



We Are Martial Arts

Trustees' Annual Report and Financial Statements

For year ended 30 April 2023

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This Report

In this report, the trustees present their annual report together with 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 Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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).

Reference and Administrative Information

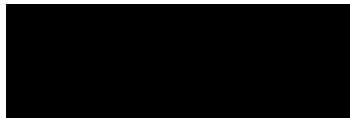
Charity name We Are Martial Arts

Charity alternative name WAMA

Charity number SC048286

Date of registration 11 April 2018

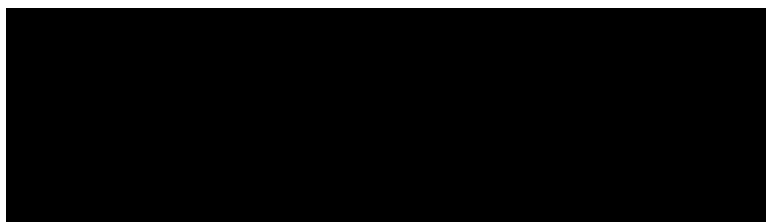
Registered address We Are Martial Arts



Website www.wama.org.uk

Facebook <https://www.facebook.com/wamauk/>

The following served as charity trustees during the year and up to the date of this report:



Structure, Governance and Management

Constitution

We Are Martial Arts (WAMA) is a Scottish Incorporated Charitable Organisation (SCIO) registered on 11 April 2018 and is governed by its written constitution. From 30 April 2020 until 21 February 2021, it had a two-tier structure, with a board of trustees and a body of members. From 22 February 2021, the board of trustees unanimously voted to change WAMA's structure to a single-tier SCIO with a revised constitution.

Appointment of trustees (and membership)

Trustees are elected at the annual general meeting by the board (and any additional members for when WAMA had a two-tier structure). Trusteeship is open to all who can significantly help advance WAMA's charitable purposes. Candidate trustees are reviewed by the board of trustees for eligibility before being put forward for election. The charity must have a minimum of three trustees, and no more than ten.

Charitable purposes, activities and achievements

Charitable purposes

The charity's purposes are:

- (a) The advancement of public participation in sport
- (b) The provision of recreational facilities, or the organization of recreational activities with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended

WAMA exists to improve the physical and mental wellbeing of local communities through martial arts, and sports by providing:

- (1) a programme of relevant activities; and
- (2) the facilities to carry out such activities.

Through lowering the barriers to participation, WAMA aims to help all members of the local community but especially those from underrepresented groups such as: girls, women, those in low income situations, BAME communities and the elderly. WAMA's long term goals include establishing programmes of activities tailored to serve local communities and improve their wellbeing through the many benefits of martial arts.

Activities and achievements

WAMA remains a community-oriented martial arts hub, encouraging children and adults from all walks of life to improve their wellbeing through the practice of martial arts, sports, and fitness-related activities. WAMA has continued to support the local community through its activities, and this has been a steady year for the charity. WAMA's blue sky aim remains to make martial arts and sports activities affordable for all.

Financial review

WAMA's main source of income is typically class fees, ranging from "pay as you go" options to monthly memberships for kids, youth, adults and concessions for students. At the discretion of the charity's board, these fees are waived for the unemployed and for those in exceptional financial hardship. This year however, funding was WAMA's main source of income. With a total income of **£22,872 (2022: £23,035)**, **94% (£21,472)** was from class fees and **6% (£1,400)** from funding.

WAMA's long-term goal remains to substantially reduce class fees, with the ultimate "blue sky" goal of eliminating fees altogether. This is only possible with increased funding support. WAMA hopes to obtain further funding in the coming year to continue reducing class fees.

The charity's main costs this year come from fulfilling its charitable purposes, namely: (1) providing a programme of activities (coach hire) and (2) the facilities in which to host them (premises rent and operation costs). Additionally, the gym space has required some improvement. The total cost of charitable activities has reduced compared to last year at **£35,785 (2022: £40,804)**. The charity's governance costs at **£250** are negligible in comparison, resulting in a total expenditure of **£36,035 (2022: £41,449)** for this year.

