

**Kidsgrove Sports Centre Community Group (CIO)**

Fourth Avenue  
Kidsgrove  
Staffordshire  
ST7 1DR

# **Annual Report and Financial Statements 23rd October 2021 - 2022**

**Charity Number: 1175301**

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## Legal and Administrative Information

### Reference and Administrative Information

**Charity Name:** Kidsgrove Sports Centre Community Group (CIO)

**Charity Registration Number:** 1175301

**Registered Office:** Fourth Avenue, Kidsgrove, Staffordshire, ST7 1DR

**Trustees:**

Mark Clews (Chair)

David Rigby (Treasurer)

Amy Jackson (Secretary)

Ray Williams

Gillian Burnett

Natalia Stothard

Geoff Beadle

Kerry Thomas

**Bankers:** Barclays Bank, 90 Liverpool Rd, Kidsgrove, Stoke-on-Trent, ST7 1DZ

**Independent Examiner:** Daryl Denson ACMA, VAST, The Dudson Centre, Stoke-on-Trent, ST1 5DD



## Chairs Statement

I am delighted to report that on July 25th 2022 Kidsgrove Sports Centre reopened to the public, near 5 years since closure and bringing about the achievement of one of our main initial aims.

At the time of writing the external market conditions are exceptionally challenging with energy prices 400% more than projected initially and placing immense pressure on the organisation. These pressures are not unique to Kidsgrove Sports Centre as they are being felt right across the leisure industry.

Since reopening the centre has exceeded all expectations with membership numbers above target, combined with usage levels from both community and charitable organisations exceptionally positive and above target. Despite these successes, we are expecting a deficit due to the increased utilities pressures.

The facility has created local employment opportunities for over 20 people, thus adding to the overall wider economic returns to the local community. In addition to this the facility has provided a huge amount of social benefit, providing opportunities to improve social, mental and physical wellbeing. This includes activities over half term, walking football, community life guard and volunteer scheme to name just a few.

Speaking of volunteering. We have been fortunate to be able to increase the number of people actively wanting to volunteer. We have initially focused on taking advantage of existing skills base, however we are now looking to provide opportunities for volunteers to achieve new skills and training - providing increased opportunities, should these wish to be accepted. Our community life-guard scheme has just been completed with the first 5 completing the course and now holding a life-guard qualification.

This is a really exciting time for the community and a real testament of the power of the local community. The support and passion amongst the local community is truly remarkable and it should never be underestimated the impact that this has played in getting us into the position that we find ourselves in today.

It is an exciting new era of community led leisure provision for Kidsgrove!

M Clews

M Clews

Chair

## Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 23 October 2023.

## Charitable Purpose

The objects of the CIO is for the public benefit to provide facilities for recreation, advancement of amateur sports and other leisure-time occupation in the interests of social welfare with the object of improving the conditions of life for the communities of Kidsgrove and surrounding areas within North Staffordshire and South Cheshire.

## Governance

The charity was registered as a Charitable Incorporated Organisation on 23 October 2017

The Kidsgrove Sports Centre Community Group (CIO) Governance is within accordance with the conditions set out within the founding constitution, amended 3 July 2023. Details of the trustees and specific organisational roles are listed on Page 2.

There have been no changes to the Governance during this reporting period.

## Public Benefit

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

## Achievements and performance

This section will consider the different aims which were set by the Kidsgrove Sports Centre Community Group (CIO) for the 2021 - 2022 period. There is a commentary against the performance of each stated aim.

### Implement a sustainable operating model

The current economic climate is presenting increased pressures on the leisure industry as a whole. This is largely due to the increase in the cost of utilities which are currently 400% higher than initially projected. The market is exceptionally volatile and the new starting position at a period of higher prices, has meant that entering into any fixed contract is unsustainable. As a result, we are using an expert energy broker to manage this risk and best limit the impact that this factor has on the organisation.

Initial performance against targets has been pleasing and the trajectory is in line with what will be required to become sustainable within 3 years or less. There is some provision agreed should a short fall exist in this coming year, however the organisation is committed to using this as a fund of last resort.

Reviews of all cost and revenue centres are being undertaken on a monthly basis, with it being a key focus of the Trustees and Management Team to ensure the model is the most efficient as possible.

