

Charity registration number 1160980

Company registration number 04740154 (England and Wales)

**KENDAL RUGBY UNION FOOTBALL CLUB LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2023**

# KENDAL RUGBY UNION FOOTBALL CLUB LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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**Trustees**

Dr S A Green  
Mr J Nicholson  
Mr A Perie  
Mr C I Wheatman  
Mr W Coxon  
Mr D Airey  
Mr M Bowerbank  
Mr C Hayton  
Mrs CG Park

(Appointed 13 October 2022)

(Appointed 13 October 2022)

**Secretary**

Mr M J W Barr

**Charity number**

1160980

**Company number**

04740154

**Principal address**

Mint Bridge  
Shap Road  
Kendal  
Cumbria  
LA9 6NY

**Registered office**

Mint Bridge  
Shap Road  
Kendal  
Cumbria  
LA9 6NY

**Independent examiner**

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

# KENDAL RUGBY UNION FOOTBALL CLUB LIMITED

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# KENDAL RUGBY UNION FOOTBALL CLUB LIMITED

## CHAIRMAN'S STATEMENT

### *FOR THE YEAR ENDED 30 APRIL 2023*

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Having gained promotion in the previous season by the narrowest of margins, it is good to report that we managed to stay at Level 5 (by the skin of our teeth), finishing tenth and avoiding relegation. It is a very competitive League, particularly with one team this year fielding 2 players who were recently playing Premiership rugby. We said goodbye to our local rivals, Kirkby Lonsdale, but our local derby will continue as Penrith have joined the League.

The stand-out performances of the season were from our Women's team (Wasps), who were unbeaten in their League and promoted to Championship North 2. While our Senior Colts also had a great season, won the Lancashire Cup and almost won the League. A number of those players are now representing the Club at senior level.

Our accounts show how the tough economic situation is affecting us. We have increased our turnover, but cost of living increases, particularly energy, food and drink combined to reduce our potential profit. The costs of running and equipping rugby teams have increased with, for example, coaches for away games being up to £700. The Covid pandemic is still having an affect as we continue to service our Bounce Back Loan.

The Board has worked hard to manage the situation while maintaining the Club's facilities at the desired level. We have now been in the building for almost 6 years and inevitably repairs and improvements are necessary. We currently have a project to provide additional floodlights for the lower training pitch and another to covert the reception area into a cafeteria.

After an attempt frustrated by Covid lockdowns, we are pleased to confirm that the Board has approved a Strategic Plan that sets out the framework for the Club's development over the next 5 years.

This is a 'living' document and will evolve with regular review. It does, however, set some targets and challenges to benchmark our progress in a difficult economic environment, where the support from our Governing Body (The RFU) for Community Rugby has been gradually reduced over the last ten years.

There are two strategic goals stated at the outset:

1. KRUF C aims to be Kendal's strongest and most inclusive sports facility, underpinned by good governance and leadership, with the financial strength to maintain and increase investment in the game of rugby to drive community participation and player development.
2. To create and maintain a rugby infrastructure that leads to KRUF C consistently being the number 1 ranked club in Cumbria and in the top 5 ranked clubs in Lancashire (we are currently 7th in Lancashire).

These are ambitious targets that key well with the aims and objectives set out in our Charity memorandum.

To deliver the above we identified the need to work in a number of areas of focus. There are 5 strategic priorities and 2 enabling priorities:

- Volunteers
- Community
- Facilities
- Player Offer
- Welfare
- Leadership
- Secure Finances

Each one of these is assigned to a Board member and reviewed at each main Board meeting to gauge progress. There is a lot of detail behind each category, outlining the current position and stating ambitions for the future.

As an example, the playing offer this season now includes an insurance for the three senior teams (1st and 2nd men and Women's) to cover loss of earnings in the event of an injury sustained while playing or training.

