

**South Durham Gymnastics**  
**Unaudited**  
**Trustees' report and financial statements**  
**Year ended 30 June 2023**

# South Durham Gymnastics

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# South Durham Gymnastics

Reference and administrative details  
Year ended 30 June 2023

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Trustees	Paul Anderson Craig Bell Marion Gates Gordon McDonald Tracy McKeown
Charity registered number	1157394
Principal office	1 Flambard Drive Bishop Auckland County Durham DL14 7GG
Accountants	UNW LLP Chartered Accountants Citygate St James' Boulevard Newcastle upon Tyne NE1 4JE

# South Durham Gymnastics

## Trustees' report Year ended 30 June 2023

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The trustees present their annual report together with the financial statements of the charity South Durham Gymnastics for the year ended 30 June 2023.

### Objectives and activities

#### ● Policies and objectives

The principal objective of the charity is to promote the healthy recreational opportunities for the benefit of South West Durham residents as well as the wider community. This is achieved through the provision of facilities for participating in gymnastics and gymnastic related activities under the guidance of qualified and enthusiastic coaches.

The activities of the charity, which is affiliated to British Gymnastics, include training and coaching for members, and the organisation of club and open gymnastics competitions.

In accordance with the Charities Act 2011, the trustees have referred to the guidance contained in the Charities Commission's general guidance on public benefit when reviewing the aims and objectives of the charity and when planning future activities.

### Achievements and performance

#### ● Review of activities

The charity provides a safe, effective and child friendly environment in which members can participate in and explore gymnastics / gymnastic related activities at every level of participation, from birth to adults. This is delivered under the guidance of a Board of Trustees and two very experienced and dedicated Head Coaches, further supported during the year by approximately 30 full and part time staff, and several volunteers.

The charity has circa 2,000 visits a week, made up of recreational participants (average of 775 per week), squad gymnasts (average of 175), adults, baby gym attendees, special needs, school visits, university students and underprivileged groups. Waiting lists continue to stand at around 700 people. Our recreational membership retention for each renewal period has not been below 85%.

All age-appropriate squad gymnasts are given the opportunity to take part in various competitions throughout the year, including Club, County, Regional and National events.

The successes this year have included:

#### Newly Qualified Judges

- 1 x Brevet
- 1 x National Judge
- 2 x Regional Judge
- 1 x Club Judge

#### Newly Qualified Coaches

- 1 x Level 3 -
- 1 x Level 2 -
- 1 x Level 1 -
- Several Level 3 modules – ran for staff

We have also recruited 8 gymnasts for our coaching academy programme (14 - 16 year old trainee coaches)

#### Medals/Honours:

- 2 x Gymnasts represented Club at English Champs
- 2 x Disability Champions
- 1 x Disability Masters British Champion on Beam and Floor

# South Durham Gymnastics

## Trustees' report (continued) Year ended 30 June 2023

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### Achievements and performance (continued)

- 1 x Bronze Medal at National Classic Challenge
- 20 x members selected for North Regional Squad

### Equipment/Investment:

- Installation of additional foam
- 2 new beams
- 1 new vault
- Matting and padding
- Foam blocks and crash mats

Our Pink Ladies Invitational Competition weekend had a record revenue of £15,000 With around 450 entrants from around the UK.

### Staffing

We have recruited a new office manager and facilitated a new parent's fundraising committee.

### • Financial review

The charity generated income of £601,019 (2022: £536,825) during the year and incurred expenditure of £568,854 (2022: £648,665). The board or trustees are happy with the financial results for the year taking into account the legal costs incurred over the previous three years.

### • Reserves policy

Trustees aim to hold between three and six months running costs as free reserves. The charity's unrestricted reserves currently stand at £38,120, of which £65,866 is tied up in fixed assets leaving a deficit of £27,746 as free reserves. This is below the level set by the Trustees. However, subsequent to the year end the club has successfully challenged its insurers around covering the legal costs incurred regarding the suspensions of the 2 coaches, which will see the reserves return to normal acceptable levels during the year to June 2024. The trustees are satisfied with this position and will continue to aim to build reserves within the charity based on increasing capacity going forwards.

### • Going concern

Cashflow forecasts are updated on a monthly basis and reviewed by management and trustees.

