

Kendal Rugby Union Football Club Limited

Company Limited by Guarantee

Full Unaudited Financial Statements for the year ended
30 April 2021

Company Registration Number 04740154

Charity Registration Number 1160980

Kendal Rugby Union Football Club Limited

Company Limited by Guarantee

Financial Statements

Year ended 30 April 2021

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Kendal Rugby Union Football Club Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 30 April 2021

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 30 April 2021.

CHAIR'S REPORT

This accounting period is certainly unusual as we have not played any competitive rugby matches in the 12 months to end of April 2021. Our last League games were over the weekend of 14th March 2020 and, training and touch rugby apart, our next rugby was the successful Seven's Tournament on 30th May 2021.

The financial year started in full lockdown with the Club shut, staff furloughed and that situation persisted until some easing of restrictions in July when we opened our gym under restrictions. The 'eat out to help out' scheme came into being in August and the RFU published tentative fixtures for September depending on negotiation with the Department of Culture, Media and Sport. Needless to say, none of this came to fruition.

We managed to open under the 'rule of 6' restrictions to show some televised rugby on Saturdays in the autumn until we entered our second lockdown in November. The Christmas period promised much, but tighter restrictions were imposed and the third lockdown started in January. The vaccine programme has given us hope and we were due to be free of restrictions on June 21st this year. Unfortunately that has been delayed by a month and cost the Club over £10k in income as booked events were again cancelled or postponed.

During the year the Board has continued to meet via Zoom or socially-distanced in the Club when allowed. Our primary aim was to ensure the future of the Club in these extraordinary circumstances. The Charity has supported the Trading Company throughout this difficult period and has, for example, waived the rental paid to the Charity for 12 months.

We had our last AGM on September 30th 2020 in a brief interlude between restrictions. We have survived with support in the form of furlough payments, business rates holiday and Government grants as well as generous continued payments from sponsors and members for which we are very grateful. We are not carrying significant debt as we have managed to continue our plan of making PAYE and VAT payments on time despite the ability to defer them.

Kendal Rugby Union Football Club Limited

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 April 2021

The grant/loan scheme through the RFU purported to provide financial support to Community Rugby, but in practice Clubs had to be in severe financial peril to qualify. Those Clubs that were well-organised and had savings/investments were excluded from the scheme so we did not benefit from the offer.

Our Trading Company accounts show a £22k profit, reversing the loss of £53k posted last year. There are a number of reasons for this. Our turnover was substantially reduced from £480k to £136k while the gross profit was proportionately better at £106k compared to £236k in 2020. We received grants and furlough payments of just over £100k, which have allowed us to retain all our staff and an insurance claim for business interruption of £25k. There has, of course, been very little expenditure on any aspect of our rugby activity.

By the time of the AGM we should be out of the period of restrictions and playing 'warm up' games. Preparations are going well and we are aiming for success on the field back in the NW Leagues. We all look forward to welcoming members back to Mint Bridge for the season ahead.

Kind regards, Stephen Green

Chairman KRUF

Kendal Rugby Union Football Club Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 April 2021

Reference and administrative details

Registered charity name Kendal Rugby Union Football Club Limited

Charity registration number 1160980

Company registration number 04740154

Principal office and registered office Mint Bridge
Shap Road
Kendal
LA9 6NY

The trustees

Mr R J Burrow	
Dr S A Green	
Mr S G Hulme	resigned 30 September 2020
Mrs S Keast	resigned 30 September 2020
Mr J Nicholson	
Mr A Perie	
Mr C I Wheatman	
Mr R Wilson	
Mr W Coxon	
Mr C A Ross	
Mr D Airey	appointed 30 September 2020
Mr M Bowerbank	appointed 30 September 2020
Mrs S J Selby	appointed 30 September 2020

Company secretary Mr M J W Barr

Independent examiner Ian Thompson FCA
Saint & Co
The Old Police Station
Church Street
Ambleside
Cumbria
LA22 0BT

Kendal Rugby Union Football Club Limited

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 April 2021

Structure, governance and management

Legal status

The Charity is a company limited by guarantee and as such, does not have a share capital. Every member undertakes to contribute such amounts as may be required (not exceeding £10) to the company's assets if it should be wound up whilst he or she is a member, or within one year after he or she ceases to be a member, for payment of the company's debts and liabilities contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

Governing document

Kendal Rugby Union Football Club Limited is an independent registered charity governed by its memorandum and articles of association dated 22 April 2003 as amended by special resolution dated 17th March 2015.