# KENDAL RUGBY UNION FOOTBALL CLUB LIMITED

## CHAIRMAN'S STATEMENT (CONTINUED)

***FOR THE YEAR ENDED 30 APRIL 2023***

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The Strategic Plan is not an end in itself, but a clear statement of the Club's intent and wish to work in a coordinated and professional manner. Regular review will allow us to judge our progress and prioritise our efforts to offer our local community the opportunity to participate both in rugby and social activities. We shall provide updates periodically throughout the year.

At the next AGM we hope to strengthen the Board with additional members who will bring a broad experience of managing businesses as well as a personal commitment to our Club. We have also recently appointed a Vice-Chair to increase our efficiency and start to plan for succession. It's been my privilege to be Chairman of the Club for 18 years and I realise that my sell-by date is approaching. The Board has agreed that, after the AGM, I shall remain on the Board for 12 months to ensure a smooth transition. There will be no let up in our determination to enable the Club to continue to flourish, both on and off the field.

.....

Stephen Green

**Chairman KRUF**

Date: 23 September 2023

# KENDAL RUGBY UNION FOOTBALL CLUB LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

**FOR THE YEAR ENDED 30 APRIL 2023**

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The trustees present their annual report and financial statements for the year ended 30 April 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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).

### **Objectives 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

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 30 APRIL 2023**

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### **Achievements and performance**

The 1st team finished 10th in the League and avoided relegation from Level 5 in the reorganised League now called Regional 1 North West.

We have had success throughout the Club, from the 5-year-old Little Stingers (free membership next year) to the slightly older Auld Greys who have a large regular following playing Walking Rugby. The AGs have led the way in expanding interest in Walking Rugby. They continue to recruit and promote fitness for the local population of over 50s.

Our 2nds finished 7th in their League, the Under18 Colts came 2nd in their League and won the Lancashire Cup. Our Women's Wasps finished 1st and were unbeaten in 12 games with 59 points. As a consequence, they were promoted to Championship North 2. We are proud that a good number of Kendal players were selected for the Cumbria County squads at Senior Men's, Women's and U17 level.

### **Financial review**

Three 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 rent (currently £17,500 per annum) for use of the facilities.

A separate set of accounts is prepared for the Trading Company and a summary is shown at Note 22.

Last year the Charity donated £50k to the Trading Company to pay legitimate expenses incurred by the Charity supporting its aims and objectives relating to the local community. Loans to the Trading Company decreased by £35k from £258k to £223k.

### **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.

### **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 a loss of £26k with a year-end valuation of £1,568k (2022: £1,594k)

### **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.

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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

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 30 APRIL 2023**

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### 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.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr R J Burrow	(Resigned 13 October 2022)
Dr S A Green	
Mr J Nicholson	
Mr A Perie	
Mr C I Wheatman	
Mr R Wilson	(Resigned 13 October 2022)
Mr W Coxon	
Mr C A Ross	(Resigned 13 October 2022)
Mr D Airey	
Mr M Bowerbank	
Mrs S J Selby	(Resigned 13 October 2022)
Mr C Hayton	(Appointed 13 October 2022)
Mrs CG Park	(Appointed 13 October 2022)

#### **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.



# KENDAL RUGBY UNION FOOTBALL CLUB LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

*FOR THE YEAR ENDED 30 APRIL 2023*

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The trustees' report was approved by the Board of Trustees.

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Dr S A Green

**Trustee**

Date: 23 September 2023

# KENDAL RUGBY UNION FOOTBALL CLUB LIMITED

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF KENDAL RUGBY UNION FOOTBALL CLUB LIMITED

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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 2023.

#### **Responsibilities and basis of report**

As the trustees of the charity (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 financial statements of the charity 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 financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable 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 that in any material respect:

- 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).

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 financial statements to be reached.

