

Company registration number: CE002730

Charity registration number: 1160612

The Watlington Club CIO

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2019



The Watlington Club CIO

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 3
Statement of Trustees' Responsibilities	4
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8 to 15

The Watlington Club CIO

Reference and Administrative Details

Principal Office	20 High Street Watlington Oxfordshire OX49 5PY
Company Registration Number	CE002730
Charity Registration Number	1160612
Independent Examiner	PAW Consulting Limited Unit 2, City Limits Danehill Reading Berkshire RG6 4UP

The Watlington Club CIO

Trustees' Report

The trustees, 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 March 2019.

Trustees

Graham Smith

Peter Brook

David Parkes

Ruth Hughes

Andrew Balfour Esson (resigned 19 June 2019)

John Lewis

Peter Neal (appointed 21 May 2018)

Objectives and activities

Objects and aims

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

Public benefit

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

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.

Financial review

The Statement of Financial Activities of The Club show a surplus of £12,588 (2018 - £1,578). Overall incoming resources were less than the prior year mainly due to reduced grant funding and a small decrease in membership income. Resources expended were less, significantly on repairs and maintenance and as a result the closing funds carried forward stood at £436,565 (2018 - £423,978)

Structure, governance and management

Nature of governing document

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

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

The Watlington Club CIO

Trustees' Report

Recruitment and appointment of trustees

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

Organisational structure

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

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The charity does not use derivative financial instruments for speculative purposes.

Credit risk

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

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

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

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

The annual report was approved by the trustees of the charity on 28/8/19 and signed on its behalf by:



David Parkes
Trustee

The Watlington Club CIO

Statement of Trustees' Responsibilities

The trustees (who are also the directors of The Watlington Club CIO 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 28/8/19 and signed on its behalf by:

David Parkes

David Parkes
Trustee

The Watlington Club CIO

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

I report on the accounts of the charity for the year 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;
- 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.



Paul Andrew Worthington
ICAEW

Unit 2, City Limits
Danehill
Reading
Berkshire
RG6 4UP

Date: 28/8/2019

The Watlington Club CIO

Statement of Financial Activities for the Year Ended 31 March 2019 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2019 £
Income and Endowments from:				
Donations and legacies	3	-	8,785	8,785
Charitable activities	4	38,615	-	38,615
Investment income		342	-	342
Other income	5	62,016	-	62,016
Total Income		100,973	8,785	109,758
Expenditure on:				
Charitable activities	6	(88,386)	(8,785)	(97,171)
Total Expenditure		(88,386)	(8,785)	(97,171)
Net income		12,587	-	12,587
Net movement in funds		12,587	-	12,587
Reconciliation of funds				
Total funds brought forward		423,978	-	423,978
Total funds carried forward	15	436,565	-	436,565
	Note	Unrestricted funds £	Restricted funds £	Total 2018 £
Income and Endowments from:				
Donations and legacies	3	-	16,734	16,734
Charitable activities	4	40,637	-	40,637
Investment income		150	-	150
Other income	5	63,284	-	63,284
Total Income		104,071	16,734	120,805
Expenditure on:				
Charitable activities	6	(102,493)	(16,734)	(119,227)
Total Expenditure		(102,493)	(16,734)	(119,227)
Net income		1,578	-	1,578
Net movement in funds		1,578	-	1,578
Reconciliation of funds				
Total funds brought forward		422,400	-	422,400
Total funds carried forward	15	423,978	-	423,978

The funds breakdown for 2018 is shown in note 15.

The Watlington Club CIO

(Registration number: CE002730)
Balance Sheet as at 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	12	318,499	327,786
Current assets			
Stocks		195	283
Debtors	13	564	11,649
Cash at bank and in hand		<u>127,123</u>	<u>100,366</u>
		127,882	112,298
Creditors: Amounts falling due within one year	14	<u>(9,816)</u>	<u>(16,106)</u>
Net current assets		<u>118,066</u>	<u>96,192</u>
Net assets		<u>436,565</u>	<u>423,978</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>436,565</u>	<u>423,978</u>
Total funds	15	<u>436,565</u>	<u>423,978</u>

The financial statements on pages 6 to 15 were approved by the trustees, and authorised for issue on 28/8/19 and signed on their behalf by:

David Parkes
David Parkes
Trustee

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2019

1 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 £Nil towards the assets of the charity in the event of liquidation.

2 Accounting policies

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

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

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

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

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.

