



Unaudited Trustees Report and Financial Statements

for the Year Ended 31st December 2020

Charitable Incorporated Organisation

CHARITY REGISTRATION NUMBER 1154320

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Charity Information

Trustees for the year:	Nikki Oakes, <i>Chair</i> Steve Morcombe, <i>Treasurer</i> Sam Copping, <i>Welfare Officer</i> Peter Moss, <i>Boys Representative</i> Angelique Halbach, <i>Girls Representative</i> Sam Blackwell, <i>Committee Member</i> Donna White, <i>Committee Member</i> Shelley Chandler-Symes (appointed 09.01.2020), <i>Committee Member</i>
Address:	Brinkley Grove Road Colchester Essex, CO4 5DS
Charity registration number:	1154320
Bankers:	CAF Bank 25 Kings Hill Avenue West Malling Kent, ME19 4JQ
Solicitors:	Birkett Long of Colchester 1 Amphora Place Colchester Essex, CO3 3WG
Independent Examiner:	Griffin Chapman 4 & 5 The Cedars Apex 12 Old Ipswich Road Colchester Essex, CO7 7QR

Trustees' Report

The Trustees present their annual report together with the financial statements of the Colchester School of Gymnastics for the period 1 January 2020 to 31 December 2020.

The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

Objectives and activities

a. Policies and objectives

The objectives of the CIO are:

- (1) To advance the education of the public, in particular young people, in the subject of gymnastics and physical education.
- (2) The promotion of community participation in healthy recreation for the benefit of the inhabitants of Colchester (Essex) and surrounding areas by the provision of facilities for participation in gymnastics.
- (3) To act as a resource for young people living in Colchester (Essex) and surrounding areas, by providing advice and assistance and organising programs of physical activities as a means of advancing in life, developing skill, capacity and capability.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies and activities for achieving objectives

The School provides classes for all levels and ages, for girls and boys, teenagers and adults. Our recreational gymnastics classes, where gymnasts attend once a week, are hugely popular but we also run successful development and elite squads. The School's gymnasts continue to enjoy success in a host of County, Regional and National competitions and some of our coaches have been successful in increasing their level of coaching and judging qualifications.

We also offer adult, baby and toddler gymnastics classes, as well as Freestyle Gymnastics which is specifically aimed at young adults. Our facilities are also used to host trampolining, cheerleading and disability classes.

c. Volunteers

The School could not continue to operate without the continued hard work of its staff in ensuring the ongoing expansion of the School is successful, together with the contribution made by a regular group of invaluable volunteers who undertake a wide variety of tasks, especially during the competition seasons.

The Trustees would like to extend their heartfelt thanks to all those who have given their time and effort so generously, their help is very much appreciated.

d. Main activities undertaken to further the CIO's purposes for the public benefit

The School offers a broad a range of classes, from Pre-school to Adult in order to extend the reach to as many members of the public as possible, irrespective of ability with the goal of helping all members to realise their full potential

Achievements and performance

On Friday 20 March at 8pm we were forced to shut our doors to all members for the foreseeable future following Government guidelines as a result of the Covid-19 pandemic; all staff with the exception of the Centre Manager, were furloughed. Andrea was retained in a full-time capacity to ensure that emails were answered, bills and wages were paid, to apply for grants we were eligible for and to make cost savings wherever possible, i.e. mortgage / rates holiday, etc. Andrea also put together a plan for when we were able to re-open ensuring that all safety measures and necessary precautions were put into place.

On 25 July we were permitted to re-open but with restricted numbers and stringent health and safety precautions taken to eliminate the risk of the Covid-19 virus entering the building. A lot of work had been undertaken during the period of closure to make the gym safe, including the marking of segregated areas around the whole gym to ensure a safe, social distance could be achieved between gymnasts and coaches. Cleaning stations were erected around the whole building, hand sanitisation units installed, and a safety screen fitted at reception. PPE was also provided for all staff.

We should like to thank a small number of staff, including Kevin Hill who fitted the reception screens, for ensuring that this work was carried out in order to allow us to re-open safely.

Although our numbers were hugely restricted upon re-opening, our members returned with eagerness and excitement and followed the new rules remarkably well. We had lots of positive feedback from parents on social media acknowledging the work put in to allow their children to return to a safe environment.