**Ian Thompson FCA**

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

Dated: 9 October 2023

# KENDAL RUGBY UNION FOOTBALL CLUB LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 30 APRIL 2023**

		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £
Notes							
<b>Income and endowments from:</b>							
Donations and legacies	<b>3</b>	1,600	-	1,600	4,815	-	4,815
Other trading activities	<b>4</b>	17,500	-	17,500	17,500	-	17,500
Investments	<b>5</b>	1,097	29,066	30,163	2,778	30,109	32,887
Other income	<b>6</b>	250	-	250	250	-	250
<b>Total income</b>		<b>20,447</b>	<b>29,066</b>	<b>49,513</b>	<b>25,343</b>	<b>30,109</b>	<b>55,452</b>
<b>Expenditure on:</b>							
Raising funds	<b>7</b>	4,353	12,682	17,035	3,816	11,492	15,308
Charitable activities	<b>8</b>	53,338	140,223	193,561	55,340	153,544	208,884
Other	<b>12</b>	-	-	-	802	-	802
<b>Total expenditure</b>		<b>57,691</b>	<b>152,905</b>	<b>210,596</b>	<b>59,958</b>	<b>165,036</b>	<b>224,994</b>
Net gains/(losses) on investments	<b>13</b>	-	(42,086)	(42,086)	-	(38,251)	(38,251)
<b>Net movement in funds</b>		<b>(37,244)</b>	<b>(165,925)</b>	<b>(203,169)</b>	<b>(34,615)</b>	<b>(173,178)</b>	<b>(207,793)</b>
Fund balances at 1 May 2022		260,885	9,112,377	9,373,262	295,500	9,285,555	9,581,055
<b>Fund balances at 30 April 2023</b>		<b>223,641</b>	<b>8,946,452</b>	<b>9,170,093</b>	<b>260,885</b>	<b>9,112,377</b>	<b>9,373,262</b>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# KENDAL RUGBY UNION FOOTBALL CLUB LIMITED

## BALANCE SHEET AS AT 30 APRIL 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	15		7,378,139		7,518,362
Investments	16		1,568,313		1,636,507
			<u>8,946,452</u>		<u>9,154,869</u>
<b>Current assets</b>					
Debtors	17	223,349		212,130	
Cash at bank and in hand		4,219		9,972	
		<u>227,568</u>		<u>222,102</u>	
<b>Creditors: amounts falling due within one year</b>	18	(3,927)		(3,709)	
Net current assets			<u>223,641</u>		<u>218,393</u>
<b>Total assets less current liabilities</b>			<u>9,170,093</u>		<u>9,373,262</u>
<b>Income funds</b>					
Unrestricted funds - designated	19		8,946,452		9,112,377
Unrestricted funds - general			223,641		260,885
			<u>9,170,093</u>		<u>9,373,262</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 April 2023.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

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

The financial statements were approved by the Trustees on 23 September 2023

.....  
Mr W Coxon  
Trustee

Company registration number 04740154

# KENDAL RUGBY UNION FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 APRIL 2023

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#### 1 Accounting policies

##### Charity information

Kendal Rugby Union Football Club Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Mint Bridge, Shap Road, Kendal, Cumbria, LA9 6NY.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

##### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

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.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# KENDAL RUGBY UNION FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 30 APRIL 2023**

### **1 Accounting policies**

**(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.

#### **1.5 Expenditure**

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.

#### **1.6 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line on buildings
Fixtures, fittings and equipment	25% straight line or 20% reducing balance

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### **1.7 Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

# KENDAL RUGBY UNION FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

### 1 Accounting policies

(Continued)

#### 1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.11 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.

# KENDAL RUGBY UNION FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

### 1 Accounting policies

(Continued)

#### 1.12 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.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### Critical judgements

##### Kendal Rugby (Trading) Limited

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.

