

**REGISTERED COMPANY NUMBER: 10368900 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1172259**

**Report of the Trustees and  
Unaudited Financial Statements for the Year Ended 30 June 2019  
for  
Lymm RFC Limited**

**Lymm RFC Limited**

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for the Year Ended 30 June 2019**

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**Report of the Trustees  
for the Year Ended 30 June 2019**

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of Lymm RFC Limited for the year ending 30 June 2018. The Trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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 2015).

Lymm RFC Limited (LRL, the Charity or the Company) was formed as a result of the restructure of Lymm Rugby Football Club (a Community Amateur Sports Club). As part of this restructure, LRL has two wholly owned subsidiaries Lymm Beechwood Limited (LBL, a trading subsidiary) and Lymm Garden Limited (LGL, a non-trading subsidiary).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The principal purpose of the company, as set out in Article 2 of its Articles of Association, are:

- (a) To promote community participation in healthy recreation by providing facilities for playing rugby football union and other sports; and
- (b) To provide and assist in providing facilities for sport, recreation or other leisure time occupation who have need for 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.

**Report of the Trustees  
for the Year Ended 30 June 2019**

**OBJECTIVES AND ACTIVITIES**

**Significant activities**

We have a large number of members and membership is open to anyone interested in sports or social fellowship regardless of sex, age, disability, ethnicity, nationality, sexual orientation, religion or other beliefs.

**Rugby Section**

LRL utilises three full sized rugby pitches, including one Artificial Grass Pitch (AGP) and three training areas suitable for mini-rugby matches together with associated car parking. We presently support 3 senior rugby teams, each of which competes within league structures, and mini and junior rugby age groups from U5 to U18. Competitive fixtures take place between September and May in each year on a Saturday and a Sunday, with occasional week night fixtures under flood lights. Training for senior teams typically takes place on Tuesday and Thursday evenings and for mini and junior rugby on a Sunday morning. The pitches are available for teams to practice on and train at other times throughout the week. There is also an established and growing Touch Rugby section which is part of the Rugby Football Union's (RFU) "O2 Touch" programme.

A landmark development during the year, was the agreement reached with the RFU and Warrington Borough Council (WBC), for the construction of an AGP, under the RFU's Rugby 365 programme. Construction of the AGP commenced in May 2019 and the work was completed during October 2019, with the official handover from the contractors, Greasley, being achieved in time to host the match between Lymm and Morpeth on 26th October. The impact that the AGP will have on LRL's own rugby activities and sporting activities of the wider community cannot be understated. The guaranteed availability of an outstanding floodlit playing surface throughout the winter months is something that every sportsman and women craves. To have this now available on our doorstep is a dream come true, a potential game changer.

The construction of the AGP was funded by the RFU, with LRL contributing to various aspects of the enabling works. LRL has leased the AGP land to the RFU for 30 years, effectively making the AGP a RFU facility, albeit managed by LRL. The facility is available to the wider community who can book its use through the RFU's Rugby 365 online portal. The "rent" that LRL receives for leasing the land to the RFU is 12 hours free use of the facility each week. This time is utilised in making the AGP available for weekend matches and mid-week training for both senior, mini and junior, and touch rugby.

We cannot let this moment pass without acknowledging the role played by LRL's development committee, in particular David Simpson and Dave Newton, who remained resolute in steering the often complex multi-party negotiations with the RFU, WBC and McArde to a successful conclusion. Equally, important to the success and longevity of the AGP will be the way in which all the users look after it. The only way to ensure that the facility will stand the test of time is for users to religiously abide by the rules setting out correct footwear, access and the measures to avoid contamination. Whilst self-policing is undoubtedly the most effective way to ensure this outstanding facility endures, our volunteer grounds team, led by Chris Askew, will be keeping a careful eye on the AGP condition and ensuring that appropriate maintenance programmes are in place.

**Squash section**

The Squash Section operates a number of teams and also operates a minis and juniors section. There is a men's squash league which is also open to ladies who wish to compete and a Ladies Only squash league. The mini and junior section is supervised by a qualified coach and, when appropriate, junior members are encouraged to attend the Sunday squash club nights.

**Hockey Section**

The Hockey section operates a number of men's, ladies and youth teams. A total of 3 men's teams play in the North West Hockey League and 5 ladies teams play in the North Hockey Women's League and Cheshire Women's Hockey League. A number of youth teams play locally in ad hoc arranged matches. The Hockey section play their matches at local hockey standard 3G pitches and utilise LRL's Beechwood as their club house and social environment.

