
SPORTING KHALSA COMMUNITY FACILITIES LIMITED
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

31 March 2019

Company No: 07618268

Charity No: 1142196

SPORTING KHALSA COMMUNITY FACILITIES LIMITED
(A company limited by guarantee)

CONTENTS

Legal and administrative information	1
Directors' and Trustees' report	2
Independent examiner's report	5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 - 14

SPORTING KHALSA COMMUNITY FACILITIES LIMITED
(A company limited by guarantee)

LEGAL AND ADMINISTRATIVE INFORMATION

Registered Charity Name	Sporting Khalsa Community Facilities Limited
Company number	07618268
Charity number	1142196
Trustees and directors	J Dhillon T Dosanjh M Gill B Singh
Registered Office	Globe House 3 Bradford Place Walsall West Midlands WS1 1PL
Bankers	The Co-operative Bank 3/5 The Bridge Walsall WS1 1LG
Independent examiner	Manjinder Singh Sahota BA (Hons) FCCA ACA CTA RMY Clements Limited Lyndon House 62 Hagley Road Edgbaston Birmingham B16 8PE

SPORTING KHALSA COMMUNITY FACILITIES LIMITED
(A company limited by guarantee)

DIRECTORS' AND TRUSTEES' REPORT
Period ended 31 March 2019

The directors and trustees have pleasure in presenting their report and financial statements for the period ended 31 March 2019.

Structure, Governance and Management

Governing Document

The charity is a company limited by guarantee and has no share capital. The charitable company was incorporated on 28 April 2011 and is governed by its Memorandum and Articles of Association dated 15 April 2011.

The company registration number is 07618268 and the charity registration number is 1142196. The liability of each member may not exceed £10.

Recruitment and Appointment of Trustees and Directors

The administration of the company is effected by the Board of Trustees, assuming the equivalent role of directors. The Board decide all matters of policy and management and meet at regular intervals throughout the year.

The Board of Trustees of the charitable company who served during the year and up to the date of this report are set out below:

J Dhillon
T Dosanjh
M Gill
B Singh

None of the Board of Trustees has any beneficial interest in the charitable company and all served without remuneration.

Risk management

The Board of Trustees have assessed the major risks to which the charitable company is exposed and are satisfied that systems are in place to minimise the effect of such risks upon the charitable company.

Public Benefit

The trustees confirm that:

In the exercise of their powers as charity trustees, they have had due regard to the published guidance from the Charity Commission on the operation of the public benefit requirement and the aims of the charity are carried out for the public benefit.

SPORTING KHALSA COMMUNITY FACILITIES LIMITED
(A company limited by guarantee)

DIRECTORS' AND TRUSTEES' REPORT (continued)
Period ended 31 March 2019

Objectives and Activities

Under the terms of the Memorandum and Articles of Association dated 15 April 2011 the charitable company is established to promote community participation in healthy recreation for the benefit of the inhabitants of Walsall by the provision of facilities for playing a variety of sports including five-a-side football.

The charity's purposes as set out in the objects contained in the company's constitution and are:

- To improve the facilities and structure of land at Noose Lane, Willenhall, with the primary aim to improve the conditions of life of people living in the area of benefit by the provision of Association Football and other sports.
- To help develop community users personal and physical well-being.
- To bring our youth and our community closer together through the means of a common interest in sportsmanship, fair play and friendship.

The aims of the charity are to build, maintain and provide first class facilities for the community of Willenhall and surrounds. The charity aims to help tackle social exclusion, and provide sporting opportunities for all members of the community. Sporting Khalsa Community Facilities aims to use "the power of sport" to contribute to the tackling of social exclusion. Sport belongs to, and should be enjoyed by, everyone equally. Our commitment is to eliminate discrimination whether by reason of gender, sexual orientation, race, nationality, ethnic origin, colour, religion or ability and to encourage equal opportunities and to enable and provide access to a range of sports for all members of the community, regardless of age, gender, ability, race or religion.