Organisational structure

The Charity Trustees are all volunteers and are responsible for general control and management of the Charity. Regular meetings are held by Trustees and also by Team members to discuss finance, training and other relevant issues.

Method adopted for the recruitment and appointment of new trustees

New trustees are invited to stand for election by reference to their skills and experience and to the needs of the charity. Candidates are then voted on by the charity's members at the Annual General Meeting (AGM). If elected each trustee agrees to serve for a three year term after which they either resign or hold themselves up for re-election.

Trustee induction and training

New Trustees are shown a copy of the Charity's Articles of Association and advised on the policy, procedure and responsibilities of the Charity under the Charities Act.

Major risks to which the charity is exposed

The trustees have examined the major strategic, business and operational risks which the charity faces and confirms that systems have been established to enable regular reports to be produced so that necessary steps can be taken to lessen these risks.

Kendal Rugby Union Football Club Limited

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 April 2021

Objects and activities

Summary of the objects set out in the governing document

The Charity's objects are as follows:

1) To promote community participation in healthy recreation by providing for playing rugby union football and other sports. 2) To provide and assist in providing facilities for sport, recreation or other leisure time occupation of such persons who have need of such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving their conditions of life 3) To advance the education of children and young people through such means as the directors think fit in accordance with the laws of the charity.

Summary of the main activities in relation to these objects

Senior Rugby – Coaching and training of senior rugby teams for both men and ladies and the playing of matches in various leagues.

Youth Rugby – Coaching and training of several age related teams of rugby players from the age of 13 to 18 and playing in matches and tournaments.

Mini Rugby – Coaching and training of several age related teams for boys and girls from the ages of 5 to 12 and playing in matches and tournaments

General – Through schools and specific courses open to the public, the club offers rugby playing opportunities to the wider community

In addition, in line with its objectives, the Charity offers opportunities for the community to take part in Touch Rugby sessions for all age ranges, Walking Rugby (for mixed genders) for the over 50s and the use of facilities for Rugby Camps.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commissioner's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

The trustees are satisfied that the charity continues to meet the required public benefit test through its objectives and activities.

Kendal Rugby Union Football Club Limited

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 April 2021

Achievements and performance

No competitive rugby has taken place during the year to 30th April 2021. When allowed by the Covid rules some limited non-contact training has taken place. We have tried to ensure that players maintained contact with the Club and remained physically fit. Many borrowed gym equipment to use at home while in lockdown. Touch rugby sessions featured as restrictions were gradually lifted.

We are pleased to be playing rugby in the North West again after our sojourn in the East and welcome games against old rivals such as Vale of Lune and Penrith.

Financial review

Reserves policy

It is the desired policy of the board to create and retain sufficient reserves to enable the club to maintain and enhance its facilities and provide rugby opportunities to the communities in the Kendal area.

Review of the financial position of the Charity

Five of the Charity Trustees are also Directors of the Trading Company, which manages the First team and the operation of the bar, servery and other catering facilities. The Charity charges the Trading Company a rent (currently £17,500 per annum) for use of the facilities. In this exceptional year the Charity Trustees decided to waive the rental for a 12 month period.

A separate set of accounts is prepared for the Trading Company and a summary is shown at Note 24.

Last year the Charity supported the Trading Company by a donation (£52k) to clear outstanding debt. This year no donation has been made and loans to the Trading Company decreased 6k from 285k to 279k.

Investment

The Trustees have the power to invest the Club's assets as they see fit. The investment committee is chaired by Chris Wheatman together with three other Trustees and reviews the opportunities for a return on the Club's capital while protecting its assets. The net investment income less charges plus net gains over the year was £224,625, with a valuation of £1,613,650 at the year end.