Grants receivable

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

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2019

Expenditure

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

Charitable activities

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

Governance costs

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

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

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

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

Depreciation and amortisation

Included within fixed assets under freehold property is a building extension which, in the view of the Trustees, is impractical to separate into composite elements under FRS102 and therefore has not been subject to annual depreciation and is stated as its historic cost. Future replacements of aspects of the extension will be shown under repairs and maintenance in the SOFA as incurred. Depreciation is provided on all other tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Land & Buildings - Not depreciated

Furniture & Equipment - 11 - 20 Years

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2019

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 tenants in respect of outstanding rents owed.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

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

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2019

Financial instruments

Classification

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

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

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

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

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

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

Fair value measurement

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

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2019

3 Income from donations and legacies

	Restricted funds £	Total 2019 £	Total 2018 £
Grants, including capital grants; Government grants	8,785	8,785	16,734
	<u>8,785</u>	<u>8,785</u>	<u>16,734</u>

4 Income from charitable activities

	Unrestricted funds General £	Total 2019 £	Total 2018 £
Membership	18,884	18,884	21,093
Sports section income	12,652	12,652	12,964
Room hire	6,851	6,851	6,124
Recharges	228	228	456
	<u>38,615</u>	<u>38,615</u>	<u>40,637</u>

5 Other income

	Unrestricted funds General £	Total 2019 £	Total 2018 £
Rental income	62,016	62,016	63,284

6 Expenditure on charitable activities

		Unrestricted funds General £	Restricted funds £	Total 2019 £	Total 2018 £
Sports section costs		13,442	-	13,442	12,635
Governance and support costs	7	74,944	8,785	83,729	106,592
		<u>88,386</u>	<u>8,785</u>	<u>97,171</u>	<u>119,227</u>

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2019

7 Analysis of governance and support costs

Governance and support costs

	Unrestricted funds			
	General	Restricted	Total	Total
	£	funds	2019	2018
		£	£	£
Other governance costs	61,251	8,785	70,036	91,805
Depreciation, amortisation and other similar costs	9,288	-	9,288	8,552
Independent Examiner's remuneration	2,588	-	2,588	2,358
Marketing and publicity	972	-	972	851
Legal fees	845	-	845	3,026
	<u>74,944</u>	<u>8,785</u>	<u>83,729</u>	<u>106,592</u>

8 Government grants

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

The amount of grants recognised in the financial statements was £8,785 (2018 - £16,734).

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 Independent examiner's remuneration

	2019 £	2018 £
Other fees to examiners		
The examining of accounts of any associate of the charity	2,394	2,358
All other services	<u>194</u>	<u>-</u>
	<u>2,588</u>	<u>2,358</u>

11 Taxation

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

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2019

12 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 April 2018	245,897	142,952	388,849
At 31 March 2019	245,897	142,952	388,849
Depreciation			
At 1 April 2018	-	61,063	61,063
Charge for the year	-	9,287	9,287
At 31 March 2019	-	70,350	70,350
Net book value			
At 31 March 2019	245,897	72,602	318,499
At 31 March 2018	245,897	81,889	327,786

13 Debtors

	2019 £	2018 £
Trade debtors	564	297
Other debtors	-	11,352
	564	11,649

14 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	3,328	4,997
Other loans	-	100
Other creditors	3,417	176
Accruals	3,071	10,833
	9,816	16,106

The Watlington Club CIO

Notes to the Financial Statements for the Year Ended 31 March 2019

15 Funds

	Balance at 1 April 2018 £	Incoming resources £	Resources expended £	Balance at 31 March 2019 £
Unrestricted funds				
General	(423,978)	(100,973)	88,386	(436,565)
Restricted funds	<u>-</u>	<u>(8,785)</u>	<u>8,785</u>	<u>-</u>
Total funds	<u>(423,978)</u>	<u>(109,758)</u>	<u>97,171</u>	<u>(436,565)</u>
	Balance at 1 April 2017 £	Incoming resources £	Resources expended £	Balance at 31 March 2018 £
Unrestricted funds				
General	(422,400)	(104,071)	102,493	(423,978)
Restricted funds	<u>-</u>	<u>(16,734)</u>	<u>16,734</u>	<u>-</u>
Total funds	<u>(422,400)</u>	<u>(120,805)</u>	<u>119,227</u>	<u>(423,978)</u>

16 Analysis of net assets between funds

All assets and liabilities at 31st March 2019 and 31st March 2018 relate to unrestricted funds.

17 Analysis of net funds

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