Reserves policy

The trustees' policy is to maintain unrestricted funds (i.e., funds not committed or invested in fixed assets) at a level that equates to a minimum of **£1,500**. This has decreased from previous years due to the lack of funding received this year and equates to enough to cover one month's worth of operational costs. The charity's unrestricted reserves as of 30 April 2023 totalled **£5,110 (2022: £18,273)**, which is **above** the required level that is considered acceptable by the board of trustees.

Future plans

Despite being a small charity, WAMA's ambitions remain big. We will continue to work towards our "blue sky" goals of improving the wellbeing of local communities through accessible martial arts and sports activities, and of providing community-oriented facilities in which to host these activities.

WAMA's plans for the coming year remain much the same as previous years, and include, but are not limited to:

- Continue engaging with local community groups, schools, youth groups and similar
- Extend and expand programme of activities
- Apply for funding to, for example, reduce class fees and provide equipment and travel bursaries
- Find ways to reduce the operational costs of charitable activities
- Create programmes of activities tailored to help reduce the barrier of participation from under-represented groups
- Promote the benefits of engaging in martial arts, sports and related activities.

Statement of trustees' responsibilities

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

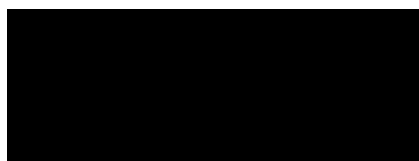
The law applicable to charities in Scotland requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the trustees on 15 July 2024 and signed on their behalf by:



Chair

Independent Examiner's Report to the Trustees of We Are Martial Arts SCIO

I report on the financial statements of the charity for the year ended 30 April 2023, which are set out on pages eight to thirteen.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investments (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of Independent Examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the financial statements.

Independent Examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



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Dated: 15 July 2024

Receipts and Payments Account for the year ended 30 April 2023

	Unrestricted funds	
	Year ending 30 April 2023	Year ending 30 April 2022
Receipts		
Funding grants and donations	1,400	2,100
Charitable activities - class fees and external events	21,472	20,935
Rental Income	0	0
Governance operations - bank rewards, etc.	0	0
Total receipts	22,872	23,035
Payments		
Cost of charitable activities	35,785	40,804
Governance costs	250	645
Total payments	36,035	41,449
Surplus/(Deficit) for the year	(13,163)	(18,414)

Statement of Balances as of 30 April 2023

BANK AND CASH IN HAND

	Unrestricted funds	Unrestricted funds
	2023	2022
Opening balances	18,273	36,687
Surplus / (deficit) for the year	(13,163)	(18,414)
Closing cash at bank and in hand	5,110	18,273

The notes on pages 10-13 form an integral part of these accounts.

Approved by the trustees on 15 July 2024 and signed on their behalf by



Chair

Notes to the financial statements for the year ended 30 April 2023

1. Accounting policies

Charity information

We Are Martial Arts SCIO is a Scottish Charitable Incorporated Organisation.

1.1 Basis of accounting

These accounts have been prepared on the Receipts and Payments basis in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

1.2 Nature and purpose of funds

Unrestricted funds are those that may be used at the discretion of the trustees in furtherance of the objects of the charity. The trustees maintain a single unrestricted fund for the day-to-day running of the club. This is currently the only type of fund held by the charity.

1.3 Grants and donations

WAMA received several Small Business Relief funding grants from Falkirk Council. WAMA did not receive any donations or gifts this year.

1.4 Charitable activities income

Class Fees

We charge the public fees for participating in classes and activities in WAMA's Community Martial Arts Hub. This is so the charity has a minimal baseline income to become operational and remain operational whilst we become further established and receive funding support.

Class fee options range from "pay as you go", to monthly memberships, for kids (6 - 11 years), youth (12 - 17 years), adult (18 + years) and concessions (students). We also offer free classes for the unemployed and those in exceptionally difficult financial situations. We also offer beginner courses, paid for in cash or by direct debit. Very occasionally we have had to refund course fees due to cancellations, and a few memberships that were erroneously charged twice.