All these sporting activities are supplemented through active social engagement throughout the year, which underlines the Charity's position in the local community and helps raise much needed funding to support its sporting objectives.

**Public benefit**

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aim and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

**Report of the Trustees  
for the Year Ended 30 June 2019**

**OBJECTIVES AND ACTIVITIES**

**Volunteers**

LRL's volunteers play a huge part in the success of the Charity's activities, whether participating in or supporting on-field sporting activities or in leading or assisting a programme of fund raising activities that are scheduled throughout the year, such as the annual pantomime; beer festival; or summer marquee events.

**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities**

During the year, LRL raised £971,587 (2018 - £110,204) from donations and legacies, including a donation from Lymm Rugby Football Club, a Community Amateur Sports Club, of £871,575 (2018 - £9,082) representing the net book value of its property assets and associated debt, which were transferred to LRL on 9th November 2018.

**FINANCIAL REVIEW**

**Financial position**

In the year to 30th June 2019, the Charity recorded a surplus of £840,353, which compares with the previous year's surplus of £37,445.

**Principal funding sources**

The Charity's main funding source in the year was from donations, subscriptions, sponsorship income, fund raising events and grants. It is anticipated that these will continue to be the Charity's main sources of income in future periods.

**Reserves policy**

The Company has historically predominantly relied on, and will for the foreseeable future rely on, volunteers to organise and execute its fund raising and commercial activities which support the level of charitable activities that are undertaken as well as covering the costs of running the organisation. As these activities continue to grow in scale and complexity, consideration will be given to the desirability of employing an individual committed to sustaining and building these income streams.

**Going concern**

The Trustees consider that the Charity has sufficient forecast income and available reserves to cover the ongoing activities of the Charity for the foreseeable future.

**FUTURE PLANS**

For some time, the Trustees have actively pursued plans to develop LRL's clubhouse and further improve playing facilities for its membership and the local community. This continues to be a key objective of the trustees. Progress has been made in that:

- In January 2017, the "Walled Garden" area was acquired, thus making available a piece of land that will be a key part in the feasibility of the project.
- In June 2017, planning consent was received from WBC for a project which combined the provision of an AGP and the construction of a new clubhouse in the Walled Garden with some residential development which was necessary to help finance the project.
- In September 2018, the RFU approved the construction of an AGP at Lymm.
- In April 2019, the S106 Agreement with WBC, which legitimised the planning consent, was satisfactorily concluded.
- In May 2019, the construction of the AGP commenced.
- In October 2019, the construction of the AGP was completed, and the pitch handed over to the RFU.
- In December 2019, confirmation was received from WBC that the planning conditions had been met, and the next phase of the development project, which is the building of the first phase of residential properties, could commence.

Once again the charity has reached a key decision point in the project. However, as with all major property developments careful consideration needs to be given to the range of available options, and how best to fund these, before embarking on a particular plan of action. Gaining an understanding all the available options and how best to proceed is now the main focus of the Trustees. It is the Trustees intention to update the wider membership on the preferred option in due course as further information to assist in that decision becomes available. Ideally, a decision will be made over the next 6 months.

**Report of the Trustees  
for the Year Ended 30 June 2019**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The Charity is controlled by its governing document, a deed of trust, and constitutes a limited Company, limited by guarantee, as defined by the Companies Act 2006.

**Charity constitution**

The Company is constituted under an Articles of Association and is a registered charity number 1172259.

**Organisational structure**

The management of the charitable company is the responsibility of the Trustees who are elected under the terms of the Articles of Association. All Trustees are volunteers. The Trustees constitute Directors of LRL for the purposes of the Companies Act 2006 and are Trustees of the Charity for the purposes of the Charities Act 2011.

The Executive, which comprises the Chairman, Treasurer and Secretary, make the day-to-day decisions for the Charity but the strategic direction and major decisions are agreed and ratified by the Trustees. The Executive is appointed, or re-appointed, annually by the membership.

**Related parties**

LBL, which was established on 14th March 2017, is a registered company limited by shares and is a wholly-owned subsidiary of LRL. LBL will gift-aid an appropriate level of its surplus annually to LRL.

