

IPSWICH SPORTS CLUB

**REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2012**

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

IPSWICH SPORTS CLUB

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

CONTENTS	Pages
Notice of Annual General Meeting and Outline Agenda	1
Club Information - List of Officers	2
Report of the Chairman	3 - 4
Report of the Treasurer	5 - 6
Statement of Committee's Responsibilities in relation to the Preparation of the Financial Statements	7
Independent Auditors Report	8
Income and Expenditure Account	9
Statement of Recognised Gains and Losses	10
Balance Sheet	11
Notes to the Financial Statements	12 - 22

IPSWICH SPORTS CLUB

NOTICE OF ANNUAL GENERAL MEETING AND OUTLINE AGENDA

FOR THE YEAR ENDED 31 DECEMBER 2012

**The Annual General Meeting of the Club
will be held at the Clubhouse, Henley Road, Ipswich
on Wednesday, 19 June 2013 commencing at 7.30pm**

- | | | |
|----|---|-----------|
| 1. | Welcome, introduction to the meeting and apologies for absence. | President |
| 2. | Minutes and matters arising from the minutes of the last AGM. | Secretary |
| 3. | Chairman's Report for the coming year. | Chairman |
| 4. | Treasurer's Report and Financial Statements for 2012. | Treasurer |
| 5. | Election of Council Officers and President for 2013/14. | President |

Newly elected Council members will then deal with the following items:

- | | | |
|----|--|----------|
| 6. | Business items of importance to the AGM. | Chairman |
|----|--|----------|

Provisionally:

- | | |
|------|--|
| i. | The Club Council seeks ratification of the Club Constitution changes that were adopted at the Council Meeting dated 11 April 2013. |
| ii. | Strategy for Club Development. |
| iii. | Subscriptions level changes for 2013/14. |
| iv. | Members resolutions for discussion/vote/agreement. |

- | | | |
|----|--|-----------|
| 7. | Appointment of Club Auditors for 2013. | Treasurer |
| 8. | Any Other Business acceptable to the Chairman. | Chairman |

IPSWICH SPORTS CLUB

CLUB INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2012

LIST OF OFFICERS

President	Mrs M Lipscombe
Executive Chairman	Miss V Penn
Executive Vice Chairman	Mr I McWhirter
Executive Treasurer	Mr M Ledger
Executive Secretary	Mr G Sheldrake
Gym/Studio Chairman	Mr T Cookson
Squash & Racketball Chairman	Dr A Livingstone
Tennis Chairman	Mr S Belton
Hockey Chairman	Mr M Wrinch
Hon. Vice-President (Co-opted to exec.)	Dr A Livingstone
Hon. Vice-President	Mr J Gordon
Hon. Vice-President	Mr H Langton
Officer	Mr D Partridge
Officer	Mr A Howell

General Manager	Mr A Yorke
-----------------	------------

Auditors	GMS Francis Clarks Limited 1 London Road Ipswich IP1 2HA
-----------------	---

Bankers	Lloyds TSB National Westminster Santander
----------------	---

Solicitors	Ashton Graham Waterfront House 1a Wherry Quay Ipswich IP4 1AS
-------------------	--

IPSWICH SPORTS CLUB

REPORT OF THE CHAIRMAN

FOR THE YEAR ENDED 31 DECEMBER 2012

Firstly a big thanks especially to Geoff Sheldrake, Maggie Lipscombe, Alec Livingstone, Mark Ledger, Andy Yorke and Pascale Cadier for their support during my first year as Chairman.

As with all leisure businesses the Club cannot afford to stand still and certainly 2012 reflected our consistent approach to improve the quality of our offer and to aspire to the highest sporting achievements across all sections. Our staff work hard to provide a quality service to members and credit to our General Manager for increasing membership through a difficult economic period. This year we are focusing on improving off-peak usage and attracting networking groups, charities and small businesses that can use our facilities together with corporate use and sponsorship.

Achievements for 2012

We completed the Bar extension to improve the presentation of Squash and Racketball and to give us a much larger function space, restructured the Club Office facility and sports shop, completed the membership database, introduced the new Spinning Room and CrossFit; The Courtside Bistro joined us as the new caterers, Kidzone Crèche returned and now want to join us permanently, core classes were introduced in the Gym, and of course we held our Grand Olympic Ball at which we presented long service awards to volunteers from each section.