Following four months of total lockdown, British Gymnastics cancelled all competitions for the rest of the year to allow gymnasts to recover any lost strength and skills while the gyms were closed. For some this was too much though and sadly we lost a few gymnasts from our competition squads, as well as recreational gymnasts. However, the support from our members remains strong and the gym remains full-to-capacity given reduced numbers.

Unfortunately, there came a second lockdown on 4 November which meant once more we had to close our doors. All staff were furloughed again, with the exception of Andrea and a few coaching staff who were all part-furloughed in order that they could run Zoom sessions for the gymnasts. We have to thank Isaac James, Head of Recreational Gym, who has inspired many with his training videos posted on social media plus outstanding Zoom training sessions keeping our members active while having to stay away

from gym again. His enthusiasm and professionalism have been very gratefully received and appreciated by many and he has firmly established his place as a huge asset to the Club.

We re-opened on 3 December under tight restrictions again and then closed for Christmas three weeks later on 19 December. Sadly just a few days later the Government imposed a further unknown period of lockdown and this time all staff were furloughed.

Fundraising events were very different this year. We received a generous donation from Liberty Specialty Markets plus some parents very kindly donated their monthly fees despite the gym being closed to their children. Many gymnasts took part in a Sponsored Run, suggested by coach Zoe Scrimshaw, which was closely followed on social media and recognition posted at each milestone the gymnasts made; this raised a whopping £6,100! Huge congratulations to all those who participated and congratulations to Cherish & Serenity Haywood who amassed a grand total of more than 170 miles each during this period.

One of our parents raised almost £600 by doing a 48 Mile Challenge during the last week of lockdown; Chris Taylor ran 48 miles, one mile for each of the training hours his daughters missed during lockdown; it also happened to be his 48th birthday during this week!

We also held a Christmas Raffle with prizes kindly donated by CantiLeiver Creations, Quattro Leotards, Dragonfly Leotards, A Little Scarlett Rose and our CSG coaches.

So, 2020 was a very different year for everyone; we've all faced different challenges but our spirits remain high and we look forward to getting back to normal as soon as we're able. We should like to extend a massive thank you to Andrea Cook and Nikki Ward, our Accountant, for working tirelessly throughout the year to ensure we still have a Club to come back to after lockdown.

Financial review – Treasurer Steve Morcombe

The unaudited accounts for the year covering the period 1st January 2020 to 31st December 2020 reflect a net addition to reserves of £47k.

Considering the unprecedented circumstances, and the economic impact of multiple mandatory closures of the gym, attributed to local and national lockdowns, this net addition is an exceptionally positive outcome. The net outcome reflects government payments, including grants, staff furlough payments and deferral of business rates, payment holidays across a number of financing agreements during the first national lockdown, prudent cost management actions, and the generous support of many of our staff and members who kindly donated to the club and supported a number of fund-raising initiatives. Without these measures, the club would have suffered a net loss.

I would like to note my personal thanks to Nikki Ward and Andrea Cook in managing the club's finances so well in such difficult conditions.

Income

Overall there has been a decrease of approximately 31% in the club's income. Fee income from classes and coaching was £380k, reflecting reductions in all income sources owing to a combination of

government mandated gym closures and reduced numbers to comply with social distances measures.

Total Income for the year was £602k (£869k prior year).

Expenditure

Wages & Salaries costs were down 14%, however after applying the impact of furloughing staff during the lockdown closures it becomes 44%.

Increases in Premises Costs reflect the extra cleaning costs and building maintenance required to make the gym COVID-safe.

As expected, in the circumstances, all other cost items are lower than prior year; utility costs were £8k lower, equipment leasing was £13k lower, with the exception of depreciation which was up £6k, reflecting a full year of depreciation the new car park.

Overall Total Expenditure was down by 23% at £555k (£723k prior year).

Balance Sheet

The club continues to show a healthy balance sheet, with continued good management of debtors.

Forward Look

The start of 2021 has already continued to be challenging, with continued national lockdown requiring the gym closure for at least the first two months of the year, and social distancing measures expected to continue when the gym is allowed to re-open. To date, government support has continued, in the form of furlough payments and grants.

The club's cash reserves remain strong, despite the challenges of 2020, and should provide a necessary buffer for the headwinds in 2021. However, current forecast indicates that the gym will at best "break-even" during 2021. Given the unprecedented nature of the pandemic, the economic situation is unpredictable, and the financial position could further deteriorate.

