

Charity registration number: 1160612

The Watlington Club CIO

Annual Report and Financial Statements

for the Year Ended 31 March 2020



The Watlington Club CIO

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The Watlington Club CIO

Reference and Administrative Details

| | |
|------------------------------------|--|
| Principal Office | 20 High Street Watlington Oxfordshire OX49 5PY |
| Charity Registration Number | 1160612 |
| Independent Examiner | PAW Consulting Limited Unit 2, City Limits Danehill Reading Berkshire RG6 4UP |

The Watlington Club CIO

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 March 2020.

Trustees

Sarah Jane Fountain (appointed 10 December 2019)

Christy Louise King (appointed 16 June 2020)

David Parkes

Peter Neal

Peter Brook

Ruth Hughes (resigned 22 March 2020)

Andrew Balfour Esson (resigned 12 June 2019)

John Lewis

Graham Smith

Objectives and activities

Objects and aims

To further or benefit the residents of Watlington Parish and the neighbourhood, without distinction of sex, sexual orientation, race or of political, religious or other opinions by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for the residents.

Public benefit

The Club is a registered charity and has a long history dating back to 1859. In the 1920's the Rev. Hillgrove Cox purchased the property known as High Street House and placed it in trust for the benefit of the residents of Watlington, originally as the "War Memorial Club". In the 1970's the members set about improving and updating the facilities and it was also reconstituted in the 1970's as a sports and social charitable institution. It currently supports sections playing bowls, tennis, table tennis and squash.

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.

Financial review

The Statement of Financial Activities of The Club show a surplus of £22,124 (2019 - £12,588). Overall incoming resources were less than the prior year mainly due to reduced grant funding. Resources expended were less, significantly on repairs and maintenance and as a result the closing funds carried forward stood at £458,690 (2019 - £436,565)

The Watlington Club CIO

Trustees' Report

Structure, governance and management

Nature of governing document

The organisation is a charitable incorporated organisation (CIO) limited by guarantee and registered as a charity on 24 February 2015. The name of the charitable company as listed in the Register of Charities is The Watlington Club CIO. The charitable company is governed under the current constitution.

The registered and principal address of the charity is 20 High Street, Watlington, OX49 5PY.

Recruitment and appointment of trustees

Membership of the CIO is open to anyone who is interested in furthering its purposes. The Trustees will consider the suitability of any applications for appointment as Trustees. New applications will be subject to checks to ensure suitability of candidates and provided these are validated then Trustees will vote on all new appointments.

Organisational structure

The Trustees determine the direction and general policy of the Club in line with the Charity's objectives. The following roles are currently allocated to Trustees; Chairperson, Secretary and Treasurer. Trustees meetings are usually monthly throughout the year. The facilities are managed by an external management company.

Financial instruments

Objectives and policies

The charity's activities expose it to credit risk. The charity does not use derivative financial instruments for speculative purposes.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and property investments.

The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

The annual report was approved by the trustees of the charity on 23/9/20 and signed on its behalf by:



David Parkes
Trustee

The Watlington Club CIO

Statement of Trustees' Responsibilities

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

The law applicable to charities 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 period. 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 business.

The trustees are responsible for keeping proper 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 applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees 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.

Approved by the trustees of the charity on 23/9/20 and signed on its behalf by:



.....
David Parkes
Trustee

The Watlington Club CIO

Independent Examiner's Report to the trustees of The Watlington Club CIO

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2020 which are set out on pages 6 to 16.

Respective responsibilities of trustees and examiner

As the charity's trustees of The Watlington Club CIO 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 The Watlington Club CIO'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

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 The Watlington Club CIO 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.


