

Company number 1228582

IPSWICH SPORTS CLUB 2020 LIMITED

(COMPANY LIMITED BY GUARANTEE)

**UNCONSOLIDATED REPORT AND
FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED
31 DECEMBER 2020**

**GMS FC Limited
Chartered Certified Accountants
& Statutory Auditors
1 London Road
Ipswich IP1 2HA**

IPSWICH SPORTS CLUB 2020 LIMITED

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2020

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IPSWICH SPORTS CLUB 2020 LIMITED

NOTICE OF ANNUAL GENERAL MEETING AND OUTLINE AGENDA

FOR THE PERIOD ENDED 31 DECEMBER 2020

The Annual General Meeting of the Ipswich Sports Club 2020 Limited will be held at the Clubhouse, Henley Road, Ipswich and via Zoom on Tuesday 27 April 2021 commencing at 7.30pm.

AGENDA

- | | |
|---|-----------|
| 1. Welcome, introduction to the meeting and apologies for absence. | Chair |
| 2. Minutes and matters arising from the minutes of the Club EGM held on 27 February 2020. | Secretary |
| 3. Receive the Directors' report on the Club's activities for 2020. | Chair |
| 4. Receive the accounts of the Club for the previous financial year.* | Treasurer |
| 5. Appointment of GMS FC Limited (the Club's current auditors) as Club auditors for 2021. | Treasurer |
| 6. Announce the election of an Elected Director. | Secretary |
| 7. Announce the election of the President and three Elected Members of the Club Council. | Chair |
| 8. Any Other Business acceptable to the Chair. | Chair |

* subject to their being available in a much shorter time frame than is usual for the Club
(see accompanying letter from the Chair)

IPSWICH SPORTS CLUB 2020 LIMITED

CLUB INFORMATION

FOR THE PERIOD ENDED 31 DECEMBER 2020

LIST OF DIRECTORS AND OFFICERS

Board of Directors:

Chairman	Miss V Penn
Vice-Chairman	Mr A Cookson
Treasurer	Mr N Banks
Secretary	Mr K Palmer
Club & Safeguarding Officer	Mr A Livingstone (resigned as a director 16.06.2020)
General Manager	Mr A Yorke (resigned as a director 31.01.2021)

Other Council Members:

President	Mrs M Lipscombe
Fitness Chairman	Mr K Brazier
Squash & Racketball Chairman	Mr A Isles
Tennis Chairman	Mr R Butler
Hockey Chairman	Mrs V Clement
Club & Lead Safeguarding Officer	Mrs K Watling
Club & Safeguarding Officer	Mr A Livingstone (co-opted 5.8.2020)
Hon. Vice-Presidents	Mr J Gordon, Mr H Langton, Dr A Livingstone, Mr G Sheldrake, Miss C Webb, Mr P Sheldrake

General Manager	Mr A Yorke (resigned 31.01.2021)
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Auditors	GMS FC Limited 1 London Road Ipswich IP1 2HA
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Bankers	Lloyds National Westminster Santander
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Solicitors	Gotelee Solicitors 31 - 41 Elm Street Ipswich IP1 2AY
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	Ellisons Solicitors Wherstead Park The Street Wherstead Ipswich IP9 2BJ
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IPSWICH SPORTS CLUB 2020 LIMITED

COMPANY NUMBER 1228582

DIRECTORS REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

The directors present their report and the financial statements for the first period ended 31 December 2020.

Statement of Director's Responsibilities

The Directors of the company are required to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- prepare the Financial Statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Disclosure of Information to Auditors

The directors of the company who held office at the date of approval of this annual report confirm that in so far as they are aware:

- there is no relevant audit information of which the company's auditors are unaware; and,
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Directors

The directors who held office during the year were as follows:

Miss V Penn (appointed 28 October 2019)
Mr A Cookson (appointed 28 October 2019)
Mr N Banks (appointed 28 October 2019)
Mr K Palmer (appointed 28 October 2019)
Mr A Livingstone (appointed 22 April 2020, resigned 16 June 2020)
Mr A Yorke (appointed 22 April 2020, resigned 31 January 2021)

Small Company Rules

This report is prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

.....
Mr N Banks
9th April 2021

IPSWICH SPORTS CLUB 2020 LIMITED

REPORT OF THE CHAIRMAN

FOR THE PERIOD ENDED 31 DECEMBER 2020

What a year 2020 turned out to be with the club twice in lockdown and very restricted play and pay for our members with outside activities only. I want to thank all our members who made donations during these tricky times and for those supporting us through their direct debit payments.

