

Charity registration number: 1160612

The Watlington Club CIO

Annual Report and Financial Statements

for the Year Ended 31 March 2023

The Watlington Club CIO

Contents (continued)

Reference and Administrative Details	1
Trustees' Report	2 to 4
Statement of Trustees' Responsibilities	5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Financial Statements	9 to 18

The Watlington Club CIO

Reference and Administrative Details

Charity Registration Number	1160612
Principal Office	20 High Street Watlington Oxfordshire OX49 5PY
Independent Examiner	Woodwhite Accountants Unit 4, City Limits Danehill Reading Berkshire RG6 4UP

The Watlington Club CIO

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 March 2023.

Objectives and activities

Objects and aims

To further or benefit the residents of Watlington Parish and the neighbourhood, without distinction of sex, sexual orientation, race or of political, religious or other opinions by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for the residents.

Public benefit

The Club is a registered charity and has a long history dating back to 1859. In the 1920's the Rev. Hillgrove Cox purchased the property known as High Street House and placed it in trust for the benefit of the residents of Watlington, originally as the "War Memorial Club". In the 1970's the members set about improving and updating the facilities and it was also reconstituted in the 1970's as a sports and social charitable institution. It currently supports sections playing bowls, tennis, table tennis, squash and racketball.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Financial review

The Statement of Financial Activities of the Club show a deficit of £3,782 (2022 – deficit of £1,984). The closing funds carried forward stood at £425,904 (2022 - £429,687).

Our charitable activities both indoors and outdoors have both continued to recover well after the significant negative impact of the pandemic and have held up during the latest inflation-fuelled financial squeeze. However, some of our commercial tenants have not been so fortunate and have suffered financial difficulties. This has adversely impacted our rental income as well as increasing our charge to bad debts for the year. We have supported struggling tenants where possible but have in one instance taken the difficult decision to terminate a commercial relationship in order to protect our income available for charitable activities.

We continue to manage closely the use of the charity's available funds in light of the current financial headwinds. Whilst we have continued to repair our key assets where necessary we have reduced discretionary spend on other renovations and improvements entirely. We are also reviewing all of our key supplier relationships to ensure that we continue to get best value for money.

The challenges we have had with some of our tenancies has resulted in the Charity making a small loss for the year. However, the decisions we have taken should result in a stronger financial base in the future.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

The Watlington Club CIO

Trustees' Report (continued)

Trustees:	Adam Beveridge (appointed 1 May 2023)
	Peter Brook
	Charles Eales
	Sarah Jane Fountain (resigned 6 April 2022)
	Peregrine Heathcote
	Christy Louise King
	Kevin Mears (appointed 9 June 2022)
	Maureen Norton (appointed 27 April 2022)
	Angie Paterson (appointed 9 June 2022)
	Neville Smith (appointed 9 June 2022)

Structure, governance and management

Nature of governing document

The Club is a charitable incorporated organisation (CIO) limited by guarantee and registered as a charity on 24 February 2015. The name of the charitable company as listed in the Register of Charities is The Watlington Club CIO. The charitable company is governed under the current constitution.

The registered and principal address of the charity is 20 High Street, Watlington, OX49 5PY.

Recruitment and appointment of trustees

Membership of the CIO is open to anyone who is interested in furthering its purposes. The Trustees will consider the suitability of any applications for appointment as Trustees. New applications will be subject to checks to ensure suitability of candidates and provided these are validated then Trustees will vote on all new appointments.

Organisational structure

The Trustees determine the direction and general policy of the Club in line with the Charity's objectives. The following roles are currently allocated to Trustees; Chairperson, Secretary and Treasurer. Trustees meetings are usually monthly throughout the year. The facilities are managed by an external management company.

Financial instruments

Objectives and policies

The charity's activities expose it to credit risk. The charity does not use derivative financial instruments for speculative purposes.

The Watlington Club CIO

Trustees' Report (continued)

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and property investments.

The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

The annual report was approved by the trustees of the charity on 17 October 2023 and signed on its behalf by:



.....
Angie Paterson
Trustee

The Watlington Club CIO

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

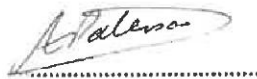
The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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; and
- 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 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 constitution. The trustees 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 corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on 17 October 2023 and signed on its behalf by:



Angie Paterson
Trustee

The Watlington Club CIO

Independent Examiner's Report to the trustees of The Watlington Club CIO

I report to the trustees on my examination of the accounts of The Watlington Club CIO for the year ended 31 March 2023.

Responsibilities and basis of report

As the charity trustees of The Watlington Club CIO 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 The Watlington Club CIO's accounts carried out under section 145 of the 2011 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

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 Watlington Club CIO 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 accounting 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.



Keith Westran
ICAEW

Unit 4, City Limits
Danehill
Reading
Berkshire
RG6 4UP

17 October 2023

The Watlington Club CIO

Statement of Financial Activities for the Year Ended 31 March 2023

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
Income and Endowments from:				
Government grants		1,500	-	1,500
Charitable activities		42,934	-	42,934
Investment income		220	-	220
Other income		88,374	-	88,374
Total income		133,028	-	133,028
Expenditure on:				
Charitable activities		(136,810)	-	(136,810)
Total expenditure		(136,810)	-	(136,810)
Net expenditure		(3,782)	-	(3,782)
Net movement in funds		(3,782)	-	(3,782)
Reconciliation of funds				
Total funds brought forward		429,686	-	429,686
Total funds carried forward	15	425,904	-	425,904


	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Charitable activities		37,842	-	37,842
Investment income		1	-	1
Other income		89,218	-	89,218
Total income		127,061	-	127,061
Expenditure on:				
Charitable activities		(129,045)	-	(129,045)
Total expenditure		(129,045)	-	(129,045)
Net expenditure		(1,984)	-	(1,984)
Net movement in funds		(1,984)	-	(1,984)
Reconciliation of funds				
Total funds brought forward		431,671	-	431,671
Total funds carried forward	15	429,687	-	429,687

The funds breakdown for 2022 is shown in note 15.

