

PHOENIX GYMNASTICS CLUB
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

PHOENIX GYMNASTICS CLUB

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	C Rouse D Croft K Whelehan A Thornton R Griffiths
Charity number	1016375
Registered office	Unit 1 Water Oakley Farm Windsor Road Windsor Berks SL4 5UJ
Independent examiner	Harwood Hutton Limited 22 Wycombe End Beaconsfield Buckinghamshire HP9 1NB

PHOENIX GYMNASTICS CLUB

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PHOENIX GYMNASTICS CLUB

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

The trustees present their report and financial statements for the year ended 31 August 2019.

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 Trust Deed, 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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The principal objective of the charity is to advance the education of pupils of schools by organising or providing or assisting in the organisation and provision of a facility which will enable such pupils to undertake gymnastics.

The charity assists in ensuring that due attention is given to the physical education and development of such pupils as well as to the development and occupation of their minds with a view to furthering these objects. The main aim as a gymnastics club is to provide gymnastics, trampolining and associated disciplines as determined by British Gymnastics, our governing body, for children under 18.

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

Achievements and performance

2018/19 has been a successful year for Phoenix Gymnastics Club during a period whilst the future of the Club's move is unknown.

Through continued scheduling efficiencies we have continued to offer a variety of disciplines places within the club whilst, simultaneously increasing the quality of the coaching provided. By making more efficient use of our equipment and coaches we have seen increases in the Novice and Advanced Recreational squads.

This year has also seen the introduction of a "Kidz Impact" strength and conditioning fitness class which is building in popularity and is providing further valuable income to the club for children aged 8-15 who would not consider traditional gymnastics.

Fundraising

Fundraising has been limited to equipment fund and running costs while the larger funding is being secured to make the new build a reality. It is envisaged that 2019/20 will focus on more fundraising for the new facility once the bulk of the funds have been secured and the project start date is set in stone.

2018/19 did see a successful in house Recreational Gymnastics Competition and proved not only extremely popular, but an excellent fundraising opportunity. Likewise, an all club Christmas Show was a great success and provided a further, valuable fundraising opportunity.

We have continued to apply for local grants and awards and secured a grant towards replacing PlayGym equipment from Tesco Supermarkets. We also received a donation of £2,000 from the Prince Phillip Trust for our coaching academy which will go to help support our young coaches as they build experience and add to their coaching qualifications. Chloe Boyce, completed her second year apprenticeship with us and is starting her journey with us as a fully fledged coach.

Some of our fundraising money has been used to purchase a new sprung floor which was long overdue replacement. The floor is vital to our gymnasts training and we are confident we will see great improvements in our gymnasts achievements, as well as a decrease in injuries as a result of its installation.

The floor will be removed and installed in our new property when that is complete.

PHOENIX GYMNASTICS CLUB

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Competitions

Our Performance Squads competed in the Berkshire Championships, where we were delighted to win in a number of categories and all competitors qualified for the Regional Championships later in the year.

Phoenix gymnasts continued to compete successfully in both the Southern Region In and Out of Age Championships with the club medalling in all categories that they competed in and having 5 gymnasts finishing in top 3 AA positions.

Due to success in the Southern region event, Poppy Whelehan achieved the qualifying score for British Challenge Cup and Lara Thornton was selected to represent the Southern Region in the Bill McLoughlin National Team Championships who came 3rd overall.

For the second year running we were delighted to have a gymnast qualify for the British Gymnastics Championships held at the Echo Arena, Liverpool.

We also entered the Irish Championships for the first time with incredible success, as the gymnast we entered became the Irish Junior FIG champion.

This is a significant achievement for a club of this size and we hope to build on this success.

Financial review

Phoenix Gymnastics Club review their reserves policy regularly to determine the ongoing effectiveness against current requirements for the gym. Monies held on deposit are for the continued maintenance of the facility which has challenges due to the nature of the building plus for the purchase of equipment to enable the club to function as per its charitable objectives. Gymnastics equipment is specialised therefore there are direct cost implications for purchases.

The reserves should not fall below 10% of any one year's trading income with the reserve being held for major future purchases and development of either the current building or new premises for the move and equipment needed at that time.

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 consider 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 been maintained throughout the year.