We did however maintain costs at a sensible level, and with the help of the Government and Sport England grants, and the furlough scheme, we only lost around £59,000 which was an incredible result overall. The club remains financially stable and whilst we have lost members, around 350, we are optimistic that once restrictions are lifted and life returns to normal many will return and we will attract new members who may have been at competing clubs which have closed.

Thus 2020 was an unusual year for the Board and the Council meeting virtually and with only Andy Yorke at the helm for a long time with staff stopping and starting as the year went on. It was to be the year that Andy decided to resign after 14 years with the club, but we are thankful to him for his loyalty, and he was key in the club winning the various LTA and Club of the Year awards.

During this period the Board was doing a lot of work relating to the sale of the Henley Road hockey pitch and the new hockey pitch at Tuddenham Road and my thanks to Tony Cookson for all his efforts with the contractors and quotations for that pitch which has now resulted in a start on the new pitch to be completed in early June.

We also instructed Savills to commence a marketing campaign for the Henley Road pitch in the Summer. This happened to coincide with Brexit and Covid 19 but we were very pleased to effect a sale, albeit not completed until February 2021, at a figure of £1,250,000 which will enable investment back into club facilities. Keith Palmer was instrumental in assisting with the whole process together with all the other Club Secretarial duties he undertook in 2020 in connection with the new limited company (which commenced its activities from 1 August 2020) and contracts. Nick Banks our Treasurer, maintained a steady eye on our finances giving us advice on the various loan options, club finances, and the furlough scheme.

Following early discussions with I2C/Mosaic late 2020 we started planning some essential maintenance work, repainting of courts and other measures to smarten the club up and make it a welcoming environment for members to return.

We are now looking forward positively with new partnerships and activities and a new General Manager starting shortly. The club is in an excellent position to move forward with a "one club" plan, in consultation with members, which will improve facilities and its position in the marketplace

.....
Vanessa Penn
Chairman

IPSWICH SPORTS CLUB 2020 LIMITED

REPORT OF THE TREASURER

FOR THE PERIOD ENDED 31 DECEMBER 2020

I present my report on the financial statements of Ipswich Sports Club for the year ended 31 December 2020.

This is an extraordinary report.

Firstly, it covers a period during which the Club operated as two distinct entities. From 1 January 2020 to 31 July 2020 the Club operated as Ipswich Sports Club. From 1 August 2020 the "old" Club incorporated to operate as Ipswich Sports Club 2020 Limited as a result of the parties entering into an assets and activities distribution agreement dated 31 July 2020. The assets and trade of the old club were transferred and the new Club continues as a Community Amateur Sports Club (CASC).

Members will recall from previous reports that the CASC status limits the amount the Club can earn from non-member and property income to £100,000. The Club continues to operate in conjunction with Ipswich Sports Club Services Limited under the continuing terms of a resource sharing agreement.

Two sets of Club accounts are presented to members at this year's AGM. I will report on the deficit of each entity but my commentary will be for the year as one, to enable meaningful comparison against the previous year.

A second reason that this is an extraordinary report is the impact of COVID and the national lockdowns severely restricting the operations of the Club. The complete closure of the Club and suspension of members subscriptions and loss of sport and club revenue has obviously had an impact on the Club's financial performance and cash reserves.

I will explain how the Club has taken advantage of the various channels of Government support. To preserve short term working capital the Club has also secured a £50,000 bounce back loan.

The management of the Club through this extraordinary time has been a challenge.

I must commend Andy Yorke for his dedication at the onset of COVID and the first lockdown to scrutinise and limit costs as quickly as possible and how he embraced the adaptation of the Club to operate with COVID restrictions between lockdowns. I thank Andy for his support to me as Treasurer in his time at the Club.

I must also commend my co-directors in their steadfast commitment to navigate the Club through uncertain financial times and at the same time deliver the incorporation of the Club and progress and complete, since the year end, the sale of the hockey pitch at Henley Road.

Financial Results

In the period to 31 July 2020, the "old" Club reported a deficit of £30,498

In the period 1 August 2020 to 31 December 2020, the Club reported a deficit of £28,433

The total deficit for the year is therefore £58,931. The surplus for the previous year was £32,145.

Continued.....

IPSWICH SPORTS CLUB 2020 LIMITED

REPORT OF THE TREASURER (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

The Club deficit of £28,433 includes the donation for the whole year from Ipswich Sports Club Services Limited of £17,200. The donation for the previous year was £35,960

Club and General

Membership subscriptions total £277,042, a reduction of 40% from the previous year total of £461,864.