Kendal Rugby Union Football Club Limited

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 April 2021

Covid-19

The financial year began in lockdown and there was no income-generating activity until late July when the gym was allowed to open under restrictions. The servery opened under the 'eat out to help out' scheme in August and in the autumn progress to playing rugby was slow and finally abandoned as the RFU rules restricted any contact. As we all know the year was marked by a large second wave of infection and two further lockdown periods. The Trustees have worked hard to ensure the Club's survival in in unprecedented circumstances. We are now (July 2021) in the final weeks of restrictions with the vaccine programme providing protection for the vulnerable population and we can look forward to a 'proper' rugby season starting in September.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 28 July 2021 and signed on behalf of the board of trustees by:

Dr S A Green
Trustee

Kendal Rugby Union Football Club Limited

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Kendal Rugby Union Football Club Limited

Year ended 30 April 2021

I report to the trustees on my examination of the financial statements of Kendal Rugby Union Football Club Limited ('the charity') for the year ended 30 April 2021.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Kendal Rugby Union Football Club Limited

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Kendal Rugby Union Football Club Limited *(continued)*

Year ended 30 April 2021

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.

Ian Thompson FCA
Independent Examiner

Saint & Co
The Old Police Station
Church Street
Ambleside
Cumbria
LA22 0BT

..... Date

Kendal Rugby Union Football Club Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 30 April 2021

		2021	2020
		Unrestricted	
		funds	Total funds
	Note	£	£
Income and endowments			
Donations and legacies	5	20,483	20,483
Other trading activities	6	–	–
Investment income	7	38,829	38,829
Total income		<u>59,312</u>	<u>59,312</u>
Expenditure			
Expenditure on raising funds:			
Costs of Clubhouse and other fundraising trading activities	8	3,610	3,610
Investment management costs	9	12,128	12,128
Expenditure on charitable activities	10	5,447	5,447
Other expenditure	11	184,233	184,233
Total expenditure		<u>205,418</u>	<u>205,418</u>
Net gains/(losses) on investments	12	202,356	202,356
Net income/(expenditure) and net movement in funds		<u>56,250</u>	<u>56,250</u>
Reconciliation of funds			
Total funds brought forward		9,524,805	9,524,805
Total funds carried forward		<u>9,581,055</u>	<u>9,581,055</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 13 to 28 form part of these financial statements.

Kendal Rugby Union Football Club Limited

Company Limited by Guarantee

Statement of Financial Position

30 April 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	17	7,671,906	7,856,139
Investments	18	1,613,650	1,389,025
		<u>9,285,556</u>	<u>9,245,164</u>
Current assets			
Debtors	19	279,269	285,337
Cash at bank and in hand		20,216	7,432
		<u>299,485</u>	<u>292,769</u>
Creditors: amounts falling due within one year	20	<u>(3,986)</u>	<u>(13,128)</u>
Net current assets		<u>295,499</u>	<u>279,641</u>
Total assets less current liabilities		<u>9,581,055</u>	<u>9,524,805</u>
Net assets		<u>9,581,055</u>	<u>9,524,805</u>
Funds of the charity			
Unrestricted funds		<u>9,581,055</u>	<u>9,524,805</u>
Total charity funds	21	<u>9,581,055</u>	<u>9,524,805</u>

For the year ending 30 April 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The statement of financial position
continues on the following page.

The notes on pages 13 to 28 form part of these financial statements.

Kendal Rugby Union Football Club Limited

Company Limited by Guarantee

Statement of Financial Position *(continued)*

30 April 2021

These financial statements were approved by the board of trustees and authorised for issue on 28 July 2021, and are signed on behalf of the board by:

Mr R J Burrow
Trustee

The notes on pages 13 to 28 form part of these financial statements.

Kendal Rugby Union Football Club Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 30 April 2021

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Mint Bridge, Shap Road, Kendal, LA9 6NY.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

The charity meets the definition of a public benefit entity under FRS102.

Going concern

There are no material uncertainties about the charity's ability to continue.

Consolidation

The charity is not required to prepare consolidated accounts in accordance with the Charities Act 2011, and has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the charity and its subsidiary undertakings comprise a small group.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Kendal Rugby Union Football Club Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 April 2021

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty *(continued)*

The judgement that the trustees have made that has a significant risk of causing a material adjustment to the carrying amount of assets in the next financial year is with regard to debtors, specifically loans to Kendal Rugby (Trading) Limited. The accounts have been prepared assuming that the outstanding capital repayments and interest due will be paid in the near future.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period.

