

**Charity Registration No. 1091114**

**Company Registration No. 04279448 (England and Wales)**

**EAST GRINSTEAD SPORTS CLUB LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

# EAST GRINSTEAD SPORTS CLUB LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	R Leman K Ellis R Thornley - Gibson G Christopherson G Needle C Gregory L Farren N Fish M Chappell	(Appointed 18 September 2020)
<b>Charity number</b>	1091114	
<b>Company number</b>	04279448	
<b>Registered office</b>	Saint Hill Road East Grinstead West Sussex RH19 4JU	
<b>Independent examiner</b>	Darren Harding ACA FCCA DChA Richard Place Dobson Services Limited Chartered Accountants 1 - 7 Station Road Crawley West Sussex RH10 1HT	
<b>Solicitors</b>	Rohan & Co Aberdeen House South Road Haywards Heath RH16 4NG	

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# EAST GRINSTEAD SPORTS CLUB LIMITED

## CONTENTS

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	<b>Page</b>
Trustees' report	1 - 4
Independent examiner's report	5
Statement of financial activities	6 - 7
Balance sheet	8 - 9
Notes to the financial statements	10 - 23

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# **EAST GRINSTEAD SPORTS CLUB LIMITED**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

***FOR THE YEAR ENDED 30 SEPTEMBER 2020***

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The Trustees present their report and financial statements for the year ended 30 September 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charitable Company's Memorandum and Articles of Association, the Companies Act 2006 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 2019)".

### **Objectives and activities**

The objects of the charity are to promote the benefit of the inhabitants of East Grinstead and the surrounding area without distinction of sex, sexual orientation, race or of political, religious or other opinions, to advance education and to provide and assist in the provision of recreation and leisure-time occupation with the object of improving the conditions of life of the said inhabitants.

The Trustees pay due regard to guidance issued by the Charity Commission, including guidance on public benefit, in deciding what activities the Charitable Company should undertake

### **History of significant events**

In 1989 East Grinstead Cricket Club and East Grinstead Hockey Club merged to create East Grinstead Sports Club. Both clubs had a long tradition of playing sport in the town but could see the benefits of joining forces for mutual advantage.

As part of the merger the cricket ground at West Street was sold, and the cricket club moved to the current site at Saint Hill, which the Hockey Club had purchased in 1959. The proceeds of the cricket ground sale were invested in building a new pavilion and sports hall at Saint Hill, laying an artificial hockey pitch, and creating a new cricket square. East Grinstead Ladies Hockey Club played its hockey at the old cricket ground and decided to move to Saint Hill at the same time and become another founder member club of the Sports Club.

The Sports Club expanded further in 1997 through the joining of the Felbridge Badminton Club.

Key developments and milestones in the subsequent years include:

- In 2002 there was a £1.7m investment (including a lottery grant of over £1m) to provide a new water-based all-weather hockey pitch, a new fitness suite, new changing facilities, function room and improved office accommodation.
- Charitable status to the East Grinstead Sports Club was granted in 2003, achieving a significant strategic milestone of the Sports Club by becoming a true multi sport community club.
- The construction of 9 netball courts was completed in 2007.
- In 2008 the Club was chosen by Sport England as the first 'Pathfinder' multi-sport club in Sussex and was also designated by the London Organising Committee of the Olympic Games as an official Training Venue for 2012. Both awards recognising the quality of the facilities and the potential the site has to offer sport for all.
- In 2008, following the closure of a local gym, squash and fitness club, the Sports Club was able to offer members the chance to relocate and enjoy similar fitness facilities. This move was achieved in less than six months, enabling a substantial part of that former club to be kept together for the benefit of the community. After raising the required funds, the Sports Club was able to complete its objective of developing three new squash courts, which were officially opened in September 2012.
- In 2010 the sand based football pitch was replaced with a 3G pitch financed in part by a loan, and in part by a generous donation from a local benefactor.
- In 2013 the surface of the water-based hockey pitch was replaced; financed through grants, donations and sponsorship funds.

As at 30 September 2020 there were 6 sports clubs affiliated to the charity and based at the Saint Hill site – EG Men's and Ladies' Hockey Club, EG Cricket Club, Felbridge Badminton Club, CD Phoenix Netball Club, Dunnings Squash & Racketball Club, and East Grinstead Meads Football Club.