Structure, governance and management

The charity is constituted by a governing document.

The management of the charity is the responsibility of the trustees who are elected and co-opted under the terms of the constitution. The trustees who served during the year and up to the date of signature of the financial statements were:

C Rouse
D Croft
K Whelehan
A Thornton
R Griffiths

PHOENIX GYMNASTICS CLUB

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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 England and Wales 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 Act 2011, the Charity (Accounts and Reports) Regulations 2008 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.

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

A Thornton

Trustee

Dated: 11 March 2020

PHOENIX GYMNASTICS CLUB

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF PHOENIX GYMNASTICS CLUB

I report to the trustees on my examination of the accounts of Phoenix Gymnastics Club ("the Charity") for the year ended 31 August 2019, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charity's trustees, 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

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales (ICAEW).

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.

Keir Singleton

Harwood Hutton Limited

Chartered Accountants

22 Wycombe End

Beaconsfield

Buckinghamshire

HP9 1NB

Dated: 22 April 2020

PHOENIX GYMNASTICS CLUB

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2019

		Unrestricted funds 2019 £	Total 2019 £	Total 2018 £
	Notes			
<u>Income from:</u>				
Donations and legacies	2	11,124	11,124	23,277
Charitable activities	3	381,641	381,641	389,914
Other trading activities	4	15,595	15,595	11,620
Investments	5	11	11	7
Total income		408,371	408,371	424,818
<u>Expenditure on:</u>				
Raising funds	6	908	908	6,450
Charitable activities	7	62,980	62,980	60,893
Other	10	357,497	357,497	316,175
Total resources expended		421,385	421,385	383,518
Net (outgoing)/incoming resources before transfers		(13,014)	(13,014)	41,300
Gross transfers between funds		194,669	194,669	153,601
Net income for the year/ Net incoming resources		181,655	181,655	194,901
<u>Other recognised gains and losses</u>				
Other gains or losses		-	-	(232)
Net movement in funds		181,655	181,655	194,669
Fund balances at 1 September 2018		-	-	-
Fund balances at 31 August 2019		181,655	181,655	194,669

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

All income and expenditure derive from continuing activities.

PHOENIX GYMNASTICS CLUB

BALANCE SHEET

AS AT 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	11		43,896		80,697
Current assets					
Stocks	12	1,200		5,558	
Debtors	13	110,747		25,126	
Cash at bank and in hand		44,124		103,090	
		<u>156,071</u>		<u>133,774</u>	
Creditors: amounts falling due within one year	14	<u>(18,312)</u>		<u>(19,802)</u>	
Net current assets			137,759		113,972
Total assets less current liabilities			<u>181,655</u>		<u>194,669</u>
Income funds					
Unrestricted funds			181,655		194,669
			<u>181,655</u>		<u>194,669</u>

The financial statements were approved by the Trustees on 4 December 2019

A Thornton
Trustee

PHOENIX GYMNASTICS CLUB

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Net income/(expenditure) per Statement of Financial Activities	16		(47,246)		74,590
Investing activities					
Purchase of tangible fixed assets		(27,324)		(26,113)	
Dividends, interest and rents from investments		15,606		11,628	
Net cash used in investing activities			(11,718)		(14,485)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(58,964)		60,105
Cash and cash equivalents at beginning of year			103,090		42,985
Cash and cash equivalents at end of year			44,124		103,090

PHOENIX GYMNASTICS CLUB

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Trust Deed, 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)" (as amended for accounting periods commencing from 1 January 2016).

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

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 unless the funds have been designated for other purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are available for use subject to restrictions imposed by the donor or through terms of an appeal.

1.4 Incoming resources

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.

Voluntary income received by way of grants, donations and gifts is included in the Statement of Financial Activities when receivable and only when the charity has unconditional entitlement to the income. 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 Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred, when there is a legal obligation that an outflow of resource is probable and the monetary value can be measured reliably.

Charitable expenditure comprises those costs incurred by the charity in the deliverance of its activities and services for its beneficiaries.

Support costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include costs linked to the strategic management of the charity,

PHOENIX GYMNASTICS CLUB

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

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:

Leasehold land and buildings	25% straight line
Plant and equipment	33% reducing balance
Fixtures and fittings	33% reducing balance

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).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" to all of its financial instruments.

