



Unaudited Trustees Report and Financial  
Statements  
for the Year Ended 31<sup>st</sup> December 2021

Charitable Incorporated Organisation

CHARITY REGISTRATION NUMBER 1154320

## Contents

Charity Information	2
Trustees' Report	3
Independent Examiners Report	11
Statement of Financial Activities	12
Balance Sheet	13
Statement of Cashflows	14
Notes to the Accounts	15

## Charity Information

Trustees for the year:	Nikki Oakes, <i>Chair</i> Steve Morcombe, <i>Treasurer</i> (resigned 6 <sup>th</sup> July 2021) Lesley Aldons, <i>Treasurer</i> (appointed 19 <sup>th</sup> October 2021) Sam Copping, <i>Welfare Officer</i> Peter Moss, <i>Boys Representative</i> Angelique Halbach, <i>Girls Representative</i> (resigned 8 <sup>th</sup> November 2021) Sam Blackwell, <i>Committee Member</i> (resigned 6 <sup>th</sup> July 2021) Donna White, <i>Committee Member</i> Shelley Chandler-Symes, <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 2021 to 31 December 2021.

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**

We began 2021 as we finished 2020, in yet another lockdown following Government guidelines as a result of the Covid-19 pandemic; all staff on this occasion were furloughed.

Zoom sessions continued during lockdown with some fun challenges set by our coaches, including Valentine's Day Photo Challenge, pancake day, a bake-off competition and dress up for World Book Day. In April we re-opened with all pre-lockdown safety precautions in place including restrictions in class numbers, masks worn by all staff and extra cleaning undertaken.

With Government restrictions gradually being lifted, our numbers started to pick up again as the year went on and even some competitions resumed with spectators restricted to one per gymnast. For normal training sessions, however, the gym remained closed to parents / guardians in order to maintain safety amongst our staff and gymnasts. Case numbers in Colchester were high, so it was decided to retain our self-imposed restrictions thereby reducing potential exposure to Covid. We didn't escape it completely though with just a few staff having to isolate with the virus as well as all those with whom they'd had direct contact.

Fundraising events were almost impossible this year but we did manage a few events which raised some funds and gave the gymnasts some entertainment along the way.

We held a virtual balloon race in April and in June, one of our recreational coaches, Jack Oakes, returned from University to undertake a Tuck Back Marathon where he completed a total of 305 tuck backs across the day raising £152.50 for the gym which was put towards a new set of bars.

We did try having Christmas stalls throughout November and December but these weren't very successful, probably due to parents / guardians being unable to stay, despite the stalls being outside, as well as poor weather conditions which didn't make browsing very appealing for them.

We had a Name the Reindeer competition as well as a Christmas Raffle organized by our Trampoline parents / guardians with some great prizes donated to us, for which we were very grateful.

At the end of the year we arranged an outing for gymnasts to watch the Pantomime, Aladdin, at the Mercury Theatre then return to the gym for pizza and play - this was very well received with all tickets sold out within just a few days. It's now been decided to make this a bi-annual event, alternating with the Christmas Display and, Covid permitting, perhaps end it with a sleepover.

So, 2021 was again, a very different year for everyone; we've continued to face difficult challenges but our spirits remain high and things do appear to be improving now so hopefully we'll soon be able to return to some sort of normality.

We should like to extend a huge thank you to all of our staff and coaches who've pulled together, despite all the changes and difficulties they've had to face and also many thanks again to Andrea Cook and Nikki Ward, our Accountant, who continued to work tirelessly throughout the year once more to ensure we maintained a steady financial position to safeguard the Club's survival.

## **Financial Review**

The unaudited accounts for the year ended 31 December 2021 show a surplus of £83,567 (2020: £47,344).

Taking into account the ongoing pandemic situation throughout 2021, with restrictions on numbers of gymnasts, parental viewing, and the holding of competitions, it is very pleasing to see that the club has been able to maintain a healthy surplus for the year. Donations, grants and gift income received has provided the club with additional income, allowing the costs for 2021 to be covered even with reduced fee income in some areas. Careful, and continuous monitoring of costs incurred has ensured the club can continue its operations whilst maintaining a safe environment for those using the facilities.