The economic position is clearly a huge concern and risk. This is the largest threat to the charity and its operation at the current point.

### Operate for the benefit of the community

Kidsgrove Sports Centre is open and accessible to the public 7 days a week. All facilities and services are accessible to all, with a transparent pricing and access policy. The facility offers access to leisure facilities which are affordable, but most important inclusive and accessible to all.

Initial usage is above target, within all groups. This is positive and suggests that the facility is operating within its charitable aims and objectives, increasing participation and reducing inequalities.

**Reopening Kidsgrove Sports Centre**

This objective was achieved on July 25th 2022, when Kidsgrove Sports Centre reopened to the public.



## Financial review

Please refer to the financial information contained on pages

### Policy on reserves

Kidsgrove Sports Centre Community Group (CIO) will hold a level of reserves which allows it to deliver its agreed charitable aims over the course of a financial year and in addition to this will retain a prudent level of contingency funding to cover unexpected costs as they arise.

This statement has also been considered in light of the organization being a new start up. Kidsgrove Sports Centre Community Group (CIO) will set a prudent budget on an annual basis, linked to the anticipated revenues, costs and realistic demands for the year ahead. In the first year of operation the organisation will have minimal reserves, whilst it becomes operational and building up the reserves to the anticipated levels within this document.

The Kidsgrove Sports Centre Community Group will aim to set aside

reserves of the following % of revenue.

Year 0 - £0 reserves as we are a start up

Year 1 - 1% of annual revenue

Year 2 - 3% of annual revenue

Year 3 - 5% of annual revenue

Year 4 - 7% of annual revenue

Year 5 - onwards - 10% of annual revenue

The current level of free reserves available to the charity is £64,399 (2021:£19,985)

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

## **Kidsgrove Sports Centre Community Group**

### **Independent Examiner's Report to the trustee of Kidsgrove Sports Centre Community Group**

I report to the trustees on my examination of the accounts of Kidsgrove Sports Centre Community Group for the year ended 23 October 2022.

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

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

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

#### **Independent examiner's statement**

Since Kidsgrove Sports Centre Community Group's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of , which is one of the listed bodies.

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

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

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

.....  
Daryl Denson ACMA  
Vast  
The Dudson Centre  
Hanley  
ST1 5DD

Date:.....

# Kidsgrove Sports Centre Community Group

## Statement of Financial Activities for the Year Ended 23 October 2022

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
<b>Income and Endowments from:</b>				
Donations and legacies		214,753	9,270	224,023
Other trading activities		185,522	-	185,522
Investment income	4	25	-	25
Total income		400,300	9,270	409,570
<b>Expenditure on:</b>				
Raising funds - direct costs		(106,843)	(9,270)	(116,113)
Raising funds - support costs		(21,394)	-	(21,394)
Total expenditure		(128,237)	(9,270)	(137,507)
Net income		272,063	-	272,063
Net movement in funds		272,063	-	272,063
<b>Reconciliation of funds</b>				
Total funds brought forward		19,985	-	19,985
Total funds carried forward	18	292,048	-	292,048
	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
<b>Income and Endowments from:</b>				
Donations and legacies		3,062	9,230	12,292
Total income		3,062	9,230	12,292
<b>Expenditure on:</b>				
Raising funds - direct costs		(75)	(9,230)	(9,305)
Total expenditure		(75)	(9,230)	(9,305)
Net income		2,987	-	2,987
Net movement in funds		2,987	-	2,987
<b>Reconciliation of funds</b>				
Total funds brought forward		16,998	-	16,998
Total funds carried forward	18	19,985	-	19,985

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2021 is shown in note 18.

The notes on pages 13 to 21 form an integral part of these financial statements.