The Watlington Club CIO
(Registration number: 1160612)
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	10	282,819	291,739
Current assets			
Stocks		-	78
Debtors	11	10,614	12,121
Cash at bank and in hand	12	154,219	146,560
		164,833	158,759
Creditors: Amounts falling due within one year	13	(21,748)	(20,811)
Net current assets		143,085	137,948
Net assets		425,904	429,687
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		425,904	429,687
Total funds	15	425,904	429,687

The financial statements on pages 7 to 18 were approved by the trustees, and authorised for issue on 17 October 2023 and signed on their behalf by:



Angie Paterson
Trustee

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2023

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

The Watlington Club CIO meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

The Charity owns the freehold title of 18 and 20 High Street Watlington including the land to the rear of them. This was gifted to the Charity at its inception and as such is not shown included within tangible fixed assets,

Individual fixed assets costing £1,000 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Included within fixed assets under freehold property is a building extension which, in the view of the Trustees, is impractical to separate into composite elements under FRS102 and therefore has not been subject to annual depreciation and is stated as its historic cost. Future replacements of aspects of the extension will be shown under repairs and maintenance in the SOFA as incurred. Depreciation is provided on all other tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Land & Buildings - Not depreciated

Furniture & Equipment - 11 - 20 Years

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

Trade debtors

Trade debtors are amounts due from tenants in respect of outstanding rents owed.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

2 Income from government grants

	Unrestricted funds General £	Total 2023 £
Grants, including capital grants;		
Government grants	1,500	1,500
	<u>1,500</u>	<u>1,500</u>

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

3 Income from charitable activities

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Membership	30,157	30,157	27,378
Sports section income	10,213	10,213	7,362
Room hire	2,564	2,564	3,102
	<u>42,934</u>	<u>42,934</u>	<u>37,842</u>

4 Other income

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Rental income	<u>88,374</u>	<u>88,374</u>	<u>89,218</u>

5 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total 2023 £	Total 2022 £
Sports section costs		15,926	15,926	13,060
Governance and support costs	6	<u>120,884</u>	<u>120,884</u>	<u>115,985</u>
		<u>136,810</u>	<u>136,810</u>	<u>129,045</u>

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

6 Analysis of governance and support costs

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Property related expenses	86,224	86,224	88,469
Depreciation, amortisation and other similar costs	8,920	8,920	8,920
Marketing and publicity	839	839	3,555
Other governance costs	17,272	17,272	11,654
Independent Examiner's remuneration	2,995	2,995	2,760
Legal fees	4,634	4,634	627
	<u>120,884</u>	<u>120,884</u>	<u>115,985</u>

7 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

8 Independent examiner's remuneration

	2023 £	2022 £
Examination of the financial statements	<u>2,995</u>	<u>2,760</u>

9 Taxation

The charity is a registered charity and is therefore exempt from taxation.

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

10 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 April 2022	245,897	142,952	388,849
At 31 March 2023	245,897	142,952	388,849
Depreciation			
At 1 April 2022	-	97,110	97,110
Charge for the year	-	8,920	8,920
At 31 March 2023	-	106,030	106,030
Net book value			
At 31 March 2023	245,897	36,922	282,819
At 31 March 2022	245,897	45,842	291,739

11 Debtors

	2023 £	2022 £
Trade debtors	10,614	11,272
Other debtors	-	849
	10,614	12,121

12 Cash and cash equivalents

	2023 £	2022 £
Cash at bank	34,459	134,601
Short-term deposits	119,760	11,959
	154,219	146,560

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

13 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	8,647	3,663
Other creditors	4,400	4,400
Accruals	2,995	2,760
Deferred income	5,706	9,988
	<u>21,748</u>	<u>20,811</u>

14 Contingent liabilities

Last year the Club unexpectedly received invoices from South Oxfordshire District Council (SODC) for retrospective business rates. The total value of these invoices was £20,382. As a charitable organisation, the Club does not believe that it should be liable for business rates and is cooperating fully with SODC to resolve this matter.

As at the date of the signing of these financial statements the issue remained unresolved. The Trustees continue to monitor the discussions and reasonably expect that their appeal against a liability will be successful. Consequently, no adjustment has been made to the financial statements at 31 March 2023.

15 Funds

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
Unrestricted funds				
General	<u>429,686</u>	<u>133,028</u>	<u>(136,810)</u>	<u>425,904</u>
	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
Unrestricted funds				
General	<u>431,671</u>	<u>127,061</u>	<u>(129,045)</u>	<u>429,687</u>

16 Analysis of net funds

	At 1 April 2022 £	Cash flow £	At 31 March 2023 £
Cash at bank and in hand	<u>146,560</u>	<u>7,659</u>	<u>154,219</u>
Net debt	<u>146,560</u>	<u>7,659</u>	<u>154,219</u>

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

	At 1 April 2021 £	Cash flow £	At 31 March 2022 £
Cash at bank and in hand	<u>150,288</u>	<u>(3,728)</u>	<u>146,560</u>
Net debt	<u>150,288</u>	<u>(3,728)</u>	<u>146,560</u>

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

17 Analysis of net assets between funds

All assets and liabilities at 31 March 2023 and 31 March 2022 relate to unrestricted funds.