



Unaudited Trustees Report and Financial  
Statements  
for the Year Ended 31<sup>st</sup> December 2022

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> (resigned 10 <sup>th</sup> May 2022, reappointed 10 <sup>th</sup> May 2022) Lesley Aldons, <i>Treasurer</i> (resigned 10 <sup>th</sup> May 2022, reappointed 10 <sup>th</sup> May 2022) Sam Copping, <i>Welfare Officer</i> Peter Moss, <i>Committee Member</i> (resigned 10 <sup>th</sup> May 2022, reappointed 10 <sup>th</sup> May 2022) Donna White, <i>Committee Member</i> Shelley Chandler-Symes, <i>Committee Member</i> Lisa Piagetti, <i>Committee Member</i> (appointed 10 <sup>th</sup> May 2022) Betti Pinter, <i>Committee Member</i> (appointed 10 <sup>th</sup> May 2022) Annaliza Murphy, <i>Committee Member</i> (appointed 10 <sup>th</sup> May 2022) Laura Long, <i>Committee Member</i> (appointed 10 <sup>th</sup> May 2022)
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 2022 to 31 December 2022.

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 appear to have survived the Covid-19 pandemic; we're delighted to confirm that we retained all of our staff and are now running classes back up to full capacity.

Our car park is now finished having had block paving laid across the front of the building which will help keep stones out of the new ACO drains, thus further reducing the chances of us experiencing floods as we have in the past.

After many, many years of tumbles, we decided to replace the sprung floor in the front gym and have ordered a new Gymnova floor which will be delivered in early 2023. We also replaced the pit foam, various pieces of gymnastics equipment and some laptops, plus we had some decorating work done on the back gym to spruce it up a bit.

This year we also recruited some professional coaching services which have proven really popular so this is now a monthly thing.

Given that our parents were incredibly supportive over the two-year post-Covid period, it was agreed by the Committee to restrict fundraising events this year to a minimum. Competitions resumed so parent volunteers ran the balcony selling refreshments once again, we also held an Easter Raffle, a Name the Owl competition and a Christmas Raffle.

This year saw our 30<sup>th</sup> Anniversary and to celebrate this we held a special Christmas Extravaganza with a theme highlighting major events over the last 30 years. Spectators enjoyed the usual much loved displays from our gymnasts including solo performances, smaller group and apparatus performances plus our larger, whole squad group displays.

This year's show also included a special video which was played showing a pictorial history of the Club and it's successes over the years; it was a really special, nostalgic trip down memory lane for a lot of people who've been involved with the Club for many years, as well as showing our current gymnasts and their achievements. A special thank you to Emmie Volf and Felicity Szmodics for their time and effort given to ensure yet another spectacular show was put on.

We bade a fond farewell to our Head of Recreational Gymnastics, Isaac James, who left us at Christmas to follow his ambition to become a professional sportsman and we wish him lots of luck and success at this. At present we are advertising to recruit his replacement.

We should like to extend a huge thank you to all of our staff and coaches who continue to work as a team keeping our gymnasts and parents engaged and supportive of the Club. We should also like to extend our thanks once again to our Centre Manager, 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 2022 show a surplus of £93,427 (2021: £83,567).

2022 was the first year the gym was back to full operating capacity after the pandemic, so careful consideration was taken to control costs and not over commit, undertaking only essential repairs and maintenance. It is very pleasing to see a healthy surplus for the year, however, moving forward, with anticipated increasing cost pressures, and requirements to maintain the structure and contents of the gym, including equipment replacement as necessary, we are mindful to ensure that regular reviews of the financial position are taken to ensure the club has sufficient available funds, as and when required.

### Income

Total incoming resources this year of £749,885 (2021: £633,938), represent an 18% increase on the prior year. Classes in the gym are now back to full capacity with no imposed restrictions. The lifting of COVID restrictions, has led to more users and hence parents in the gym, and correspondingly more fee income, plus an increase in income from vending machine and clothing sales with increased footfall. Income from Activities for Generating Funds (vending, clothing and sundries) has increased to £42,089 (2021: £22,076).

### Expenditure

Total outgoing resources for the year were £656,458 (2021: £550,371), an increase of 19% on the prior year.

The key increases are in wages and salaries and premises costs. In particular, a large increase of 53% in premises costs, reflecting the much publicised inflationary increases across all areas. There is continued awareness for careful budgeting, cost control, and regular review to ensure funds are available on an ongoing basis.

### Balance sheet

The net asset position of the club again remains strong, providing comfort that funds are available as and when required for potential unexpected purchases, and a buffer to enable the ever-increasing general running costs of the gym to be covered, particularly energy costs, where we are aware there will continue to be significant rises. 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 2022, and a decision was made to designate £70,000 of unrestricted funds, for future projects. More details are given as to the nature of these funds in note 15 to the accounts.