In March 2022 fees were increased by around 10% on average. This was due to wage increases and minimum wage increase in-line with statutory requirements. Fees will next be reviewed again in Spring 2024. Subscription and classes for the year amounted to a record £582,967.

Moving forward, and as a result of both coaches being able to return to work in July 2023 after a lengthy investigation the charity does not expect to incur further legal costs in relation to the previous suspensions and as noted above will recover previously incurred costs under the terms of their insurance. Consequently the trustees are satisfied that the charity will be able to meet all liabilities as they fall due for at least the next 12 months.

# South Durham Gymnastics

## Trustees' report (continued) Year ended 30 June 2023

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### Structure, governance and management

#### • Structure

The charity was incorporated as a Charitable Incorporated Organisation (registered charity number 1157394) on 9 June 2014.

#### • Trustees

The management of the charity is the responsibility of the trustees who are elected and co-opted under the terms of the Trust deed. Induction is provided to new trustees if required.

#### • Management

Following complaints submitted against the Charity, two coaches were suspended as investigations were carried out by British Gymnastics. Both the Charity and the coaches involved have been fully compliant throughout the investigation(s), which have been ongoing since April 2020. Trustees, coaches, gymnasts and parents have all participated in interviews / provided evidence to support the ongoing Whyte Review. In July 2023 the two coaches were cleared of the allegations against them and returned to work.

The Charity continues to fully review its Policies and Procedures and has continued to deliver training to its employees, as it does every year.

#### • Risk management


The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate their exposure to the major risks.

### Plans for future periods

Aims for the 2023/24 financial year include:

- Continuing to be a GDPR compliant club, ensuring relevant system and operating standard updates
- Continuing to offer excellent customer service and coaching to everyone that enters the charity facility
- Streamlining the bespoke CRM system and website to increase capacity, functionality and efficiency
- Developing / running fundraising events and competitions to raise funds for the charity
- Increasing the number of Level 1 & 2 coaches in the club
- Supporting staff members to complete / revalidate Club & Regional Judging courses

Approved by order of the members of the board of trustees on 23 April 2024 and signed on their behalf by:

DocuSigned by:  
  
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**P Anderson**  
(Trustee)

# South Durham Gymnastics

## Statement of trustees' responsibilities Year ended 30 June 2023

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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 year which give a true and fair view of the state of affairs of the charity 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 UK Accounting Standards (FRS 102) 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 charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. 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.

Approved by order of the members of the board of trustees on 23 April 2024 and signed on its behalf by:

DocuSigned by:  
*Paul Anderson*  
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**Paul Anderson**  
(Trustee)



## Independent examiner's report

### Year ended 30 June 2023

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#### Independent examiner's report to the trustees of South Durham Gymnastics ('the charity')

I report to the charity trustees on my examination of the accounts of the charity for the year ended 30 June 2023.

#### Responsibilities and basis of report

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

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

#### Independent examiner's statement

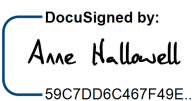
Your attention is drawn to the fact that the charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015. I have completed my examination. I confirm that no 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 2011 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.

This report is made solely to the charity's trustees as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work or for this report.

Signed:   
 Anne Hallowell

Dated: 23 April 2024

BSc DChA FCA

UNW LLP  
 Chartered Accountants  
 Newcastle upon Tyne



# South Durham Gymnastics

## Statement of financial activities

Year ended 30 June 2023

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>				
Donations and legacies	3	6,850	6,850	19,355
Charitable activities	4	582,967	582,967	489,417
Other trading activities	5	34	34	17,849
Investments		11,168	11,168	10,204
<b>Total income</b>		<b>601,019</b>	<b>601,019</b>	536,825
<b>Expenditure on:</b>				
Charitable activities		568,854	568,854	648,665
<b>Total expenditure</b>		<b>568,854</b>	<b>568,854</b>	648,665
<b>Net movement in funds</b>		<b>32,165</b>	<b>32,165</b>	(111,840)
<b>Reconciliation of funds:</b>				
Total funds brought forward		5,955	5,955	117,795
Net movement in funds		32,165	32,165	(111,840)
<b>Total funds carried forward</b>		<b>38,120</b>	<b>38,120</b>	5,955

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

The notes on pages 9 to 17 form part of these financial statements.

