

Registered Company Number: 00692958

MARLOW SPORTS CLUB LIMITED
(A Company Limited by Guarantee)

REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 MARCH 2022

Registered Charity Number: 1139862

MARLOW SPORTS CLUB LIMITED
(A Company Limited by Guarantee)

LEGAL AND ADMINISTRATIVE INFORMATION

Status	Company Limited by guarantee without share capital incorporated on 17 May 1961. Registered as a charity on 14 January 2011
Company Number	00692958
Registered Charity Number	1139862
Registered Office Lacemaker House 5-7 Chapel Street Marlow SL7 3HN	Principal Office Marlow Sports Club Pound Lane Marlow SL7 2AE
President	Paul Sambrook
Trustees & Directors	
Co-Chairman	NF Robertson
Co-Chairman	BC Stone
	A Daw
	JA Fordham
Treasurer	RM Krajewski
	AE Saunders
	DV Segrue
	SL Woolven
Patrons	Alex Danson MBE Tom Kerridge Sir Steve Redgrave MBE, CBE Naomi Riches MBE Andrew Strauss OBE Sir Clive Woodward OBE
Bankers	Metro Bank One Southampton Row London WC1B 5HA Barclays Plc 1 Churchill Place London E14 5HP
Independent Examiner	Tim James (FCMA) Pink Affinity Limited The Clock House Station Approach Marlow SL7 1NT

MARLOW SPORTS CLUB LIMITED
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DIRECTORS' AND TRUSTEES' REPORT
YEAR ENDED 31 MARCH 2022

The Directors and Trustees present their report and financial statements for the year ended 31 March 2022. We report on a year where our concerns about the duration of the Covid-19 outbreak and the impact of new variants on income and sports activities began to run alongside the emerging prospect of a deteriorating economic outlook and progressively rising UK inflation, with the challenges that this would present in terms of increased operating costs and dampening consumer spending. These economic impacts are being compounded by the Russian invasion of Ukraine in late February 2022.

In this report and financial statements, all references to the charitable company mean the Trust and references to the Directors mean the Trustees.

This annual report incorporates the requirements of the Trustees set out in both the Charities Statement of Recommended Practice (SORP) and UK company law. It also takes into account the additional advice from the Charities SORP Committee on financial reporting implications that may arise from the impact of the Covid-19 virus.

With the publication of its "Living With Covid Plan" in February 2022, the Government ended legal restrictions in England asking the public to practice safe and responsible behaviours with, in particular, the emerging vaccination and booster programme substituting for lockdown as the primary response and defence against infection.

The Trustees have continued to closely monitor spending and to look for opportunities to reduce or re-time expenditure using a RAG (red/amber/green) rating approach – prioritising essential expenditure (this in the particular context of ageing and dilapidating premises) – and have continued with an established cash forecasting process and close tracking of our finances.

Despite the above challenges, important outcomes were nonetheless delivered in the past year in support of the strategic objectives of the Sports Club:

- Strong membership engagement and sustained delivery of our sport and community offerings, and
- continued progress made in reducing our borrowing with debt repayments of c.£31,000 in the year leaving our portfolio of loans at c.£141,000 with an established plan to clear this debt by March 2026.

Objectives and Activities

The purpose of the charity remains unchanged - the provision of facilities in the interests of social welfare for sports, recreation or other leisure time occupation for the inhabitants of Marlow and the surrounding area.

Marlow Sports Club ("Club") is a community facility – it is open to all, irrespective of age, background and physical ability. We preserve a green space in the heart of Marlow for current and future generations of our local community to meet, get and stay fit and socialise/enjoy a place that promotes well-being and self-belief.

During the year, we have continued to offer a range of sports – cricket, cycling, hockey, running and tennis (via our Member Sections) together with junior football and petanque (via our affiliates:

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Marlow Youth FC and Marlow Petanque Club) for all age groups from the under 10s to over 60s – on over 10 acres of green space the majority of which the charity saved from development in 2011.

We have remained a vibrant community facility with a combined membership of well over 2,500 of which in excess of 1,500 are juniors, with sporting participation beyond that figure.