# **EAST GRINSTEAD SPORTS CLUB LIMITED**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 30 SEPTEMBER 2020***

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### **Achievements and performance**

With effect from 29 September 2017 the Trustees leased the site and facilities to a specialist leisure management company, Wave Leisure Trust Limited (itself a registered charity). Wave Leisure Trust Limited has entered into a twelve year lease to operate the facilities at EGSC, with an option to extend beyond that period if both parties agree.

Leasing the facility in this way enables the Trustees to focus on the Charity's objectives through identifying and working towards future developments to maintain and enhance the facilities, and providing sporting/well-being opportunities to the local community. During the current year the Trustees completed a number of key improvements that are expected to enhance the facilities and encourage greater participation over the long term. These improvements included changes to the site entrance, expanding car parking capacity, upgrading internal lighting to more efficient and environmentally friendly LEDs, improvements to the gym and changing facilities, adding to the site's CCTV, refurbishing the reception area and the bar/café, and creating a designated indoor children's activity space. All these works were made possible through the generous grant funding support provided by MSDC.

In 2017 a local benefactor donated to the charity a piece of agricultural land that is adjacent to the charity's then current land holdings. During the year the Trustees applied for a change of use of the land to enable it to be used for junior football (the provision of which is a long time charity objective), and by a local forest pre-school that operates at the Sports Club. Permission was granted in November 2020, further expanding the benefits provided to the local community.

In December 2019 the hockey facility was improved through the replacement of the existing floodlights with new LED lighting. This improvement is expected to provide numerous benefits – improved and more reliable lighting for hockey players, reduced running costs, a more sustainable and environmentally friendly facility, and reduced light pollution for those living in the immediate vicinity of the club.

### **Financial review**

The Charity has net outgoing resources of £34,245 (net incoming resources in 2019: £95,923), as shown in the Statement of Financial Activities on page 6, and accompanying notes to these financial statements. Included within the incoming resources are donations of £49,879 (2019:£152,893), and included within the resources expended are depreciation charges totalling £27,795 (2019: £48,728).

The Charity continues to work with all sports clubs and users to raise funds to offset the depreciation charges (and hence eventually replace/replenish existing facilities). The Charity has a policy of building up sinking funds for the replacement and developments of all the facilities it owns. These sinking funds are held in the Charity's restricted funds. Over the year these sinking funds reduced by £37,551 (increase in 2019 by £28,151). The main reason for the reduction in sinking funds over the year was the expenditure on replacement (LED) floodlights for the hockey pitch.

The Charity, working with the East Grinstead Hockey Club, has a funding target of £22,000 per annum towards the future replacement/refurbishment of the hockey pitch. The Charity continually works with the affiliated clubs and other interested parties to identify specific targets for development of other key facilities.

The Charity's only sources of funding are donations and grants from third parties, and the rent received from the operator to which the facilities are leased. Donations and grants that are given for specific purposes are used entirely for those purposes. The Charity minimises as best it can the costs associated with its operations (noting that all Trustees provide their time on a voluntary basis), and as a result a minimum of 85%-90% of all unallocated income (essentially rental income above that received for specific costs such as insurance) is used for charitable activities in accordance with the Charity's objects. As all grants and donations are fully utilised in this way, well over 90% of all income received is used directly to support the work of the Charity.

### **Reserves policy**

It is the policy of the board to have a prudent and balanced view on reserves. Free reserves are intended to reflect a level of approximately between three and six months' expenditure over and above the value of the land, buildings and pitches.

# EAST GRINSTEAD SPORTS CLUB LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

*FOR THE YEAR ENDED 30 SEPTEMBER 2020*

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### **Structure, governance and management**

East Grinstead Sports Club Limited is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association.

The Directors of the charitable company ("the charity") are Trustees for the purpose of charity law and Directors for the purpose of company law. Collectively they are referred to as Directors.

The Directors who served during the year were:

R Leman

K Ellis

R Thornley - Gibson

G Christopherson

G Needle

C Gregory

L Farren

Mr A Rackstraw

(Resigned 7 September 2020)

N Fish

M Chappell

(Appointed 18 September 2020)

None of the Directors has any beneficial interest in the company. Every member of the Company has a liability to contribute up to £1 to the assets of the Company in the event of it being wound up whilst they are a member or within one year after ceasing to be a member.