Review of activities

The focus of our work

Our main objectives for the year continued to be the development and introduction of new facilities, which are detailed below;

Stadia regeneration

- Increased toilets, separated for male and female and disabled access
- Install and complete work on food, drink and hospitality services pitch side

Plans for future periods

Ongoing work and planned future projects will continue to improve the stadia aesthetically, with increased access for spectators, increased food & refreshment provisions and improved parking, including disabled bay parking and emergency vehicle access too.

SPORTING KHALSA COMMUNITY FACILITIES LIMITED
(A company limited by guarantee)

DIRECTORS' AND TRUSTEES' REPORT (continued)
Period ended 31 March 2019

Financial Review

Total income for the year was £625,790 (2018: £161,615). Income has been expended on the improvements to the stadium. Total revenue expenditure for the year was £246,687 (2018: £62,012), leaving a surplus for the year of £379,103 (2018: £99,603).

Reserves policy

The charitable company is dependent upon donations and grants for the major part of its income, the Board of Trustees are happy to maintain the General Fund at its present level in order to ensure that the current level of expenditure on projects for which specific grants are not available can be continued.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees (who are also the directors of Sporting Khalsa Community Facilities Limited for the purposes of company law) are responsible for preparing the annual report 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 financial year. In preparing these financial statements, the Trustees are required to:

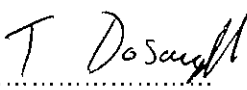
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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 has been prepared in accordance with special provisions of S415A of the Companies Act 2006 relating to small companies.

Approved by the Trustees on 8 November 2019 and signed on their behalf by:


.....
J Dhillon


.....
T Dosanjh

**INDEPENDENT EXAMINERS' REPORT TO THE TRUSTEES OF
SPORTING KHALSA COMMUNITY FACILITIES LIMITED
(A company limited by guarantee)**

I report on the accounts of the charitable company for the period ended 31 March 2019 which are set out on pages 6 to 15.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of Independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

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

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

RMY CLEMENTS LIMITED
Lyndon House
62 Hagley Road
Edgbaston
Birmingham
B16 8PE

Mr M S Sahota BA (Hons) FCCA ACA CTA
Partner in RMY CLEMENTS LIMITED
8 November 2019

SPORTING KHALSA COMMUNITY FACILITIES LIMITED
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the income and expenditure account)
for the Period ended 31 March 2019

	Notes	General Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds 2018 £
Income from:					
Voluntary income		201,526	424,264	625,790	161,615
Total income	2	201,526	424,264	625,790	161,615
Expenditure on:					
Charitable activities	3a	246,687	-	246,687	62,012
Total expenditure		246,687	-	246,687	62,012
Net incoming/(outgoing) resources being net income/(expenditure) for the year before transfers		(45,161)	424,264	379,103	99,603
Net movement in funds		(45,161)	424,264	379,103	99,603
Reconciliation of funds					
Total funds brought forward		558,762	-	558,762	459,159
Total funds carried forward	8	513,601	424,264	937,865	558,762

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

All incoming resources and resources expended derive from continuing activities.

The notes on page 8 to 14 form part of these financial statements.

SPORTING KHALSA COMMUNITY FACILITIES LIMITED
(A company limited by guarantee)

BALANCE SHEET
AS AT 31 March 2019
(Company Number 07618268)

	Note	2019	2018
		£	£
Fixed assets			
Tangible fixed assets	5	476,304	488,153
Current assets			
Debtors	6	547,215	33,267
Cash at bank and in hand		25,545	46,830
		<u>572,760</u>	<u>80,097</u>
Creditors: amounts falling due within one year	7	(111,199)	(9,488)
		<u>461,561</u>	<u>70,609</u>
Net current assets			
		<u>461,561</u>	<u>70,609</u>
Net assets		<u>937,865</u>	<u>558,762</u>
Represented by:			
Restricted funds	8	424,264	-
Unrestricted funds	8	513,601	558,762
		<u>937,865</u>	<u>558,762</u>
Total funds		<u>937,865</u>	<u>558,762</u>