In “normal” years, a significant contribution to our funds raised comes from our wholly owned subsidiary – MSC Commercial Limited (“MSCC”) – which operates our on-site bar and catering facilities and manages short term lettings of the Club’s facilities. MSCC pays a turnover based licence fee to the Club for use of the Club’s facilities and all residual profits are donated to the charitable company under the terms of a deed of covenant signed in 2018. The MSCC performance during 2021/22 was consistent with the conservative assumptions in the budget about the size and shape of business and the time that it would take (and continues to take) to rebuild and consolidate our commercial income streams.

Structure, Governance and Management

Marlow Sports Club Ltd is a charitable company limited by guarantee, incorporated on 17 May 1961 and registered as a charity on 14 January 2011. The charitable company is governed by its Articles of Association which established the objectives and powers of the charitable company.

Our Members are:

Marlow Cricket Club
Marlow Hockey Club
Marlow Riders
Marlow Striders
Marlow Tennis Club
Sir William Borlase’s Grammar School

Individual membership sits with each Member Section which is governed by its own Section Chair and Committee and constitution.

The Trustees wish to take the opportunity to thank each Member Section Chair and Committee as well as their individual members for their contribution and efforts made in the past year. The continuing team effort from the many volunteers throughout the Club and its Member Sections has sustained the delivery of a multi-sport offering to the community.

Organisation

The Board of Trustees oversees the charity and its day-to-day activities. The Board meets monthly to ensure effective and timely management. Liaison with the Member Sections through their respective Chairs and Committees remains a vital ingredient in this process throughout the year and formally at our bi-annual General Meetings.

A Finance Committee (“FinComm”) of the Trustee Board meets in advance of each Trustee Board meeting. It is chaired by the Treasurer and attended by either or both of the Co-Chairs.

Terms of reference were finalised for the new Operations Committee (“OpsComm”) to be chaired by a Trustee and involving representatives from each Member Section with the aim of informing

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decision making on near-term maintenance issues and make recommendations as appropriate to the Trustees on longer-term/strategic maintenance and development needs. The first meeting took place in June this year.

Trustees and Advisers

As set out in the Articles of Association, the Chair of the Trustees is nominated by the Trustees. Neil Robertson and Barry Stone have acted as co-Chairs since May 2018.

The Trustees have the power to co-opt further Trustees and advisers if required. During the year, David Leggett (the Commercial Director of MSCC) advised the trustees on commercial matters. LGP Solicitors have provided legal advice and support.

Board membership and succession

Our policy remains that new Trustees will have been interviewed by the Chair and another Trustee and will attend a board meeting before being appointed. This will give them the opportunity to see the Board in action and to meet and talk to Trustees and advisers. New trustees are appointed in the first instance by the Trustee Board (in accordance with the articles) but then must resign and be re-appointed at the next Annual General Meeting.

All Trustees are briefed (on appointment) on their legal obligations under charity and charitable company law, the content of the Articles of Association, the Board's decision-making process, and the history and planned future of the charity.

Communication briefs from the Charity Commission, including essential regulatory information or advice of which the Trustees should be aware, are forwarded to each Trustee.

Any new Trustees will also be encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

The Trustee Board has continued to keep succession as an active matter under review. Discussions continue with the Section Chairs for potential candidates with the aim of ensuring that the Board's skill mix and background remain relevant and is refreshed.

Financial Review

The Statement of Financial Activities shows a net income of £27,419 (2021: £13,445).

The core activities of the charitable company (defined as the aggregate of the movements on the unrestricted general reserve and the restricted fundraising reserve – see note 16) generated a surplus of £12,806 (2021: £8,656) – a small increase in the second year of Covid and largely as a result of the improved performance at MSCC with revenue from our bar and catering increasing from a low in 2021 to almost c.80% of pre-Covid levels.

Our fund-raising income doubled this year with the return of a number of our landmark fund-raising events and, with the removal of Covid restrictions, we anticipate this growth continuing in the year ahead.

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The principal sources of our funding (excluding amounts paid into the sport specific reserve accounts) were:

	2022	2021
• Member section donations	42%	35%
• Other donations	4%	9%
• Member section usage fees	31%	23%
• MSC Commercial Limited (licence fee and donations)	4%	0%
• Rental income from premises, sporting and car parking facilities to non-Members	13%	12%
• Governmental Covid-19 related grants	5%	16%

This income funded the costs of our providing the services to fulfil our charitable objective. The charitable company does not use the services of a professional fund raiser.