Bar income fell by 64%, the total being £71,091 compared to £195,880. The bar wages cost was supported by the Coronavirus Job Retention Scheme (CJRS). The bar contribution excluding wage cost was £33,250 (2019: £107,031)

The Club received a total of £21,334 COVID grant income from Ipswich Borough Council, Sports England and the National Lottery.

The total claim under the CJRS for the whole period was £53,859.

Member's donations to support the Club through the pandemic and use of the tennis courts before the Club officially reopened totalled £18,918.

Sports Income and Expenditure

The disruption caused by the pandemic to all sports has inevitably had an impact on the financial contribution of each section which is summarised below:

Section	Year	Income	Expenditure	Depreciation	Surplus/(Deficit)
		£	£	£	£
Squash	2020	6,778	5,058	3,891	(2,171)
	<u>2019</u>	<u>12,193</u>	<u>8,573</u>	<u>3,948</u>	<u>(328)</u>
Tennis	2020	90,171	50,862	39,621	(312)
	<u>2019</u>	<u>165,117</u>	<u>112,658</u>	<u>39,627</u>	<u>12,832</u>
Hockey	2020	17,895	17,563	18,666	(18,334)
	<u>2019</u>	<u>39,483</u>	<u>37,964</u>	<u>18,667</u>	<u>(17,148)</u>
Gym & Studio	2020	8,416	63,649	9,797	(65,030)
	<u>2019</u>	<u>27,023</u>	<u>82,936</u>	<u>10,027</u>	<u>(65,940)</u>
Table Tennis	2020	-	-	-	-
	<u>2019</u>	<u>-</u>	<u>171</u>	<u>-</u>	<u>(171)</u>
Total	2020	123,260	137,132	71,976	(85,847)
	<u>2019</u>	<u>243,816</u>	<u>242,302</u>	<u>72,269</u>	<u>(70,755)</u>

Continued.....

IPSWICH SPORTS CLUB 2020 LIMITED

REPORT OF THE TREASURER (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

Cash and debt

At 31 December 2020, total cash at bank was £228,883 comprising £201,045 in the Club and £27,838 held by Ipswich Sports Club Services Limited. This included the £50,000 bounce back loan so the adjusted balance is £178,883.

At 31 December 2019 total cash at bank was £218,043.

Cash balances have therefore reduced by £39,160. I think this is an outstanding result given all that happened in the year.

The club has paid up all suppliers. We sought deferral on financial commitments with the LTA and our equipment providers but these are now being repaid.

At 31 December 2020 the Club bank loans, excluding the bounce back loan, totalled £1,975 (2019:£7,295). The stewardship of the Club in recent years to pay down term debt undoubtedly helped the Club's cash position withstand the pandemic since although cashflow was under pressure, debt servicing was minimal.

Looking forward

I believe that the Club has emerged from the pandemic in a position many similar clubs would envy. Cash in the bank and very little bank borrowing.

Subsequent to the year end the sale of Henley Road completed, the proceeds to invest in the Club facilities.

The first phase of investment is the renewal of the Hockey pitch at Tuddenham Road with a multi-sports pitch to introduce new revenue streams to the Club since it is important that the return on investment is maximised and not just from the Hockey section itself.

So the Club emerges from the pandemic in a robust financial position, with minimal debt, funds to invest and, with new management support from Inspire 2 Coach and Mosaic Spa and Leisure Clubs, I firmly believe the future looks bright.

.....
Nick Banks
Treasurer

IPSWICH SPORTS CLUB 2020 LIMITED

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF IPSWICH SPORTS CLUB

FOR THE PERIOD ENDED 31 DECEMBER 2020

Opinion

We have audited the financial statements of Ipswich Sports Club 2020 Limited (the 'company') for the period ended 31 December 2020 which comprise the income and expenditure account, balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit / loss for the year then ended;

have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 2 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Continued.....

GMS FC is a company registered in England and Wales (registered number 07433564)

IPSWICH SPORTS CLUB 2020 LIMITED

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF IPSWICH SPORTS CLUB

FOR THE PERIOD ENDED 31 DECEMBER 2020

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit: the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
the financial statements are not in agreement with the accounting records and returns; or
certain disclosures of directors' remuneration specified by law are not made; or
we have not received all the information and explanations we require for our audit; or
the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Continued.....

IPSWICH SPORTS CLUB 2020 LIMITED

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF IPSWICH SPORTS CLUB

FOR THE PERIOD ENDED 31 DECEMBER 2020

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit."

