Credit Union Group	–	–	–
Apollo Arts	90	–	90
BG International	–	–	–
Thirteen	1,500	–	1,500
JRS Government grant income	7,987	–	7,987
	<u>27,544</u>	<u>10,369</u>	<u>37,913</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations	1,587	–	1,587
Grants			
CDCF Food For Families	–	–	–
Philanthropic	500	–	500
Groundworks	–	–	–
National Lottery Covid Community Support	–	–	–
Sport England	–	–	–
Greggs	1,000	–	1,000
Middlesbrough Borough Council	9,500	–	9,500
Horizons Specials	5,220	–	5,220
Credit Union Group	1,000	–	1,000
Apollo Arts	585	–	585
BG International	425	–	425
Thirteen	1,475	–	1,475
JRS Government grant income	–	–	–
	<u>21,292</u>	<u>–</u>	<u>21,292</u>

5. Other trading activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Subs & deposits	<u>–</u>	<u>–</u>	<u>2,857</u>	<u>2,857</u>

Middlesbrough Sportability Club

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Activity type 1	15,006	8,469	23,475
Support costs	1,779	—	1,779
	<u>16,785</u>	<u>8,469</u>	<u>25,254</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Activity type 1	22,614	—	22,614
Support costs	986	—	986
	<u>23,600</u>	<u>—</u>	<u>23,600</u>

7. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2021 £	Total fund 2020 £
Activity type 1	23,475	—	23,475	22,614
Governance costs	—	1,779	1,779	986
	<u>23,475</u>	<u>1,779</u>	<u>25,254</u>	<u>23,600</u>

8. Net income

Net income is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	562	11

9. Independent examination fees

	2021 £	2020 £
Fees payable to the independent examiner for: Independent examination of the financial statements	425	425

10. Staff costs

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

	2021 £	2020 £
Wages and salaries	15,996	18,327
Employer contributions to pension plans	359	414
	<u>16,355</u>	<u>18,741</u>

Middlesbrough Sportability Club

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

10. Staff costs *(continued)*

The average head count of employees during the year was 5 (2020: 4). The average number of full-time equivalent employees during the year is analysed as follows:

	2021	2020
	No.	No.
Engaged on Charitable Activities	5	4

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

11. Trustee remuneration and expenses

- no remuneration or other benefits from employment with the charity or a related entity were received by the trustees; or

12. Tangible fixed assets

	Equipment £	Total £
Cost		
At 1 April 2020	948	948
Additions	2,210	2,210
At 31 March 2021	3,158	3,158
Depreciation		
At 1 April 2020	912	912
Charge for the year	562	562
At 31 March 2021	1,474	1,474
Carrying amount		
At 31 March 2021	1,684	1,684
At 31 March 2020	36	36

13. Debtors

	2021	2020
	£	£
Prepayments and accrued income	1,325	–

14. Creditors: amounts falling due within one year

	2021	2020
	£	£
Accruals and deferred income	557	491

15. 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 £359 (2020: £414).

Middlesbrough Sportability Club

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

16. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2021	2020
	£	£
Recognised in income from donations and legacies:		
Government grants income	7,987	—

17. Analysis of charitable funds

Unrestricted funds

	At 1 April 2020	Income	Expenditure	At 31 March 2021
	£	£	£	£
General funds	<u>3,274</u>	<u>27,544</u>	<u>(16,785)</u>	<u>14,033</u>

	At 1 April 2019	Income	Expenditure	At 31 March 2020
	£	£	£	£
General funds	<u>2,725</u>	<u>24,149</u>	<u>(23,600)</u>	<u>3,274</u>

Restricted funds

	At 1 April 2020	Income	Expenditure	At 31 March 2021
	£	£	£	£
National Lottery Covid Community Support Fund	—	5,144	(3,244)	1,900
Sport England	—	1,225	(1,225)	—
CDCF Food for Families	—	4,000	(4,000)	—
	<u>—</u>	<u>10,369</u>	<u>(8,469)</u>	<u>1,900</u>

	At 1 April 2019	Income	Expenditure	At 31 March 2020
	£	£	£	£
National Lottery Covid Community Support Fund	—	—	—	—
Sport England	—	—	—	—
CDCF Food for Families	—	—	—	—
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

Middlesbrough Sportability Club

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

18. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	1,684	—	1,684
Current assets	12,349	1,900	14,249
Net assets	14,033	1,900	15,933

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	36	—	36
Current assets	3,238	—	3,238
Net assets	3,274	—	3,274