# South Durham Gymnastics

## Balance sheet At 30 June 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	8	65,866	64,616
		<u>65,866</u>	<u>64,616</u>
<b>Current assets</b>			
Debtors	9	1,234	1,234
Cash at bank and in hand		63,834	49,613
		<u>65,068</u>	<u>50,847</u>
Creditors: amounts falling due within one year	10	(65,314)	(72,008)
<b>Net current assets / (liabilities)</b>		<u>(246)</u>	<u>(21,161)</u>
<b>Total assets less current liabilities</b>		<u>65,620</u>	<u>43,455</u>
Creditors: amounts falling due after more than one year	11	(27,500)	(37,500)
<b>Net assets excluding pension asset</b>		<u>38,120</u>	<u>5,955</u>
<b>Total net assets</b>		<u><u>38,120</u></u>	<u><u>5,955</u></u>
<b>Charity funds</b>			
Unrestricted funds	12	38,120	5,955
<b>Total funds</b>		<u><u>38,120</u></u>	<u><u>5,955</u></u>

The financial statements were approved and authorised for issue by the trustees on 23 April 2024 and signed on their behalf by:

DocuSigned by:  
  
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**Paul Anderson**  
(Trustee)

The notes on pages 9 to 17 form part of these financial statements.

# South Durham Gymnastics

## Notes to the financial statements Year ended 30 June 2023

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### 1. Accounting policies

#### 1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

South Durham Gymnastics constitutes a public benefit entity under FRS 102.

The financial statements are prepared in pounds sterling which is the functional currency of the charity and are rounded to the nearest £1.

#### 1.2 Going concern

Cashflow forecasts are updated on a monthly basis and reviewed by management and trustees.

In March 2022 fees were increased by around 10% on average. This was due to wage increases and minimum wage increase in-line with statutory requirements. Fees will next be reviewed again in Spring 2024. Subscription and classes for the year amounted to a record £584,079.

Moving forward, and as a result of both coaches being able to return to work in July 2023 after a lengthy investigation the charity does not expect to incur further legal costs in relation to the previous suspensions and as noted above will recover previously incurred costs under the terms of their insurance.

As a result, after making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they have adopted the going concern basis in preparing the financial statements.

#### 1.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

# South Durham Gymnastics

## Notes to the financial statements Year ended 30 June 2023

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### 1. Accounting policies (continued)

#### 1.4 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity, including those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

#### 1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

#### 1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

The estimated useful lives are as follows:

Gym equipment	- 10 years
Office equipment	- 10 years

#### 1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

#### 1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

# South Durham Gymnastics

## Notes to the financial statements

Year ended 30 June 2023

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### 1. Accounting policies (continued)

#### 1.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

#### 1.10 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

#### 1.11 Fund accounting

General funds are unrestricted funds which 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.

Investment income, gains and losses are allocated to the appropriate fund.

### 2. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

In preparing these financial statements the trustees do not consider there were any significant areas of judgment or estimation uncertainty that were required in applying the charity's accounting policies as set out above.

# South Durham Gymnastics

## Notes to the financial statements Year ended 30 June 2023

### 3. Donations

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Grants</b>			
Grants	6,850	<b>6,850</b>	19,355

### 4. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Subscriptions and classes	582,967	<b>582,967</b>	489,417

### 5. Income from other trading activities

#### Income from fundraising events

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Fundraising	34	<b>34</b>	17,849

### 6. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Provision of gymnastics sessions and coaching	436,068	132,786	<b>568,854</b>

# South Durham Gymnastics

## Notes to the financial statements Year ended 30 June 2023

### 6. Analysis of expenditure by activities (continued)

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Provision of gymnastics sessions and coaching	455,724	192,940	648,664

### Analysis of direct costs

	Activities 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	380,793	<b>380,793</b>	367,747
Depreciation	17,020	<b>17,020</b>	15,783
Classes and competitions	38,255	<b>38,255</b>	72,194
	<u>436,068</u>	<u><b>436,068</b></u>	<u>455,724</u>