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Christopher Smith FCA ACCA (Senior Statutory Auditor)
for and on behalf of GMS FC Limited
Chartered Certified Accountants and Statutory Auditors
1 London Road
IPSWICH IP1 2HA

.....
Dated

GMS FC is a company registered in England and Wales (registered number 07433564)

IPSWICH SPORTS CLUB 2020 LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

FOR THE PERIOD ENDED 31 DECEMBER 2020

	Note	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds 2020	Total Funds 2019
		£	£	£	£	£
INCOME						
Members subscriptions		133,913			133,913	-
Retail turnover:						
Bar	3	27,487			27,487	-
Shop	4	99			99	-
Functions		17			17	-
Sports income	5	-	47,224	200	47,424	-
Rental income		4,832			4,832	-
Grant released		2,821			2,821	-
Other grants (Covid - 19 related)		22,241			22,241	-
Donations:						
Ipswich Sports Club Services Limited		17,200			17,200	-
Other donations		2,179			2,179	-
TOTAL INCOME		210,789	47,224	200	258,213	-
EXPENDITURE						
Cost of sales:						
Bar	3	50,665	-		50,665	-
Shop	4	-	-		-	-
Functions		-			-	-
Sports expenditure	5	-	92,148	49	92,197	-
General administration costs	6	143,784	-		143,784	-
TOTAL EXPENDITURE		194,449	92,148	49	286,646	-
NET INCOME/(EXPENDITURE) BEFORE TAX	7	16,340	(44,924)	151	(28,433)	-
Taxation	8	19	-		19	-
NET INCOME/(EXPENDITURE) AFTER TAX		16,359	(44,924)	151	(28,414)	-
Transfers to reserves		(52,424)	52,424	-	-	-
NET INCOME/(EXPENDITURE) AFTER TAX AND RESERVE MOVEMENTS		(36,065)	7,500	151	(28,414)	-

The statement of financial activities (incorporating an income and expenditure account) includes all gains and losses in the period and therefore a statement of total recognised gains and losses has not been prepared. All amounts relate to continuing operations.

IPSWICH SPORTS CLUB 2020 LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

		2020		2019	
	Note	£	£	£	£
FIXED ASSETS					
Tangible Fixed Assets	11		1,429,498		-
Fixed asset investment	10		<u>2</u>		<u>-</u>
			1,429,500		-
CURRENT ASSETS					
Stocks	12	3,828		-	
Debtors	13	48,657		-	
Bank and cash		<u>201,045</u>		<u>-</u>	
		253,530		-	
CREDITORS:					
Amounts falling due within one year	14	<u>(100,085)</u>		-	
NET CURRENT ASSETS					
			<u>153,445</u>		<u>-</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
			1,582,945		-
CREDITORS:					
Amounts falling due after one year	15		(218,486)		-
CAPITAL GRANT RESERVE					
	16		(63,704)		-
NET ASSETS					
			<u>1,300,755</u>		<u>-</u>
RESERVE FUNDS					
Designated funds	17		251,600		-
Unrestricted funds	17		<u>1,045,809</u>		<u>-</u>
			1,297,409		-
Restricted funds	18		<u>3,346</u>		<u>-</u>
			<u>1,300,755</u>		<u>-</u>

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

These financial statements were approved by the board of the directors on 9 April 2021 and are signed on their behalf by:

.....
V Penn - Chairman

.....
N Banks - Treasurer

The notes on pages 13 to 24 form part of these financial statements

IPSWICH SPORTS CLUB 2020 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

The principle accounting policies adopted in the preparation of the Financial Statements are set out below.

The accounting policies have been consistently applied.

1.1 Accounting convention

The Financial Statements have been prepared under the historic cost convention and in accordance with the Financial Reporting Standard 102 Section 1A

Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

1.2 Income

Income shown in the income and expenditure account represents amount receivable exclusive of VAT.

Membership income is recognised over the time period to which it relates.

Life membership income subscriptions are recognised over a period of 8 years.

1.3 Grants

Income in respect of capital grants is credited to a capital grant reserve in the balance sheet and is written off in equal annual instalments over the estimated useful economic life of the asset to which it relates.

Revenue grants are credited to the income and expenditure account when they become receivable.

1.4 Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost or valuation less residual value of each asset over its expected useful life, as follows:

Car park and driveway	- 10%	straight line
Clubhouse improvements	- 2.5%	straight line
Furniture and fittings	- 10%	straight line
Computers	- 33.3%	straight line
All-weather tennis courts	- 10%	straight line
Hockey pitch -Astro base	- 4%	straight line
Astro top	- 6.67%	straight line
Hockey pitch Tuddenham Road	- 3.5%	straight line
Indoor tennis centre	- 2.5%	straight line

No depreciation is charged on freehold buildings, as in the opinion of the Directors the residual value is estimated to be at least equal to current book values.