### Income

Total income this year of £633,938 (2020: £602,185), represents a 5% increase on the prior year. Gymnastics income increased to £445,082 (2020: £379,527) as the club was open more and we were able to slightly increase class capacities. The aforementioned donations, grant and gift income was essential to ensure operating costs were covered. Other sales income (vending, clothing and sundries) of £16,819 (2020: £15,470) is now starting to rise compared to the prior year as restrictions on people being in the building are lifted.

### Expenditure

Total expenditure for the year was £550,371 (2020: £554,841), a decrease of 1% on the prior year.

This represents excellent cost control by the team, with 5% savings in payroll, equipment costs and premises costs. Gymnastics costs almost doubled though, as gymnasts and coaches have been able to enter into and travel to more competitions. With the gym being more open, there were more costs associated with vending machine purchases, and in the year the girls squad competition leotards were renewed creating a greater increase in clothing costs.

### Balance sheet

The net asset position of the club remains strong, which is testament to careful cost control, filling of classes and debtor collection. Debtors are minimal, and none are considered non-recoverable.

The trustees have reviewed the levels of funds held by the club as at 31 December 2021, and a decision was made to designate £45,000 of unrestricted funds, for future projects. More details are given as to the nature of these funds in note 15 to the accounts.

#### Future developments

Whilst, at the start of 2022, there are still continuing cases of various COVID 19 variants, restrictions have been lifting sufficiently enough to operate classes as normal, albeit with restricted parental access to restrict the number of individuals in the gym at any one time, and hopefully safeguard all gym users and staff wherever possible. The club has healthy cash reserves, providing comfort that even if further lockdowns occurred, costs could hopefully be covered, and future operations protected.

#### ***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***

Free reserves are calculated by deducting the fixed assets (both property and equipment) from the unrestricted fund. The primary asset of the School is the building that we occupy to provide our charitable aims.

For the purposes of short and medium-term financial management, the Trustees are concerned 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 free Unrestricted Reserves totalled £164k, plans for future use can be seen later in this report.

#### ***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***

The ongoing COVID-19 pandemic situation is still a potential financial risk for the School to consider, being bound by any future Government guidance causing temporary cessation of, or limitation to activities. Regular careful monitoring of the School's financial position and careful control of costs is ongoing to minimise the financial risk.

***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.

Outgoing payments by the School are subject to approval limits 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 31<sup>st</sup> 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**

Our main focus will be to continue to ensure we maintain a COVID-safe environment for our staff and members, despite all restrictions now being lifted by the Government. We hope to rebuild our membership with a view to reaching full capacity again in due course.

We aim to finally resurface the staff parking area and all along the front of the building which is currently laid with stones, and also install a separate conditioning room. However, our first priority is to replace the heating system in the back gym as the existing one is now uneconomical. This currently costs us around £2,000 pm, excluding gas charges and, with the impending price hike in fuel, we need to try to reduce our regular expenditure where we can. Furthermore, by replacing the existing system, hopefully we will be able to free up space in the plant room to use as additional storage or even convert this area into the conditioning room.

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

23/3/2022

N Oakes

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 2021 which are set out on pages 12 to 24.

### 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 Association of Chartered Certified Accountants, 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 31 March 2022