In terms of costs, we maintained our judicious management approach and so kept costs to a similar level as last year – however, this has necessarily required the deferral of any non-urgent maintenance costs for the second year in a row.

As a result of the above, we managed to close the year with a surplus slightly ahead of last year.

The charity maintains restricted reserves to further the development of our Hockey (including replacing the All-Weather Pitch surface in due course) and Cricket facilities. The Hockey fund increased by almost £13,000 in the year and the Cricket fund increased by c.£11,000.

Restricted funds at the year end totalled £792,488 (2021: £791,953). Unrestricted funds at the year end totalled £270,981 (2021: £244,097).

At the end of the financial year, our total gross borrowings were almost £31,000 lower than last year at £141,192 (2021: £171,986).

Plans for Future Periods

As previously reported, in conjunction with Marlow Tennis Club (MTC), we anticipate building a replacement tennis club house (which will include disabled toilet facilities for all Sections' members to use) – this will be funded from monies to be raised by MTC for the specific purposes. The plans for a fifth tennis court (as noted previously) have been parked.

Longer term plans need to be developed with realistic funding arrangements to address the need not only to improve the condition of our premises, most notably the existing changing facilities, but also to address the need for increased capacity as membership and usage increase.

Community benefit

The charitable company engages actively with sporting partners, local schools and the community.

We host a pre-school nursery (Jellitots) in a safe environment, and also a physiotherapy clinic.

We continue to hire out space and facilities, including hospitality offerings, for local organisations and businesses.

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YEAR ENDED 31 MARCH 2022

We also provide facilities for three annual signature events attended by the local community:

- Marlow Monster Fireworks;
- Marlow Half Marathon; and
- Marlow Red Kite Ride

We remain in regular dialogue with Marlow Town Council and are grateful for their continuing engagement and support.

We are also an active member of the Marlow Chamber of Commerce, with a seat on the Executive.

We continue to have regard to the Charity Commission's guidance on public benefit when defining and reviewing our aims and objectives and undertaking the charity's activities.

Reserves Policy

The Trustees have adopted a number of policies in respect of the charitable company's reserves:

- i. as detailed in note 16, the Charity maintains two sport specific restricted sinking funds holding monies for the future development of those sports' facilities. The charitable company maintains a separate bank account for each of these funds on a matched basis
- ii. as also detailed in note 16, the charitable company used to maintain a reserve to mirror its contingent liability to repay the 2011 grant (which assisted in the development of our hockey facilities) from the England Hockey Board. This liability expired on 21 April 2021 and the reserve was removed – at the same time, The EHB's charge on the Club's land was also released.
- iii. the Trustees endeavour to maintain free cash reserves of at least £25,000 to cover unexpected costs and/or short term cashflow needs and ensure we can meet our debt repayments. At the end of the financial year our available reserves stood at c.£40,000

Principal Risks and Uncertainties

Over the course of 2022, the country has seen a return to a greater normality: our commercial and fund-raising revenues appear to be returning to near normal levels.

During the Summer 2022, our affiliate Marlow Youth FC announced that, due to their reduced membership, they were unable to continue to play at the Club at a fee that made sense for the Charity. However, the Trustees are pleased to say that they have now reached agreement with Marlow Football Club ("MFC") to fill this gap – teams from MFC's Minors and Girls teams started to play at MSC in September this year.

However, we are now facing a period of significant cost inflation which, while expected to fall eventually, is likely to remain elevated for some time. This will most noticeably affect our energy costs, in particular electricity, which is forecast to treble from summer 2023 when our fixed rate tariff expires adding c.£15,000 to our cost base – the board is currently looking at how we can adjust our operations (in particular our food offering) to address the cost increases - we will shortly be commencing discussions with our section members to discuss the challenges of the current economic uncertainties.

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YEAR ENDED 31 MARCH 2022

Meanwhile, and as referred to above, our pavilion remains in need of continuing, and possibly increasing, maintenance and dilapidation repairs, driving an increase in our operating costs.

Our combined membership numbers have remained robust – by November 2022 the figure has increased to over 2,800 with a growth in U18/junior numbers to nearly 1,700. Affiliate active membership takes the overall number to over 3,000. Assuming a growth in membership and usage trends continue, we anticipate increased pressure on our facilities to accommodate further growth in demand.