### Analysis of support costs

	Activities 2023 £	Total funds 2023 £	Total funds 2022 £
Building, rent and rates	63,106	<b>63,106</b>	67,663
Office and administration	18,599	<b>18,599</b>	19,866
Legal and professional	47,721	<b>47,721</b>	102,771
Independent examination fee	3,360	<b>3,360</b>	2,640
	<u>132,786</u>	<u><b>132,786</b></u>	<u>192,940</u>

# South Durham Gymnastics

## Notes to the financial statements Year ended 30 June 2023

### 7. Staff costs

	2023 £	2022 £
Wages and salaries	337,515	325,401
Social security costs	19,602	18,827
Other pension costs	23,676	23,519
	<u>380,793</u>	<u>367,747</u>

The average number of persons employed by the charity during the year was as follows:

	2023 No.	2022 No.
Employees	<u>29</u>	<u>28</u>

No employee received remuneration amounting to more than £60,000 in either year.

No trustees received any remuneration, benefits or reimbursement of expenses for their services to the charity during the period.

### 8. Tangible fixed assets

	Gym equipment £	Office equipment £	Total £
<b>Cost</b>			
At 1 July 2022	139,239	18,586	157,825
Additions	18,270	-	18,270
At 30 June 2023	<u>157,509</u>	<u>18,586</u>	<u>176,095</u>
<b>Depreciation</b>			
At 1 July 2022	82,045	11,164	93,209
Charge for the year	15,161	1,859	17,020
At 30 June 2023	<u>97,206</u>	<u>13,023</u>	<u>110,229</u>
<b>Net book value</b>			
At 30 June 2023	<u>60,303</u>	<u>5,563</u>	<u>65,866</u>
At 30 June 2022	<u>57,194</u>	<u>7,422</u>	<u>64,616</u>



# South Durham Gymnastics

## Notes to the financial statements Year ended 30 June 2023

### 9. Debtors

	2023 £	2022 £
<b>Due within one year</b>		
Grants receivable	1,234	1,234
	<u>1,234</u>	<u>1,234</u>

### 10. Creditors: Amounts falling due within one year

	2023 £	2022 £
Coronavirus bounce-back loan	10,000	10,000
Other taxation and social security	5,993	5,350
Other creditors	33,961	-
Accruals and deferred income	15,360	56,658
	<u>65,314</u>	<u>72,008</u>

### 11. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Coronavirus bounce-back loan	27,500	37,500
	<u>27,500</u>	<u>37,500</u>

The Coronavirus bounce-back loan is 80% guaranteed by the UK Government. The loan is over a 6 year term with a payment holiday for the first 12 months. The loan is unsecured and accrues interest at 2.5% per annum. See note 10 for the amount due in less than 1 year.

# South Durham Gymnastics

## Notes to the financial statements Year ended 30 June 2023

### 12. Statement of funds

#### Statement of funds - current year

	Balance at 1 July 2022 £	Income £	Expenditure £	Balance at 30 June 2023 £
<b>Unrestricted funds</b>				
General Funds - all funds	5,955	601,019	(568,854)	38,120

#### Statement of funds - prior year

	Balance at 1 July 2021 £	Income £	Expenditure £	Balance at 30 June 2022 £
<b>Unrestricted funds</b>				
General Funds	117,795	536,825	(648,665)	5,955

### 13. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £23,676 (2022: £23,519). Contributions totaling £nil (2022: £nil) were payable to the fund at the balance sheet date.

### 14. Operating lease commitments

At 30 June 2023 the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	15,000	15,000
Later than 1 year and not later than 5 years	60,000	60,000
Later than 5 years	86,959	101,959
	<b>161,959</b>	<b>176,959</b>

# South Durham Gymnastics

## Notes to the financial statements Year ended 30 June 2023

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### 15. Related party transactions

Paul Anderson is a trustee and a director of Anderson & Co. During the year accountancy fees of £3,696 were paid to him by the charity (2022: £3,072).

During the year, the charity received a loan of £36,960 (2022: £nil) from staff members of the charity. £33,961 (2022: £nil) were outstanding at year end and included in other creditors.

### 16. Post balance sheet events

The charity was in dispute with its insurers around cover for legal expenses incurred during previous financial years to defend the allegations against two of the clubs coaches. Subsequent to the year end the insurance ombudsman has found in favour of the charity, and the insurer has not appealed the decision. Consequently, the charity now expects to receive £186,000 in reimbursed costs.