# Kidsgrove Sports Centre Community Group

(Registration number: 1175301)  
Balance Sheet as at 23 October 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	12	227,649	-
<b>Current assets</b>			
Stocks	13	1,935	-
Debtors	14	31,917	810
Cash at bank and in hand	15	<u>170,661</u>	<u>19,995</u>
		204,513	20,805
<b>Creditors: Amounts falling due within one year</b>	16	<u>(10,114)</u>	<u>(820)</u>
<b>Net current assets</b>		<u>194,399</u>	<u>19,985</u>
<b>Total assets less current liabilities</b>		422,048	19,985
<b>Creditors: Amounts falling due after more than one year</b>	17	<u>(130,000)</u>	<u>-</u>
<b>Net assets</b>		<u>292,048</u>	<u>19,985</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>292,048</u>	<u>19,985</u>
<b>Total funds</b>	18	<u>292,048</u>	<u>19,985</u>

The financial statements on pages 11 to 21 were approved by the trustee, and authorised for issue on .....  
and signed on behalf by:

.....  
Mark Clews  
Trustee

# Kidsgrove Sports Centre Community Group

## Notes to the Financial Statements for the Year Ended 23 October 2022

### 1 Accounting policies

#### Statement of compliance

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

#### Basis of preparation

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

#### Going concern

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

#### Governance costs

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

#### Government grants

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

#### Taxation

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

#### Tangible fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Sporting Equipment	Straight Line 5 years
Office Equipment	Straight Line 4 years
Computer Equipment	Straight Line 3 years

## **Kidsgrove Sports Centre Community Group**

### **Notes to the Financial Statements for the Year Ended 23 October 2022 (continued)**

#### **Stock**

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

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

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

#### **Cash and cash equivalents**

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

#### **Trade creditors**

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

are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Borrowings**

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

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

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

#### **Pensions and other post retirement obligations**

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## Kingsgrove Sports Centre Community Group

### Notes to the Financial Statements for the Year Ended 23 October 2022 (continued)

#### 2 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2022 £
Donations and legacies;			
Donations to major appeals	23,133	-	23,133
Donations from companies, trusts and similar proceeds	66,817	-	66,817
Donations from individuals	14,197	-	14,197
Gift aid reclaimed	2,140	-	2,140
Grants, including capital grants;			
Government grants	78,396	9,270	87,666
Grants from other charities	30,070	-	30,070
	<u>214,753</u>	<u>9,270</u>	<u>224,023</u>
	Unrestricted funds General £	Restricted funds £	Total 2021 £
Donations and legacies;			
Donations from individuals	3,062	-	3,062
Grants, including capital grants;			
Government grants	-	9,230	9,230
	<u>3,062</u>	<u>9,230</u>	<u>12,292</u>

#### 3 Income from other trading activities

	Unrestricted funds General £	Total 2022 £
Trading income;		
Vending machine sales	3,147	3,147
Sales of goods and services	15,469	15,469
Advertising revenue	417	417
Membership subscriptions	133,917	133,917
Swimming	24,897	24,897
Classes	1,544	1,544
Swimming Lessons Private	2,073	2,073
Sports hall/gym/room hire	4,058	4,058
	<u>185,522</u>	<u>185,522</u>

# Kidsgrove Sports Centre Community Group

## Notes to the Financial Statements for the Year Ended 23 October 2022 (continued)

### 4 Investment income

	Unrestricted funds General £	Total 2022 £
Interest receivable and similar income;		
Interest receivable on bank deposits	25	25
	<u>25</u>	<u>25</u>

### 5 Raising funds direct costs

#### a) Costs of trading activities

	Note	Unrestricted funds General £	Restricted funds £	Total 2022 £
Costs of goods sold		3,765	-	3,765
Legal fees		3,208	-	3,208
Marketing and publicity		5,498	-	5,498
Depreciation, amortisation and other similar costs		9,256	-	9,256
Other direct costs of activities for generating funds		4,999	9,270	14,269
		<u>26,726</u>	<u>9,270</u>	<u>35,996</u>
	Note	Unrestricted funds General £	Restricted funds £	Total 2021 £
Other direct costs of activities for generating funds		75	9,230	9,305
		<u>75</u>	<u>9,230</u>	<u>9,305</u>



# Kidsgrove Sports Centre Community Group

## Notes to the Financial Statements for the Year Ended 23 October 2022 (continued)

### 6 Raising funds support costs

	Note	Unrestricted funds General £	Total 2022 £
Audit & Accountancy fees		195	195
Charitable and Political Donations		250	250
Entertainment - 0%		20	20
Postage, Freight & Courier		11	11
Admin expenses		150	150
Insurance		1,353	1,353
Interest Paid		7,390	7,390
Light, Power, Heating		1,334	1,334
Water bill		76	76
Operating Lease Payments		1,498	1,498
Printing & Stationery		104	104
IT Software and Consumables		151	151
Repairs & Maintenance		1,489	1,489
Uniforms		1,413	1,413
Subscriptions		661	661
Telephone & Internet		247	247
Health & Safety Expenses		2,046	2,046
Bank processing charges		1,206	1,206
Governance costs		1,800	1,800
		<u>21,394</u>	<u>21,394</u>