### 3 Donations and legacies

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Donations and gifts	100	3,740
Grants receivable	1,500	1,075
	<u>1,600</u>	<u>4,815</u>
<b>Grants receivable for core activities</b>		
Gateway Group - volunteers grant	-	1,075
Charities Aid Foundation (CAF)	500	-
Charities Trust - volunteers grant	1,000	-
	<u>1,500</u>	<u>1,075</u>



# KENDAL RUGBY UNION FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 30 APRIL 2023**

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### **4 Other trading activities**

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Lease of property to Kendal Rugby (Trading) Limited	17,500	17,500

# KENDAL RUGBY UNION FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 30 APRIL 2023*

### 5 Investments

	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £
Interest receivable Kendal Rugby (Trading) Ltd	1,091	-	1,091	2,778	-	2,778
Investment portfolio dividends & interest	-	29,066	29,066	-	30,109	30,109
Interest receivable	6	-	6	-	-	-
	<u>1,097</u>	<u>29,066</u>	<u>30,163</u>	<u>2,778</u>	<u>30,109</u>	<u>32,887</u>

# KENDAL RUGBY UNION FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 30 APRIL 2023*

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**6 Other income**

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Environment Agency river guaging station	250	250

# KENDAL RUGBY UNION FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 30 APRIL 2023*

### 7 Raising funds

	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £
<u>Trading costs</u>						
Clubhouse premises costs	4,353	-	4,353	3,816	-	3,816
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<u>Investment management</u>	-	12,682	12,682	-	11,492	11,492
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	4,353	12,682	17,035	3,816	11,492	15,308
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

# KENDAL RUGBY UNION FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

### 8 Charitable activities

	Provision of rugby facilities 2023 £	Property 2023 £	Total 2023 £	Provision of rugby facilities 2022 £	Property 2022 £	Total 2022 £
Depreciation and impairment	-	140,223	140,223	-	153,544	153,544
Contributions to Kendal Rugby (Trading) Ltd to cover rugby expenses	50,000	-	50,000	51,000	-	51,000
Other rugby costs	-	-	-	1,261	-	1,261
	<u>50,000</u>	<u>140,223</u>	<u>190,223</u>	<u>52,261</u>	<u>153,544</u>	<u>205,805</u>
Share of support costs (see note 9)	192	-	192	115	-	115
Share of governance costs (see note 9)	3,146	-	3,146	2,964	-	2,964
	<u>53,338</u>	<u>140,223</u>	<u>193,561</u>	<u>55,340</u>	<u>153,544</u>	<u>208,884</u>
<b>Analysis by fund</b>						
Unrestricted funds - general	53,338	-	53,338	55,340	-	55,340
Unrestricted funds - designated	-	140,223	140,223	-	153,544	153,544
	<u>53,338</u>	<u>140,223</u>	<u>193,561</u>	<u>55,340</u>	<u>153,544</u>	<u>208,884</u>

# KENDAL RUGBY UNION FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

### 9 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Bank charges	144	-	144	97	-	97
Sundries	48	-	48	18	-	18
Audit fees	-	2,986	2,986	-	2,355	2,355
Accountancy	-	160	160	-	574	574
Legal and professional	-	-	-	-	35	35
	<u>192</u>	<u>3,146</u>	<u>3,338</u>	<u>115</u>	<u>2,964</u>	<u>3,079</u>
Analysed between						
Charitable activities	<u>192</u>	<u>3,146</u>	<u>3,338</u>	<u>115</u>	<u>2,964</u>	<u>3,079</u>

Governance costs includes payments to the independent examiner of £2920 (2022- £2000) for examination fees.

### 10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

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

### 11 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Total	<u>-</u>	<u>-</u>

There were no employees whose annual remuneration was more than £60,000.

### 12 Other

	Total	Unrestricted funds general
	2023 £	2022 £
HMRC late payment interest	-	2
Donation to Army Veterans charity	-	800
	<u>-</u>	<u>802</u>

# KENDAL RUGBY UNION FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

12 Other (Continued)

13 Net gains/(losses) on investments

	Unrestricted funds designated 2023 £	Unrestricted funds designated 2022 £
Revaluation of investments	(42,086)	(38,251)

14 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

15 Tangible fixed assets

	Freehold land and buildings £	Fixtures, fittings and equipment £	Total £
<b>Cost</b>			
At 1 May 2022	7,686,647	868,739	8,555,386
At 30 April 2023	7,686,647	868,739	8,555,386
<b>Depreciation and impairment</b>			
At 1 May 2022	434,695	602,329	1,037,024
Depreciation charged in the year	86,939	53,284	140,223
At 30 April 2023	521,634	655,613	1,177,247
<b>Carrying amount</b>			
At 30 April 2023	7,165,013	213,126	7,378,139
At 30 April 2022	7,251,952	266,410	7,518,362

All investments shown above are held at valuation.