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the CIO has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The School currently holds minimal free reserves, which is attributable to the fact that the definition excludes the fixed assets which have been financed by long term liabilities which are included within the definition. Free reserves are calculated by deducting the fixed assets (both property and equipment) from

the net asset value. The primary asset of the School is the building that we occupy to provide our charitable aims, and the deduction of this from the free reserves calculations leaves a small amount within the free reserves.

However, for the purposes of short and medium-term financial management, the Trustees are concerned more with the management of working capital, and the healthy working capital position is entirely in line with their policy of holding free resources sufficient to fund three months of ongoing unrestricted expenditure to cover the eventuality of a material decline in incoming resources. At year end the Unrestricted Reserves totalled £949k, with £69k in Restricted Reserves.

c. Material investments policy

All material investments made by the club are subject to approval by the Committee and must only be made in accordance with the School's objectives

d. Principal risks and uncertainties

COVID-19 presents a financial risk to the School, arising from closure of the School, in line with Government advice. Steps have been taken as far as possible to reduce financial outgoings and the cashflow is being closely monitored, however there remains uncertainty as to when the School may re-open and whether required social distancing measures prevent this from being possible for an extended period.

e. Financial risk management objectives and policies

The School's policy requires that three months of expenditure is retained in the bank account at all times in the event of unexpected drop in income.

All outgoing payments by the School require four-eye approval and bank transactions include secondary signature by either the Chairperson or Treasurer.

Management accounts are prepared and reviewed on a regular basis, including comparison to prior year and budget.

f. Principal funding

The School is wholly reliant on fees and donations for sustainability and does not receive regular grants from third parties.

Structure, governance and management

a. Constitution

The Constitution was adopted at a meeting of the School on 31st October 2013.

b. Methods of appointment or election of Trustees

The charity trustees shall manage the affairs of the CIO and may for that purpose exercise all the powers of the CIO. It is the duty of each charity trustee:

- (a) to exercise his or her powers and to perform his or her functions as a trustee of the CIO in the way he or she decides in good faith would be most likely to further the purposes of the CIO; and
- (b) to exercise, in the performance of those functions, such care and skill as is reasonable in the circumstances having regard in particular to:
 - (i) any special knowledge or experience that he or she has or holds himself or herself out as having; and
 - (ii) if he or she acts as a charity trustee of the CIO in the course of a business or profession, to any special knowledge or experience that it is reasonable to expect of a person acting in the course of that kind of business or profession.

Eligibility for trusteeship

- (a) Every charity trustee must be a natural person.
- (b) No one may be appointed as a charity trustee: if he or she is under the age of 16 years; or if he or she would automatically cease to hold office by virtue of section 178-180 of the Charities Act 2011.
- (c) No one is entitled to act as a charity trustee whether on appointment or on any reappointment until he or she has expressly acknowledged, in whatever way the charity trustees decide, his or her acceptance of the office of charity trustee.
- (d) At least one of the trustees of the CIO must be 18 years of age or over. If there is no trustee aged at least 18 years, the remaining trustee or trustees may act only to call a meeting of the charity trustees, or appoint a new charity trustee.

Number of charity trustees

There must be at least three charity trustees. If the number falls below this minimum, the remaining trustee or trustees may act only to call a meeting of the charity trustees or appoint a new charity trustee.

Appointment of charity trustees

- (1) The school shall be managed by a committee of trustees to include a Chairman, Secretary, Treasurer and Welfare Officer. There shall be a representative from each section of the club represented (female

gymnasts and male gymnasts) and the Local Authority shall be entitled to nominate a representative to serve on the committee.

(2) At every annual general meeting of the members of the CIO, subsequent to the first AGM, one-third of the charity trustees shall retire from office. If the number of charity trustees is not three or a multiple of three, then the number nearest to one-third shall retire from office, but if there is only one charity trustee, he or she shall retire;

(3) The charity trustees to retire by rotation shall be those who have been longest in office since their last appointment or reappointment. If any trustees were last appointed or reappointed on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot;

(4) The vacancies so arising may be filled by the decision of the members at the annual general meeting; any vacancies not filled at the annual general meeting may be filled as provided in sub-clause (5) of this clause;

(5) The members or the charity trustees may at any time decide to appoint a new charity trustee, whether in place of a charity trustee who has retired or been removed, or as an additional charity trustee. There is no specified limit on the number of trustees.