Sadly A Rackstraw passed away during the year after a short illness. His contribution to the Charity, both as a trustee and as a long term member of the hockey club, has been invaluable and will be greatly missed.

The Board shall consist of not less than six members. There is no maximum.

Under the terms of the Company's Articles of Association one third of the Board members are required to retire each year, although all are eligible for re-election. At the Annual General Meeting on 17 September 2020 G Needle, L Farren and G Christopherson stood down as Directors under rotation, but agreed to stand for re-appointment. Also, M Chappell made herself available for election as a Trustee Director. All four were appointed unanimously by the members present at the AGM. Those entitled to vote at the AGM are either a current Trustee of the Charity or an adult member of one of the following sports clubs: East Grinstead Hockey Club, East Grinstead Cricket Club, Dunnings Squash and Racketball Club, CD Phoenix Netball Club, Felbridge Badminton Club, and East Grinstead Meads Football Club.

The Directors have identified and considered the overall risks to the Charity. These risks are regularly reassessed with regard to their impact and their likelihood of occurring within the organisation. Systems to control and mitigate these risks have been introduced.

# EAST GRINSTEAD SPORTS CLUB LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

*FOR THE YEAR ENDED 30 SEPTEMBER 2020*

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### **Risk management**

As a result of the covid-19 pandemic the facilities at the club have been closed for a large part of the latter half of the current year, and for several months after the year end, as required by Government guidance.

When possible the facilities have been opened and made available subject to new procedures being put in place to meet Government guidelines and for the safety of users.

During closure there was no income for the operators, and when the facilities were open the income continued to be restricted because of the reduced capacity and new operating procedures that had been put in place. The Charity and Wave Leisure Trust have worked closely together, and continue to do so, with the aim of opening facilities as and when possible to provide safe access to the local community in a viable manner.

Key actions taken by the Charity, its affiliated clubs (including many volunteers), and Wave Leisure Trust during this period include:

- Maintaining the facilities as far as possible during closure.
- Successful applications for covid-19 grant funding.
- Facilitating the safe reintroduction of sports and fitness activities as and when possible.
- Temporary closure of café and changing facilities in line with Government guidelines, but planning is taking place to re-introduce all facilities when safe to do so.

The Trustees' report was approved by the Board of Trustees.



K Ellis

Trustee

Dated: *26 May 2021*

# EAST GRINSTEAD SPORTS CLUB LIMITED

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF EAST GRINSTEAD SPORTS CLUB LIMITED

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I report to the Trustees on my examination of the financial statements of East Grinstead Sports Club Limited (the Charitable Company) for the year ended 30 September 2020.

#### **Responsibilities and basis of report**

As the Trustees of the Charitable Company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

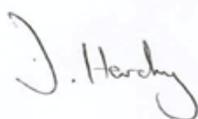
Having satisfied myself that the financial statements of the Charitable Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charitable Company's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

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

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the Charitable Company as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Darren Harding ACA FCCA DChA  
Richard Place Dobson Services Limited  
Chartered Accountants  
1 - 7 Station Road  
Crawley  
West Sussex  
RH10 1HT

Dated: ...08/06/2021.....

# EAST GRINSTEAD SPORTS CLUB LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### Current financial year

		Unrestricted funds general	Unrestricted funds Designated fund	Restricted funds	Total	Total
	Notes	2020 £	2020 £	2020 £	2020 £	2019 £
<b><u>Income from:</u></b>						
Donations and legacies	3	604	-	49,275	49,879	152,893
Provision of leisure facilities	4	20,052	-	96,353	116,405	57,279
Investments	5	38,178	13,324	922	52,424	66,768
Other income	6	600	-	-	600	-
<b>Total income</b>		<b>59,434</b>	<b>13,324</b>	<b>146,550</b>	<b>219,308</b>	<b>276,940</b>
<b><u>Expenditure on:</u></b>						
Charitable activities	7	26,667	44,862	184,862	256,391	181,017
<b>Net incoming/(outgoing) resources before transfers</b>		<b>32,767</b>	<b>(31,538)</b>	<b>(38,312)</b>	<b>(37,083)</b>	<b>95,923</b>
Gross transfers between funds		(25,761)	25,000	761	-	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>7,006</b>	<b>(6,538)</b>	<b>(37,551)</b>	<b>(37,083)</b>	<b>95,923</b>
Fund balances at 1 October 2019		10,287	2,507,236	101,809	2,619,332	2,523,409
<b>Fund balances at 30 September 2020</b>		<b>17,293</b>	<b>2,500,698</b>	<b>64,258</b>	<b>2,582,249</b>	<b>2,619,332</b>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# EAST GRINSTEAD SPORTS CLUB LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2020