***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. This reserves policy of three months of unrestricted expenditure is estimated to be in the region of £165,000. Free reserves as at the end of December 2022 were £305,225. The Trustees are aware that reserves levels are in excess of the stated policy, following careful cost control through the COVID pandemic period to safeguard reserves and the ongoing operations of the Charity. However, predicted cost increases are likely to impact on reserves levels, and the Trustees will continue to review and discuss these throughout 2023, ensuring funds are available for future projects and expenditure as required.

***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 key risk facing the Charity at the moment is the overall cost increases being faced, particularly in respect of energy costs and interest rates, but also across the board with inflationary pressure. Regular, careful monitoring and review of the Charity's financial position is going to minimise this 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 School is a Charitable Incorporated Organisation incorporated in October 2013 and registered as a charity. The Association Constitution was amended in March 2022.

#### ***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. The Centre Manager and/or any Departmental Head may be present for part of or all of any meeting at the specific request of themselves or the Trustees.

(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***

Three 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 the future viability of the School and providing relevant opportunities for our community members and staff.

We are looking forward in Q1 2023 to having a second competition level floor installed in the gym, this is a large investment but will replace an old and tired floor and help to raise the level of our equipment offering.

We hope to replace the current uneconomical heating system in the back gym as both the costs for maintenance and fuel continue to rise, and the roof in the back gym is also prone to leaks so there may also be some investment needed here to rectify the issues.

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 5<sup>th</sup> May 2023.



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 2022 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

19 May 2023

## Statement of Financial Activities

### Colchester School of Gymnastics CIO Statement of Financial Activities for the Year Ended 31st December 2022

	Note	2022			2021		
		Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
<b>Incoming Resources</b>							
<b>Voluntary Income</b>							
Donations, Grants, Gifts	5	50	1,800	1,850	92,642	72,623	165,265
<b>Incoming Resources from Charitable Activities</b>	5	704,873	-	704,873	445,082	-	445,082
<b>Activities for Generating Funds</b>							
Fundraising, vending, clothing	6	42,089	-	42,089	22,076	-	22,076
<b>Investments</b>		938	-	938	1,515	-	1,515
<b>Other Income</b>	5	135	-	135	-	-	-
<b>Total Income</b>		<b>748,085</b>	<b>1,800</b>	<b>749,885</b>	<b>561,315</b>	<b>72,623</b>	<b>633,938</b>
<b>Costs of Generating Funds</b>	7	37,431	-	37,431	25,413	-	25,413
<b>Charitable Activities Expenditure</b>							
Wages and Salaries	8, 9	403,049	-	403,049	369,450	-	369,450
Equipment costs		21,222	486	21,708	17,417	916	18,333
Premises costs		77,308	-	77,308	50,548	-	50,548
Gymnastics costs		30,939	-	30,939	8,911	-	8,911
Finance and Overhead costs	10	81,826	3,117	84,943	73,099	3,117	76,216
		614,344	3,603	617,947	519,425	4,033	523,458
<b>Governance</b>	11	1,080	-	1,080	1,500	-	1,500
<b>Total Expenditure</b>		<b>652,855</b>	<b>3,603</b>	<b>656,458</b>	<b>546,338</b>	<b>4,033</b>	<b>550,371</b>
<b>Net income / (expenditure)</b>		<b>95,230</b>	<b>(1,803)</b>	<b>93,427</b>	<b>14,977</b>	<b>68,590</b>	<b>83,567</b>
Transfers between funds		-	-	-	71,123	(71,123)	-
<b>Net movement in funds</b>		<b>95,230</b>	<b>(1,803)</b>	<b>93,427</b>	<b>86,100</b>	<b>(2,533)</b>	<b>83,567</b>
Opening Funds		1,034,876	66,476	1,101,352	948,776	69,009	1,017,785
Addition to Funds		95,230	(1,803)	93,427	86,100	(2,533)	83,567
<b>Closing Funds</b>		<b>1,130,106</b>	<b>64,673</b>	<b>1,194,779</b>	<b>1,034,876</b>	<b>66,476</b>	<b>1,101,352</b>