(6) A person so appointed by the members of the CIO shall retire in accordance with the provisions of sub-clauses (2) and (3) above.

c. Organisational structure and decision-making policies

Day-to-day business decisions are made by the Committee-appointed Centre Manager. For larger financial or substantial personnel decisions, the Centre Manager will approach the Committee for approval.

d. Policies adopted for the induction and training of Trustees

We have a Welcome Pack which is made available to new Trustees containing a Guide to The Role of CSG Committee and a copy of the Constitution.

e. Pay policy for key management personnel

A pay structure is in place for full-time members of staff according to their roles, and for coaching staff the rate of pay is dependent upon age and qualification.

None of the Trustees have received any remuneration from this charity or a related entity. No Trustee expenses have been incurred.

f. Related party relationships

Two of the Trustees of Colchester School of Gymnastics are related to staff members who are retained

with a contract of employment. The aggregate value of the contract of employment is immaterial. The related party transactions were on terms equivalent to those of other members of staff.

Plans for future periods

In light of the worldwide pandemic, our plans for 2020 were put on hold. Now, our short-term plan is to rebuild the Club as soon as we're permitted by the Government to re-open.

Our main focus will be to ensure we maintain a COVID-safe environment for our staff and members and to follow strict guidelines set by both the Government and British Gymnastics. We have been very fortunate to retain the majority of our membership so we hope to gradually reintroduce them and achieve full capacity again in due course.

Once we are in a position to do so we intend, funds permitting, to resurface the staff parking area and along the front of the building which is currently laid with stones. These stones have the potential to block the new ACCO drains so as a preventative measure we plan to lay block paving. Fencing is to be erected along the grassy bank to separate the pedestrian area from the car park.

Equipment will be repaired or replaced on an as and when needed basis, putting the health and safety of our staff and members first at all times.

Statement of Trustees' responsibilities

The Trustees 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).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Charitable Incorporated Organisation and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Incorporated Organisation will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of Trustees on

8 May 2021



and signed on their behalf by Nikki Oakes, Chair

Independent Examiners Report

Independent Examiner's Report to the Trustees of Colchester School of Gymnastics

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages 13 to 25.

Responsibilities and basis of report

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

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

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

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 accounts do not accord with those records; or
3. the accounts 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.

Signed



Daniel Aldworth FCCA FMAAT

Griffin Chapman Chartered Accountants
Apex 12
4&5 The Cedars
Old Ipswich Road
Colchester
Essex, CO7 7QR

Date

11 May 2021

Statement of Financial Activities

Colchester School of Gymnastics CIO

STATEMENT OF FINANCIAL ACTIVITIES

For the Year Ended 31st December 2020

	Note	2020			2019		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		£	£	£	£	£	£
Incoming Resources							
Voluntary Income							
Donations, Grants, Gifts	5	51,981	139,624	191,605	138	67,395	67,533
Incoming Resources from Charitable Activities	5	379,527	-	379,527	689,815	-	689,815
Activities for Generating Funds							
Fundraising, vending, clothing	6	25,640	-	25,640	56,929	-	56,929
Investments		720	-	720	561	-	561
Other Income	5	4,693	-	4,693	53,875	-	53,875
Total Income		462,561	139,624	602,185	801,318	67,395	868,713
Costs of Generating Funds	7	11,300	-	11,300	41,842	-	41,842
Charitable Activities Expenditure							
Wages and Salaries	8, 9	387,962	-	387,962	450,744	-	450,744
Equipment costs		18,797	568	19,365	30,599	5,708	36,307
Premises costs		53,742	-	53,742	51,880	-	51,880
Gymnastics costs		4,973	-	4,973	27,322	-	27,322
Finance and Overhead costs	10	72,578	3,117	75,695	113,145	653	113,798
		538,052	3,685	541,737	673,690	6,361	680,051
Governance	11	1,804	-	1,804	1,000	-	1,000
Total Expenditure		551,156	3,685	554,841	716,532	6,361	722,893
Net income / (expenditure)		(88,595)	135,939	47,344	84,786	61,034	145,820
Transfers between funds		136,147	(136,147)	-	653	(653)	-
Net movement in funds		47,552	(208)	47,344	85,439	60,381	145,820
Opening Funds		901,224	69,217	970,441	815,785	8,836	824,621
Addition to Funds		47,552	(208)	47,344	85,439	60,380	145,820
Closing Funds		948,776	69,009	1,017,785	901,224	69,217	970,441