Finance

2012 was a difficult trading year but a small profit would have been returned if we had not been hit by a Corporation Tax bill. However membership remains high and certainly in a market where a lot of private clubs are closing and one or two national leisure clubs are going into administration, the Club has bucked the trend and we reached a height of 1700 members earlier this year. Cash flow is good and we are still paying off our debts and members loans. We have no large capital projects in the pipeline other than the proposed Tennis Bubble which is a live build with the LTA. We have redecorated the Indoor Tennis Centre, we are installing new men's showers and improving the gardens to try and restore them to their former glory. Squash Court 6 will be refurbished to hand back to the Squash Section for September.

List of Sporting Achievements

Attached to this report is a list of some of the sporting achievements throughout the year demonstrating what a wealth of talent we have at this Club supported by one of the best coaching teams in the area.

Tennis

We restructured the coaching team at the Club promoting Chris Daynes to Head of Tennis, ably supported by Nino Severino, EBAT Academy Director. The model has now changed so that all Academy income and future funding comes via the Club. I am pleased to report that they are doing an excellent job in building numbers, particularly through schools and this will continue to produce performance players which will allow us, in time, to reapply for our performance accreditation and apply for funding from the LTA. We now have seven matrix players at the Club. Paul Sheldrake is leading the new Tennis Committee and driving the Indoor Bubble Project, for which planning permission has now been submitted. Our Tennis membership is at an all time high and we were privileged to have had Judy Murray visit the Club more recently to coach our up and coming girls, and we thank Elena Baltacha for this opportunity.

Continued.....

IPSWICH SPORTS CLUB

REPORT OF THE CHAIRMAN (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

Squash

Joey Kemp, supported by his wife Jaclyn, joined us as our Head Squash Professional and with their team are making good progress increasing Junior numbers and bringing the Club high profile Squash tournaments and events for our very talented Juniors. The recent PSA Challenger US\$5k Event was a first for East Anglia and many thanks to Joey and the Squash Committee for bringing this prestigious event to the Club. The event finished on a high with Joey taking the title! Club nights for both Squash and Racketball remain very busy and popular with live Squash tournaments being shown in the Bar.

Hockey

Our plans with Ipswich School to progress with the a joint venture at Tuddenham Road proved abortive when the School unexpectedly had the opportunity to purchase the site at Rushmere; thus allowing them to apply for planning permission for three new pitches. Talks with Northgate and Sport England are ongoing to find a long term solution for our Hockey Section. We have been thwarted in many attempts to provide new facilities for Hockey over the last few years.

Aims and Ambitions

With the growth in the use of the Gym, and increasing numbers of aspiring Juniors, there is a need to provide a separate area for Strength and Conditioning for the academies. We received planning permission for a 1,000 sq ft area adjacent to Squash Court 7 some time ago and we are in discussions with Nino Severino for a joint venture with the Club. This facility may also house CrossFit and Sports Science, and would be unique for the area.

We will revisit the 3-5 year plans from each section during the coming year.

Committees and Volunteers

I take this opportunity to thank all of our Section Committees and representatives at Council and the Executive who give generously of their time to make the Club a better place.

We are interested in harnessing the help of any members who have entrepreneurial flair to assist with revenue generating ideas, who have experience with marketing, PR, charities and other business related disciplines. We are particularly keen to increase our off-peak usage of the Club and this may be through coffee mornings, charity meetings, networking clubs and the like.

To sign off, and remember absent friends and members – Valerie Packer and Pam Rogers both who made a fantastic voluntary contribution to the Club over many years and are very much missed.

.....
V Penn - Executive Chairman

IPSWICH SPORTS CLUB

REPORT OF THE TREASURER

FOR THE YEAR ENDED 31 DECEMBER 2012

Overview

Overall the turnover of the club increased by £37,000 (5%) due to an increase in activities but this has been offset by a rise in expenditure relating to these activities.

