

Company registration number: 05377721

Charity registration number: 1110865

MK Springers

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 January 2017

Michael J Emery & Co Limited
22 St John Street
St. John Street
Newport Pagnell
Buckinghamshire
MK16 8HJ

MK Springers

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MK Springers

Reference and Administrative Details

| | |
|------------------------------------|---|
| Trustees | Mr Nicholas Anthony Heffer-Rahn Mr Alan Lavelle Mr Christopher Mark Kemp (resigned 30 June 2016) Mrs Cerie Anne Palmer |
| Secretary | Mr Nicholas Anthony Heffer-Rahn |
| Senior Management Team | Mrs Felicity Candler-O'Donnell Mrs Jean Heffer-Rahn Mr Gerry O'Donnell |
| Principal Office | 39 Milton Drive Newport Pagnell Buckinghamshire MK16 9AS |
| Company Registration Number | 05377721 |
| Charity Registration Number | 1110865 |
| Solicitors | Kingsley David Shelton House 4 High Street Woburn Sands Buckinghamshire MK17 8SD |
| Bankers | Barclays Bank plc 9 High Street Stony Stratford Milton Keynes Buckinghamshire |
| Independent Examiner | Michael J Emery & Co Limited 22 St John Street St. John Street Newport Pagnell Buckinghamshire MK16 8HJ |

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Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 January 2017.

Objectives and activities

Objects and aims

The promotion of community participation in healthy recreation by the provision of facilities for gymnastics, particularly for the young and socially disadvantaged persons of Milton Keynes with the object of improving their conditions of life.

Public benefit

Our main activity delivers public benefit by the advancement of amateur gymnastics in young and socially disadvantaged persons through the operation of our main centre which has over 600 club members. Schools throughout the Milton Keynes area are also assisted by the charity in the provision of health and fitness by delivering after school clubs and extra curricular activities.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Grant making policies

The charity has no fixed policy in making grants and judges any application on the individual merits of the applicant.

Use of volunteers

Volunteers are recruited through the charity's newsletter. They are sourced from the charity's beneficiaries and are mainly used to assist at fundraising events.

Structure, governance and management

Nature of 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.

Recruitment and appointment of trustees

New trustees are recruited by advertising via the charity's website and newsletters. The suitability of applicants is assessed by the existing trustees who are then responsible for making a decision on any appointment.

Induction and training of trustees

New trustees are provided with a governance pack outlining their individual responsibilities as well as the rules and regulations governing the charity. Additional support and guidance is provided by existing trustees.

Arrangements for setting key management personnel remuneration

Key management comprises the trustees and the club managers to whom the day to day management of the charity is delegated.

The charity's trustees do not receive any remuneration.

The remuneration of club managers is determined by the trustees. The salaries set are intended to be competitive but the main criteria is ensuring affordability for the charity.

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Trustees' Report

Organisational structure

The trustees have delegated the day to day running of the organisation to the managers. The management team are appointed by the trustees.

Decisions over major capital expenditure and strategic direction are taken by the trustees.

Major risks and management of those risks

Loss of premises

Sudden closure of the premises due to flood or fire.

The charity has continuity insurance cover in place.

Child safeguarding

The charity could be subject to a child safeguarding issue, damaging the reputation of the organisation and possibly leading to enforced closure of the facilities.

The trustees have implemented stringent child safeguarding procedures in accordance with relevant legislation and best practice. These procedures are reviewed regularly to ensure compliance with applicable law and to ensure that any new or emerging risks in this area are mitigated.

Achievements and performance

The club's activities are primarily intended for the provision of gymnastics classes to children and young people, both within curriculum time and after school. The club operates seven days a week and delivers a range of activities to a wider section of the public across the borough of Milton Keynes and in South Northamptonshire. Examples are as follows:

- Provision of a community sports coach to provide gymnastics classes to primary schools during school time
- Development of a coaching manual and lesson plans that have been made available to all primary schools in Milton Keynes
- Provision of after school clubs in 16 primary schools
- We provide fee reductions for siblings and those families suffering financial hardship
- Running daytime sessions for home educated children
- Working with SureStart to provide pre-school sessions every day of the week at different locations
- Facilitating and running gym festivals at our premises in Kiln Farm
- Running an inter-schools gymnastics competition
- Giving our gymnasts the opportunity to compete at local, regional and national level
- We are proud to support British Gymnastics as the national governing body of our association, and all of our gymnasts and coaches are insured with them, thus ensuring maximum protection
- Provision of teenage gymnastics sessions, through the involvement of our young leaders
- Providing work placements for young people in association with the local Education and Business Partnership (EBP)
- Ofsted registration ensures families obtain benefit through the use of working tax credit and childcare vouchers
- As an inclusive club we have several children with disabilities such as blindness, hearing loss, dyspraxia and ADHD who take part in our regular club sessions
- The club's facilities are hired out at favourable rates to other small clubs and charities, including a group catering for autism

Aside from retaining a prudent amount in reserves each year most of the charity's funds are spent in the short term so there are limited funds available for long term investment.