## Balance Sheet

### Colchester School of Gymnastics CIO Balance Sheet as at 31st December 2022

	Note	2022		2021	
		£	£	£	£
<b>Fixed Assets</b>	12				
Property		736,350		736,350	
Equipment		138,784		142,947	
			875,134		879,297
<b>Current Assets</b>					
Stock		4,858		5,453	
Trade Debtors		3,840		4,028	
Other Debtors and prepayments		3,537		3,197	
Bank Accounts		530,417		456,734	
			542,652		469,412
<b>Current Liabilities</b>					
Trade Creditors		-		1,583	
Income in advance	13	91,683		113,116	
Accruals		20,939		8,324	
PAYE/NIC/Pensions		6,563		6,617	
Short term loans (less than 1 year)		13,828		14,113	
			133,013		143,753
<b>Current Assets less Current Liabilities:</b>			409,639		325,659
<b>Total Assets less Current Liabilities:</b>			1,284,773		1,204,956
<b>Long Term Liabilities</b>					
Mortgages and long term loans		89,994		103,605	
			89,994		103,605
<b>Total Assets less Total Liabilities:</b>			1,194,779		1,101,352
<b>Funds</b>					
Unrestricted Funds	15	1,060,106		989,876	
Restricted Funds	15	64,673		66,477	
Designated Funds	15	70,000		45,000	
			1,194,779		1,101,352

The financial statements were approved and authorised for issue by the Trustees on 5<sup>th</sup> May 2023. 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 2022

	2022 £	2021 £
Cash flows from operating activities		
Net income/(expenditure) for the reporting period	93,427	83,567
Adjustments for:		
Depreciation	23,927	22,679
Loss / (Profit) on disposal of property, plant and equipment	-	-
Decrease/(increase) in debtors	(153)	(1,525)
Decrease/(increase) in stock	595	135
Increase/(decrease) in creditors	(10,643)	105,867
Interest paid	5,924	5,135
Interest received	(938)	(589)
<b>Net cash provided by operating activities</b>	<b>112,139</b>	<b>215,269</b>
Cash flows from investing activities		
Dividends, interest, rents	938	589
Purchase of property, plant and equipment	(19,762)	(10,881)
<b>Net cash provided by (used in) investing activities</b>	<b>(18,824)</b>	<b>(10,292)</b>
Cash flows from financing activities		
Repayments of borrowing	(13,708)	(13,851)
Interest Paid	(5,924)	(5,135)
<b>Net cash provided by (used in) financing activities</b>	<b>(19,632)</b>	<b>(18,986)</b>
Cash flows from investing and financial activities	<b>(38,456)</b>	<b>(29,278)</b>
Cash and cash equivalents at the 1/1/22	<b>456,734</b>	<b>270,743</b>
Cash and cash equivalents at 31/12/22	530,417	456,734
<b>Change in cash and cash equivalents in the reporting period</b>	<b>73,683</b>	<b>185,991</b>



## 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 charity constitutes a public benefit entity as defined by FRS 102.

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*

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**c. Income**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP. Further detail is given in the Trustees' Annual Report.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes such as short term savings and deposit accounts. It includes dividends, interest and rent. Interest income is recognised as the charity's right to entitlement occurs.

**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. All expenditure is 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***

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

***k. 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 £50 in Unrestricted Funds (2021: £92,462). In 2021 during the COVID closure period 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 £1,800 in Restricted Funds (2021: £72,623) from the Jack Petchey Fund. Again, the majority of the 2021 was related to COVID-19 where £71,123 was received for the Coronavirus Job Retention Scheme and the rest was £1,500 from Jack Petchey.

#### Charitable Activities

Total income from charitable activities is £704,873 (2021: £445,082). This includes the provision of gymnastic coaching, holiday classes, drop-in sessions and facilities hire charges.

2022 saw the first full year of operating back to full capacity, and the income reflects this.

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 £26,765 (2021: £16,819), the increase from increased footfall now the club is fully open.

In addition, during the year various fundraising activities took place including raffles and Christmas Display raising £15,324 (2021: £5,257).

## 7. COSTS OF GENERATING FUNDS

Total cost for 2022 is £37,431 (2021: £25,413). The costs associated with the vending machines and clothing and consumable sales are included at £23,333 (2021: £10,566).

## 8. EMPLOYEES

The average number of full-time equivalent employees for the year was: 17 (2021: 17).

The Charity employed 8 full-time staff and 37 part-time as of December 2022 (2021: 8 full-time and 37 part-time). No agency staff have been employed.

## 9. ANALYSIS OF STAFF COSTS

	2022	2021
	£	£
Wages & Salaries	381,629	344,624
Social Security Costs	13,884	15,784
Pension Costs	5,350	4,910
Staff Training Costs	2,186	4,132
	<hr/> 403,049	<hr/> 369,450

There are no employees whose remuneration is greater than £60,000 pa (2021: 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 £65,739 (2021: £61,523). Key management comprises the senior leadership team and a consultant that performs the finance function. The consultant became a staff member in November 2022 so their costs are split between the finance fees within overhead costs for January to October, and then included within Wages & Salaries from November onwards.