.....
Paul Andrew Worthington
ICAEW

Unit 2, City Limits
Danehill
Reading
Berkshire
RG6 4UP

Date: 30/9/2020

The Watlington Club CIO

Statement of Financial Activities for the Year Ended 31 March 2020

| | Note | Unrestricted funds £ | Restricted funds £ | Total 2020 £ |
|------------------------------------|------|----------------------------|--------------------------|--------------------|
| Income and Endowments from: | | | | |
| Charitable activities | | 41,665 | - | 41,665 |
| Investment income | | 447 | - | 447 |
| Other income | | 65,610 | - | 65,610 |
| Total income | | 107,722 | - | 107,722 |
| Expenditure on: | | | | |
| Charitable activities | | (85,599) | - | (85,599) |
| Total expenditure | | (85,599) | - | (85,599) |
| Net income | | 22,123 | - | 22,123 |
| Net movement in funds | | 22,123 | - | 22,123 |
| Reconciliation of funds | | | | |
| Total funds brought forward | | 436,566 | - | 436,566 |
| Total funds carried forward | 15 | 458,689 | - | 458,689 |
| | Note | Unrestricted funds £ | Restricted funds £ | Total 2019 £ |
| Income and Endowments from: | | | | |
| Donations and legacies | | | 8,785 | 8,785 |
| Charitable activities | | 38,615 | - | 38,615 |
| Investment income | | 342 | - | 342 |
| Other income | | 62,016 | - | 62,016 |
| Total income | | 100,973 | 8,785 | 109,758 |
| Expenditure on: | | | | |
| Charitable activities | | (88,385) | (8,785) | (97,170) |
| Total expenditure | | (88,385) | (8,785) | (97,170) |
| Net income | | 12,588 | - | 12,588 |
| Net movement in funds | | 12,588 | - | 12,588 |
| Reconciliation of funds | | | | |
| Total funds brought forward | | 423,978 | - | 423,978 |
| Total funds carried forward | 15 | 436,566 | - | 436,566 |

The funds breakdown for 2019 is shown in note 15.

The Watlington Club CIO
(Registration number: 1160612)
Balance Sheet as at 31 March 2020

| | Note | 2020 £ | 2019 £ |
|---|------|----------------|----------------|
| Fixed assets | | | |
| Tangible assets | 11 | 309,579 | 318,499 |
| Current assets | | | |
| Stocks | | 136 | 195 |
| Debtors | 12 | 810 | 564 |
| Cash at bank and in hand | 13 | <u>155,733</u> | <u>127,123</u> |
| | | 156,679 | 127,882 |
| Creditors: Amounts falling due within one year | 14 | <u>(7,569)</u> | <u>(9,815)</u> |
| Net current assets | | <u>149,110</u> | <u>118,067</u> |
| Net assets | | <u>458,689</u> | <u>436,566</u> |
| Funds of the charity: | | | |
| Unrestricted income funds | | | |
| Unrestricted funds | | <u>458,689</u> | <u>436,566</u> |
| Total funds | 15 | <u>458,689</u> | <u>436,566</u> |

The financial statements on pages 6 to 16 were approved by the trustees, and authorised for issue on 23/4/20 and signed on their behalf by:



 David Parkes
 Trustee

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2020

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

The Watlington Club CIO meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Going concern

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

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2020

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

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

The Charity owns the freehold title of 18 and 20 High Street Watlington including the land to the rear of them. This was gifted to the Charity at its inception and as such is not shown included within tangible fixed assets,

Individual fixed assets costing £1,000 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Included within fixed assets under freehold property is a building extension which, in the view of the Trustees, is impractical to separate into composite elements under FRS102 and therefore has not been subject to annual depreciation and is stated as its historic cost. Future replacements of aspects of the extension will be shown under repairs and maintenance in the SOFA as incurred. Depreciation is provided on all other 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:

Land & Buildings - Not depreciated

Furniture & Equipment - 11 - 20 Years

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).

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2020

Trade debtors

Trade debtors are amounts due from tenants in respect of outstanding rents owed.

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

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 charity 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.

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.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

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 charity after deducting all of its liabilities.

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2020

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

2 Income from donations and legacies

| | Total 2020 £ | Total 2019 £ |
|-----------------------------------|-----------------------------|-----------------------------|
| Grants, including capital grants; | | |
| Government grants | - | 8,785 |
| | - | 8,785 |

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2020

3 Income from charitable activities

| | Unrestricted funds General £ | Total 2020 £ | Total 2019 £ |
|-----------------------|---------------------------------------|--------------------|--------------------|
| Membership | 21,559 | 21,559 | 18,884 |
| Sports section income | 14,351 | 14,351 | 12,652 |
| Room hire | 5,755 | 5,755 | 6,851 |
| Recharges | - | - | 228 |
| | 41,665 | 41,665 | 38,615 |

4 Other income

| | Unrestricted funds General £ | Total 2020 £ | Total 2019 £ |
|---------------|---------------------------------------|--------------------|--------------------|
| Rental income | 65,610 | 65,610 | 62,016 |
| | 65,610 | 65,610 | 62,016 |

5 Expenditure on charitable activities

| | Note | Unrestricted funds General £ | Total 2020 £ | Total 2019 £ |
|------------------------------|------|---------------------------------------|--------------------|--------------------|
| Sports section costs | | 9,945 | 9,945 | 13,442 |
| Governance and support costs | 6 | 75,654 | 75,654 | 83,728 |
| | | 85,599 | 85,599 | 97,170 |