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Trustees' Report

Financial review

All surpluses and deficits are placed to general reserve to maintain working capital and to enable the business to carry out its activities and use any surpluses to fund new capital equipment for use within the charity. The charity intends to significantly build the amount retained in reserves to allow for the increased long term leasehold. During the year the charity made a surplus of £44,455 which resulted in the reserves figure increasing to £204,381.

The charity funds the training of its coaches. £6,100 (2016: £4,640) was spent on external training during the period. Most training and mentoring occurs in-house. Many of the club's teenage members have joined the young leader programme and are working towards becoming assistant coaches.

Policy on reserves

The charity does not have any formal policy in respect of reserves held.

Principal funding sources

The charity has no current need for overdraft or loan facilities. Funding is generated almost entirely from charitable activities, being fees received for the provision of gymnastics coaching and gymnastics facilities. A small amount of grant funding is received from local authorities.

Funds raised are largely used to cover running costs such as staff salaries and rent of premises. Any surpluses earned are usually invested in new gym equipment with a small amount retained in reserves.

Financial instruments

Objectives and policies

The Charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk.

Cash flow risk

Much of the charity's income is derived from memberships and subscriptions which are provided on a proforma basis and hence incoming cash flows are generally stable.

The charity's cost base is largely fixed in the short to medium term and so outgoing cash flow requirements follow a reasonably predictable pattern and can be carefully planned.

Cash reserves are held in liquid funds and can therefore be accessed to meet the immediate cash flow requirements of the charity.

The main risk to cash flow would be loss of income owing to the closure of the charity's premises due to fire or flood etc. The charity has continuity insurance cover in place to mitigate this risk.

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Trustees' Report

Credit risk

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

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.

Liquidity risk

The charity has no current need for overdraft or loan facilities and does not have any debt finance. Given the current level of reserves and financial commitments liquidity risk is considered to be low.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Plans for future periods

Aims and key objectives for future periods

The charity will continue to support the wider community through working with local schools and with SureStart. The club also provides assisted places to those in financial need. We will continue to plan towards having our own purpose built facility to provide fitness and wellbeing to the rapidly expanding population in the local area.

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

.....
Mr Nicholas Anthony Heffer-Rahn
Company Secretary and Trustee

.....
Mr Alan Lavelle
Trustee

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Statement of Trustees' Responsibilities

The trustees (who are also the directors of MK Springers for the purposes of company law) 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.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on and signed on its behalf by:

.....
Mr Nicholas Anthony Heffer-Rahn
Company Secretary and Trustee

.....
Mr Alan Lavelle
Trustee

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Independent Examiner's Report to the trustees of MK Springers

I report on the accounts of the charity for the year ended 31 January 2017 which are set out on pages 8 to 22 .

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. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ICAEW.

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;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to 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 Charities

have 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.

.....
Michael Emery ACA

22 St John Street
St. John Street
Newport Pagnell
Buckinghamshire
MK16 8HJ

Date:.....