The Board of Trustees consider that the charitable company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 and members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act. The Board of Trustees acknowledge their responsibilities for ensuring that the charitable company keeps accounting records which comply with section 386 of the Companies Act 2006, and for preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at 31 March 2019 and of its incoming resources and application of resources, including the net income or expenditure for the year then ended in accordance with the requirements of sections 394 and 395, and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements so far as applicable to the charitable company.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

These financial statements were approved by the Board of Trustees on 8 November 2019 and were signed on their behalf by:

J Dhillon
Trustee

J D

T Dosanjh
Trustee

T Dosanjh

SPORTING KHALSA COMMUNITY FACILITIES LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Period ended 31 March 2019

1 Principal accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of accounting

Sporting Khalsa Community Facilities Limited (the charity) is a registered incorporated charity in the United Kingdom. The address of the registered office is given in the officers and professional advisers page of these financial statements. The nature of the charity's operations and principal activities are to build, maintain and provide first class facilities for the community of Willenhall and surrounds. The charity aims to help tackle social exclusion, and provide sporting opportunities for all members of the community

The charity constitutes a public benefit entity as defined by FRS 102. 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) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Fund accounting

Restricted funds

Restricted funds represent grants and donations which are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Unrestricted funds

Unrestricted funds represent funds that are expendable at the discretion of the Trustees in the furtherance of the objects of the charitable company. Such funds may be held in order to finance both working capital and capital investment.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charitable company is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

SPORTING KHALSA COMMUNITY FACILITIES LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Period ended 31 March 2019

- Voluntary income by way of grants, donations and gifts is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charitable company, are recognised when it becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charitable company where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charitable company earns the right to consideration by its performance. Where income is received in advance of performance it is treated as deferred income and included within creditors.
- Income from investments is accounted for in the year in which it is receivable. Interest on bank and other deposits is accounted for in the year in which it is received.

SPORTING KHALSA COMMUNITY FACILITIES LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Period ended 31 March 2019

1 Principal accounting policies: continued

Resources expended

Charitable activities include grants made and costs of an indirect nature necessary to support them.

Expenditure is recognised on an accruals basis as a liability is incurred.

Charitable expenditure comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries. Charitable grants are accounted for in the year in which they are paid.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity comprise both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Tangible fixed assets and depreciation

Leasehold improvements	2% straight line
Fixtures and fittings	20% straight line

Taxation

As a charitable company Sporting Khalsa Community Facilities Limited is exempt from tax on income and gains. Accordingly, the company is exempt from taxation in respect of income and capital gains received within categories covered by Sections 481 – 489 of the Taxes Act 2010 or Section 256 Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

SPORTING KHALSA COMMUNITY FACILITIES LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Period ended 31 March 2019

2. Voluntary income

	Unrestricted £	Restricted £	2019 Total £	2018 Total £
The Football Stadia Improvement Fund	31,329	-	31,329	27,648
Other Grants	153,492	424,264	577,756	133,328
Donations	16,705	-	16,705	639
	<u>201,526</u>	<u>424,264</u>	<u>625,790</u>	<u>161,615</u>

3(a) Analysis of costs of charitable activities

	Unrestricted £	Restricted £	2019 Total £	2018 Total £
Grant expenditure	144,716	-	144,716	19,183
Repairs and renewals	44,009	-	44,009	10,432
Bank charges	(12)	-	(12)	18
Office costs	28,020	-	28,020	9,528
Professional fees	16,725	-	16,725	11,080
Depreciation	11,849	-	11,849	10,449
Governance costs (note 3b)	1,380	-	1,380	1,322
	<u>246,687</u>	<u></u>	<u>246,687</u>	<u>62,012</u>

3(b) Governance costs

	2019 Total £	2018 Total £
Accountancy and independent examination	1,380	1,322

SPORTING KHALSA COMMUNITY FACILITIES LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Period ended 31 March 2019

4 Remuneration and other benefits

None of the trustees (or any persons connected with them) received any remuneration during the year. Details of transactions with related parties are given in note 12.