LGL, which was established on 15th September 2016, is a registered company limited by shares and is a wholly-owned subsidiary of LRL. At the date of this report LGL has not traded.

Lymm Rugby Football Club, a Community Amateur Sports Club, transferred all its sporting activities to LRL, along with all related assets and liabilities, on 1st July 2017 and all its properties and associated debt on 9th November 2018.

**Report of the Trustees  
for the Year Ended 30 June 2019**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Risk management**

The Trustees acknowledge their responsibility to identify, assess and manage risks which they do in conjunction with the Executive. The three main risk areas, together with the steps taken to mitigate these risks are as follows:

**Safeguarding**

- There is a regularly reviewed safeguarding policy in place.
- All individuals with direct contact with vulnerable adults and children have had appropriate training and DBS checks.
- An appropriately trained and experienced Safeguarding Officer is in place.
- All age groups have multiple coaches and training is delivered by more than one coach.
- Appropriate coach education courses are run and participated in by coaches.

**Ability to generate sufficient income**

- Over many years, Lymm Rugby Football Club has built an outstanding record of organising successful fundraising events and delivering other fundraising initiatives. The Charity will continue to organise these events and pursue similar initiatives.
- It is the intention of the Trustees, to build on these activities with the 2018 launch of a 500 Club, being a tangible example.
- Significant progress has been made during the year in building LRL's broader commercial activities - such as sponsorship, which, historically, had often taken a back seat. Whilst considerable progress has been made, it is acknowledged that this is a longer term programme and that there remains considerable scope to improve performance in this area further.
- Costs are carefully managed and controlled so that the Company continues to operate within its means.
- There is a focus on building sufficient reserves.

**Health and safety**

- All training sessions are covered by at least 2 coaches.-
- Appropriate first aid training is provided to coaches and/or parent helpers in each age group
- The clubhouse sites a defibrillator.
- All relevant volunteers are trained to deliver coaching to an appropriate standard.
- A risk assessment is carried out by coaches before coaching begins.
- All activity is carried out in suitable locations for the activity.
- Current laws and regulations are complied with.
- Monitoring and reporting procedures are in place.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

10368900 (England and Wales)

**Registered Charity number**

1172259

**Registered office**

Beechwood  
Crouchley Lane  
Lymm  
Cheshire  
WA13 0AT

**Report of the Trustees  
for the Year Ended 30 June 2019**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Trustees**

J P Cartwright	It Director	
A Gibson	Accountant /	- resigned 23.5.19
	Company Secretary	
A W Leach	Partner	
D H Simpson	Company Director	
A J Wright	Retired	
M J Pritchard	Independent Financial advisor	
N J Allen	Occupation	- resigned 23.5.19
	Management Consultant	
R J C Johnson	Retired	- appointed 23.5.19

**Independent examiner**

Voisey & Co  
Chartered Accountants  
8 Winmarleigh Street  
Warrington  
Cheshire  
WA1 1JW

**TRUSTEES RESPONSIBILITY STATEMENT**

The trustees (who are also the directors of Lymm RFC Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 19 March 2020 and signed on its behalf by:



A W Leach - Trustee



**Independent Examiner's Report to the Trustees of  
Lymm RFC Limited (Registered number: 10368900)**

**Independent examiner's report to the trustees of Lymm RFC Limited ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 June 2019.

**Responsibilities and basis of report**

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

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

**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants for England & Wales which is one of the listed bodies

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached

Due to exceptional circumstances during the year, the charity has obtained a dispensation on 2nd July 2019 from audit by the Charity Commission.



Lee Warburton BA FCA  
Institute of Chartered Accountants for England & Wales  
Voisey & Co  
Chartered Accountants  
8 Winmarleigh Street  
Warrington  
Cheshire  
WA1 1JW

19 March 2020

**Lymm RFC Limited**

**Statement of Financial Activities  
for the Year Ended 30 June 2019**

		30.6.19 Unrestricted fund £	30.6.18 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>	Notes		
Donations and legacies	2	971,587	110,204
Other trading activities	3	31,632	18,403
Investment income	4	3	-
<b>Total</b>		<u>1,003,222</u>	<u>128,607</u>
 <b>EXPENDITURE ON</b>			
Raising funds		56,882	-
<b>Charitable activities</b>			
Charitable		<u>105,987</u>	<u>91,162</u>
<b>Total</b>		<u>162,869</u>	<u>91,162</u>
 <b>NET INCOME</b>		<u>840,353</u>	<u>37,445</u>
 <b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		95,690	58,245
 <b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>936,043</u></u>	<u><u>95,690</u></u>