## Statement of Financial Activities

### Colchester School of Gymnastics CIO Statement of Financial Activities for the Year Ended 31st December 2021

	Note	2021			2020		
		Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
<b>Incoming Resources</b>							
<b>Voluntary Income</b>							
Donations, Grants, Gifts	5	92,642	72,623	165,265	51,981	139,624	191,605
<b>Incoming Resources from Charitable Activities</b>	5	445,082	-	445,082	379,527	-	379,527
<b>Activities for Generating Funds</b>							
Fundraising, vending, clothing	6	22,076	-	22,076	25,640	-	25,640
<b>Investments</b>		1,515	-	1,515	720	-	720
<b>Other Income</b>	5	-	-	-	4,693	-	4,693
<b>Total Income</b>		<b>561,315</b>	<b>72,623</b>	<b>633,938</b>	<b>462,561</b>	<b>139,624</b>	<b>602,185</b>
<b>Costs of Generating Funds</b>	7	25,413	-	25,413	11,300	-	11,300
<b>Charitable Activities Expenditure</b>							
Wages and Salaries	8, 9	369,450	-	369,450	387,962	-	387,962
Equipment costs		17,417	916	18,333	18,797	568	19,365
Premises costs		50,548	-	50,548	53,742	-	53,742
Gymnastics costs		8,911	-	8,911	4,973	-	4,973
Finance and Overhead costs	10	73,099	3,117	76,216	72,578	3,117	75,695
		519,425	4,033	523,458	538,052	3,685	541,737
<b>Governance</b>	11	1,500	-	1,500	1,804	-	1,804
<b>Total Expenditure</b>		<b>546,338</b>	<b>4,033</b>	<b>550,371</b>	<b>551,156</b>	<b>3,685</b>	<b>554,841</b>
<b>Net income / (expenditure)</b>		<b>14,977</b>	<b>68,590</b>	<b>83,567</b>	<b>(88,595)</b>	<b>135,939</b>	<b>47,344</b>
Transfers between funds		71,123	(71,123)	-	136,147	(136,147)	-
<b>Net movement in funds</b>		<b>86,100</b>	<b>(2,533)</b>	<b>83,567</b>	<b>47,552</b>	<b>(208)</b>	<b>47,344</b>
Opening Funds		948,776	69,009	1,017,785	901,224	69,217	970,441
Addition to Funds		86,100	(2,533)	83,567	47,552	(208)	47,344
<b>Closing Funds</b>		<b>1,034,876</b>	<b>66,476</b>	<b>1,101,352</b>	<b>948,776</b>	<b>69,009</b>	<b>1,017,785</b>


## Balance Sheet


### Colchester School of Gymnastics CIO

#### Balance Sheet as at 31st December 2021

	Note	2021		2020	
		£	£	£	£
<b>Fixed Assets</b>	12				
Property		736,350		736,350	
Equipment		<u>142,947</u>		<u>154,745</u>	
			879,297		891,095
<b>Current Assets</b>					
Stock		5,453		5,588	
Trade Debtors		4,028		3,147	
Other Debtors and prepayments		3,197		2,552	
Bank Accounts		<u>456,734</u>		<u>270,743</u>	
			469,412		282,031
<b>Current Liabilities</b>					
Trade Creditors		1,583		104	
Income in advance	13	113,116		11,648	
Accruals		8,324		5,415	
PAYE/NIC/Pensions		6,617		6,606	
Short term loans (less than 1 year)		<u>14,015</u>		<u>13,841</u>	
			143,655		37,614
<b>Current Assets less Current Liabilities:</b>			325,757		244,417
<b>Total Assets less Current Liabilities:</b>			1,205,054		1,135,512
<b>Long Term Liabilities</b>					
Mortgages and long term loans		<u>103,702</u>		<u>117,727</u>	
			103,702		117,727
<b>Total Assets less Total Liabilities:</b>			<u>1,101,352</u>		<u>1,017,785</u>
<b>Funds</b>					
Unrestricted Funds	15	989,876		948,776	
Restricted Funds	15	66,476		69,009	
Designated Funds	15	<u>45,000</u>		-	
			1,101,352		1,017,785

The financial statements were approved and authorised for issue by the Trustees on 28<sup>th</sup> February 2022.  
The notes on pages 15 to 24 form part of these financial statements.