Prior financial year

		Unrestricted funds general	Unrestricted funds Designated fund	Restricted funds	Total
	Notes	2019 £	2019 £	2019 £	2019 £
<b><u>Income from:</u></b>					
Donations and legacies	3	124	80,000	72,769	152,893
Provision of leisure facilities	4	-	-	57,279	57,279
Investments	5	42,330	24,324	114	66,768
<b>Total income</b>		<u>42,454</u>	<u>104,324</u>	<u>130,162</u>	<u>276,940</u>
<b><u>Expenditure on:</u></b>					
Charitable activities	7	21,374	57,633	102,010	181,017
<b>Net incoming/(outgoing) resources before transfers</b>		<u>21,080</u>	<u>46,691</u>	<u>28,152</u>	<u>95,923</u>
Gross transfers between funds		<u>(20,000)</u>	<u>20,000</u>	<u>-</u>	<u>-</u>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<u>1,080</u>	<u>66,691</u>	<u>28,152</u>	<u>95,923</u>
Fund balances at 1 October 2018		<u>9,207</u>	<u>2,440,545</u>	<u>73,657</u>	<u>2,523,409</u>
<b>Fund balances at 30 September 2019</b>		<u><u>10,287</u></u>	<u><u>2,507,236</u></u>	<u><u>101,809</u></u>	<u><u>2,619,332</u></u>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# EAST GRINSTEAD SPORTS CLUB LIMITED

## BALANCE SHEET

AS AT 30 SEPTEMBER 2020

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	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	11		2,453,357		2,481,152
<b>Current assets</b>					
Debtors	12	28,789		17,348	
Cash at bank and in hand		176,892		211,295	
		<u>205,681</u>		<u>228,643</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(34,817)</u>		<u>(31,302)</u>	
Net current assets			170,864		197,341
<b>Total assets less current liabilities</b>			<u>2,624,221</u>		<u>2,678,493</u>
<b>Creditors: amounts falling due after more than one year</b>	15		(41,972)		(59,161)
Net assets			<u>2,582,249</u>		<u>2,619,332</u>
<b>Income funds</b>					
Restricted funds	16		64,258		101,809
<u>Unrestricted funds</u>					
Designated funds	17	2,500,698		2,507,236	
General unrestricted funds		17,293		10,287	
		<u>2,517,991</u>		<u>2,517,523</u>	
			<u>2,582,249</u>		<u>2,619,332</u>

# EAST GRINSTEAD SPORTS CLUB LIMITED

## BALANCE SHEET (CONTINUED)

**AS AT 30 SEPTEMBER 2020**

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The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 September 2020.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 26 May 2021

  
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K Ellis  
Trustee

**Company Registration No. 04279448**

# EAST GRINSTEAD SPORTS CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 30 SEPTEMBER 2020*

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### 1 Accounting policies

#### Charity information

East Grinstead Sports Club Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Saint Hill Road, East Grinstead, West Sussex, RH19 4JU.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charitable Company's governing document, the Companies Act 2006 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 2019)". The Charitable Company is a Public Benefit Entity as defined by FRS 102.

The Charitable Company has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charitable Company has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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 financial statements.

#### 1.4 Income

Income is recognised when the Charitable Company 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.

Other grants, donations and legacies are included in full in the Statement of Financial Activities when receivable.

Income from charitable activities and other income is included in the Statement of Financial Activities in the year to which it relates.

Income from investments is included in the Statement of Financial Activities in the year in which it is receivable.

# EAST GRINSTEAD SPORTS CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

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### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries and their associated costs.

Support costs now include governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity and include independent examination fees and other professional fees.

#### Allocation and apportionment of support costs

The main activity of the charitable company is the provision of leisure activities to the local community, so all costs related to this are classified as direct costs and all other costs are allocated as support costs.