The Committee maintains freehold property to a reasonable standard and carries out annual impairment reviews of the property.

1.5 Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the income and expenditure account so as to produce constant periodic rates of charge on the net obligations in each period.

Rentals paid under operating leases are charged against income on a straight line basis over the lease term.

IPSWICH SPORTS CLUB 2020 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (continued)

1.6 Stock

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.7 Taxation

The Company is a Community Amateur Sports Club. The Club will be liable to corporation tax on its non-member trading income if the turnover derived from trading income exceeds £100,000 per annum.

1.8 VAT

The organisation is partially exempt for VAT. Irrecoverable VAT is charged to the income and expenditure account or capitalised on the balance sheet, depending on the nature of the expenditure.

Governance costs are those incurred in connection with the administration of the company and compliance with statutory requirements.

Resources expended include attributable VAT, which cannot be recovered.

2. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALLER ENTITIES

In common with many other organisations of our size and nature we use our auditors to prepare and submit tax returns to the tax authorities and assist with the preparation of Financial Statements.

IPSWICH SPORTS CLUB 2020 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2020

3. BAR TRADING ACCOUNT

	2020		2019	
	£	£	£	£
Bar sales		27,487		-
Less:				
Purchases	11,309		-	
Wages	36,303		-	
Other bar costs	3,053		-	
		<u>50,665</u>		<u>-</u>
		<u>(23,180)</u>		<u>-</u>

4. SHOP TRADING ACCOUNT

	2020		2019	
	£	£	£	£
Shop sales		99		-
Less:				
Purchases		-		-
		<u>99</u>		<u>-</u>

IPSWICH SPORTS CLUB 2020 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2020

5. SPORTS INCOME AND EXPENDITURE

	Squash	Tennis	Hockey	Gymnasium & Studio	Table Tennis	Total 2020	Total 2019
	£	£	£	£	£	£	£
INCOME							
Sponsorship and donations	200	-	-	-	-	200	16,159
Competitions, tournaments and events	1,446	-	5,806	-	-	7,252	26,489
Coaching fees, court rental and pitch hire	2,334	6,875	-	2,086	-	11,295	48,957
Indoor Tennis Centre surplus	-	3,509	-	-	-	3,509	27,056
Multisports, parks and community programme	-	-	-	-	-	-	6,670
Functions and social bar income	-	-	553	-	-	553	10,921
Sundry income	-	58	-	13	-	71	1,862
Performance	-	17,879	-	-	-	17,879	67,844
Development programme	-	6,665	-	-	-	6,665	37,858
TOTAL INCOME	3,980	34,986	6,359	2,099	-	47,424	243,816
EXPENDITURE							
Affiliation fees	-	312	136	1,463	-	1,911	8,373
Functions expenditure	-	-	4,775	-	-	4,775	4,775
Coaching costs and fees	-	4,972	-	16,734	-	21,706	87,906
Repairs, equipment leasing and maintenance	-	9,216	600	16,031	-	25,847	47,749
Competition fees, tournaments and events	-	10	3,569	-	-	3,579	17,512
Multisports	-	-	-	-	-	-	676
Ball and equipment purchases	-	-	461	-	-	461	2,777
Performance costs	-	8,914	-	-	-	8,914	47,667
Other expenses	49	-	(2,831)	(2,171)	-	(4,953)	24,867
	49	23,424	6,710	32,057	-	62,240	242,302
Depreciation	1,615	16,508	7,777	4,057	-	29,957	72,269
TOTAL EXPENDITURE	1,664	39,932	14,487	36,114	-	92,197	314,571
SURPLUS/(DEFICIT)	2,316	(4,946)	(8,128)	(34,015)	-	(44,773)	(70,755)

IPSWICH SPORTS CLUB 2020 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2020