Balance Sheet

Colchester School of Gymnastics CIO

BALANCE SHEET

As at 31st December 2020

	Note	2020		2019	
		£	£	£	£
Fixed Assets	12				
Property		736,350		736,350	
Fixed Assets - Equipment		<u>154,745</u>		<u>176,603</u>	
			891,095		912,953
Current Assets					
Stock		5,588		4,471	
Trade Debtors		3,147		13,621	
Other Debtors and prepayments		2,552		2,549	
VAT		0		3,008	
Bank Accounts		<u>270,743</u>		<u>292,341</u>	
			282,031		315,990
Current Liabilities					
Trade Creditors		104		5,286	
Income in advance	13	11,648		89,850	
Accruals		5,415		18,998	
PAYE/NIC/Pensions		6,606		6,412	
Short term loans (less than 1 year)		<u>13,841</u>		<u>11,911</u>	
			37,614		132,457
Current Assets less Current Liabilities:			244,417		183,533
Total Assets less Current Liabilities:			1,135,512		1,096,486
Long Term Liabilities					
Mortgages and long term loans		<u>117,727</u>		<u>126,045</u>	
			117,727		126,045
Total Assets less Total Liabilities:			<u>1,017,785</u>		<u>970,441</u>
Funds					
Unrestricted Funds	15	948,776		901,224	
Restricted Funds	15	69,009		69,217	
		<u>1,017,785</u>		<u>970,441</u>	

The financial statements were approved and authorised for issue by the Trustees on 8th May 2021. The notes on pages 16 to 25 form part of these financial statements.



Nikki Oakes, Chair



Steve Morcombe, Treasurer

Statement of Cash Flows

Colchester School of Gymnastics CIO STATEMENT OF CASHFLOWS For the Year Ended 31st December 2020

	2020 £	2019 £
Cash flows from operating activities		
Net income/(expenditure) for the reporting period	47,344	145,820
Adjustments for:		
Depreciation	23,687	16,618
Loss / (Profit) on disposal of property, plant and equipment	-	2,401
Decrease/(increase) in debtors	13,479	(12,376)
Decrease/(increase) in stock	(1,117)	1,546
Increase/(decrease) in creditors	(94,844)	1,656
Interest paid	5,762	8,181
Interest received	(720)	(561)
Net cash provided by operating activities	(6,409)	163,285
Cash flows from investing activities		
Dividends, interest, rents	720	561
Purchase of property, plant and equipment	(1,829)	(110,877)
Net cash provided by (used in) investing activities	(1,109)	(110,316)
Cash flows from financing activities		
Repayments of borrowing	(8,318)	(3,730)
Interest Paid	(5,762)	(8,181)
Net cash provided by (used in) financing activities	(14,080)	(11,911)
Change in cash and cash equivalents in the reporting period	(15,189)	(128,908)
Cash and cash equivalents at the 1/1/20	292,341	251,283
Cash and cash equivalents at 31/12/20	270,743	292,341
Change in cash and bank	(21,598)	41,058

Notes to the Accounts

1. GENERAL INFORMATION

The Charitable Incorporated Organisation (CIO) 1154320 was registered on 23rd October 2013, to take forward the work of the Unincorporated Association registered number 1002911. Assets, liabilities and funds were transferred.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are as follows:

a. Basis

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, and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at non depreciated costs to more accurately reflect a true and fair value.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b. Fund Accounting

The charity maintains unrestricted and restricted funds. The unrestricted fund comprises accumulated surpluses and deficits and cumulative gains on investments. This is available for use at the discretion of the Trustees in furtherance of the charity's general objectives. Restricted funds are those which can only be spent on a specific purpose as stipulated by the donor.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

c. Income

Incoming resources are recognised on a receivable basis. All incoming resources are accounted for when the charity has entitlement to the funds, certainty of receipt and the amount is measurable. Where income is received in advance of a performance or other specified service it is deferred until the charity is entitled to that income.

d. Expenditure

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Since de-registration, expenditure has been recognised inclusive of irrecoverable VAT.

e. Fixed Assets and Depreciation

Individual fixed assets costing £500 or more are capitalised at cost and depreciated on a straight-line basis over their estimated useful lives as follows:

Fixed Gymnastics Equipment	10 to 25 years
Unfixed Gymnastics Equipment	5 to 10 years
Premises Improvements	10 to 20 years
Office Equipment	3 to 10 years
Furniture & Fittings	5 to 10 years

The property is not being depreciated as the Trustees consider that this will appreciate over time and therefore they consider leaving the property at the original cost is a more realistic reflection of the value.

f. Stock

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

g. Employees & Pension

Employees are shown as average number of full-time equivalents for the year.