Current tax is recognised on taxable income or expenditure for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Income

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

- legacy income is recognised when receipt is probable and entitlement is established.

Kendal Rugby Union Football Club Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 April 2021

3. Accounting policies *(continued)*

Income *(continued)*

- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease income is recognised in income or expenditure on a straight line basis over the lease term. The aggregate cost of lease incentives are recognised as a reduction to income over the lease term on a straight-line basis. Costs, including depreciation, incurred in earning the lease income are recognised as an expense. Any initial direct costs incurred in negotiating and arranging the operating lease are added to the carrying amount of the lease and recognised as an expense over the lease term on the same basis as the lease income.

Kendal Rugby Union Football Club Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 April 2021

3. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	- 2% straight line buildings, no depreciation freehold land
Fixtures fittings and equipment	- Equipment 25% straight line or 20% reducing balance

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Kendal Rugby Union Football Club Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 April 2021

3. Accounting policies *(continued)*

Investments in associates *(continued)*

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Kendal Rugby Union Football Club Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 April 2021

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss.

4. Limited by guarantee

Kendal Rugby Union Football Club Limited is a company limited by guarantee; each member's contribution not exceeding £10 on dissolution.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations	3,105	3,105	1,337	1,337
Grants				
RFU grants	75	75	—	—
SLDC Coronavirus support grants	16,503	16,503	25,000	25,000
Charity Aid Foundation	800	800	—	—
	<u>20,483</u>	<u>20,483</u>	<u>26,337</u>	<u>26,337</u>

Kendal Rugby Union Football Club Limited

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Notes to the Financial Statements *(continued)*

Year ended 30 April 2021

6. Other trading activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Lease of property to Kendal Rugby (Trading) Limited	–	–	17,500	17,500
Sale of laptop	–	–	125	125
	<u>–</u>	<u>–</u>	<u>17,625</u>	<u>17,625</u>

During the year ended 30 April 2021 Kendal Rugby Union Football Club Limited invoiced Kendal Rugby (Trading) Ltd £1,483.33 per month (plus VAT) under the terms of the lease; then raised credit notes for the full amount each month to assist the trading company through difficult financial times caused by Covid-19.

7. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Bank interest	–	–	23	23
Interest receivable Kendal Rugby (Trading) Ltd	3,532	3,532	3,532	3,532
Investment portfolio dividends & interest	34,397	34,397	41,332	41,332
Environment Agency river gauging station	900	900	–	–
	<u>38,829</u>	<u>38,829</u>	<u>44,887</u>	<u>44,887</u>

Kendal Rugby Union Football Club Limited

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Notes to the Financial Statements *(continued)*

Year ended 30 April 2021

8. Costs of clubhouse and other fundraising trading activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Costs of other trading activities - Clubhouse and other fundraising trading costs	<u>3,610</u>	<u>3,610</u>	<u>3,644</u>	<u>3,644</u>

	Total Funds 2021 £	Total Funds 2020 £
Light and heat	129	–
Insurance	3,481	2,728
Legal & professional fees	–	798
Bank charges	–	118
	<u>3,610</u>	<u>3,644</u>

9. Investment management costs

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Portfolio management	<u>12,128</u>	<u>12,128</u>	<u>12,313</u>	<u>12,313</u>

Kendal Rugby Union Football Club Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 April 2021

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Provision of rugby facilities	200	200	69,756	69,756
Support costs	5,247	5,247	4,729	4,729
	<u>5,447</u>	<u>5,447</u>	<u>74,485</u>	<u>74,485</u>
		Total Funds 2021 £		Total Funds 2020 £
Provision of rugby facilities				
Players gym membership		–		6,100
Players meals		–		10,971
Other rugby costs		200		685
Donation to Kendal Rugby (Trading)				
Limited to assist settlement of debts		–		52,000
		<u>200</u>		<u>69,756</u>
Support costs				
Bank charges		63		118
Sundries		78		48
Bookkeeping		1,000		800
Governance - accountancy and independent examination		4,080		3,750
Governance - other		26		13
		<u>5,247</u>		<u>4,729</u>
Total expenditure on charitable activities		<u>5,447</u>		<u>74,485</u>