The notes form part of these financial statements

**Lymm RFC Limited (Registered number: 10368900)**

**Balance Sheet  
At 30 June 2019**

	Notes	30.6.19 Unrestricted fund £	30.6.18 Total funds £
<b>FIXED ASSETS</b>			
Tangible assets	10	1,497,891	26,590
Investments	11	5	5
		<hr/> 1,497,896	<hr/> 26,595
 <b>CURRENT ASSETS</b>			
Debtors	12	13,419	669,960
Cash at bank		23,249	-
		<hr/> 36,668	<hr/> 669,960
 <b>CREDITORS</b>			
Amounts falling due within one year	13	(29,139)	(38,987)
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		<hr/> 7,529	<hr/> 630,973
 <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		 1,505,425	 657,568
 <b>CREDITORS</b>			
Amounts falling due after more than one year	14	(569,382)	(561,878)
		<hr/>	<hr/>
<b>NET ASSETS</b>		<hr/> 936,043	<hr/> 95,690
 <b>FUNDS</b>	17		
Unrestricted funds		936,043	95,690
		<hr/>	<hr/>
<b>TOTAL FUNDS</b>		<hr/> 936,043	<hr/> 95,690

The notes form part of these financial statements

**Lymm RFC Limited (Registered number: 10368900)**

**Balance Sheet - continued**

**At 30 June 2019**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2019.

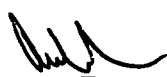
The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2019 in accordance with Section 476 of the Companies Act 2006.

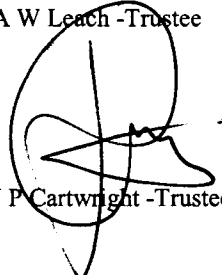
The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees on 13 March 2020 and were signed on its behalf by:

  
A W Leach -Trustee

  
J P Cartwright -Trustee

The notes form part of these financial statements

## **Lymm RFC Limited**

### **Notes to the Financial Statements for the Year Ended 30 June 2019**

#### **1. ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

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

Monetary amounts in these financial statements are rounded to the nearest £.

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A.

##### **Preparation of consolidated financial statements**

The financial statements contain information about Lymm RFC Limited as an individual charity and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations, are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Interest received is recognised when receivable and the amount can be measured reliably by the charity.

## **Lymm RFC Limited**

### **Notes to the Financial Statements - continued for the Year Ended 30 June 2019**

#### **1. ACCOUNTING POLICIES - continued**

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Governance costs**

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees.

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

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

Freehold property	2% Straight line
Land	nil
Plant and machinery	20% Reducing balance
Computer equipment	20% Reducing balance

The freehold land and property includes land and buildings, of which the historic building cost is negligible and in addition includes the continuing development costs of the new club house and facilities, which on completion will be depreciated.

##### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

## **Lymm RFC Limited**

### **Notes to the Financial Statements - continued for the Year Ended 30 June 2019**

#### **1. ACCOUNTING POLICIES - continued**

##### **Significant judgements and estimates**

In the application of the company's accounting policies, the directors 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.

The key assumptions concerning the future and other key sources of estimation include uncertainties at the reporting date, which may have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial periods, are discussed below.

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

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with bank, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

##### **Financial instruments**

The company 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 company's statement of financial position when the company 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 net 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 costs 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.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the Statement of Financial Activities, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Impairment Fixed Asset investments**

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the Statement of Financial Activities.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Financial Activities.

## **Lymm RFC Limited**

### **Notes to the Financial Statements - continued for the Year Ended 30 June 2019**

#### **1. ACCOUNTING POLICIES - continued**

##### **Significant judgements and estimates**

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 receipts 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 business 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 company's contractual obligations expire or are discharged or cancelled.