#### 1.6 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:

Freehold land	Not depreciated
Freehold buildings	Straight line over 50 years
Squash court components	Straight line over 10-30 years
Pitches	Straight line over 10 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

The residual value of the land elements of the pitches has been found to be in excess of the net book value of those assets. As such, no further depreciation is charged. The directors will review the residual value of the assets yearly. The surface elements of the pitches are still being depreciated in line with the depreciation policies set out above.

#### 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 Charitable 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 in the Charitable Company's balance sheet when the Charitable Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# EAST GRINSTEAD SPORTS CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

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### 1 Accounting policies

(Continued)

#### *Basic financial assets*

Basic financial assets, which include debtors 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. Financial assets classified as receivable within one year are not amortised.

#### *Basic financial liabilities*

Basic financial liabilities, including creditors and bank loans 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the Charitable Company's contractual obligations expire or are discharged or cancelled.

### 1.9 Taxation

The company has been granted charitable status and is therefore not liable to corporation tax.

### 2 Critical accounting estimates and judgements

In the application of the Charitable Company's 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.

The main judgements and accounting estimates included in the accounts are:

Depreciation - Management has made assumptions and estimated depreciation rates in respect of showing a true and fair value of the assets at the balance sheet date.

Prepayments and Accruals - Management has made estimates and established prepayments and accruals in respect of potential assets and liabilities as at the balance sheet date.

# EAST GRINSTEAD SPORTS CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 3 Donations

	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Donations	604	49,275	49,879	152,893

### 4 Provision of leisure facilities

	2020 £	2019 £
Grants	106,353	57,279
Affiliation fees	10,052	-
	<u>116,405</u>	<u>57,279</u>
Analysis by fund		
Unrestricted funds - general	20,052	-
Restricted funds	96,353	57,279
	<u>116,405</u>	<u>57,279</u>

# EAST GRINSTEAD SPORTS CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 5 Investments

	Unrestricted funds general 2020 £	Unrestricted funds Designated fund 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds general 2019 £	Unrestricted funds Designated fund 2019 £	Restricted funds 2019 £	Total 2019 £
Rental income	38,010	13,324	750	52,084	42,146	24,324	-	66,470
Interest receivable	168	-	172	340	184	-	114	298
	<u>38,178</u>	<u>13,324</u>	<u>922</u>	<u>52,424</u>	<u>42,330</u>	<u>24,324</u>	<u>114</u>	<u>66,768</u>

# EAST GRINSTEAD SPORTS CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 6 Other income

	Unrestricted funds general 2020 £	Total 2019 £
Other income	600	-

### 7 Charitable activities

	Provision of leisure facilities 2020 £	Provision of leisure facilities 2019 £
Depreciation and impairment	27,795	48,728
Donations/support for sports	25,597	37,500
Sporting Initiatives	-	112
Repairs, maintenance and improvements	178,592	76,645
Insurance	11,649	13,275
Sundry Expenses	5,261	110
	<u>248,894</u>	<u>176,370</u>
Support costs	3,314	-
Governance costs (see note 8)	4,183	4,647
	<u>256,391</u>	<u>181,017</u>
<b>Analysis by fund</b>		
Unrestricted funds - general	26,667	21,374
Unrestricted funds - Designated fund	44,862	57,633
Restricted funds	184,862	102,010
	<u>256,391</u>	<u>181,017</u>

# EAST GRINSTEAD SPORTS CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 8 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Loan interest	3,314	-	3,314	-	-	-
Accountancy	-	3,000	3,000	-	3,000	3,000
Legal and professional	-	1,183	1,183	-	1,647	1,647
	<u>3,314</u>	<u>4,183</u>	<u>7,497</u>	<u>-</u>	<u>4,647</u>	<u>4,647</u>
Analysed between						
Charitable activities	<u>3,314</u>	<u>4,183</u>	<u>7,497</u>	<u>-</u>	<u>4,647</u>	<u>4,647</u>

Governance costs includes payments to the accountants of £3,000 for independent examination fees (2019- £3,000).

### 9 Net movement in funds

	2020	2019
	£	£
Net movement in funds is stated after charging/(crediting)		
Depreciation of owned tangible fixed assets	<u>27,795</u>	<u>48,728</u>

### 10 Trustees

#### Trustees' Remuneration and Benefits

There were no trustees' remuneration or other benefits for the year ended 30 September 2020 nor for the year ended 30 September 2019.

