

Charity Registration No. 293310

**MEOPHAM SPORTS & LEISURE ASSOCIATION**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

# MEOPHAM SPORTS & LEISURE ASSOCIATION

## LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	Mr R Parker Mr D Young Mr M Wilson Mr J N Taylor Mr A S Bak Mr L V Small Mr M Goffon
<b>Charity number</b>	293310
<b>Principal address</b>	13 Cheshunt Close Meopham Kent DA13 0HU
<b>Independent examiner</b>	Perrys Accountants Limited 12 Old Bond Street London W1S 4PW

---

# MEOPHAM SPORTS & LEISURE ASSOCIATION

## CONTENTS

---

	<b>Page</b>
Trustees' report	1 - 5
Independent examiner's report	6
Statement of financial activities	7
Balance sheet	8
Notes to the accounts	9 - 16

---

# MEOPHAM SPORTS & LEISURE ASSOCIATION

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2017

---

The Trustees present their report and accounts for the year ended 31 August 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the association's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)"

**Registered Charity number**

293310

**Principal address**

13 Cheshunt Close  
Meopham  
Kent  
DA13 0HU

**Independent examiner**

Declan McCusker ACA FCCA  
Perrys Accountants Limited  
Chartered Accountants  
1st Floor  
12 Old Bond Street  
London  
W1S 4PW

# MEOPHAM SPORTS & LEISURE ASSOCIATION

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2017

---

#### Objectives and activities

##### Constitution, Objects and Policies

The objective of the Charity is to provide facilities for recreation and other leisure time occupation for the inhabitants of Meopham and the neighbourhood thereof in the interest of social welfare and with the object of improving the conditions of life of the said inhabitants.

The policy of the Association is now to ensure effective and efficient management of the facilities that it has developed and to meet its obligations to the Community and to the funding authorities and organisations that provided grant aid.

##### Significant activities

The Trustees consider that the performance of the Charity has been most satisfactory.

The Sports and Leisure Centre that was developed by the association comprises a full size (4 court) multi purpose sports hall, dance/aerobic studios, gymnasium and outdoor floodlit courts. These facilities are available for use by the community and surrounding neighbourhood and are shared with Meopham School during weekday/term time period.

The Centre is extensively used by all age groups and is available to both regular and casual users without membership requirement. Taking account of school use there are an estimated 7,000 users per week.

The range of activities is extensive and includes 5-a-side football, tennis, basketball, cricket practice nets, Judo/Karate/Martial Arts, Trampolining, Aerobics, Dance, Gymnasium, Physiotherapy and Beauty Therapy Clinics.

The management of the Centre is outsourced to a specialist management contractor under a six year contract, to 31 July 2018, and the performance of this contract is vetted by the M.S.L.A management committee. The contract has since been extended to 31 July 2019.

##### Public benefit

The Association (MSLA) continues to demonstrate and satisfy the principals of Public Benefit by ensuring that its Charitable Purposes are fully integrated in the facilities and activities that are provided to all inhabitants of Meopham and the surrounding neighbourhood. The facilities are also extended to the use by the pupils of The Meopham School.

Use of the facilities is open to all on a casual use basis as well as on a membership basis.

The Charitable Purpose of the Association include:

- the advancement of health
- the advancement of Amateur Sport.

The Trustees of the Association have full regard for their Public Benefit duties which are to:

- ensure that they carry out their charity's aims for the public benefit.
- have regard to guidance published by the Charity Commissioners.
- report on their charity's public benefit in their Annual Trustees Report and Accounts.

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

# MEOPHAM SPORTS & LEISURE ASSOCIATION

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2017

---

The association's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance. There is no employee share scheme at present, but the directors are considering the introduction of such a scheme as a means of further encouraging the involvement of employees in the association's performance.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the association continues and that the appropriate training is arranged. It is the policy of the association that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

#### **Achievements and performance**

The Statement of Financial Activities on page 5 shows a gross income of £410,950 and the total reserves at £312,376.