We continue to focus on trustee succession planning with the aim of not only keeping the skill/experience base relevant but also to ensure there isn't an unmanageable trustee churn/turnover at any one moment or loss of collective knowledge.

Taking all of the above report into account, we believe that we are, and remain, a going concern.

Approved by the Trustees on21 November 2022..... and signed on its behalf by:

.....
NF Robertson - Trustee

.....
RM Krajewski - Trustee

Statement of Trustees' responsibilities

The Trustees, who are also directors of Marlow Sports Club Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure of the charitable company for that year. Under charitable company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the statement of financial activities of the charitable company for that period.

In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently to observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose, with reasonable accuracy, at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This Annual Report and Accounts has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Independent Examiner's Report to the Trustees of Marlow Sports Club Limited

I report on the accounts of the charity for the year ended 31st March 2022, which are set out on pages 11 – 22.

Respective responsibilities of trustees and examiner.

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- 1) which gives me reasonable cause to believe that, in any material respect, the requirements:
 - a. to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - b. to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and the methods and principles set out in Charities SORP (FRS 102) have not been met; or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Tim James FCMA
Pink Affinity Limited
The Clock House
Station Approach
Marlow SL7 1NT

Date: 21 November 2022

MARLOW SPORTS CLUB LIMITED
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STATEMENT OF FINANCIAL ACTIVITIES
(incorporating Income and Expenditure Account)
YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Unrestricted Funds £	Restricted Funds £	Total 2021 £
INCOME AND ENDOWMENTS FROM							
<i>Donations and Legacies</i>		33,285	40,190	73,475	56,716	30,629	87,345
<i>Investments</i>	2		-	-			
<i>Charitable Activities</i>							
Charges to Club Sections	3	48,280	-	48,280	30,606		30,606
Rental Income	3	20,651	-	20,651	15,837		15,837
<i>Other Income</i>							
Other income	4	8,000	1,786	9,786	2,292	1,677	3,969
Licence Fee	4	5,846	-	5,846			
Exceptional income	4		-	-			
TOTAL INCOME		116,062	41,976	158,038	105,451	32,306	137,757
EXPENDITURE ON							
<i>Raising Funds</i>		-	3,125	3,125		4,274	4,274
<i>Charitable Activities</i>		89,178	38,316	127,494	72,816	47,222	120,038
<i>Exceptional costs</i>		-	-	-			
TOTAL EXPENDITURE	6	89,178	41,441	130,619	72,816	51,496	124,312
NET INCOME/(EXPENDITURE)		26,884	535	27,419	32,635	(19,190)	13,445
TRANSFERS BETWEEN FUNDS	-	1,513	1,513	-	-	-	-
NET MOVEMENT IN FUNDS		25,371	2,048	27,419	32,635	(19,190)	13,445
RECONCILIATION OF FUNDS							
Total Funds brought forward at 1 April 2021		244,097	791,953	1,036,050	211,462	811,143	1,022,605
Total Funds carried forward at 31 March 2022	15	269,468	794,001	1,063,469	244,097	791,953	1,036,050

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

All income and expenditure derive from continuing activities.

The statement of financial activities also compiles with the requirements for an income and expenditure account under the Companies Act 2006

MARLOW SPORTS CLUB LIMITED
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BALANCE SHEET
YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed Assets					
Investment	8		1		1
Tangible Assets	9		985,524		1,014,083
Current Assets					
Debtors	10	27,496		18,975	
Cash at Bank and in Hand		52,298		67,377	
Cash at Bank - Sinking Funds	11	144,265		119,889	
			224,059		206,242
Creditors: Amounts falling due within one year	12	(36,115)		(43,879)	
Net Current Assets			187,944		162,363
Total Assets less Current Liabilities			1,173,469		1,176,447
Creditors: Amounts falling due after more than one year	13	(110,000)		(140,397)	
Net Assets			£1,063,469		£1,036,050
Funds of the Charity					
Restricted Funds			794,001		791,953
Unrestricted Funds			269,468		244,097
Total Charity Funds	16		£1,063,469		£1,036,050

MARLOW SPORTS CLUB LIMITED
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BALANCE SHEET (CONTINUED)
AT 31 MARCH 2022

For the financial year ended 31 March 2022, the company was entitled to exemption from audit under section 477 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, Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard 102 SORP.