11. Other expenditure

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Depreciation on tangible fixed assets	184,233	184,233	205,045	205,045

Kendal Rugby Union Football Club Limited

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Notes to the Financial Statements *(continued)*

Year ended 30 April 2021

12. Net gains/(losses) on investments

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Gains/(losses) on investment portfolio	<u>202,356</u>	<u>202,356</u>	<u>(64,111)</u>	<u>(64,111)</u>

13. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	<u>184,233</u>	<u>205,045</u>

14. Independent examination fees

	2021 £	2020 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	1,090	1,060
Other financial services	3,990	3,490
	<u>5,080</u>	<u>4,550</u>

15. Staff costs

The average head count of employees during the year was Nil (2020: Nil).

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

16. Trustee remuneration and expenses

No remuneration directly or indirectly out of the funds of the charity was paid or payable for the year to any trustee or to any person or persons known to be connected with any of them during their time as a trustee.

No expenses have been received by any trustee for services provided to the charity.

Kendal Rugby Union Football Club Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 April 2021

17. Tangible fixed assets

	Freehold land and property £	Fixtures fittings and equipment £	Total £
Cost			
At 1 May 2020 and 30 April 2021	<u>7,686,647</u>	<u>868,739</u>	<u>8,555,386</u>
Depreciation			
At 1 May 2020	260,817	438,430	699,247
Charge for the year	86,939	97,294	184,233
At 30 April 2021	<u>347,756</u>	<u>535,724</u>	<u>883,480</u>
Carrying amount			
At 30 April 2021	<u>7,338,891</u>	<u>333,015</u>	<u>7,671,906</u>
At 30 April 2020	<u>7,425,830</u>	<u>430,309</u>	<u>7,856,139</u>

18. Investments

	Investment portfolio - Rathbone Investment Management £
Cost or valuation	
At 1 May 2020	1,389,025
Additions	481,046
Disposals	(345,117)
Fair value movements	183,039
Change in cash held on portfolio	(94,343)
At 30 April 2021	<u>1,613,650</u>
Impairment	
At 1 May 2020 and 30 April 2021	<u>—</u>
Carrying amount	
At 30 April 2021	<u>1,613,650</u>
At 30 April 2020	<u>1,389,025</u>

All investments shown above are held at valuation.

All investments are held to be provide an investment return for the charity.

Kendal Rugby Union Football Club Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 April 2021

19. Debtors

	2021	2020
	£	£
Trade debtors	300	—
Kendal Rugby (Trading) Limited	278,929	285,337
Other debtors	40	—
	<u>279,269</u>	<u>285,337</u>

Included in the Kendal Rugby (Trading) Limited debtor are three loans receivable after more than one year amounting to a total of £8,250 (2020: four loans £29,250).

20. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	241	9,243
Accruals and deferred income	3,745	3,200
Social security and other taxes	—	685
	<u>3,986</u>	<u>13,128</u>

Kendal Rugby Union Football Club Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 April 2021

21. Analysis of charitable funds

Unrestricted funds

	At 1 May 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 30 Apr 2021 £
General funds	279,641	24,915	(9,057)	–	–	295,499
Designated tangible fixed assets	7,856,139	–	(184,233)	–	–	7,671,906
Designated investment reserve	1,389,025	34,397	(12,128)	–	202,356	1,613,650
	<u>9,524,805</u>	<u>59,312</u>	<u>(205,418)</u>	<u>–</u>	<u>202,356</u>	<u>9,581,055</u>

	At 1 May 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 30 Apr 2020 £
General funds	208,669	47,517	(78,129)	101,584	–	279,641
Designated tangible fixed assets	8,061,768	–	(205,045)	(584)	–	7,856,139
Designated investment reserve	1,525,117	41,332	(12,313)	(101,000)	(64,111)	1,389,025
	<u>9,795,554</u>	<u>88,849</u>	<u>(295,487)</u>	<u>–</u>	<u>(64,111)</u>	<u>9,524,805</u>

The designated tangible fixed assets fund represents the net book value of freehold property and fixtures fittings and equipment.

The designated investment reserve reflects the value of the investments managed by Rathbone Investment Management Limited.

