

RADFORD COMMUNITY SPORTS CIO
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

RADFORD COMMUNITY SPORTS CIO

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	F Holt MBA M Dunleavy Mr S Bennett
Charity number	1173909
Principal address	St Augustines Sports Centre Heathcote Street Coventry CV6 3BL
Independent examiner	Azets Audit Services 3Mc Middlemarch Business Park Siskin Drive Coventry CV3 4FJ

RADFORD COMMUNITY SPORTS CIO

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RADFORD COMMUNITY SPORTS CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 JULY 2020

The trustees present their report and financial statements for the year ended 31 July 2020.

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 Charities Act 2011 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

The charity's objects are the running of a local community sports facility.

Our aims are to increase participation in sports and activity programmes, promoting health and fitness to mainly under 16's and also encouraging people from the North west of Coventry including schools and community groups to engage in fitness & activities such as yoga, aerobics, martial arts, gymnastics and multi-gym classes and also learning and playing racket sports.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

The CIO continued to meet its objectives during the year and built on the foundations established in the first two years of operation.

From the end of March 2020 to the year end date the facility was closed during the first Covid lockdown.

Financial review

The financial statements show a deficit of £8,744 (2019 - £12,804 surplus). The results for the year reflect the impact of the Covid-19 pandemic that hit the country in March 2020 which resulted in the UK wide lockdown. After closing in March 2020 the facilities did not re-open until after the year end.

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has not yet been reached due to the financial impact of Covid 19 in the current period, but the charity is working towards achieving this level of reserves going forward.

At the balance sheet date the reserves totalled £13,836.

Risk evaluation

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The organisation is a charity incorporated organisation (CIO) and is registered with the Charity Commission and Companies House.

The trustees who served during the year and up to the date of signature of the financial statements were:

F Holt MBA

M Dunleavy

Mr S Bennett

RADFORD COMMUNITY SPORTS CIO

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

Recruitment and appointment of trustees

Trustees are selected according to those who have volunteered to serve the organisation and the local community. Potential trustees who come forward will be considered on merit and all are welcome to apply.

Organisational structure

The charity is headed by its trustees and has operational staff who specialise in the activities being undertaken by the CIO who run the organisation on a day to day basis.

Induction and training of new trustees

The charity encourages new trustees to apply and has an induction and training programme whereby new trustees will work closely with the existing ones for a period sufficient to enable them to obtain an understanding of the organisation.

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

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F Holt MBA

Trustee

Dated:

RADFORD COMMUNITY SPORTS CIO

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF RADFORD COMMUNITY SPORTS CIO

I report to the trustees on my examination of the financial statements of Radford Community Sports CIO (the charity) for the year ended 31 July 2020.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's financial statements carried out under section 145 of 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

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

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Robert Anderson FCA
Azets Audit Services

3Mc Middlemarch Business Park
Siskin Drive
Coventry
CV3 4FJ

Dated:

RADFORD COMMUNITY SPORTS CIO

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JULY 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<u>Income and endowments from:</u>			
Donations and legacies	2	26,348	-
Charitable activities	3	93,256	139,392
Other income	4	16,258	19,555
		<hr/>	<hr/>
Total income		135,862	158,947
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	5	144,606	146,143
		<hr/>	<hr/>
Net (expenditure)/income for the year/ Net movement in funds		(8,744)	12,804
		<hr/>	<hr/>
Fund balances at 1 August 2019		22,580	9,776
		<hr/>	<hr/>
Fund balances at 31 July 2020		13,836	22,580
		<hr/>	<hr/>

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

All income and expenditure derive from continuing activities.

RADFORD COMMUNITY SPORTS CIO

BALANCE SHEET

AS AT 31 JULY 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	9		7,439		9,156
Current assets					
Debtors	10	11,230		13,459	
Cash at bank and in hand		9,844		12,561	
		<u>21,074</u>		<u>26,020</u>	
Creditors: amounts falling due within one year	11	<u>(14,677)</u>		<u>(12,596)</u>	
Net current assets			6,397		13,424
Total assets less current liabilities			<u>13,836</u>		<u>22,580</u>
Income funds					
Unrestricted funds			13,836		22,580
			<u>13,836</u>		<u>22,580</u>

The financial statements were approved by the Trustees on

.....
F Holt MBA
Trustee

RADFORD COMMUNITY SPORTS CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

Charity information

Radford Community Sports CIO is a Charitable Incorporated Organisation which was registered with the Charity Commission on 24th July 2017 and commenced trading on 6 November 2017.

1.1 Accounting convention

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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. The principal accounting policies adopted are set out below.

1.2 Going concern

In early March 2020, the Covid-19 virus was declared a global pandemic. Business continuity, including supply chains and consumer demand across a number of industries and countries could be severely impacted for months or more, as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic.