The financial statements were approved by the Directors on21 November 2022..... and were signed on their behalf by:

.....
NF Robertson
Trustee

.....
RM Krajewski
Trustee

The accounting policies and notes on pages 14 to 22 form part of the accounts

Registered Company No: 00692958

Registered Charity No: 1139862

MARLOW SPORTS CLUB LIMITED
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NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES

1.1. Accounting convention

The accounts have been prepared in accordance with the company's articles of association, the Companies Act 2006 and 'Accounting and Reporting by Charities: Statement of Recommended Practice ("SORP") applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102")' (as amended for accounting periods commencing from 1 January 2019). The charitable company is a Public Benefit Entity as defined by FRS 102.

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

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

1.2. Fund accounting

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of fundraising appeal. Expenditure, which meets these restrictions, is identified to the fund.

Unrestricted funds are donations and other incoming resources receivable, or generated, for the objects of the charitable company without further specified purpose, and which are available as unrestricted funds.

1.3. Income

Income is recognised in the statement of financial activities when the charitable company is legally entitled to it after any performance conditions have been met, the amount can be measured reliably, and it is probable that income will be received. The following are applied to particular income:

- Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation; and
- Investment income is received from the charitable company's trading subsidiary which donates its profits to the charitable company.

The SORP requires all sources of income to be shown, including capital grants which are used for purchasing fixed assets. The asset itself is capitalised in the balance sheet at the time of purchase and is not included as expenditure in the Statement of Financial Activities (SOFA). Depreciation of the asset is charged in the SOFA. Accordingly, the net incoming resources cannot necessarily be viewed as operating surpluses (or deficits).

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NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

1.4. Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with use of resources.

1.5. Tangible fixed assets and depreciation

Tangible fixed assets are capitalised and included at cost including any incidental expenses of acquisition, net of depreciation and any impairment loss. Items costing below £400 are not capitalised.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows:

Land	Nil
Land improvement	40 years
Pavilion buildings	20 years
Plant and machinery	5 years
Furniture, fittings and equipment	3 - 5 years
All-Weather Pitch carpet & cricket nets	10 years
Pitch and court plant and machinery	20 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds (net of any costs associated with the disposal) and the carrying value of the asset and is recognised in net income/(expenditure) for the year.

1.6. Taxation

No provision for taxation arises on the income of the charitable company due to its charitable status.

1.7. Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

1.8. Going Concern

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

2. Investment Income

This charitable company's investment income is derived from its wholly owned trading subsidiary MSC Commercial Limited (MSCC) – a company which is incorporated in the UK. MSCC operates the licensed bar and catering facilities at the Sports Club and manages short term lettings of the Club's facilities. MSCC donates its net operating profits to Marlow Sports Club Limited under the terms of a deed of covenant. Set out below is a summary of MSCC's trading over the last two years.

	2022 £	2021 £
Turnover	84,330	26,791
Cost of Sales	(33,505)	(11,172)
Gross Profit	50,825	15,619
Administration Expenses	(44,979)	(15,937)
Licence fee to Marlow Sports Club Limited	(5,846)	-
Net Profit	-	(318)
Amount donated to the Charity	-	-
Retained profit/(loss) in subsidiary for the year	-	(318)

The improvement in performance year on year is almost solely due to the bar and catering facilities being open for much more of the year as Covid-19 lockdowns were in place for much less of the financial year.

As noted earlier, the Trustees waived the licence fee for the year last year and accepted a reduced licence fee for the current year to match operating profits. As a result, no investment income was paid to MSC in either year.

3. Income from Charitable Activities

The charitable company charges each sports club section for usage of its facilities. The charitable company also receives rents from sub-letting its facilities and accommodation to third parties.

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4. Other income

Covid related grants during the year totalled £8,000 (2021: £21,099). The company utilised the government's furlough scheme during 2021 which generated income of almost £2,300 – off-setting some of the staff costs detailed in note 5 below.

Restricted (other) income comprises interest received on sinking funds for both Hockey and Cricket.

The charitable company receives a Licence fee from its subsidiary, MSC Commercial Ltd, in respect of the latter's exclusive running of the Bar operations as detailed in note 2 above.