6. GENERAL ADMINISTRATION COSTS

	Unrestricted Funds	Designated Funds	Total Funds 2020	Total Funds 2019
	£	£	£	£
ADMINISTRATION COSTS				
Wages, NIC and pension costs	52,898	-	52,898	-
Rates	1,779	-	1,779	-
Insurance	5,389	-	5,389	-
Light and heat	11,410	-	11,410	-
Repairs and renewals	21,569	-	21,569	-
Cleaning	11,539	-	11,539	-
Postage and stationery	404	-	404	-
Advertising	945	-	945	-
Telephone	834	-	834	-
Computer and IT costs	2,421	-	2,421	-
Legal and professional fees	4,792	-	4,792	-
Accountancy and audit fees	7,635	-	7,635	-
Other expenses	2,469	-	2,469	-
Licences	1,918	-	1,918	-
Equipment maintenance	1,541	-	1,541	-
Depreciation	8,052	-	8,052	-
Loss on disposal of fixed assets	-	-	-	-
Irrecoverable VAT	7,039	-	7,039	-
	142,634	-	142,634	-
FINANCE COSTS				
Bank charges and interest	1,149	-	1,149	-
Loan interest	1	-	1	-
	1,150	-	1,150	-
TOTAL COSTS	143,784	-	143,784	-

7. OPERATING SURPLUS

	2020 £	2019 £
This is stated after charging:		
Wages, salaries, pension and NI costs	94,191	-
Auditors remuneration	3,500	-
Non-audit services (taxation and accountancy)	300	-
Depreciation of owned assets	26,314	-
Depreciation of leased assets and assets subject to hire purchase	<u>11,696</u>	-

IPSWICH SPORTS CLUB 2020 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2020

8. TAXATION

	2020	2019
	£	£
Analysis of charge in accounts		
Current tax		
UK corporation tax	-	-
Prior year overprovision	(19)	-
Total current tax charge	<u>(19)</u>	<u>-</u>

Corporation tax is provided on non member trading and investment income.

9. STAFF COSTS & EMOLUMENTS

Staff, Directors and Committee

The Directors and Executive Committee of the Club volunteer their services on an unpaid basis and thus there are no staff costs in relation to the Committee with the exception of the General Manager which is a salaried appointment.

No remuneration was paid to any director during the year (2019: £Nil).

No out of pocket expenses were paid to the Directors during the year (2019: £Nil)

	2020	2019
Staff numbers		
Administrative, maintenance and bar staff	<u>14</u>	<u>-</u>

10. FIXED ASSET INVESTMENT

	2020	2019
	£	£
Ordinary £1 shares in Ipswich Sports Club Services Limited	<u>2</u>	<u>-</u>

Ipswich Sports Club 2020 Ltd. is the beneficial owner of 100% of the issued share capital of Ipswich Sports Club Services Limited. The company was formed on 8 March 2016 and began trading on 1 April 2016. Company number 10051239.

Ipswich Sports Club Services Limited provides services related to the company's activities at the club site.

Profit/(loss for period)	<u>-</u>	<u>-</u>
Aggregate capital and reserves	<u>2</u>	<u>-</u>

IPSWICH SPORTS CLUB 2020 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2020

11. FIXED ASSETS

	COST				DEPRECIATION			NET BOOK VALUE		
	Balance at 1 Aug. 2020	Additions	Disposals	Balance at 31 Dec. 2020	Balance at 1 Aug. 2020	Charge for year	Disposals	Balance at 31 Dec. 2020	Balance at 1 Aug. 2020	Balance at 31 Dec. 2020
	Transferred (note 23)				Transferred (note 23)			Transferred (note 23)		
	£	£	£	£	£	£	£	£	£	£
CLUB AND GENERAL										
Freehold land and buildings	407,785	-	-	407,785	-	-	-	-	407,785	407,785
Car park and driveway	42,202	-	-	42,202	41,614	587	-	42,201	587	1
Equipment	92,606	3,825	-	96,431	88,109	449	-	88,558	4,497	7,873
Furniture and fittings	140,466	-	-	140,466	130,117	1,020	-	131,137	10,349	9,329
Computers	34,884	-	-	34,884	34,884	-	-	34,884	-	-
Clubhouse improvements	603,862	-	-	603,862	228,367	5,996	-	234,363	375,495	369,499
	<u>1,321,805</u>	<u>3,825</u>	<u>-</u>	<u>1,325,630</u>	<u>523,091</u>	<u>8,052</u>	<u>-</u>	<u>531,143</u>	<u>798,713</u>	<u>794,487</u>
TENNIS										
All-weather courts	334,045	-	-	334,045	260,732	10,771	-	271,503	73,313	62,542
Indoor centre*	396,869	-	-	396,869	148,849	5,728	-	154,577	248,020	242,292
Equipment	2,097	-	-	2,097	1,975	10	-	1,985	122	112
	<u>733,011</u>	<u>-</u>	<u>-</u>	<u>733,011</u>	<u>411,556</u>	<u>16,509</u>	<u>-</u>	<u>428,065</u>	<u>321,455</u>	<u>304,946</u>
HOCKEY										
Land, pavillion and synthetic sports surface	350,700	-	-	350,700	184,625	4,375	-	189,000	166,075	161,700
Astro pitch	271,388	-	-	271,388	261,186	3,400	-	264,586	10,202	6,802
Equipment	1,419	-	-	1,419	1,389	2	-	1,391	30	28
	<u>623,507</u>	<u>-</u>	<u>-</u>	<u>623,507</u>	<u>447,200</u>	<u>7,777</u>	<u>-</u>	<u>454,977</u>	<u>176,307</u>	<u>168,530</u>
SQUASH										
Squash courts	145,464	-	-	145,464	42,414	1,515	-	43,929	103,050	101,535
Equipment	7,793	-	-	7,793	6,553	100	-	6,653	1,240	1,140
	<u>153,257</u>	<u>-</u>	<u>-</u>	<u>153,257</u>	<u>48,967</u>	<u>1,615</u>	<u>-</u>	<u>50,582</u>	<u>104,290</u>	<u>102,675</u>
GYMNASIUM										
Gymnasium	45,745	-	-	45,745	18,377	3,580	-	21,957	27,368	23,788
Equipment	152,762	-	-	152,762	117,213	477	-	117,690	35,549	35,072
	<u>198,507</u>	<u>-</u>	<u>-</u>	<u>198,507</u>	<u>135,590</u>	<u>4,057</u>	<u>-</u>	<u>139,647</u>	<u>62,917</u>	<u>58,860</u>
TOTALS	<u>3,030,087</u>	<u>3,825</u>	<u>-</u>	<u>3,033,912</u>	<u>1,566,404</u>	<u>38,010</u>	<u>-</u>	<u>1,604,414</u>	<u>1,463,683</u>	<u>1,429,498</u>