MK Springers

Statement of Financial Activities for the Year Ended 31 January 2017 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | Note | Unrestricted funds £ | Total 2017 £ | Total 2016 £ |
|------------------------------------|------|-------------------------|---------------------------------|-----------------------------|
| Income and Endowments from: | | | | |
| Donations and legacies | 2 | 8,119 | 8,119 | 9,602 |
| Charitable activities | 3 | 704,500 | 704,500 | 704,339 |
| Investment income | 4 | 6 | 6 | - |
| Total Income | | <u>712,625</u> | <u>712,625</u> | <u>713,941</u> |
| Expenditure on: | | | | |
| Charitable activities | 5 | <u>(668,170)</u> | <u>(668,170)</u> | <u>(693,431)</u> |
| Total Expenditure | | <u>(668,170)</u> | <u>(668,170)</u> | <u>(693,431)</u> |
| Net income | | <u>44,455</u> | <u>44,455</u> | <u>20,510</u> |
| Net movement in funds | | 44,455 | 44,455 | 20,510 |
| Reconciliation of funds | | | | |
| Total funds brought forward | | <u>159,926</u> | <u>159,926</u> | <u>139,416</u> |
| Total funds carried forward | 19 | <u>204,381</u> | <u>204,381</u> | <u>159,926</u> |
| | | | Unrestricted funds £ | Total 2016 £ |
| Income and Endowments from: | | | | |
| Donations and legacies | 2 | | 9,602 | 9,602 |
| Charitable activities | 3 | | 704,339 | 704,339 |
| Total Income | | | <u>713,941</u> | <u>713,941</u> |
| Expenditure on: | | | | |
| Charitable activities | 5 | | <u>(693,431)</u> | <u>(693,431)</u> |
| Total Expenditure | | | <u>(693,431)</u> | <u>(693,431)</u> |
| Net income | | | <u>20,510</u> | <u>20,510</u> |
| Net movement in funds | | | 20,510 | 20,510 |
| Reconciliation of funds | | | | |
| Total funds brought forward | | | <u>139,416</u> | <u>139,416</u> |
| Total funds carried forward | 19 | | <u>159,926</u> | <u>159,926</u> |

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2016 is shown in note 19.

MK Springers

(Registration number: 05377721) Balance Sheet as at 31 January 2017

| | Note | 2017 £ | 2016 £ |
|---|------|-----------------|-----------------|
| Fixed assets | | | |
| Tangible assets | 13 | 125,033 | 111,916 |
| Current assets | | | |
| Stocks | 14 | 10,015 | 9,693 |
| Debtors | 15 | 30,251 | 23,918 |
| Cash at bank and in hand | | 67,673 | 34,136 |
| | | <u>107,939</u> | <u>67,747</u> |
| Creditors: Amounts falling due within one year | 16 | <u>(28,591)</u> | <u>(19,737)</u> |
| Net current assets | | <u>79,348</u> | <u>48,010</u> |
| Net assets | | <u>204,381</u> | <u>159,926</u> |
| Funds of the charity: | | | |
| Unrestricted income funds | | | |
| Unrestricted funds | | <u>204,381</u> | <u>159,926</u> |
| Total funds | 19 | <u>204,381</u> | <u>159,926</u> |

For the financial year ending 31 January 2017 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 8 to 22 were approved by the trustees, and authorised for issue on and signed on their behalf by:

.....
Mr Nicholas Anthony Heffer-Rahn
Company Secretary and Trustee

.....
Mr Alan Lavelle
Trustee

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Statement of Cash Flows for the Year Ended 31 January 2017

| | Note | 2017 £ | 2016 £ |
|--|------|----------------------|----------------------|
| Cash flows from operating activities | | | |
| Net cash income | | 44,455 | 20,510 |
| Adjustments to cash flows from non-cash items | | | |
| Depreciation | | 19,104 | 17,076 |
| Investment income | 4 | (6) | - |
| (Profit)/loss on disposal of fixed assets held for the charity's own use | 8 | (4,639) | (183) |
| | | <u>58,914</u> | <u>37,403</u> |
| Working capital adjustments | | | |
| Increase in stocks | | (322) | (2,771) |
| (Increase)/decrease in debtors | | (6,332) | 1,174 |
| Increase in creditors | | <u>8,854</u> | <u>963</u> |
| Net cash flows from operating activities | | <u>61,114</u> | <u>36,769</u> |
| Cash flows from investing activities | | | |
| Interest receivable and similar income | 4 | 6 | - |
| Purchase of tangible fixed assets | 13 | (40,312) | (40,589) |
| Sale of tangible fixed assets | | <u>12,729</u> | <u>442</u> |
| Net cash flows from investing activities | | <u>(27,577)</u> | <u>(40,147)</u> |
| Net increase/(decrease) in cash and cash equivalents | | 33,537 | (3,378) |
| Cash and cash equivalents at 1 February | | <u>34,136</u> | <u>37,514</u> |
| Cash and cash equivalents at 31 January | | <u><u>67,673</u></u> | <u><u>34,136</u></u> |

All of the cash flows are derived from continuing operations during the above two periods.