#### Trustees' Expenses

There were no trustees' expenses paid for in the year ended 30 September 2020 nor for the year ended 30 September 2019.

# EAST GRINSTEAD SPORTS CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 11 Tangible fixed assets

	Freehold land £	Pitches £	Total £
<b>Cost</b>			
At 1 October 2019	2,120,531	2,124,060	4,244,591
At 30 September 2020	2,120,531	2,124,060	4,244,591
<b>Depreciation and impairment</b>			
At 1 October 2019	216,619	1,546,820	1,763,439
Depreciation charged in the year	6,567	21,228	27,795
At 30 September 2020	223,186	1,568,048	1,791,234
<b>Carrying amount</b>			
At 30 September 2020	1,897,345	556,012	2,453,357
At 30 September 2019	1,903,912	577,240	2,481,152

Freehold land and buildings were donated to the charity at a value of £1,586,364 during the year ended 30 September 2003.

Freehold land was donated to the charity during the year ending 30 September 2017 with a value of £50,000, and during the year ending 30 September 2019 with a value of £80,000.

All freehold land and buildings are included in the financial statements at lower of cost, donated value or residual value agreed by the directors. In the opinion of the directors, the open market value of the freehold land and buildings is not less than the stated value.

In respect of the loan taken out from Barclays Bank in September 2008 (See Note 13), there is a legal charge over the land and buildings of East Grinstead Sports Club. There is a second legal charge over the netball courts in favour of Sport England, and a third over the squash courts in favour of England Squash and Racketball.

### 12 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Other debtors	17,286	16,423
Prepayments and accrued income	11,503	282
VAT	-	643
	28,789	17,348

# EAST GRINSTEAD SPORTS CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 13 Loans and overdrafts

	2020	2019
	£	£
Loans	50,080	66,765
Payable within one year	8,108	7,604
Payable after one year	41,972	59,161
Amounts included above which fall due after five years:		
Payable by instalments	6,702	14,810

In December 2005, the charity entered into a loan agreement with D Brown, with an amount of £98,000 at an interest rate of Nil%. This loan is currently repayable at £1,000 per calendar month. It was agreed from June 2017 that the repayments would be suspended. The situation is reviewed annually, with the suspension of payments agreed again for a further year from June 2020.

In September 2008, the charity entered into a loan agreement with Barclays Bank Plc, with an amount of £100,000 at an interest rate of 2% over the Barclays Base Rate. This loan was repaid monthly over a period of 10 years. As part of the agreement, Barclays Bank Plc has security by way of a charge over: Leisure Centre, Saint Hill Road, East Grinstead, a property owned by the charity. This loan was fully repaid as at the end of September 2018, and the Trustees are in the process of removing this charge.

In July 2010, the charity entered into a loan agreement with D Brown, with an amount of £100,000 at an interest rate of 4%. This loan is currently repayable at £1,027 per calendar month, inclusive of interest. A continued suspension of repayment was agreed in June 2019. The situation will be reviewed annually.

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

	2020	2019
Notes	£	£
Loans	8,108	7,604
Other taxation and social security	540	-
Deferred income	1,329	14,515
Other creditors	22,640	8,484
Accruals	2,200	699
	34,817	31,302

### 15 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Loans	41,972	59,161

# EAST GRINSTEAD SPORTS CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			Transfers	Balance at 30 September 2020
	Balance at 1 October 2018	Incoming resources	Resources expended	Balance at 1 October 2019	Incoming resources	Resources expended		
	£	£	£	£	£	£	£	£
3G pitch fund	6,393	-	(5,350)	1,043	-	-	-	1,043
Squash court sinking fund	12,107	16	-	12,123	38	-	-	12,161
Hockey fund	-	41,750	(37,500)	4,250	25,052	(25,595)	-	3,707
Hockey Pitch Sinking Fund	43,909	22,236	-	66,145	37,336	(75,679)	750	28,552
Netball Fund	6,761	7	-	6,768	2,021	-	-	8,789
Badminton Fund	-	8,873	(4,880)	3,993	-	-	-	3,993
Facility improvements / Development projects	-	51,067	(51,067)	-	76,103	(76,103)	-	-
Cricket Fund	4,487	6,101	(3,101)	7,487	750	(2,224)	-	6,013
Park Run	-	112	(112)	-	-	-	-	-
Covid restricted grants	-	-	-	-	5,250	(5,261)	11	-
	<u>73,657</u>	<u>130,162</u>	<u>(102,010)</u>	<u>101,809</u>	<u>146,550</u>	<u>(184,862)</u>	<u>761</u>	<u>64,258</u>

# EAST GRINSTEAD SPORTS CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 30 SEPTEMBER 2020*

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### 16 Restricted funds

(Continued)

The 3G pitch fund represents amounts received and expended for construction and maintenance of the 3G pitch.