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

16 Fixed asset investments

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
***FOR THE YEAR ENDED 30 APRIL 2023***

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# KENDAL RUGBY UNION FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 30 APRIL 2023**

### 19 Unrestricted funds - designated

These are unrestricted funds which are material to the charity's activities made up as follows:

	Movement in funds					Movement in funds				
	Balance at 1 May 2021	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 1 May 2022	Incoming resources	Resources expended	Revaluations, gains and losses	Balance at 30 April 2023
	£	£	£	£	£	£	£	£	£	£
Designated tangible fixed assets	7,671,906	-	153,544	-	-	7,518,362	-	(140,223)	-	7,378,139
Designated investment reserve	1,613,649	30,109	11,492	-	(38,251)	1,594,015	29,066	(12,682)	(42,086)	1,568,313
	<u>9,285,555</u>	<u>30,109</u>	<u>165,036</u>	<u>-</u>	<u>(38,251)</u>	<u>9,112,377</u>	<u>29,066</u>	<u>(152,905)</u>	<u>(42,086)</u>	<u>8,946,452</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.

# KENDAL RUGBY UNION FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

### 20 Analysis of net assets between funds

	Unrestricted funds 2023 £	Designated funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Designated funds 2022 £	Total 2022 £
Fund balances at 30 April 2023 are represented by:						
Tangible assets	-	7,378,139	7,378,139	-	7,518,362	7,518,362
Investments	-	1,568,313	1,568,313	42,492	1,594,015	1,636,507
Current assets/(liabilities)	223,641	-	223,641	218,393	-	218,393
	<u>223,641</u>	<u>8,946,452</u>	<u>9,170,093</u>	<u>260,885</u>	<u>9,112,377</u>	<u>9,373,262</u>

### 21 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
	<u></u>	<u></u>

#### Lessor

The amounts reflect 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.

At the reporting end date the charity had contracted with tenants for the following minimum lease payments:

	2023 £	2022 £
Within one year	17,500	17,500
Between two and five years	9,853	27,353
	<u>27,353</u>	<u>44,853</u>

### 22 Related party transactions

# KENDAL RUGBY UNION FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 APRIL 2023

#### 22 Related party transactions

(Continued)

##### *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.

Three of the current trustees of Kendal Rugby Union Football Club Limited (the "charity"), namely W Coxon, S Green, and A Perie are also directors of Kendal Rugby (Trading) Limited (the "trading company").

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 2023 was £17,500 (2022: £17,500). At 30 April 2023 the trading company owed the charity £Nil for lease rent (2022: £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 £2,136 were re-charged to the trading company via the inter-company loan account (2021: £1,432). 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 £Nil on behalf of the trading company but none was demanded from the trading company (2022: charity paid £3,815 on behalf of the trading company but none was demanded from the trading company).

During the year ended 30 April 2023 the charity donated £50,000 to the trading company to cover rugby expenses (2022: £50,000). The supporters club, which is part of the charity also donated £1,000 to the trading company.

During the year ended 30 April 2023 the loans to the trading company from the charity were reduced: the total outstanding at 30 April 2023 shown in Debtors is £222,799 (2021: £258,890). This consists of working capital loans amounting to £222,799 (2022: £210,398) for which no interest is charged and five loans amounting to £Nil (2022: £42,492) which are subject to loan interest payable at 5%. The interest received on the loans to the trading company for the year was £1,091 (2022: £2,778).

The results for the subsidiary are as follows;

	<u>2023</u>	<u>2022</u>
Aggregate capital and reserves	(£310,849)	(£279,078)
Profit or loss for the year	(£31,771)	£37,144

#### 23 Limited by guarantee

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