MK Springers

Notes to the Financial Statements for the Year Ended 31 January 2017

1 Accounting policies

General

The charity is established as a company limited by guarantee and was incorporated in England and Wales.

Summary of significant accounting policies and key accounting estimates

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

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 Companies Act 2006.

Basis of preparation

MK Springers 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.

Going concern

The financial statements have been prepared on a going concern basis.

It is the trustees assessment that there are no material uncertainties regarding the charity's ability to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Income and endowments

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

Donations and legacies

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 by the charity 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 these conditions will be fulfilled in the reporting period.

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.

All resources expended are inclusive of irrecoverable VAT.

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Notes to the Financial Statements for the Year Ended 31 January 2017

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.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

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.

Grants

Grants received for the purchase of capital equipment are recognised in income on a systematic basis over the expected useful life of the asset.

Revenue grants are recognised in the profit and loss account in the same period as the expenditure towards which they are intended to contribute is incurred.

All grants are accounted for using the accrual model.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

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

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on 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:

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Notes to the Financial Statements for the Year Ended 31 January 2017

| Asset class | Depreciation method and rate |
|-------------------------|--|
| Land and buildings | At varying rates on cost |
| Furniture and equipment | At 33% reducing balance and at varying rates on cost |
| Motor vehicles | At 33 % reducing balance |

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).

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

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.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Financial instruments

Classification

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

MK Springers

Notes to the Financial Statements for the Year Ended 31 January 2017

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.

Debt instruments

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

MK Springers

Notes to the Financial Statements for the Year Ended 31 January 2017

2 Income from donations and legacies

| | Unrestricted funds | | |
|---------------------------|--------------------|--------------|--------------|
| | General | Total | Total |
| | £ | 2017 | 2016 |
| | | £ | £ |
| Donations and legacies; | | | |
| Fundraising and donations | 8,119 | 8,119 | 9,602 |
| | <u>8,119</u> | <u>8,119</u> | <u>9,602</u> |

3 Income from charitable activities

| | Unrestricted funds | | |
|---------------------------------|--------------------|----------------|----------------|
| | General | Total | Total |
| | £ | 2017 | 2016 |
| | | £ | £ |
| Coaching and hire of facilities | 704,500 | 704,500 | 704,339 |
| | <u>704,500</u> | <u>704,500</u> | <u>704,339</u> |

4 Investment income

| | Unrestricted funds | | |
|---|--------------------|----------|----------|
| | General | Total | Total |
| | £ | 2017 | 2016 |
| | | £ | £ |
| Interest receivable and similar income; | | | |
| Interest receivable on bank deposits | 6 | 6 | - |
| | <u>6</u> | <u>6</u> | <u>-</u> |

5 Expenditure on charitable activities

| | Activity undertaken directly | Activity support costs | Total | Total |
|---------------------------------|------------------------------|------------------------|----------------|----------------|
| | £ | £ | 2017 | 2016 |
| | | | £ | £ |
| Coaching and hire of facilities | 614,161 | 54,009 | 668,170 | 693,431 |
| | <u>614,161</u> | <u>54,009</u> | <u>668,170</u> | <u>693,431</u> |

£668,170 (2016 - £693,372) of the above expenditure was attributable to unrestricted funds and £Nil (2016 - £Nil) to restricted funds.

MK Springers

Notes to the Financial Statements for the Year Ended 31 January 2017

6 Analysis of governance and support costs

Expenditure on activities undertaken directly

| | Unrestricted funds | Total 2017 | Total 2016 |
|---------------------------------|--------------------|----------------|----------------|
| | General | | |
| | £ | £ | £ |
| Wages and salaries | 316,118 | 316,118 | 317,218 |
| Social security | 14,004 | 14,004 | 15,657 |
| Staff pensions | 15,600 | 15,600 | 15,000 |
| External coaches | 13,617 | 13,617 | 33,873 |
| Coach education and training | 6,100 | 6,100 | 4,640 |
| Hire of facilities | 136,036 | 136,036 | 110,794 |
| Rates and water | 2,322 | 2,322 | 2,386 |
| Light and heating | 16,281 | 16,281 | 17,005 |
| Insurance | 3,916 | 3,916 | 6,608 |
| Maintenance of facilities | 32,959 | 32,959 | 23,313 |
| Materials consumed | 3,372 | 3,372 | 7,978 |
| Leotards and badges | 17,032 | 17,032 | 19,293 |
| Membership and affiliation fees | 13,611 | 13,611 | 17,551 |
| Competition costs | 5,344 | 5,344 | 9,206 |
| Vehicle costs | 7,908 | 7,908 | 5,179 |
| Travel and subsistence | 863 | 863 | 3,939 |
| Advertising and website | 8,614 | 8,614 | 13,764 |
| Staff entertaining | 464 | 464 | - |
| | <u>614,161</u> | <u>614,161</u> | <u>623,404</u> |