The transfer of £101,000 represents the total of a number of draw downs over the course of the year ended 30 April 2020 from the Rathbone investment to the charity's bank account. The transfer of £584 represents the net book value of equipment disposed during that year.

Kendal Rugby Union Football Club Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 April 2021

22. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2021 £
Tangible fixed assets	7,671,906	7,671,906
Investments	1,613,650	1,613,650
Current assets	299,485	299,485
Creditors less than 1 year	(3,986)	(3,986)
Net assets	<u>9,581,055</u>	<u>9,581,055</u>
	Unrestricted Funds £	Total Funds 2020 £
Tangible fixed assets	7,856,139	7,856,139
Investments	1,389,025	1,389,025
Current assets	292,769	292,769
Creditors less than 1 year	(13,128)	(13,128)
Net assets	<u>9,524,805</u>	<u>9,524,805</u>

23. Operating lease commitments

As lessor

The total future minimum lease payments receivable under non-cancellable operating leases are as follows:

	2021 £	2020 £
Not later than 1 year	17,500	17,500
Later than 1 year and not later than 5 years	44,853	62,353
	<u>62,353</u>	<u>79,853</u>

The above reflects the lease between the Trustees of Kendal Rugby Union Football Club Limited and Kendal Rugby (Trading) Limited for the lease of land and property at Mint Bridge for a term of seven years from 24 November 2017 to 23 November 2024, with rent payable at £17,500 per year commencing on 16 March 2018.

Kendal Rugby Union Football Club Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 April 2021

24. Related parties

Subsidiary Undertakings

The charity has one trading subsidiary undertaking; Kendal Rugby (Trading) Limited (Company Registration Number 09559726). The company is a private company limited by guarantee. The company is registered in England and Wales. The address of the registered office is Mint Bridge, Shap Road, Kendal, Cumbria, LA9 6NY. The trading company's Articles of Association state within its objects that it is to operate a social club and other commercial activities to provide funds to donate to the charity. The charity also provides direction to the trading company.

Five of the current trustees of Kendal Rugby Union Football Club Limited (the "charity"), namely R J Burrow, S Green, R Wilson, W Coxon and A Perie (appointed as director of the trading company on 30 September 2020), are also directors of Kendal Rugby (Trading) Limited (the "trading company"). S Keast was a director of the charity and the trading company until 30 September 2020.

The transactions between the charity and the trading company were as follows:

Under the terms of a lease agreement dated 12 October 2018 the trading company leases the land and property at Mint Bridge from the charity for the sum of £17,500 per annum, with effect from 16 March 2018; the lease rent received for the year ended 30 April 2021 was £Nil, being invoices raised totalling £17,500 less credit notes raised totalling £17,500 (2020: £17,500). At 30 April 2021 the trading company owed the charity £Nil for lease rent (2020: £Nil). The lease also requires that the tenant pays rates in respect of the property: during the current year rates paid by the charity amounting to £Nil were re-charged to the trading company via the inter-company loan account (2020: £3,942). Furthermore, the charity is responsible for property insurance and the tenant shall pay to the landlord on demand any relevant property insurance: in the current year the charity paid £3,481 on behalf of the trading company (2020: charity paid £2,728 on behalf of the trading company but none was demanded from the trading company).

During the year ended 30 April 2021 the charity donated £Nil to the trading company (2020: charity donated £52,000 to the trading company to assist the trading company in settling its debts).

During the year ended 30 April 2021 the charity made further loans to the trading company: the total outstanding at 30 April 2021 shown in Debtors is £278,929 (2020: £285,337). This consists of working capital loans amounting to £189,215 (2020: £199,155) for which no interest is charged and five loans amounting to £89,714 (2020: £86,182) which are subject to loan interest payable at 5%. The interest received on the loans to the trading company for the year was £3,532 (2020: £3,532).

Kendal Rugby Union Football Club Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 April 2021

24. Related parties *(continued)*

The results of the subsidiary are as follows:

	2021	2020
	£	£
Gross Income	270,356	558,288
Gross Expenditure	(248,180)	(611,439)
Profit/(Loss) for the year	22,176	(53,151)
Gross assets as at 30 April	78,532	45,230
Gross liabilities as at 30 April	(394,754)	(383,628)
Funds as at 30 April	(316,222)	(338,398)