  
Nikki Oakes, Chair

  
Lesley Aldons, Treasurer

## Statement of Cash Flows

### Colchester School of Gymnastics CIO Statement of Cashflows for the Year Ended 31st December 2021

	2021 £	2020 £
Cash flows from operating activities		
Net income/(expenditure) for the reporting period	83,567	47,344
Adjustments for:		
Depreciation	22,679	23,687
Loss / (Profit) on disposal of property, plant and equipment	-	-
Decrease/(increase) in debtors	(1,525)	13,479
Decrease/(increase) in stock	135	(1,117)
Increase/(decrease) in creditors	105,867	(94,844)
Interest paid	5,135	5,762
Interest received	(589)	(720)
<b>Net cash provided by operating activities</b>	<b>215,269</b>	<b>(6,409)</b>
Cash flows from investing activities		
Dividends, interest, rents	589	720
Purchase of property, plant and equipment	(10,881)	(1,829)
<b>Net cash provided by (used in) investing activities</b>	<b>(10,292)</b>	<b>(1,109)</b>
Cash flows from financing activities		
Repayments of borrowing	(13,851)	(8,318)
Interest Paid	(5,135)	(5,762)
<b>Net cash provided by (used in) financing activities</b>	<b>(18,986)</b>	<b>(14,080)</b>
<b>Change in cash and cash equivalents in the reporting period</b>	<b>(29,278)</b>	<b>(15,189)</b>
<b>Cash and cash equivalents at the 1/1/21</b>	<b>270,743</b>	<b>292,341</b>
Cash and cash equivalents at 31/12/21	456,734	270,743
Change in cash and bank	185,991	(21,598)

## Notes to the Accounts

### 1. GENERAL INFORMATION

The Charitable Incorporated Organisation (CIO) 1154320 was registered on 23<sup>rd</sup> 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***

As of 30<sup>th</sup> 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.

**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 £92,642 in Unrestricted Funds. During our closure period at the start of the year many members donated their fees, this plus the associated Gift Aid came to £55,213. The remaining £37,429 of this was government business grants related to COVID-19 from Colchester Borough Council.

The Charity also received £72,623 in Restricted Funds. Again, the majority of this was related to COVID-19 where £71,123 was received for the Coronavirus Job Retention Scheme. The rest was £1,500 from Jack Petchey.

### Charitable Activities

Total income from charitable activities is £445,082 (2020 £379,527). 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.

## **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 £16,819 (2020: £15,470).

In addition, during the year various fundraising activities took place including raffles and a Sponsored Run during the Summer, raising £5,257 (2020: £10,170).

## **7. COSTS OF GENERATING FUNDS**

Total cost for 2021 is £25,413 (2020: £11,300). The costs associated with the vending machines and clothing and consumable sales are included at £10,566 (2020: £9,114).

## 8. EMPLOYEES

The average number of full-time equivalent employees for the year was: 17 (2020: 18).

The Charity employed 8 full-time staff and 37 part-time as of December 2021 (2020: 7 full-time and 43 part-time). No agency staff have been employed.

## 9. ANALYSIS OF STAFF COSTS

	2021	2020
	£	£
Wages & Salaries	344,624	372,764
Social Security Costs	15,784	9,676
Pension Costs	4,910	3,858
Redundancy Payments	-	-
Staff Training Costs	4,132	1,664
	<u>369,450</u>	<u>387,962</u>

There are no employees whose remuneration is greater than £60,000 pa (2020: 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 £61,523 (2020: £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

	2021	2020
	£	£
Discounts Allowed	7,959	4,812
Advertising	112	462
Printing, Postage & Stationery	1,607	1,062
Telephone & Broadband	2,013	1,791
Insurance	4,150	3,617
Finance Fees	22,371	14,739
Professional Fees	12,341	16,209
Non Reclaimed VAT/(Recovered)	(230)	5,575
Depreciation	22,679	23,687
Bad Debts	-	548
Other Costs	3,214	3,193
	<u>76,216</u>	<u>75,695</u>

## 11. GOVERNANCE

The cost of £1,500 relates to the Independent Examination Fee for the yearly accounts along with fees for extra accounting support (2020: £1,804).