Support costs allocated to charitable activities

| | Basis of allocation | Governance costs | Total 2017 | Total 2016 |
|---------------------------------|---------------------|------------------|---------------|---------------|
| | | £ | £ | £ |
| Coaching and hire of facilities | 100% | <u>54,009</u> | <u>54,009</u> | <u>70,027</u> |

MK Springers

Notes to the Financial Statements for the Year Ended 31 January 2017

Governance costs

| | Unrestricted funds | | |
|--|--------------------|---------------|---------------|
| | General | Total | Total |
| | £ | 2017 | 2016 |
| | | £ | £ |
| Independent Examiner's remuneration | 3,994 | 3,994 | 2,580 |
| Legal fees | 14,616 | 14,616 | 31,367 |
| Depreciation, amortisation and other similar costs | 14,466 | 14,466 | 16,892 |
| Office expenses | 2,613 | 2,613 | 2,173 |
| Telephone and fax | 3,184 | 3,184 | 1,766 |
| Printing, postage and stationery | 6,422 | 6,422 | 6,102 |
| Bank charges | 8,714 | 8,714 | 9,088 |
| Hire purchase interest | - | - | 59 |
| | <u>54,009</u> | <u>54,009</u> | <u>70,027</u> |

7 Grants

During the year the charity received a grant of £5,000 from MK Community Foundation to help fund the salary of a qualified tumbling coach.

The charity also received a grant of £874 from Sport Milton Keynes to fund the purchase of specialised equipment for use in regular sessions held for families of children with special needs.

The amount of grant income recognised in the financial statements is £5,000 (2016 - ££9,472).

8 Net incoming/outgoing resources

Net incoming resources for the year include:

| | 2017 | 2016 |
|--|---------------|---------------|
| | £ | £ |
| (Profit)/loss on disposal of fixed assets held for the charity's own use | (4,639) | (183) |
| Depreciation of fixed assets | <u>19,105</u> | <u>17,075</u> |

MK Springers

Notes to the Financial Statements for the Year Ended 31 January 2017

9 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.

10 Staff costs

The aggregate payroll costs were as follows:

| | 2017 £ | 2016 £ |
|--|----------------|----------------|
| Staff costs during the year were: | | |
| Wages and salaries | 316,118 | 317,218 |
| Social security costs | 14,004 | 15,657 |
| Pension costs | 15,600 | 15,000 |
| | <u>345,722</u> | <u>347,875</u> |

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

| | 2017 No | 2016 No |
|----------------|------------|------------|
| Coaching staff | <u>33</u> | <u>36</u> |

2 (2016 - 2) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £15,600 (2016 - £15,000).

No employee received emoluments of more than £60,000 during the year.

The total compensation of key management personnel, including pensions and benefits, was £97,500.

11 Taxation

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

12 Independent examiner's remuneration

| | 2017 £ | 2016 £ |
|---|--------------|--------------|
| Examination of the financial statements | <u>3,994</u> | <u>2,580</u> |

MK Springers

Notes to the Financial Statements for the Year Ended 31 January 2017

13 Tangible fixed assets

| | Land and buildings £ | Furniture and equipment £ | Motor vehicles £ | Total £ |
|-------------------------|----------------------------|---------------------------------|------------------------|----------------|
| Cost | | | | |
| At 1 February 2016 | 34,853 | 126,484 | 11,348 | 172,685 |
| Additions | - | 40,312 | - | 40,312 |
| Disposals | - | (10,665) | - | (10,665) |
| At 31 January 2017 | <u>34,853</u> | <u>156,131</u> | <u>11,348</u> | <u>202,332</u> |
| Depreciation | | | | |
| At 1 February 2016 | 13,403 | 41,472 | 5,885 | 60,760 |
| Charge for the year | 3,685 | 13,598 | 1,821 | 19,104 |
| Eliminated on disposals | - | (2,565) | - | (2,565) |
| At 31 January 2017 | <u>17,088</u> | <u>52,505</u> | <u>7,706</u> | <u>77,299</u> |
| Net book value | | | | |
| At 31 January 2017 | <u>17,765</u> | <u>103,626</u> | <u>3,642</u> | <u>125,033</u> |
| At 31 January 2016 | <u>21,450</u> | <u>85,012</u> | <u>5,463</u> | <u>111,925</u> |

Included within the net book value of land and buildings above is £Nil (2016 - £Nil) in respect of freehold land and buildings and £17,765 (2016: £21,450) in respect of leaseholds.