* Includes long term lease: Indoor Tennis Centre	255,000			255,000	93,925	4,075		98,000	161,075	157,000
Fixed assets acquired under hire purchase agreement	41,729			41,729	10,201	7,621		17,822	31,528	23,907

IPSWICH SPORTS CLUB 2020 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2020

12. STOCKS

	2020	2019
	£	£
Cost of bar and food stock	<u>3,828</u>	<u>-</u>

13. DEBTORS

	2020	2019
	£	£
Trade debtors	7,059	-
Due from Ipswich Sports Club Services Limited	31,004	-
Prepayments	<u>10,594</u>	<u>-</u>
	<u>48,657</u>	<u>-</u>

14. CREDITORS: Amounts falling due within one year

	2020	2019
	£	£
Bank loan repayable within one year	1,975	-
Other loans repayable within one year	14,744	-
Capitalised leasing obligation	6,132	-
Lloyds finance liability	6,160	-
Trade creditors	11,804	-
Taxes and social security	6,553	-
Other creditors	5,108	-
Accruals and deferred income	<u>47,609</u>	<u>-</u>
	<u>100,085</u>	<u>-</u>

IPSWICH SPORTS CLUB 2020 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2020

15. CREDITORS: Amounts falling due after one year

	2020	2019
	£	£
Bank loans:		
Total bank loans outstanding	51,975	-
Less - amount falling due within one year	<u>(1,975)</u>	<u>-</u>
Bank loans falling due after one year	<u>50,000</u>	<u>-</u>
Other loans:		
Total LTA loans outstanding	39,749	-
Less - amount falling due within one year	<u>(9,494)</u>	<u>-</u>
LTA loan falling due after one year	<u>30,255</u>	<u>-</u>
Total SLTA loans outstanding	6,250	-
Less - amount falling due within one year	<u>(5,250)</u>	<u>-</u>
SLTA loan falling due after one year	<u>1,000</u>	<u>-</u>
Lloyds finance (spin bikes & gym equipment)	25,138	-
Less - amount falling due within one year	<u>(6,160)</u>	<u>-</u>
Lloyds finance falling due after one year	<u>18,978</u>	<u>-</u>
Total long term loans	100,232	-
Long term leasing obligation	<u>118,254</u>	<u>-</u>
	<u>218,486</u>	<u>-</u>

The LTA loans are secured by a fixed charge over the Company's freehold premises.

16. CAPITAL GRANT RESERVE

	Note	2020	2019
		£	£
Balance transferred from Ipswich Sports Club	23	66,525	-
Grant advanced in this period		<u>-</u>	<u>-</u>
		66,525	-
Amortisation of grant in this period		<u>2,821</u>	<u>-</u>
Balance c/fwd at 31 December		<u>63,704</u>	<u>-</u>

The capital grant received from Sport England is secured over the squash courts in respect of which the grant was made.