# MEOPHAM SPORTS & LEISURE ASSOCIATION

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2017

---

#### **Financial review**

M.S.L.A Management Subcommittee, acting on behalf of M.S.L.A. entered into an Agency Agreement with SERCO Leisure Operating Limited for a six year period, due to expire on 31 July 2018.

The Agreement replaced the previous Management Agreement and is designed to maximise the benefits of M.S.L.A.'s charitable status.

Under the terms of the Agency Agreement, M.S.L.A. benefit from the payment of the sum of £7,800 payable from income received, on a quarterly basis (£1,950 each quarter).

The Management Contractors remain responsible under the terms of the Agency Agreement for the financial operation of the Centre, including decoration, general maintenance and replacement of equipment.

#### **Financial Risks and Reserves Policy**

The management contractors take full responsibility for the operational financial viability of the Centre, including general maintenance of the main structure of the building, which was erected in 1994/1995.

The insurance is arranged on a commercial "All Risks" basis and no significant exposure to unsecured risks is anticipated for the foreseeable future.

Under the Agency Agreement, M.S.L.A. benefit from a Reinvestment Fund of up to £6,000 per annum, retained by SERCO but to be used as authorised by M.S.L.A. Management Committee for maintenance and improvements to the facilities.

The Agency Agreement has helped to stabilise the Associations financial commitments and provide funds for building maintenance costs that remain responsibility of M.S.L.A.

#### **Principal funding sources**

The charity is principally funded by the memberships sold and other sports facilities made available.

#### **Future Developments**

The development, successful management and usage of the Centre have achieved the principal objectives of the association. The management committee will from time to time examine options to extend or to vary the facilities to meet the changing needs of the community but there are no significant plans for development for the foreseeable future.

It is the policy of the Trustees that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Trustees's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Trustees have assessed the major risks to which the association is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

# MEOPHAM SPORTS & LEISURE ASSOCIATION

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2017

---

#### Structure, governance and management

##### Governing document

The charity is controlled by its governing document, as registered with the Charities Commission and in accordance with the Charities Act 2011.

##### Appointment and training of new trustees

The Trustees are appointed and trained in accordance with the Charities governing document.

##### Organisational structure

The M.S.L.A. management committee was constituted as a subcommittee of the association with responsibility for the appointment and supervision of the management contractor, liaison with the school, maintenance of the facility, consideration of future investment proposals and the compliance with its obligations to the organisations and authorities who provided grant aid.

The management committee, which includes representatives from the school, borough council, parish council, sports council, as well as members of the association itself (M.S.L.A.), meet on a regular basis.

##### Related parties

There are no related party transactions or reimbursed trustee expenses.

##### Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees of the association who served during the year were:

Mr R Parker

Mr D Young

Mr M Wilson

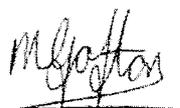
Mr J N Taylor

Mr A S Bak

Mr L V Small

Mr M Goffon

The report was approved by the Board of Trustees.



Mr M Goffon

Dated: 28 June 2018

# MEOPHAM SPORTS & LEISURE ASSOCIATION

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF MEOPHAM SPORTS & LEISURE ASSOCIATION

---

I report on the accounts of the Trustees for the year ended 31 August 2017, which are set out on pages 7 to 16.

#### **Respective responsibilities of Trustees and examiner**

The charity's Trustees are responsible for the preparation of the accounts. The charity's 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 being a qualified member of ACCA and ICAEW.

It is my responsibility to:

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) 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
- (iii) 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 next statement.

#### **Independent examiner's statement**

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

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
  - (ii) to prepare accounts which accord with the accounting records, and comply with the accounting requirements of the 2011 Act; have not been met.
  