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2020

6 Analysis of governance and support costs

| | Unrestricted funds General £ | Total 2020 £ | Total 2019 £ |
|--|---------------------------------------|--------------------|--------------------|
| Property related expenses | 54,094 | 54,094 | 65,957 |
| Depreciation, amortisation and other similar costs | 8,920 | 8,920 | 9,288 |
| Marketing and publicity | 5,502 | 5,502 | 972 |
| Other governance costs | 4,648 | 4,648 | 4,078 |
| Independent Examiner's remuneration | 2,490 | 2,490 | 2,588 |
| Legal fees | - | - | 845 |
| | <u>75,654</u> | <u>75,654</u> | <u>83,728</u> |

7 Government grants

Grants included in the financial statements relate to those granted by The South Oxfordshire District Council (SODC) for which the club would like to express their sincere thanks.

The amount of grants recognised in the financial statements was £nil (2019 - £8,785).

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 Independent examiner's remuneration

| | 2020 £ | 2019 £ |
|---|--------------|--------------|
| Examination of the financial statements | <u>2,490</u> | <u>2,394</u> |
| Other fees to examiners | | |
| All other services | <u>-</u> | <u>194</u> |

10 Taxation

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

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2020

11 Tangible fixed assets

| | Land and buildings £ | Furniture and equipment £ | Total £ |
|-----------------------|----------------------------|---------------------------------|------------|
| Cost | | | |
| At 1 April 2019 | 245,897 | 142,952 | 388,849 |
| At 31 March 2020 | 245,897 | 142,952 | 388,849 |
| Depreciation | | | |
| At 1 April 2019 | - | 70,350 | 70,350 |
| Charge for the year | - | 8,920 | 8,920 |
| At 31 March 2020 | - | 79,270 | 79,270 |
| Net book value | | | |
| At 31 March 2020 | 245,897 | 63,682 | 309,579 |
| At 31 March 2019 | 245,897 | 72,602 | 318,499 |

12 Debtors

| | 2020 £ | 2019 £ |
|---------------|-----------|-----------|
| Trade debtors | 288 | 564 |
| Other debtors | 522 | - |
| | 810 | 564 |

13 Cash and cash equivalents

| | 2020 £ | 2019 £ |
|---------------------|-----------|-----------|
| Cash on hand | 50 | 43 |
| Cash at bank | 82,370 | 54,096 |
| Short-term deposits | 73,313 | 72,984 |
| | 155,733 | 127,123 |

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2020

14 Creditors: amounts falling due within one year

| | 2020 | 2019 |
|-----------------|--------------|--------------|
| | £ | £ |
| Trade creditors | 5,078 | 3,328 |
| Other creditors | 1 | 3,416 |
| Accruals | 2,490 | 3,071 |
| | <u>7,569</u> | <u>9,815</u> |

15 Funds

| | Balance at 1 April 2019 £ | Incoming resources £ | Resources expended £ | Balance at 31 March 2020 £ |
|---------------------------|--|-------------------------------------|-------------------------------------|---|
| Unrestricted funds | | | | |
| General | <u>436,566</u> | <u>107,722</u> | <u>(85,599)</u> | <u>458,689</u> |
| | Balance at 1 April 2018 £ | Incoming resources £ | Resources expended £ | Balance at 31 March 2019 £ |
| Unrestricted funds | | | | |
| General | 423,978 | 100,973 | (88,385) | 436,566 |
| Restricted funds | <u>-</u> | <u>8,785</u> | <u>(8,785)</u> | <u>-</u> |
| Total funds | <u>423,978</u> | <u>109,758</u> | <u>(97,170)</u> | <u>436,566</u> |

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2020

16 Analysis of net assets between funds

All assets and liabilities at 31st March 2020 and 31st March 2019 relate to unrestricted funds.

17 Analysis of net funds

| | At 1 April 2019 £ | Cash flow £ | At 31 March 2020 £ |
|--------------------------|------------------------------|------------------------|-----------------------------------|
| Cash at bank and in hand | 127,123 | 28,609 | 155,732 |
| Net cash | <u>127,123</u> | <u>28,609</u> | <u>155,732</u> |

| | At 1 April 2018 £ | Cash flow £ | At 31 March 2019 £ |
|--------------------------|----------------------------------|------------------------|-----------------------------------|
| Cash at bank and in hand | 100,366 | 26,757 | 127,123 |
| Net cash | <u>100,366</u> | <u>26,757</u> | <u>127,123</u> |