5. Staff costs

The charitable company employed one person during the year 2022 (2021: one) – on a part-time basis – whose costs were as follows:

	2022 £	2021 £
Wages and salaries	7,200	6,720
Social security costs	-	-
Total staff costs	7,200	6,720

Half of these costs are recharged to MSCC. No employees received employment benefits (excluding employer pension costs) of more than £60,000 in either year.

6. Expenditure

	Raising Funds £	Charitable Activities £	Governance Costs £	Total 2022 £	Total 2021 £
Establishment costs	-	83,258	-	83,258	71,601
Administrative costs	-	10,250	-	10,250	8,563
Interest and bank charges	3,215	-	-	3,215	4,328
Legal and accountancy costs	-	2,937	-	2,937	7,396
Independent examiner fees	-	-	2,400	2,400	2,400
Depreciation	-	28,559	-	28,559	29,424
Total Expenditure	3,215	125,004	2,400	130,619	124,312

Our expenditures increased by £6,307 in the year compared to last year.

The largest growth in any cost category was in premises upkeep – those costs largely to maintain the building and non-sports playing parts of the grounds. Notable expenditure in the year in this area were:

- 1) Roof works – repairs to the pavilion c.£9,000; and
- 2) Tree works c.£4,000.

7. Taxation

Due to its charitable status, the company does not provide for a charge for corporation tax on its income.

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8. Investments

	2022	2021
	Cost	Cost
	£	£
Investment in subsidiary	<u>1</u>	<u>1</u>

The £1 unlisted investment represents a 100% shareholding in MSC Commercial Limited as follows:

	Class of Shares Held	% of Shares Held	Nature of Business	Capital and Reserves at 31 March 2021
MSC Commercial Limited	Ordinary	100	Bar	£1

9. Tangible fixed assets

	At 1 Apr 21	Additions	Disposals	At 31 Mar 22
Cost	£	£	£	£
Land and Buildings	683,951	-	-	683,951
Land Improvements	398,174	-	-	398,174
All-weather pitch carpet	132,888	-	-	132,888
Pitch and Court Equipment	117,072	-	-	117,072
Fixtures, Fittings and Equipment	33,516	-	-	33,516
	<u>1,365,601</u>	<u>-</u>	<u>-</u>	<u>1,365,601</u>
Depreciation				
Land and Buildings	70,410	2,712	-	73,122
Land Improvements	74,423	11,800	-	88,472
All-Weather Pitch Carpet	126,719	6,169	-	132,888
Pitch and Court Equipment	46,451	7,878	-	52,079
Fixtures, Fittings and Equipment	33,515	-	-	33,515
	<u>351,518</u>	<u>28,559</u>	<u>-</u>	<u>380,076</u>
Net book value	<u>1,014,083</u>	<u>(28,559)</u>	<u>-</u>	<u>985,524</u>

Land and Buildings comprise the acquisition costs of the Marlow site in 2011 and 2013 and the capital expenditure incurred on the buildings prior to ownership.

10. Debtors

	2022	2021
	£	£
Gift Aid Claim	5,854	5,000
Amounts due from subsidiary undertaking	11,960	6,288
Other Debtors	9,682	7,688
	<u>27,496</u>	<u>18,976</u>

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11. Cash at Bank – Sinking Funds

	2022	2021
	£	£
Hockey Sinking Fund	130,186	117,008
Cricket Development Fund	14,079	2,881
	<u>144,265</u>	<u>119,889</u>

12. Creditors: amounts falling due within one year

	2022	2021
	£	£
Private Loans	31,192	31,589
Other Creditors and Accruals	4,923	12,590
	<u>36,115</u>	<u>43,879</u>

13. Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Private Loans	110,000	140,397
	<u>110,000</u>	<u>140,397</u>

14. Net Borrowings

	2022	2021
	£	£
Unsecured Loans	141,192	171,986
Cash at banks (excluding amounts matching sinking funds)	(52,298)	(60,389)
Net Borrowings	<u>88,894</u>	<u>111,597</u>

Net borrowings for the charitable company are summarised as follows:

	Repayable	Repayable	Repayable	
	in	in	in	
	1 year	2 years	3+ years	Total
	£	£	£	£
Unsecured Loans	31,192	30,000	80,000	141,192
Cash at banks	(52,298)	-	-	(52,298)
At 31 March 2022	<u>(21,106)</u>	<u>30,000</u>	<u>80,000</u>	<u>88,894</u>
At 31 March 2021	<u>(28,800)</u>	<u>30,397</u>	<u>110,000</u>	<u>111,597</u>

Fixed interest of 2% per annum is being charged on £140,000 of the unsecured loans. £120,000 of the loans are repayable in equal quarterly payments over the period to March 2026.