## 10. FINANCE & OVERHEAD COSTS

	2022	2021
	£	£
Discounts Allowed	10,111	7,959
Advertising	498	112
Printing, Postage & Stationery	3,062	1,607
Telephone & Broadband	321	2,013
Insurance	4,965	4,150
Finance Fees	19,539	17,236
Interest Payable	5,924	5,135
Professional Fees	10,659	12,341
Non Reclaimed VAT/(Recovered)	-	(230)
Depreciation	23,927	22,679
Bad Debts	-	-
Other Costs	5,937	3,214
	<hr/> 84,943	<hr/> 76,216

## 11. GOVERNANCE

The cost of £1,080 relates to the Independent Examination Fee for the yearly accounts along with fees for extra accounting support (2021: £1,500).

## 12. FIXED ASSETS

	Property £	Gym Equipment £	Office Equipment £	Fixtures & Fittings £	Premises Improvements £	Total £
<b>Cost or Valuation</b>						
At 1 January 2022	736,350	186,100	5,363	3,422	65,243	996,478
Additions	-	4,363	1,955	-	13,444	19,762
Reclassification	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
At 31 December 2022	<u>736,350</u>	<u>190,463</u>	<u>7,318</u>	<u>3,422</u>	<u>78,687</u>	<u>1,016,240</u>
<b>Depreciation</b>						
At 1 January 2022	-	(101,206)	(3,732)	(1,266)	(10,975)	(117,179)
Charged in Year	-	(18,633)	(1,029)	(490)	(3,775)	(23,927)
Reclassification	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
At 31 December 2022	<u>-</u>	<u>(119,839)</u>	<u>(4,761)</u>	<u>(1,756)</u>	<u>(14,750)</u>	<u>(141,106)</u>
<b>NBV at 31 December 2022</b>	<u>736,350</u>	<u>70,624</u>	<u>2,557</u>	<u>1,666</u>	<u>63,937</u>	<u>875,134</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>

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

	2022 £	2021 £
Brought forward	113,166	11,648
Movement in year	(21,483)	101,468
Carried forward	91,683	113,166

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 £3,692 (2021: £6,850) 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:

	2022 £	2021 £
Within one year	6,967	9,891
Later than one year but within five year	4,536	11,503

#### 15. STATEMENT OF FUNDS

##### Analysis of Net Assets between Funds

2022	Unrestricted £	Designated £	Restricted £	2022 Total £
Tangible fixed assets	824,880	-	50,254	875,134
Debtors	7,377	-	-	7,377
Stock	4,858	-	-	4,858
Cash at bank and in hand	445,998	70,000	14,419	530,417
Current liabilities	(133,013)	-	-	(133,013)
Long-term liabilities	(89,994)	-	-	(89,994)
	<u>1,060,106</u>	<u>70,000</u>	<u>64,673</u>	<u>1,194,779</u>
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	(143,753)	-	-	(143,753)
Long-term liabilities	(103,605)	-	-	(103,605)
	<u>989,876</u>	<u>45,000</u>	<u>66,476</u>	<u>1,101,352</u>

# Statement of Funds

2022	Brought Forward £	Income £	Expenditure £	Transfer £	2022 Carried Forward £
<u>Unrestricted Funds</u>					
General Reserves	989,876	748,085	(652,855)	(25,000)	1,060,106
Designated Funds	45,000	-	-	25,000	70,000
Total Unrestricted	1,034,876	748,085	(652,855)	-	1,130,106
<u>Restricted Funds</u>					
Jack Petchey	4,841	1,800	(486)	-	6,155
ECGA Bursary	1,375	-	-	-	1,375
Lighting Award / Other	6,889	-	-	-	6,889
<u>Restricted Fixed Asset Reserve</u>					
Car Park & Equipment	53,371	-	(3,117)	-	50,254
Total Restricted	66,476	1,800	(3,603)	-	64,673
Per Accounts	1,101,352	749,885	(656,458)	-	1,194,779

2021	Brought Forward £	Income £	Expenditure £	Transfer £	2021 Carried Forward £
<u>Unrestricted Funds</u>					
General 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	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
	69,009	72,623	(4,033)	(71,123)	66,476
Per Accounts	1,017,785	633,938	(550,371)	-	1,101,352

### **Restricted Funds**

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

During the year the Charity received £1,800 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 team activity.

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 31.12.2022 was £48,970 and the equipment was £1,285.

### **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 £45k for a new sprung floor, and £25k towards a potential new heating system.

### **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**

As at 31<sup>st</sup> December 2022 the Trustees had entered into a capital commitment to purchase a new gymnastics sprung floor from Gymnova at a cost of £43,805. A 50% deposit was paid in January 2023 and delivery is expected, along with the payment balance, in Spring 2023.

## **17. RELATED PARTY TRANSACTIONS**

Three 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.