##### **Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

##### **Employee benefits**

The costs of the short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the costs of stock or fixed assets. 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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **2. DONATIONS AND LEGACIES**

	30.6.19	30.6.18
	£	£
Donations	894,626	65,494
Adult Subscriptions	26,377	44,710
Mini's & Juniors Subscriptions	50,584	-
	<u>971,587</u>	<u>110,204</u>



**Lymm RFC Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 30 June 2019**

**3. OTHER TRADING ACTIVITIES**

	30.6.19	30.6.18
	£	£
Miscellaneous income	10,625	3,093
Sponsorships	21,007	15,310
	<u>31,632</u>	<u>18,403</u>

**4. INVESTMENT INCOME**

	30.6.19	30.6.18
	£	£
Deposit account interest	3	-
	<u>3</u>	<u>-</u>

**5. SUPPORT COSTS**

	Finance	Other	Governance costs	Totals
	£	£	£	£
Charitable	139	20,393	2,480	23,012
	<u>139</u>	<u>20,393</u>	<u>2,480</u>	<u>23,012</u>

**6. NET INCOME/(EXPENDITURE)**

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

	30.6.19	30.6.18
	£	£
Depreciation - owned assets	5,318	7,640
	<u>5,318</u>	<u>7,640</u>

**7. INDEPENDENT EXAMINER REMUNERATION**

	30.6.19	30.6.18
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	2,300	1,200
	<u>2,300</u>	<u>1,200</u>

**8. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits paid for the year ended 2019 nor for the year ended 30 June 2018.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 30 June 2019 nor for the year ended 30 June 2018.

**Lymm RFC Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 30 June 2019**

**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £
<b>INCOME AND ENDOWMENTS FROM</b>	
Donations and legacies	110,204
Other trading activities	18,403
<b>Total</b>	<u>128,607</u>
<b>EXPENDITURE ON</b>	
<b>Charitable activities</b>	
Charitable	91,162
<b>Total</b>	<u>91,162</u>
<b>NET INCOME</b>	<u>37,445</u>
<b>RECONCILIATION OF FUNDS</b>	
<b>Total funds brought forward</b>	58,245
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>95,690</u></u>

**10. TANGIBLE FIXED ASSETS**

	Freehold land and property £	Plant and machinery £	Computer equipment £	Totals £
<b>COST</b>				
At 1 July 2018	-	33,803	427	34,230
Additions	1,476,619	-	-	1,476,619
At 30 June 2019	<u>1,476,619</u>	<u>33,803</u>	<u>427</u>	<u>1,510,849</u>
<b>DEPRECIATION</b>				
At 1 July 2018	-	7,499	141	7,640
Charge for year	-	5,261	57	5,318
At 30 June 2019	<u>-</u>	<u>12,760</u>	<u>198</u>	<u>12,958</u>
<b>NET BOOK VALUE</b>				
At 30 June 2019	<u>1,476,619</u>	<u>21,043</u>	<u>229</u>	<u>1,497,891</u>
At 30 June 2018	<u>-</u>	<u>26,304</u>	<u>286</u>	<u>26,590</u>

**Lymm RFC Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 30 June 2019**

**11. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>COST LESS IMPAIRMENT</b>	
At 1 July 2018 and 30 June 2019	<u>5</u>
<b>NET BOOK VALUE</b>	
At 30 June 2019	<u>5</u>
At 30 June 2018	<u>5</u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

**Lymm Beechwood Limited**

Registered office: Beechwood, Crouchley Lane, Lymm, Cheshire, WA13 0AT

Nature of business: Sports and recreation club trading activities

Class of share:	%
Ordinary £1	holding 100

	30.6.19	30.6.18
	£	£
Aggregate capital and reserves	<u>4</u>	<u>4</u>

	30.06.19	30.06.18
	£	£
Turnover	383,459	338,340
Other income		8,357
Cost of Sales	(299,709)	(249,992)
Administration expenses	(86,380)	(94,222)
Finance costs	(2,349)	(2,483)
	<u>          </u>	<u>          </u>
Net profit/(loss) for the year	<u>(4,949)</u>	<u>-</u>
<b>Represented by:</b>		
Assets	64,259	87,924
Liabilities	(69,204)	(87,920)

**Lymm RFC Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 30 June 2019**

**11. FIXED ASSET INVESTMENTS - continued**

**Lymm Garden Limited**

Registered office: Beechwood, Crouchley Lane, Lymm, England, WA13 0AT

Nature of business: Activities of sports club

Class of share:	%
Ordinary £1	holding 100

	30.6.19	30.6.18
	£	£
Aggregate capital and reserves	1	1
	<u>1</u>	<u>1</u>

Lymm Garden Limited is a dormant company.