### 7 Analysis of governance and support costs

#### Governance costs

	Unrestricted funds General £	Total 2022 £
Independent examiner fees		
Examination of the financial statements	1,800	1,800
	<u>1,800</u>	<u>1,800</u>

## Kidsgrove Sports Centre Community Group

### Notes to the Financial Statements for the Year Ended 23 October 2022 (continued)

#### 8 Trustees remuneration and expenses

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

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

#### 9 Staff costs

The aggregate payroll costs were as follows:

	<b>2022</b> <b>£</b>
<b>Staff costs during the year were:</b>	
Wages and salaries	78,034
Social security costs	303
Pension costs	<u>1,780</u>
	<u><u>80,117</u></u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year was as follows:

	<b>2022</b> <b>No</b>
Direct Staff	<u><u>6</u></u>

No employee received emoluments of more than £60,000 during the year

#### 10 Independent examiner's remuneration

	<b>2022</b> <b>£</b>
Examination of the financial statements	<u><u>1,800</u></u>

# Kidsgrove Sports Centre Community Group

## Notes to the Financial Statements for the Year Ended 23 October 2022 (continued)

### 11 Taxation

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

### 12 Tangible fixed assets

	Office equipment £	Computer equipment £	Sports Equipment £	Total £
<b>Cost</b>				
Additions	11,539	6,776	218,591	236,906
At 23 October 2022	11,539	6,776	218,591	236,906
<b>Depreciation</b>				
Charge for the year	596	1,198	7,463	9,257
At 23 October 2022	596	1,198	7,463	9,257
<b>Net book value</b>				
At 23 October 2022	10,943	5,578	211,128	227,649

### 13 Stock

	2022 £
Stocks	1,935

### 14 Debtors

	2022 £	2021 £
Trade debtors	103	810
Prepayments	24,877	-
VAT recoverable	6,937	-
	31,917	810

### 15 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	235	-
Cash at bank	170,426	19,995
	170,661	19,995

# Kidsgrove Sports Centre Community Group

## Notes to the Financial Statements for the Year Ended 23 October 2022 (continued)

### 16 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	8,314	820
Accruals	1,800	-
	<u>10,114</u>	<u>820</u>

### 17 Creditors: amounts falling due after one year

	2022 £
Other loans	<u>130,000</u>

### 18 Funds

	Balance at 24 October 2021 £	Incoming resources £	Resources expended £	Balance at 23 October 2022 £
<b>General</b>				
General Fund	19,985	400,300	(128,237)	292,048
<b>Restricted funds</b>				
Big Lottery	<u>-</u>	<u>9,270</u>	<u>(9,270)</u>	<u>-</u>
<b>Total funds</b>	<u>19,985</u>	<u>409,570</u>	<u>(137,507)</u>	<u>292,048</u>
	Balance at 24 October 2020 £	Incoming resources £	Resources expended £	Balance at 23 October 2021 £
<b>General</b>				
General Fund	16,998	3,062	(75)	19,985
<b>Restricted</b>				
Restricted Fund	<u>-</u>	<u>9,230</u>	<u>(9,230)</u>	<u>-</u>
<b>Total funds</b>	<u>16,998</u>	<u>12,292</u>	<u>(9,305)</u>	<u>19,985</u>

## Kingsgrove Sports Centre Community Group

### Notes to the Financial Statements for the Year Ended 23 October 2022 (continued)

#### 19 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 23 October 2022 £
Tangible fixed assets	227,649	227,649
Current assets	197,576	197,576
Current liabilities	(3,177)	(3,177)
Creditors over 1 year	(130,000)	(130,000)
Total net assets	<u>292,048</u>	<u>292,048</u>
	Unrestricted funds General £	Total funds at 23 October 2021 £
Current assets	20,805	20,805
Current liabilities	(820)	(820)
Total net assets	<u>19,985</u>	<u>19,985</u>

#### 20 Related party transactions

There were no related party transactions in the year.