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15. Related Parties

The amount due from the subsidiary undertaking is shown in note 10.

The Trust has arranged insurance to protect itself from loss arising from the neglect, or defaults of its directors and employees.

	2022	2021
	£	£
Directors, officials and employees' indemnity insurance	<u>375</u>	<u>375</u>

No trustees received any remuneration during the year.

16. Movement in funds

	At 1 Apr 21	Incoming Resources	Outgoing Resources	Transfers	At 31 Mar 22
	£	£	£	£	£
Restricted Funds:					
MSC Fundraising *	585,428	3,728	(17,806)	-	571,350
EHB – All-Weather Pitch	2,000	-	(2,000)	-	-
Fixed Assets Fund	84,636	-	(6,250)	-	78,386
Hockey Sinking Fund	117,008	27,075	(15,385)	1488	130,186
Cricket Development Fund	2,881	11,173	-	25	14,079
Total restricted funds	<u>791,953</u>	<u>41,976</u>	<u>(41,441)</u>	<u>1,513</u>	<u>794,001</u>
Unrestricted Funds:					
General funds *	244,097	116,062	(89,178)	(1,513)	269,468
TOTAL FUNDS	<u>1,036,050</u>	<u>158,038</u>	<u>(130,619)</u>	<u>-</u>	<u>1,063,469</u>

* these two lines combined represent the “core activities” of the club as referred to on page 4.

Outgoing resources and transfers are further detailed at note 18.

17. Analysis of net assets between funds

	Fixed Assets	Current Assets	Liabilities	Inter Fund Balance	Total
	£	£	£	£	£
Restricted funds	920,530	144,261	(141,192)	(129,599)	794,001
Unrestricted funds	64,995	79,798	(4,923)	129,599	269,468
	<u>985,525</u>	<u>224,059</u>	<u>(146,115)</u>	<u>-</u>	<u>1,063,469</u>

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18. Purpose of Funds

Restricted Funds

MSC Fundraising Fund

This fund represents the fundraising levels, net of relevant expenditure, raised to make land purchases and develop the All-Weather Pitch including the repayment of loans taken out to achieve this.

EHB All-Weather Pitch Fund

In May 2011, the charitable company entered into an agreement with the England Hockey Board (EHB) to receive a capital grant of £120,000, payable during the construction period of the All-Weather Pitch. This grant is repayable should the charitable company not honour five conditions:

1. Maintain the EHB's minimum operating standards for its affiliated clubs currently encompassed by Clubs First accreditation.
2. Develop and implement a Community Use Agreement
3. Annual provision, through a sinking fund for resurfacing/replacement of pitch carpet.
4. Undertake regular maintenance of facility's floodlights.
5. Remain as a sand-dressed/water-based playing surface for minimum of 20 years.

The claw back period was in place for 10 years from the 2011 commissioning on a reducing basis.

A second charge had been granted to the EHB on the land on which the Pitch was constructed until the end of this claw back period – this charge was released in April 2021,

The fund was closed during the year and by which point the pitch had been fully depreciated.

Fixed Assets Fund

This fund represents the amounts spent from restricted reserves on fixed assets.

Hockey Sinking Fund

MSC maintains a Sinking Fund to develop and maintain the All-Weather Pitch and its facilities and, in particular, to provide for the future replacement of the pitch carpet surface.

Expenditures set against this fund relate to the maintenance of the All-Weather Pitch (to maximise its useful life and provide a safe playing environment).

The transfers into this fund represent costs incurred in prior years refunded by insurance claims.

Cricket Development Fund

This fund represents amounts raised for the future development of the cricket facilities at the Sports Club.

Unrestricted Funds

Represent the accumulated activities of the charitable company.

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19. Share Capital

Marlow Sports Club Limited is a charitable company limited by guarantee and has no share capital. Each Member is liable to contribute a sum not exceeding £100 in the event of the charity being wound up.

20. Commitments and Contingent Liabilities

The charitable company had no material contingent liabilities at 31 March 2022 which have not been provided for in these accounts.