The trustees monitor the ever changing situation and continue to evaluate the charity's ability to continue to operate on an ongoing and foreseeable basis.

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.

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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

There were no restricted funds or endowment funds.

RADFORD COMMUNITY SPORTS CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

(Continued)

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.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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.

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

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:

Fixtures and fittings

Over the lease term

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 net income/(expenditure) for the year.

1.7 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).

1.8 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.

RADFORD COMMUNITY SPORTS CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

(Continued)

1.9 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.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

RADFORD COMMUNITY SPORTS CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

2 Donations and legacies

	Unrestricted funds	Total
	2020 £	2019 £
Grants received	22,270	-
Donated goods and services	4,078	-
	<u>22,270</u>	<u>-</u>
Grants receivable for core activities		
HMRC Job Retention Scheme	22,270	-
	<u>22,270</u>	<u>-</u>
Donated goods and services		
Donated goods and services relates to rent reductions granted during the Covid-19 pandemic.		

3 Charitable activities

	2020 £	2019 £
Sports facilities income	93,256	139,392
	<u>93,256</u>	<u>139,392</u>

4 Other income

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Other income	10,098	13,420
Room hire	6,160	6,135
	<u>16,258</u>	<u>19,555</u>

RADFORD COMMUNITY SPORTS CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

5 Charitable activities

	2020 £	2019 £
Staff costs	68,176	66,385
Wages and contractors	6,516	9,661
Purchases	5,203	6,760
Stationery	530	285
Motor and travel	205	1,592
Repairs	8,297	7,006
Cleaning	1,898	1,818
Sundries	765	1,673
Utilities	14,765	11,270
Hire of equipment	1,152	1,152
Adverts	-	13
Donations	-	770
	<u>107,507</u>	<u>108,385</u>
Share of support costs (see note 6)	33,969	35,278
Share of governance costs (see note 6)	3,130	2,480
	<u>144,606</u>	<u>146,143</u>

6 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Legal fees	-	-	-	57	-	57
Rent	24,480	-	24,480	24,160	-	24,160
Insurance	2,310	-	2,310	2,829	-	2,829
Rates	5,462	-	5,462	6,649	-	6,649
Depreciation	1,717	-	1,717	1,583	-	1,583
Accountancy fees	-	1,570	1,570	-	2,210	2,210
Clerical assistance	-	1,560	1,560	-	270	270
	<u>33,969</u>	<u>3,130</u>	<u>37,099</u>	<u>35,278</u>	<u>2,480</u>	<u>37,758</u>
Analysed between						
Charitable activities	<u>33,969</u>	<u>3,130</u>	<u>37,099</u>	<u>35,278</u>	<u>2,480</u>	<u>37,758</u>

Governance costs includes payments to the accountants £1,570 (2019 - £2,210) for examination and accounts preparation fees.

RADFORD COMMUNITY SPORTS CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

7 Trustees

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

No trustee received any expenses from the charity during the year.

8 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Management	2	2
Services	1	1
	<hr/>	<hr/>
Total	3	3
	<hr/>	<hr/>
Employment costs	2020	2019
	£	£
Wages and salaries	62,040	62,086
Social security costs	6,136	4,299
	<hr/>	<hr/>
	68,176	66,385
	<hr/>	<hr/>

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

9 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 August 2019	11,094
	<hr/>
At 31 July 2020	11,094
	<hr/>
Depreciation and impairment	
At 1 August 2019	1,938
Depreciation charged in the year	1,717
	<hr/>
At 31 July 2020	3,655
	<hr/>
Carrying amount	
At 31 July 2020	7,439
	<hr/>
At 31 July 2019	9,156
	<hr/>

RADFORD COMMUNITY SPORTS CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

10 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Other debtors	9,935	9,935
Prepayments and accrued income	1,295	3,524
	<u>11,230</u>	<u>13,459</u>

11 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	2,289	3,731
Trade creditors	4,599	-
Other creditors	3,949	4,560
Accruals and deferred income	3,840	4,305
	<u>14,677</u>	<u>12,596</u>

12 Related party transactions

At the year end there was a balance owed by Radford Community Sports Limited, a company in which two employees of the CIO are directors and stakeholders, in the sum of £9,935 (2019 - £3,875 was owed by the CIO). This loan arose due to the fact that the CIO commenced trading and was awaiting the processing of documentation to enable its bank account to be opened. This meant that some preliminary trading expenses were met by the company, and once the bank account was opened the company advanced some initial funds to meet the CIO working capital requirements. This loan balance owed by the CIO was subsequently repaid in full but further payments were then made out of the incorrect entity and hence the CIO is owed an amount at the balance sheet date. The amount was repaid in full on 13 August 2020.