The charity operates a defined contribution pension scheme for all qualifying employees. The asset of the scheme is held separately from those of the charity in an independently administered fund (Peoples' Pension). Payments to defined contribution retirement benefit schemes are charged as an expense when they fall due.

Redundancy costs and termination payments are charged to the income statement in the year in which an irrevocable commitment is made to incur the costs.

h. Operating Leases

The charity classifies the lease of printing, telephone, and vending equipment as operating leases; the title to the equipment remains with the lessor and the equipment is replaced every five years. Rental charges are charged on a straight-line basis over the term of the lease.

i. Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

j. Taxation

As a charity, Colchester School of Gymnastics is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to their charitable objects. No tax charges have arisen in the charity.

k. Value Added Tax

The charity falls within the scope of partial exemption, as it has supplies of both a taxable and exempt nature. Output VAT is not charged on the exempt supplies and equally input VAT incurred directly in making the exempt supply, generally, cannot be recovered. Where that input VAT relates to assets that have been capitalised, the full value including VAT is capitalised. Input VAT that cannot be recovered is taken to the revenue account.

As of 30th June 2020 the charity was de-registered for VAT.

l. Government Grants

Government grants are recognised using the performance model. Under the performance model, 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.

3. GOING CONCERN

It is the Trustees' belief that there are no material uncertainties as to the Charity's ability to continue. In the opinion of the Trustees, commitments are manageable, and any risks have been and continue to be assessed and minimized. On this basis they believe that the charity is a going concern.

Due to the Coronavirus (COVID-19) outbreak the Club was forced to temporarily close by the government from 20th March 2020 to 25th July 2020. There was a further closure for four weeks from 5th November 2020, and then again an indefinite period from the end of December 2020. Through financial assistance from the government and our lenders, as well as the Charity's cash reserves, it is believed at this time that the Club will continue to be a going concern.

4. LEGAL FORM

The CIO is a charity limited by guarantee and registered in England & Wales. The members of the CIO are the Trustees named on page 2.

If the CIO is wound up, the members of the CIO have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

5. INCOMING RESOURCES

Voluntary Income

During the year the Charity received £51,981 in Unrestricted Funds. The majority of this was related to COVID-19 where £28,000 was received from Colchester Borough Council in government business grants. £20,476 worth of fees were donated by members whilst the club was closed, and the remaining balance were other donations from our supporters.

The Charity also received £139,624 in Restricted Funds. Again, the majority of this was related to COVID-19 where £136,324 was received for the Coronavirus Job Retention Scheme. The rest was £1,600 from Jack Petchey, £1,200 from Eastern County Gymnastics Association and £500 from Colchester Borough Council towards a training course with gymnastics trainer Dan Lonsdale.

Charitable Activities

Total income from charitable activities is £379,527 (2019 £689,815). This includes the provision of gymnastic coaching, holiday classes, drop-in sessions and facilities hire charges.

The Charity operates a discount structure on gymnastics fees as follows:

- 50% reduction in fees for those families demonstrating their receipt of Universal Credit, Employment Support Allowance, Income Support, Incapacity Benefit or Job Seekers Allowance.
- 10% reduction in all gymnastics fees for those families who have three or more children attending gymnastics with us.
- 10% reduction in fees for those families who have at least one child attending gymnastics training for 7 hours or more each week.
- Discounts do not apply to merchandise, competition fees or affiliations.
- These discounts cannot be combined.

Other Income

Other Income of £4,693 relates to the insurance claim proceeds following the flood in October 2019, of which we had already received £47,000 towards in the financial year to 31st December 2019. Other monies received in 2019 were for other insurance claims.

6. ACTIVITIES FOR GENERATING FUNDS

The Charity raises funds by providing vending machines for public use and sells specialist clothing and consumables for gymnasts. This amounts to £15,470 (2019: £41,551).

In addition, during the year various fundraising activities took place including raffles and a Sponsored Run during the Summer, raising £10,170 (2019: £15,378).