## 12. FIXED ASSETS

	Property £	Gym Equipment £	Office Equipment £	Fixtures & Fittings £	Premises Improvements £	Total £
<b>Cost or Valuation</b>						
At 1 January 2021	736,350	176,356	4,225	3,422	65,242	985,595
Additions	-	9,743	1,138	-	-	10,881
Reclassification	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
At 31 December 2021	<u>736,350</u>	<u>186,099</u>	<u>5,363</u>	<u>3,422</u>	<u>65,242</u>	<u>996,476</u>
<b>Depreciation</b>						
At 1 January 2021	-	(83,044)	(3,190)	(776)	(7,490)	(94,500)
Charged in Year	-	(18,162)	(542)	(490)	(3,485)	(22,679)
Reclassification	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
At 31 December 2021	<u>-</u>	<u>(101,206)</u>	<u>(3,732)</u>	<u>(1,266)</u>	<u>(10,975)</u>	<u>(117,179)</u>
<b>NBV at 31 December 2021</b>	<u>736,350</u>	<u>84,893</u>	<u>1,631</u>	<u>2,156</u>	<u>54,267</u>	<u>879,297</u>
<b>NBV at 31 December 2020</b>	<u>736,350</u>	<u>93,312</u>	<u>1,035</u>	<u>2,646</u>	<u>57,752</u>	<u>891,095</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

	2021 £	2020 £
Brought forward	11,648	89,850
Movement in year	101,468	(78,202)
Carried forward	113,166	11,648

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 £6,850 (2020: £2,955) 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:

	2021 £	2020 £
Within one year	9,891	10,989
Later than one year but within five year	11,503	21,396

#### 15. STATEMENT OF FUNDS

##### Analysis of Net Assets between Funds

2021	Unrestricted £	Designated £	Restricted £	2021 Total £
Tangible fixed assets	825,927	-	53,371	879,297
Debtors	7,224	-	-	7,224
Stock	5,453	-	-	5,453
Cash at bank and in hand	398,629	45,000	13,105	456,734
Current liabilities	(143,655)	-	-	(143,655)
Long-term liabilities	<u>(103,702)</u>	<u>-</u>	<u>-</u>	<u>(103,702)</u>
	989,876	45,000	66,476	1,101,352
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	<u>(117,727)</u>	<u>-</u>	<u>-</u>	<u>(117,727)</u>
	948,776	-	69,009	1,017,785

# Statement of Funds

					2021
	Brought				Carried
2021	Forward	Income	Expenditure	Transfer	Forward
	£	£	£	£	£
<u>Unrestricted Funds</u>					
Free Reserves	948,776	561,315	(546,338)	26,123	989,876
Designated Funds	-	-	-	45,000	45,000
Total Unrestricted	948,776	561,315	(546,338)	71,123	1,034,876
<u>Restricted Funds</u>					
Jack Petchey	4,257	1,500	(916)	-	4,841
ECGA Bursary	1,375	-	-	-	1,375
Lighting Award / Other	6,889	-	-	-	6,889
HMRC Furlough Monies	-	71,123	-	(71,123)	-
<u>Restricted Fixed Asset Reserve</u>					
Car Park & Equipment	56,488	-	(3,117)	-	53,371
Total Restricted	69,009	72,623	(4,033)	(71,123)	66,476
Per Accounts	1,017,785	633,938	(550,371)	-	1,101,352
					2020
	Brought				Carried
2020	Forward	Income	Expenditure	Transfer	Forward
	£	£	£	£	£
<u>Unrestricted Funds</u>					
Free Reserves	901,224	462,561	(551,156)	136,147	948,776
Designated Funds	-	-	-	0	-
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	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	56,488
	69,217	139,624	(3,685)	(136,147)	69,009
Per Accounts	970,441	602,185	(554,841)	-	1,017,785

### **Restricted Funds**

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

During the year we received £1.5k 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 and a subscription to online training videos.

Furlough grants received from HMRC into the restricted income were transferred to cover the costs of wages and salaries with unrestricted expenditure.

The Restricted Fixed Asset Reserve has any equipment that has been bought using restricted funds capitalised into it, along with the capitalisation of the car park. The NBV of the car park as at 31.12.2021 was £51,879 and the equipment was £1,492.

### **Designated Funds**

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. During the year the Trustees designated £35k towards a new potential extension to the building for a "Conditioning Room" as well as £10k for building and equipment improvements.

### **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 31<sup>st</sup> December 2021 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.