5. Tangible fixed assets

	Leasehold Improvements £	Fixtures & fittings £	Total £
Cost			
At 1 April 2018	520,428	7,200	527,628
Additions	-	-	-
	<u>520,428</u>	<u>7,200</u>	<u>527,628</u>
At 31 March 2019	520,428	7,200	527,628
Depreciation			
At 1 April 2018	33,715	5,760	39,475
Charge for the year	10,409	1,440	11,849
	<u>44,124</u>	<u>7,200</u>	<u>51,324</u>
At 31 March 2019	44,124	7,200	51,324
Net book value			
At 31 March 2018	486,713	1,440	488,153
	<u>486,713</u>	<u>1,440</u>	<u>488,153</u>
At 31 March 2019	476,304	-	476,304
	<u>476,304</u>	<u>-</u>	<u>476,304</u>

Leasehold improvements include costs incurred on improvements to the stadium.

The Football Stadia Improvement Fund Limited ("the Foundation") has a legal mortgage over the leasehold property being part of the land on the North West side of Noose Lane, Willenhall, West Midlands as a continuing security for the payment to the Foundation of all sums covenanted to be paid by the Company and with all monies and liabilities from time to time owing or incurred by the Company to the Foundation in accordance with the terms of the deed.

SPORTING KHALSA COMMUNITY FACILITIES LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Period ended 31 March 2019

6. Debtors

	2019 £	2018 £
Trade debtors	18,062	23,955
Other debtors	529,153	9,312
	<u>547,215</u>	<u>33,267</u>

During the year an amount of £529,153 was invested in the creation of a large 4G pitch and a new stand. This spend is presently include within other debtors as it is subject to planning approval. The Trustees are of the view that planning will be obtained in December 2019 at which time it will be recategorized as a fixed asset.

7. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	84,391	8,165
Accruals and deferred income	1,330	1,323
Other Creditors	25,478	-
	<u>111,199</u>	<u>9,488</u>

8. Reconciliation of movements in funds

	1 April 2018 £	Incoming resources £	Outgoing resources £	31 March 2019 £
General funds	558,762	201,526	(246,687)	513,601
Restricted funds	-	424,264	-	424,264
	<u>558,762</u>	<u>625,790</u>	<u>(246,687)</u>	<u>937,865</u>

Restricted funds

The Football Stadia Improvement fund was funding provided for ground improvements at the Aspray Arena at Noose Lane, Willenhall. The charitable company has granted a legal mortgage in respect of this funding as disclosed in note 5.

SPORTING KHALSA COMMUNITY FACILITIES LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the Period ended 31 March 2019

9. Analysis of net assets between funds

	General funds £	Restricted funds £	Total £
Fund balances at 31 March 2019 are represented by:			
Tangible fixed assets	476,304	-	476,304
Current assets	43,607	529,153	572,760
Current liabilities	(111,199)	-	(111,199)
	<u> </u>	<u> </u>	<u> </u>
Total net assets	408,712	529,153	937,865
	<u> </u>	<u> </u>	<u> </u>

10. Financial commitments

Operating lease commitments

At 31 March 2019 the charitable company had annual commitments under non-cancellable operating leases as follows:

	2019 £	2018 £
<i>Land and buildings</i>		
After more than five years	1,000	1,000
	<u> </u>	<u> </u>

11. Controlling party

The charitable company is under the control of the Board of Trustees.

12. Company status

The Company is limited by guarantee and does not have any share capital.

Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while he is a member or within one year after ceasing to be a member, for payments of the debts and liabilities of the company contracted before he ceased to be a member, and the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributions among themselves such amount as may be required, not exceeding £10.

12. Related party transactions

The charitable company has entered into a lease agreement with SK Sport Asset Limited expiring in 2039 to use the sports stadium for charitable purposes at a rent of £1,000 per annum.