7. COSTS OF GENERATING FUNDS

Total cost for 2020 is £11,300 (2019: £41,842). The costs associated with the vending machines and clothing and consumable sales are included at £9,114 (2019: £36,150).

8. EMPLOYEES

The average number of full-time equivalent employees for the year was: 18 (2019: 21).

The Charity employed 7 full-time staff and 43 part-time as of December 2020 (2019: 8 full-time and 44 part-time). No agency staff have been employed.

9. ANALYSIS OF STAFF COSTS

	2020	2019
	£	£
Wages & Salaries	372,764	421,701
Social Security Costs	9,676	16,983
Pension Costs	3,858	5,310
Redundancy Payments	0	1,816
Staff Training Costs	1,664	4,934
	<hr/> 387,962	<hr/> 450,744

There are no employees whose remuneration is greater than £60,000 pa (2019: nil). There are no outstanding holiday entitlements or unpaid benefits. The Trustees do not earn any remuneration.

The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management for their services to the Charity was £65,983. Key management comprises the senior leadership team and a consultant that performs the finance function (who's fees are included in finance fees within overhead costs).

10. FINANCE & OVERHEAD COSTS

	2020	2019
	£	£
Discounts Allowed	4,812	11,358
Advertising	462	1,810
Printing, Postage & Stationery	1,062	1,941
Telephone & Broadband	1,791	2,039
Insurance	3,617	2,959
Finance Fees	14,739	21,288
Professional Fees	16,209	13,886
Non Reclaimed VAT	5,575	33,167
Depreciation	23,687	16,618
Bad Debts	548	(543)
Other Costs	3,193	9,275
	<u>75,695</u>	<u>113,798</u>

11. GOVERNANCE

The cost of £1,804 relates to the Independent Examination Fee for the yearly accounts along with fees for extra accounting support (2019: £1,000)

12. FIXED ASSETS

	Property £	Gym Equipment £	Office Equipment £	Fixtures & Fittings £	Premises Improvements £	Total £
Cost or Valuation						
At 1 January 2020	736,350	175,036	3,716	3,422	65,242	983,766
Additions	-	1,320	509	-	-	1,829
Reclassification	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
At 31 December 2020	<u>736,350</u>	<u>176,356</u>	<u>4,225</u>	<u>3,422</u>	<u>65,242</u>	<u>985,595</u>
Depreciation						
At 1 January 2020	-	(63,995)	(2,552)	(286)	(3,980)	(70,813)
Charged in Year	-	(19,049)	(638)	(490)	(3,510)	(23,687)
Reclassification	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
	<u>-</u>	<u>(83,044)</u>	<u>(3,190)</u>	<u>(776)</u>	<u>(7,490)</u>	<u>(94,500)</u>
NBV at 31 December 2020	<u>736,350</u>	<u>93,312</u>	<u>1,035</u>	<u>2,646</u>	<u>57,752</u>	<u>891,095</u>
NBV at 31 December 2019	<u>736,350</u>	<u>111,041</u>	<u>1,164</u>	<u>3,136</u>	<u>61,262</u>	<u>912,953</u>

Colchester Borough Council lease the land (Title Number EX37410) to Colchester School of Gymnastics; the School pays a peppercorn rent of £1.7k per year. Historically this has not been disclosed in the accounts as a long lease or as a value in use and the Trustees confirm that while the amount has not been disclosed, they feel that it would be of no benefit to the reader of the accounts.

13. INCOME IN ADVANCE

	2020 £	2019 £
Brought forward	89,850	98,185
Movement in year	(78,202)	(8,335)
Carried forward	11,648	89,850

Income in advance relates to classes and sessions paid for in advance, as well as British Gymnastics and Eastern Counties Gymnastics Association fees paid by members to the Club, but not yet paid over to the two organisations. These fees are recorded on the Balance Sheet and do not show on the SOFA. An amount of £2,955 (2019: £8,304) is included in Income In Advance relating to these fees.