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances are measured at transaction price less any provision for impairment. Loans receivable are measured initially at fair value, net of transaction costs and are subsequently carried at amortised costs using the effective interest method, less any provision for impairment.

PHOENIX GYMNASTICS CLUB

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

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.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Donations and legacies

	2019 £	2018 £
Donations and gifts	11,124	23,277

3 Charitable activities

	2019	2018
Sales within charitable activities	381,641	389,914

4 Other trading activities

	2019 £	2018 £
Fundraising events	15,595	11,620

5 Investments

	2019 £	2018 £
Interest receivable	11	7

PHOENIX GYMNASTICS CLUB

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

6 Raising funds

	2019 £	2018 £
Support costs	908	6,450
	<u>908</u>	<u>6,450</u>

7 Charitable activities

	2019 £	2018 £
Gymnastics	62,980	60,893
	<u>108,984</u>	<u>86,770</u>

8 Trustees

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

9 Employees

Number of employees

The average monthly number of employees during the year was 40 (2018 - 40).

	2019 Number	2018 Number
Administrative	5	5
Coaching	35	35
	<u>40</u>	<u>40</u>

Employment costs

	2019 £	2018 £
Wages and salaries	205,776	173,632
Social security costs	10,486	6,776
Other pension costs	2,353	1,066
	<u>218,615</u>	<u>181,474</u>

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

PHOENIX GYMNASTICS CLUB

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

10 Other

	2019 £	2018 £
Wages and salaries	205,776	173,632
Staff pension costs	2,353	1,066
Printing, postage and stationery	1,266	1,892
Depreciation	64,126	62,908
Accountancy	7,200	5,391
Social security costs	4,519	4,486
Entertainment	819	684
Travel and subsistence	6,254	16,659
Computer running costs	2,069	1,506
Insurance	5,130	2,815
Premises cleaning	8,588	6,639
Consulting	-	2,205
Bank charges	5,326	7,234
Legal and professional	5,098	834
Sundry	968	777
Staff uniform	421	1,073
Rent	836	345
Motor running costs	-	616
Merchandise	16,255	1,827
Health and safety	32	905
Telecommunications	2,005	2,996
Subscriptions	2,977	1,219
Staff training	3,369	2,379
Staff welfare	-	216
Repairs and maintenance	8,538	5,704
Rates	161	1,043
Equipment hire	3,411	9,124
	<u>357,497</u>	<u>316,175</u>

PHOENIX GYMNASTICS CLUB

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

11 Tangible fixed assets

	Leasehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Total £
Cost				
At 1 September 2018	221,681	160,015	3,706	385,402
Additions	-	375	26,950	27,325
At 31 August 2019	221,681	160,390	30,656	412,727
Depreciation and impairment				
At 1 September 2018	164,701	136,337	3,667	304,705
Depreciation charged in the year	55,420	7,945	761	64,126
At 31 August 2019	220,121	144,282	4,428	368,831
Carrying amount				
At 31 August 2019	1,560	16,108	26,228	43,896
At 31 August 2018	56,980	23,678	39	80,697

12 Stocks

	2019 £	2018 £
Finished goods and goods for resale	1,200	5,558

13 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	27	-
Other debtors	6,166	5,895
Prepayments and accrued income	104,554	19,231
	110,747	25,126

14 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	9,497	9,718
Other creditors	7,854	85
Accruals and deferred income	961	9,999
	18,312	19,802

PHOENIX GYMNASTICS CLUB

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

15 Related party transactions

There were no disclosable related party transactions during the year (2018 - none).

16 Cash generated from operations	2019 £	2018 £
Surplus for the year	(13,014)	41,300
Adjustments for:		
Investment income recognised in statement of financial activities	(15,606)	(11,628)
Foreign exchange differences	-	(232)
Depreciation and impairment of tangible fixed assets	64,127	62,908
Movements in working capital:		
Decrease/(increase) in stocks	4,358	(4,808)
(Increase) in debtors	(85,621)	(24,321)
(Decrease)/increase in creditors	(1,490)	11,372
Cash (absorbed by)/generated from operations	(47,246)	74,591