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Declan McCusker  
ACA FCCA  
Perrys Accountants Limited  
Chartered Accountants  
12 Old Bond Street  
London  
W1S 4PW

Dated: 28 June 2018

# MEOPHAM SPORTS & LEISURE ASSOCIATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<b>Income from:</b>					
Charitable activities	3	410,950	-	410,950	407,190
<b>Expenditure on:</b>					
Costs of generating funds	4	26,947	-	26,947	26,267
Charitable activities	5	368,618	11,007	379,625	389,539
<b>Total resources expended</b>		<b>395,565</b>	<b>11,007</b>	<b>406,572</b>	<b>415,806</b>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>15,385</b>	<b>(11,007)</b>	<b>4,378</b>	<b>(8,616)</b>
Fund balances at 1 September 2016		3,291	304,707	307,998	316,614
<b>Fund balances at 31 August 2017</b>		<b>18,676</b>	<b>293,700</b>	<b>312,376</b>	<b>307,998</b>

# MEOPHAM SPORTS & LEISURE ASSOCIATION

## BALANCE SHEET

AS AT 31 AUGUST 2017

	Notes	2017		2016	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	9		296,198		307,649
<b>Current assets</b>					
Stocks	10	1,856		1,668	
Debtors	11	50,911		121,104	
Cash at bank and in hand		96,291		129,409	
		<u>149,058</u>		<u>252,181</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(132,880)</u>		<u>(251,832)</u>	
Net current assets			16,178		349
<b>Total assets less current liabilities</b>			<u>312,376</u>		<u>307,998</u>
<b>Income funds</b>					
Restricted funds			293,700		304,707
Unrestricted funds			18,676		3,291
			<u>312,376</u>		<u>307,998</u>

The financial statements were approved by the board of directors and authorised for issue on 28 June 2018 and are signed on its behalf by:



Mr M. Goffon  
Trustee

# MEOPHAM SPORTS & LEISURE ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2017

---

#### 1 Accounting policies

##### Company information

Meopham Sports & Leisure Association is an unincorporated charity in England and Wales. The principal address is 13 Cheshunt close, Meopham, Kent, DA13 0HU.

##### 1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The association is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the association. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

##### 1.2 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Trustees.

##### 1.3 Incoming resources

Income is recognised when the association is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

# MEOPHAM SPORTS & LEISURE ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

---

#### 1 Accounting policies

(Continued)

##### 1.4 Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold	Straight line over 50 years
Fixtures, fittings & equipment	15% reducing balance

##### 1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

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

##### 1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.8 Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the Trustees becomes party to the contractual provisions of the instrument.

##### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

# MEOPHAM SPORTS & LEISURE ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

---

#### 1 Accounting policies

(Continued)

##### **Basic financial liabilities**

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **1.9 Retirement benefits**

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

##### **1.10 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

#### 2 Critical accounting estimates and judgements

In the application of the associations accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# MEOPHAM SPORTS & LEISURE ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 3 Charitable activities

	Food & beverages £	Admissions £	Subscriptions £	Investment income £	Total £	Total 2016 £
Sales within charitable activities	9,162	1,098	352,503	-	362,763	381,385
Other income	-	-	-	48,187	48,187	25,805
	<u>9,162</u>	<u>1,098</u>	<u>352,503</u>	<u>48,187</u>	<u>410,950</u>	<u>407,190</u>

### 4 Costs of generating funds

	2017 £	2016 £
<u>Costs of generating funds</u>		
Costs of generating voluntary income	26,947	26,267
	<u>26,947</u>	<u>26,267</u>
<b>For the year ended 31 August 2016</b>		
Costs of generating funds		<u>26,267</u>