14. COMMITMENTS UNDER OPERATING LEASES

At year-end, the Charity has outstanding commitments under non-cancellable operating leases that fall due as follows:

	2020 £	2019 £
Within one year	10,989	14,454
Later than one year but within five year	21,396	24,225

15. STATEMENT OF FUNDS

Analysis of Net Assets between Funds

2020	Unrestricted £	Designated £	Restricted £	2020 Total £
Tangible fixed assets	834,607	-	56,488	891,095
Debtors	5,699	-	-	5,699
Stock	5,588	-	-	5,588
Cash at bank and in hand	258,222	-	12,521	270,743
Current liabilities	(37,614)	-	-	(37,614)
Long-term liabilities	(117,727)	-	-	(117,727)
	<u>948,776</u>	<u>-</u>	<u>69,009</u>	<u>1,017,785</u>
2019	Unrestricted £	Designated £	Restricted £	2019 Total £
Tangible fixed assets	853,525	-	59,428	912,953
Debtors	19,178	-	-	19,178
Stock	4,471	-	-	4,471
Cash at bank and in hand	282,552	-	9,789	292,341
Current liabilities	(132,457)	-	-	(132,457)
Long-term liabilities	(126,045)	-	-	(126,045)
	<u>901,224</u>	<u>-</u>	<u>69,217</u>	<u>970,441</u>

Statement of Funds

					2020
2020	Brought Forward	Income	Expenditure	Transfer	Carried Forward
	£	£	£	£	£
<u>Unrestricted Funds</u>					
Free Reserves	901,224	462,561	(551,156)	136,147	948,776
Designated Funds	-	-	-	-	-
Total Unrestricted	901,224	462,561	(551,156)	136,147	948,776
<u>Restricted Funds</u>					
Jack Petchey	3,225	1,600	(568)	-	4,257
ECGA Bursary	175	1,200	-	-	1,375
Lighting Award / Other	6,389	500	-	-	6,889
HMRC Furlough Monies	-	136,324	-	(136,324)	-
<u>Restricted Fixed Asset Reserve</u>					
Car Park & Equipment	59,428	-	(3,117)	177.00	56,488
Total Restricted	69,217	139,624	(3,685)	(136,147)	69,009
Per Accounts	970,441	602,185	(554,841)	-	1,017,785
					2019
2019	Brought Forward	Income	Expenditure	Transfer	Carried Forward
	£	£	£	£	£
<u>Unrestricted Funds</u>					
Free Reserves	808,965	801,318	(716,532)	7,473	901,224
Designated Funds	6,820	-	-	(6,820)	-
Total Unrestricted	815,785	801,318	(716,532)	653	901,224
<u>Restricted Funds</u>					
Jack Petchey	2,272	2,250	(598)	(699)	3,225
ECGA Bursary	175	1,200	-	(1,200)	175
Lighting Award	6,389	-	-	-	6,389
<u>Restricted Fixed Asset Reserve</u>					
Car Park & Equipment	-	63,945	(5,763)	1,246	59,428
	8,836	67,395	(6,361)	(653)	69,217
Per Accounts	824,622	868,713	(722,893)	-	970,441

Restricted Funds

Restricted funds are subject to specific conditions by donors as to how they may be used.

During the year we received £1.6k from The Jack Petchey Foundation, as part of the Achievement Awards scheme. Each award winner receives a certificate, pin badge and a book from Sir Jack Petchey as well as choosing how to spend £250 to benefit the club. Expenditure in the year has gone towards equipment as well as team building activities.

The East Counties Gymnastics Association again awarded us with £1.2k which was gratefully received. Due to the closure time in 2020 this hasn't yet been spent but there are plans in 2021 for equipment.

Colchester Borough Council kindly donated £500 to us that will be used for a training session with coach Dan Lonsdale. This will benefit both staff and gym members.

Furlough grants received from HMRC into the restricted income were transferred to cover the costs of wages and salaries with unrestricted expenditure. The small transfer between the fixed asset reserve and unrestricted reserves reflects and adjustment to depreciation.

The Restricted Fixed Asset Reserve has any equipment that has been bought using restricted funds capitalised into it, along with the car park capitalisation from 2019. The NBV of the car park as at 31.12.2020 was £54,788 and the equipment was £1,700.

Designated Funds

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. At present, the Trustees have not designated any funds.

Unrestricted Funds

All other donations were unrestricted. Unrestricted Funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless they have been designated for other purposes.

16. FUTURE COMMITMENTS

The Trustees have no material future commitments as at 31st December 2020 other than those shown above.

17. RELATED PARTY TRANSACTIONS

Two of the Trustees of Colchester School of Gymnastics are related to staff members who are retained with a contract of employment. The aggregate value of the contract of employment is immaterial. The related party transactions were on terms equivalent to those of other members of staff.