IPSWICH SPORTS CLUB 2020 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2020

17. RESERVE FUNDS

	Note	2020 £	2019 £
Restricted funds:			
As per note 18		3,346	-
Designated fund: LTA sinking fund			
Balance transferred from Ipswich Sports Club	23	82,500	-
Add - Transfers to fund		7,500	-
		90,000	-
Less - Transfer from fund		-	-
Balance c/fwd at 31 December		90,000	-
Designated fund: LTA sinking fund			
Balance transferred from Ipswich Sports Club	23	161,600	-
Add - Transfers to fund		-	-
Balance c/fwd at 31 December		161,600	-
Designated fund: sports activity			
Balance transferred from Ipswich Sports Club		-	-
Add - Transfers to fund		44,924	-
		44,924	-
Less - Deficit before reserve movements		44,924	-
Balance c/fwd at 31 December		-	-
Unrestricted fund: general fund			
Balance transferred from Ipswich Sports Club	23	1,081,874	-
Add -		-	-
Surplus before reserve movements		16,359	-
Transfers to fund		-	-
		1,098,233	-
Less - Transfer from fund		(52,424)	-
Balance c/fwd at 31 December		1,045,809	-
TOTAL FUND BALANCES		1,300,755	-

Analysis of net assets between funds:

	Fixed assets less long term liabilities £	Net current assets £	Total 2020 £	Total 2019 £
Designated funds	251,600	-	251,600	-
Unrestricted fund	895,710	150,099	1,045,809	-
Restricted funds (note 18)	-	3,346	3,346	-
	<u>1,147,310</u>	<u>153,445</u>	<u>1,300,755</u>	<u>-</u>

Lawn Tennis Sinking Fund

In consideration for providing the grant funding for resurfacing the tennis courts, the Lawn Tennis Association have stipulated that the Club must make transfers into a sinking fund to make future provision for tennis court maintenance. Any necessary future expenditure related to tennis court refurbishments can be met from this fund.

Sports activity

Income related to Sports activity is designated to meet sport activity expenditure. Any shortfall is met from the general fund.

The general fund is unrestricted. The LTA Sinking fund and Sports activity fund are designated funds.

IPSWICH SPORTS CLUB 2020 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2020

18. RESTRICTED FUNDS

	LTA Academy performance fund £	Tennis Foundation fund £	Tennis development fund £	Suffolk youth tennis fund £	Seniors tennis fund £	Squash futures fund £	2020 Total funds £	2019 Total funds £
Income								
Donations, sponsorship and fund raising						200	200	-
	-	-	-	-	-	200	200	-
Expenditure								
Player sponsorship						49	49	-
	-	-	-	-	-	49	49	-
Surplus/(shortfall)	-	-	-	-	-	151	151	-
Balances transferred from Ipswich Sports Club (Note 23)	650	29	310	500	235	1,471	3,195	-
Balance carried forward	650	29	310	500	235	1,622	3,346	-

IPSWICH SPORTS CLUB 2020 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2020

19. RELATED PARTIES

Professional fees and other services

Mr N Banks, a director of the company is a partner of Scrutton Bland. The company paid Scrutton Bland £4,135 for accountancy and professional fees during the period (2019 - £Nil).

20. CAPITAL EXPENDITURE

The Company had no capital commitments as at 31 December 2020 (2019: Nil)

21. CONTINGENT LIABILITIES

Sport England Grant

The capital grant of £91,000 received from Sport England could become repayable if the Club ceases to operate, becomes insolvent or breaches any other condition of the grant.

Solar panel arrays

In the event of the termination of the contract before the expiry date, there is a potential exit charge that is calculated on a pre-determined formula contingent on the amount of time remaining between the cancellation and expiry dates.

22. FINANCIAL COMMITMENTS

The company paid operating lease payments of £810 during the period (£Nil - 2019). As at 31 December 2020 the company had annual commitments under non-cancellable operating leases as follows:

	2020	2019
	£	£
Expiry date:		
Within one year	<u>1,527</u>	<u>-</u>

23. EXCEPTIONAL ITEM

A capital contribution representing the accumulated and other reserves of Ipswich Sports Club (an unincorporated members club) was transferred to the company. The transfer of assets, liabilities, undertakings and obligations was made under a transfer of Assets and Activities Distribution Agreement.

24. POST BALANCE SHEET EVENT

The company sold part of the land at the Henly Road site. The gross sale price was £1,250,000 and completion of the sale took place on 12 February 2021.