# MEOPHAM SPORTS & LEISURE ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 5 Charitable activities

	Other resources expended	Governance costs £	Total £	Total 2016 £
Staff costs	210,578	-	210,578	194,069
Depreciation	11,451	-	11,451	11,526
Insurance	10,022	-	10,022	8,866
Light & Heat	11,847	-	11,847	12,352
Telephone	1,937	-	1,937	2,135
Legal & professional	12,677	-	12,677	10,594
Repairs & maintenance	12,373	-	12,373	26,500
Sundry	3,506	-	3,506	4,271
Bank charges	9,998	-	9,998	9,845
Hire of plant & machinery	12,414	-	12,414	14,312
Postage & stationery	3,244	-	3,244	2,469
Cleaning	5,759	-	5,759	5,719
Advertising	11,208	-	11,208	12,708
Consumables	2,425	-	2,425	3,766
Management fee	42,774	-	42,774	52,467
Computer costs	7,097	-	7,097	7,710
Trust admin costs	7,800	-	7,800	7,800
	<u>377,110</u>	<u>-</u>	<u>377,110</u>	<u>387,109</u>
Share of governance costs (see note 6)	-	2,515	2,515	2,430
	<u>377,110</u>	<u>2,515</u>	<u>379,625</u>	<u>389,539</u>
<b>Analysis by fund</b>				
Unrestricted funds	366,103	2,515	368,618	
Restricted funds	11,007	-	11,007	
	<u>377,110</u>	<u>2,515</u>	<u>379,625</u>	
<b>For the year ended 31 August 2016</b>				
Unrestricted funds	376,102	2,430		378,532
Restricted funds	11,007	-		11,007
	<u>387,109</u>	<u>2,430</u>		<u>389,539</u>

# MEOPHAM SPORTS & LEISURE ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 6 Support costs

	Governance costs £	2017 £	2016 £	Basis of allocation
Accountancy	2,515	2,515	2,430	Governance
	<u>2,515</u>	<u>2,515</u>	<u>2,430</u>	
Analysed between Charitable activities	<u>2,515</u>	<u>2,515</u>	<u>2,430</u>	

### 7 Trustees

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

### 8 Employees

#### Number of employees

The average monthly number employees during the year was:

	2017 Number	2016 Number
	32	31
	<u>32</u>	<u>31</u>
Employment costs	2017 £	2016 £
Wages and salaries	210,578	194,069
	<u>210,578</u>	<u>194,069</u>

There are no employees who received employee benefits of more than £60,000.

# MEOPHAM SPORTS & LEISURE ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 9 Tangible fixed assets

	Leasehold fixtures, fittings & equipment		Total
	£	£	£
<b>Cost</b>			
At 1 September 2016	550,354	7,662	558,016
At 31 August 2017	550,354	7,662	558,016
<b>Depreciation and impairment</b>			
At 1 September 2016	245,647	4,720	250,367
Depreciation charged in the year	11,007	444	11,451
At 31 August 2017	256,654	5,164	261,818
<b>Carrying amount</b>			
At 31 August 2017	293,700	2,498	296,198
At 31 August 2016	304,707	2,942	307,649

### 10 Stocks

	2017	2016
	£	£
Raw materials and consumables	1,856	1,668

### 11 Debtors

	2017	2016
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	1,692	2,585
Other debtors	40,136	111,500
Prepayments and accrued income	9,083	7,019
	50,911	121,104

# MEOPHAM SPORTS & LEISURE ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

#### 12 Creditors: amounts falling due within one year

	2017	2016
	£	£
Other taxation and social security	1,121	11,579
Trade creditors	1,305	14,764
Other creditors	57,251	145,292
Accruals and deferred income	73,203	80,197
	<u>132,880</u>	<u>251,832</u>

#### 13 Deferred income

Deferred income is included in the financial statements as follows:

	2017	2016
	£	£
Current liabilities	28,511	22,948
	<u>28,511</u>	<u>22,948</u>

#### 14 Retirement benefit schemes

##### Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes was £2,933.

#### 15 Analysis of net assets between funds

	Unrestricted fund	Restricted fund	Total
	£	£	£
Fund balances at 31 August 2017 are represented by:			
Tangible assets	2,498	293,700	296,198
Current assets/(liabilities)	16,178	-	16,178
	<u>18,676</u>	<u>293,700</u>	<u>312,376</u>

The restricted fund holds and ring fences the short leasehold property.