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.6.19	30.6.18
	£	£
Trade debtors	-	2,581
Amounts owed by group undertakings	-	38,297
Amounts owed by participating interests	6,994	571,579
Other debtors	6,425	57,503
	<u>13,419</u>	<u>669,960</u>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.6.19	30.6.18
	£	£
Bank loans and overdrafts (see note 15)	-	22,299
Other loans (see note 15)	6,668	6,668
Trade creditors	15,151	3,957
Other creditors	5,020	3,662
Accrued expenses	2,300	2,401
	<u>29,139</u>	<u>38,987</u>

**14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	30.6.19	30.6.18
	£	£
Bank loans (see note 15)	547,731	561,878
Other loans (see note 15)	21,651	-
	<u>569,382</u>	<u>561,878</u>

**Lymm RFC Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 30 June 2019**

**15. LOANS**

An analysis of the maturity of loans is given below:

	30.6.19 £	30.6.18 £
Amounts falling due within one year on demand:		
Bank loans	-	22,299
Other loans	6,668	6,668
	<u>6,668</u>	<u>28,967</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>6,668</u>	<u>-</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	547,731	561,878
Other loans - 2-5 years	14,983	-
	<u>562,714</u>	<u>561,878</u>

The terms of the bank loan are:

Commencement Date	17/01/2017
Loan Term	5 years
Interest Rate	2.75% over LIBOR
Interest Payment Date	Quarterly
Interest Only Period	5 years
Repayment	In full on maturity

**16. SECURED DEBTS**

The following secured debts are included within creditors:

	30.6.19 £	30.6.18 £
Bank loans	<u>547,731</u>	<u>584,177</u>

The bank loan is secured by way of:

- A first charge over Lymm Rugby Football Club and its associated assets.
- A first charge over The Walled Garden and its associated assets.
- A debenture over the whole assets and undertakings of Lymm RFC Limited.
- Personal guarantees provided by two Trustees to the value of £35,000 plus interest and costs.

**Lymm RFC Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 30 June 2019**

**17. MOVEMENT IN FUNDS**

	At 1.7.18 £	Net movement in funds £	At 30.6.19 £
<b>Unrestricted funds</b>			
General fund	95,690	840,353	936,043
<b>TOTAL FUNDS</b>	<u>95,690</u>	<u>840,353</u>	<u>936,043</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,003,222	(162,869)	840,353
<b>TOTAL FUNDS</b>	<u>1,003,222</u>	<u>(162,869)</u>	<u>840,353</u>

**Comparatives for movement in funds**

	At 1.7.17 £	Net movement in funds £	At 30.6.18 £
<b>Unrestricted Funds</b>			
General fund	58,245	37,445	95,690
<b>TOTAL FUNDS</b>	<u>58,245</u>	<u>37,445</u>	<u>95,690</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	128,607	(91,162)	37,445
<b>TOTAL FUNDS</b>	<u>128,607</u>	<u>(91,162)</u>	<u>37,445</u>

**Lymm RFC Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 30 June 2019**

**18. RELATED PARTY DISCLOSURES**

**Lymm Rugby Football Club**

Lymm Rugby Football Club is related by way of mutual Trustees.

During the year, a donation of £871,575 was made to Lymm RFC Limited. this was in the form of land and property transferred to Lymm RFC Limited.

An amount due from Lymm Rugby Football Club of £2,062 was written back in the year. At the year end, amounts due from Lymm Rugby Football Club were nil (2018 £571,579).

**Lymm Beechwood Limited (LBL)**

LBL is a wholly owned subsidiary of LRL.

During the period a donation of nil (2018 £34,433) was made to LRL.

An amount due from LBL of £54,820 was written back in the year. Amounts due from LBL at the period end were £nil (2018 £38,297).

**D H Simpson**

D H Simpson provided a guarantee to secure the bank loan to the value of £20,000 plus interest and costs.

**A W Leach**

During the year A W Leach made a short term loan to the charity of £5,020 and amounts due to A W Leach at the year end totalled £5,020.

A W Leach provided a guarantee to secure the bank loan to the value of £15,000 plus interest and costs.

**19. EXCEPTIONAL ITEMS**

During the year a transfer of assets and liabilities took place from Lymm Rugby Football Club, resulting in a donation of £871,575.

**20. MEMBERS LIABILITIES**

The charity does not have share capital and is limited by guarantee. In the event of the charity being wound up, the maximum amount each member (subscriber to the Memorandum of Association) is liable to contribute is £1. There were 4 such members at 30th June 2019.