Thanks to the relief funds WAMA received this year, it was possible to maintain the reduced monthly membership prices. Class fees are very affordable for the number of classes available e.g. 1 adult or kids' class costs less than £1.

Cash fee payments

We accept cash payments for "pay as you go" memberships. Though rare, we also accept cash monthly payments. All cash transactions are recorded.

Direct debit fee payments

Monthly memberships are paid for by direct debit and processed by GoCardless. This incurs a fee of 1% per payment or £0.2, whichever is the greater. GoCardless became legally required to charge VAT on its fees from September 2020. WAMA became exempt from paying VAT on GoCardless fees from October 2020.

1.5 Charitable activities expenditure

Rent and Non-Domestic rates

WAMA's Community Martial Arts Hub is in a very good location for being accessible to communities within and outwith Falkirk. One of WAMA's largest monthly costs is rent for the Community Hub premises.

Class management system costs

We use a discounted club management software system to manage class memberships.

Equipment and daily running costs

We purchased additional training equipment to prepare use of WAMA's Community Hub premises for post-lockdown Covid-19 measures. We also ordered wipeable canvas floor and wall coverings from Rebel Canvas, to further ensure safe use of the premises after the first lockdown.

Audit and accountancy and bank costs

Audit and accountancy costs come from hiring an Independent Examiner to audit and assess WAMA's annual report and accounts.

Coach fees and expenses

WAMA does not employ any staff. We hire a freelance Head Coach and, if needed, any additional specialist coaches to inform and support our programme of activities. Our Head Coach is responsible for overseeing the daily activities of the Community Hub. Their expertise and knowledge inform the types of activities WAMA undertakes. For the many hours our Head Coach works for WAMA, they also volunteer to work many hours for free, to help support the charity and all its activities. All other coaches and assistant coaches are volunteers and as such do not get paid.

1.6 Governance costs

The charity has minimal governance costs. To date, these are: an annual fee to maintain a registered address and independent examination fees.

1.7 Taxation

The charity is not liable to income tax or capital gains tax on its charitable activities. The charity is not VAT registered, and any expenditure includes any VAT charged.

2. Grants and donations

	Unrestricted funds	Unrestricted funds
	2023	2022
Funding grants	1,400	2,100
Non-gift aid donations	-	-
Total income from grants and donations	1,400	2,100

3. Charitable activities

	Unrestricted funds	Unrestricted funds
	2023	2022
Class fees direct debit	20,660	22,131
Class fees cash	1,142	254
Class fee refunds	(330)	(1,450)
Total income from charitable activities	21,472	20,935

4. Charitable activities

	Unrestricted funds	Unrestricted funds
	2023	2022
Coach fees	18,640	16,550
Class management system	780	696
Go Cardless fees	369	307
Equipment	145	4,554
Total charitable activities costs	19,934	22,107

5. Support and governance costs

	Support costs	Governance costs	Unrestricted funds
			2022
Community hub rent	13,080	-	13,080
Premises costs	881	-	881
Operational costs	1,764	-	1,764
Media and publicity	-	-	-
Bank charges	127	-	127
Insurance	-	-	-
Independent Examination	-	250	250
Registered address fees	-	-	-
Total support and governance costs	15,852	250	16,102

For the year ended 30 April 2022:

	Support costs	Governance costs	Unrestricted funds
			2021
Community hub rent	12,000	-	12,000
Premises costs	2,327	-	2,327
Operational costs	3,526	-	3,526
Media and publicity	48	-	48
Bank charges	178	-	178
Insurance	618	-	618
Independent Examination	-	250	250
Registered address fees	-	395	395
Total support and governance costs	18,697	645	19,342

All support costs are allocated on a direct basis.

6. Transactions with trustees or connected persons

No charity trustee or person connected with a charity trustee received remuneration during the year. No charity trustee received expenses during the year.

7. Employees

The charity had no employees during the year (2022: none).