14 Stock

| | 2017 £ | 2016 £ |
|--|---------------|--------------|
| Stocks | <u>10,015</u> | <u>9,693</u> |
| The cost of stock recognised as an expense in the year amounted to £17,032 (2016 - £19,293). | | |

15 Debtors

| | 2017 £ | 2016 £ |
|---------------|---------------|---------------|
| Trade debtors | 4,941 | 2,305 |
| Prepayments | 24,245 | 20,277 |
| Other debtors | <u>1,065</u> | <u>1,336</u> |
| | <u>30,251</u> | <u>23,918</u> |

MK Springers

Notes to the Financial Statements for the Year Ended 31 January 2017

16 Creditors: amounts falling due within one year

| | 2017 £ | 2016 £ |
|--|---------------|----------------|
| Trade creditors | 5,674 | 5,957 |
| Other taxation and social security | 4,038 | 3,499 |
| Other creditors | 9,198 | 8,281 |
| Accruals | 9,681 | 2,000 |
| | <u>28,591</u> | <u>19,737</u> |
| | | 2017 |
| | | £ |
| Deferred income at 1 February 2016 | | 8,281 |
| Resources deferred in the period | | 9,198 |
| Amounts released from previous periods | | <u>(8,281)</u> |
| Deferred income at 31 January 2017 | | <u>9,198</u> |

£8,324 (2016: £8,281) of deferred income relates to advance payments received from customers for goods and services that were not provided until after the balance sheet date.

£874 (2016: £Nil) of deferred income relates to grants received to fund the purchase of capital equipment.

17 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

| | 2017 £ | 2016 £ |
|----------------------------|----------------|----------------|
| Land and buildings | | |
| Within one year | 137,057 | 112,555 |
| Between one and five years | 525,383 | 450,221 |
| After five years | - | 93,796 |
| | <u>662,440</u> | <u>656,572</u> |

MK Springers

Notes to the Financial Statements for the Year Ended 31 January 2017

18 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £5 towards the assets of the charity in the event of liquidation.

19 Funds

| | Balance at 1 February 2016 £ | Incoming resources £ | Resources expended £ | Balance at 31 January 2017 £ |
|-------------------|------------------------------------|----------------------------|----------------------------|------------------------------------|
| <i>General</i> | | | | |
| Unrestricted fund | <u>159,926</u> | <u>712,625</u> | <u>(668,170)</u> | <u>204,381</u> |
| | Balance at 1 February 2015 £ | Incoming resources £ | Resources expended £ | Balance at 31 January 2016 £ |
| <i>General</i> | | | | |
| Unrestricted fund | <u>139,416</u> | <u>713,941</u> | <u>(693,431)</u> | <u>159,926</u> |

The specific purposes for which the funds are to be applied are as follows:

The unrestricted general fund can be applied at the discretion of the trustees/management for any purpose that is in accordance with the charity's aims and objectives.

20 Financial instruments

Categorisation of financial instruments

| | 2017 £ | 2016 £ |
|---|--------------|--------------|
| Financial assets that are debt instruments measured at amortised cost | <u>6,006</u> | <u>3,641</u> |
| Financial liabilities measured at amortised cost | <u>5,674</u> | <u>5,957</u> |

21 Related party transactions

During the year the charity made the following related party transactions:

Gerry O'Donnell

(Gerry O'Donnell is part of the charity's key management personnel.)

During the year Gerry O'Donnell received £10,000 (2016: £30,000) from the charity for the provision of professional services. At the balance sheet date the amount due to/from Gerry O'Donnell was £Nil (2016 - £232).

MK Springers

Notes to the Financial Statements for the Year Ended 31 January 2017

22 Transition to FRS 102

There have not been any material changes to the charity's accounting policies as result of the transition to FRS 102. As such, no adjustments have been made to the SOFA or balance sheet for the year ended 31 January 2016, or to the net assets or opening funds at the date of transition (1 February 2015).