The Squash court sinking fund represents restricted income and expenditure relating to the squash courts at the club, and their ongoing maintenance and repair.

The Hockey fund represents restricted income and expenditure relating to the hockey activities and facilities.

The Hockey Pitch Sinking Fund represents donations and grants received specifically for the improvement and maintenance of the hockey pitch.

The Netball fund is set aside for the future income and expenditure on projects relating to the netball courts.

EGSC is working with a local group that has set up, and is operating, a weekly Park Run event in East Grinstead. The Directors have received grant funding to assist with this project and have set up a separate fund in the accounts.

The Cricket Fund represents restricted income and expenditure relating to the provision and support of cricket activities and facilities.

The Badminton fund is set aside for future income and expenditure on projects relating to the provision of facilities used for badminton.

The facility Improvements / Development fund represents grants or donations received for specific projects to improve/develop the facilities.

The Covid restricted grants fund is monies received for the purpose of specific costs that have arisen during the period when the facilities were closed or restricted due to COVID-19. All expenditure was in line with the purposes set out in the grant applications and agreed by the relevant funding bodies.

# EAST GRINSTEAD SPORTS CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the Directors for specific purposes:

	Movement in funds				Movement in funds				Balance at 30 September 2020
	Balance at 1 October 2018	Incoming resources	Resources expended	Transfers	Balance at 1 October 2019	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£	£	£	£	£
Land building and pitches	2,415,545	104,324	(48,728)	-	2,471,141	13,324	(31,109)	-	2,453,356
Development projects	25,000	-	(8,905)	20,000	36,095	-	(13,753)	25,000	47,342
	<u>2,440,545</u>	<u>104,324</u>	<u>(57,633)</u>	<u>20,000</u>	<u>2,507,236</u>	<u>13,324</u>	<u>(44,862)</u>	<u>25,000</u>	<u>2,500,698</u>

The Land and Buildings Fund is set aside to represent the charity's use of land and buildings.

The Development projects fund has been set up to meet expenditure on projects that have been agreed upon by the Charity, or are envisaged with the Charity's future plans, as at 30 September 2020.

# EAST GRINSTEAD SPORTS CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 30 SEPTEMBER 2020*

### 18 Analysis of net assets between funds

	<b>Unrestricted funds 2020 £</b>	<b>Designated funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total 2020 £</b>	<b>Unrestricted funds 2019 £</b>	<b>Designated funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Total 2019 £</b>
Fund balances at 30 September 2020 are represented by:								
Tangible assets	-	2,453,357	-	2,453,357	-	2,481,152	-	2,481,152
Current assets/(liabilities)	17,293	89,313	64,258	170,864	10,287	85,245	101,809	197,341
Long term liabilities	-	(41,972)	-	(41,972)	-	(59,161)	-	(59,161)
	<u>17,293</u>	<u>2,500,698</u>	<u>64,258</u>	<u>2,582,249</u>	<u>10,287</u>	<u>2,507,236</u>	<u>101,809</u>	<u>2,619,332</u>

# **EAST GRINSTEAD SPORTS CLUB LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 30 SEPTEMBER 2020***

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### **19 Related party transactions**

There were no disclosable related party transactions during the year (2019 - none).

### **20 Impact of Covid-19**

As a result of the covid-19 pandemic the facilities at the club have been closed for a large part of the latter half of the current year, and for several months after the year end, as required by Government guidance.

When possible the facilities have been opened and made available subject to new procedures being put in place to meet Government guidelines and for the safety of users.

At the date of the approval of these accounts it has not been possible to quantify or ascertain with any certainty the financial impact of COVID-19. No adjustments have been made to any figures in the accounts as a result of the pandemic.