Total membership numbers increased from 1,511 to 1,610 (a rise of 7%) but the membership fees reduced by 2% due to the change in profile of the membership with more juniors joining from Hockey, primarily.

Overall there is a post-tax loss of £902 from operating activities compared to a surplus of £27,000 in 2011 and compared to the budgeted surplus of £18,000. The main reasons for the difference between the final results and the budgets are;

No interest cost on loans provided for in the Budgets which amounted to about £13,000;
Reduction in membership income of about £5,000;
Cost for cross fit which was not envisaged when the Budgets were set;
Retainer paid for the tennis professional which was not provided for.
Overhead expenditure increased with rising Utility costs and increasing IT costs. These were offset by reduced repairs.
Wages increased by £10,000.

The cash flow of the club has remained about constant, as whilst we made a small deficit this does include depreciation totalling about £80,000 which compensates for the loan repayments made and capital expenditure incurred during the year.

Overall during the year, existing debts of bank, member & LTA loans were reduced by £71k, although we did take out an additional interest free loan from the SLTA for £15k.

Review of sections

Bar

Maintaining sales & margins in the bar is a challenge but this year has seen a small improvement on last year mostly by reduced wage costs.

Tennis

The tennis section reported a contribution £7k worse than budgeted. There were a number of positive and negative variances on various income & expenditure lines but the primary reason is the commencement of a retainer to the professional which had not been budgeted for.

Hockey

The hockey section reported a contribution £4k worse than budgeted which is mostly due to the change in how junior membership fees were accounted for in 2012. The budget assumed that these would come into the hockey section directly as in previous years, but due to the change in structure of the membership fee this is now included within the general section.

Squash & Racquetball

The S&R section reported a contribution £1k worse than budgeted. Income from court rental and sponsorship were down but this was nearly all offset by a much lower spend on court repairs during 2012.

Continued.....

IPSWICH SPORTS CLUB

REPORT OF THE TREASURER (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

Squash & Racquetball

The S&R section reported a contribution £1k worse than budgeted. Income from court rental and sponsorship were down but this was nearly all offset by a much lower spend on court repairs during 2012.

Gym

The Gym & Studio section reported a contribution of £2k better than forecasted primarily due to savings on equipment purchases & costs.

Crèche

This was closed during the year and as a result redundancy payments were made. This resulted in a net costs of £3.5k - £1.5k more than budgeted.

Cross Fit

This was not forecasted at all for 2012 as it was a new venture and incurred £6k of costs.

2012 has been a difficult year with all members of the Executive & Administration putting a lot of work in. Kate & Pascale have been particularly helpful in supplying me with reports but putting enough time into the Treasurers role to do it justice is something I need to address during 2013 as the club becomes more complicated. I would also like to thank GMS Francis Clarks for their co-operation.

The position for 2013 is challenging to retain membership and offer an attractive facility - the budgets forecast a deficit of £7,500 which obviously provides the council with a challenge to increase income or decrease costs to achieve a sustainable surplus. A decision has been taken to employ a Duty Manager to support Andy in order to allow him to concentrate more on the promotion of the club which is obviously a priority for us to make this work.

.....
Mark Ledger
Executive Treasurer

IPSWICH SPORTS CLUB

STATEMENT OF COMMITTEES RESPONSIBILITIES IN RELATION TO THE PREPARATION OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

The Officers of the Club are required to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Club and of the surplus of the Club for that period. In preparing those Financial Statements, the Officers 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 do presume that the Club will continue in business.

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

In so far as the Officers are aware:

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

IPSWICH SPORTS CLUB

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	Unrestricted Funds	Designated Funds	Total Funds 2012	Total Funds 2011
		£	£	£	£
INCOME					
Members subscriptions		408,648	-	408,648	415,735
Retail turnover:					
Bar	3	137,654	-	137,654	135,329
Shop	4	866	-	866	784
Functions		12,470	-	12,470	-
Sports income	5	-	133,499	133,499	105,559
Rental income		30,468	-	30,468	32,711
Grant released		6,771	-	6,771	6,771
Advertising income		2,325	-	2,325	-
Donations		988	-	988	-
Bank interest received		9	-	9	-
TOTAL INCOME		600,199	133,499	733,698	696,889
EXPENDITURE					
Cost of sales:					
Bar	3	134,323	-	134,323	134,680
Shop	4	510	-	510	412
Functions		17,253	-	17,253	5,121
Sports expenditure	5	-	200,776	200,776	165,648
General administration costs	6	379,343	-	379,343	357,474
TOTAL EXPENDITURE		531,429	200,776	732,205	663,335
NET INCOME/(EXPENDITURE) BEFORE TAX	7	68,770	(67,277)	1,493	33,554
Taxation	8	(2,395)	-	(2,395)	(2,423)
NET INCOME/(EXPENDITURE) AFTER TAX		66,375	(67,277)	(902)	31,131
Transfers to reserves		(87,477)	87,477	-	(3,200)
NET INCOME/(EXPENDITURE) AFTER TAX AND RESERVE MOVEMENTS		(21,102)	20,200	(902)	27,931

A statement of recognised gains and losses is shown on page 10

IPSWICH SPORTS CLUB

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	Unrestricted Funds	Designated Funds	Total Funds 2012	Total Funds 2011
		£	£	£	£
NET OUTGOING RESOURCES FOR THE YEAR		66,375	(67,277)	(902)	31,131
Prior year adjustment		-	-	-	(26,502)
TOTAL RECOGNISED GAINS SINCE LAST ANNUAL REPORT		<u>66,375</u>	<u>(67,277)</u>	<u>(902)</u>	<u>4,629</u>

IPSWICH SPORTS CLUB

BALANCE SHEET

AS AT 31 DECEMBER 2012

		2012		2011	
	Note	£	£	£	£
FIXED ASSETS					
Tangible Fixed Assets	10		1,631,325		1,682,322
CURRENT ASSETS					
Stocks	11	5,425		5,213	
Debtors	12	18,713		14,709	
Bank and cash		<u>90,480</u>		<u>50,717</u>	
		114,618		70,639	
CREDITORS:					
Amounts falling due within one year	13	<u>(168,932)</u>		<u>(147,125)</u>	
NET CURRENT ASSETS			<u>(54,314)</u>		<u>(76,486)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,577,011		1,605,836
CREDITORS:					
Amounts falling due after one year	14		(312,661)		(333,813)
CAPITAL GRANT RESERVE	15		(117,872)		(124,643)
NET ASSETS			<u>1,146,478</u>		<u>1,147,380</u>
RESERVE FUNDS					
Designated funds	16		40,400		20,200
Unrestricted funds	16		<u>1,106,078</u>		<u>1,127,180</u>
			<u>1,146,478</u>		<u>1,147,380</u>

These financial statements were approved by the members of the committee on

..... and are signed on their behalf by:

.....
V Penn - Chairman

.....
M Ledger - Treasurer

The notes on pages 12 to 22 form part of these financial statements

IPSWICH SPORTS CLUB

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

1. ACCOUNTING POLICIES

The principle accounting policies adopted in the preparation of the Financial Statements are set out below and have remained unchanged from the previous year and also have been consistently applied within the same accounts.

1.1 Accounting convention

The Financial Statements have been prepared under the historic cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

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 Officers 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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

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 Club 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 £30,000 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 Club 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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

3. BAR TRADING ACCOUNT

	2012		2011	
	£	£	£	£
Bar sales		137,654		135,329
Less:				
Purchases	65,462		63,628	
Wages	52,800		55,462	
Other bar costs	16,061		15,590	
		<u>134,323</u>		<u>134,680</u>
		<u>3,331</u>		<u>649</u>

4. SHOP TRADING ACCOUNT

	2012		2011	
	£	£	£	£
Shop sales		866		784
Less:				
Purchases		510		412
		<u>356</u>		<u>372</u>

IPSWICH SPORTS CLUB

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

2. SPORTS INCOME AND EXPENDITURE

	Squash	Tennis	Hockey	Gymnasium	Total 2012	Total 2011
	£	£	£	£	£	£
INCOME						
Sponsorship	1,875	5,835	17,000	-	24,710	27,002
Coaching fees, court rental and pitch hire	6,402	17,491	12,480	22,127	58,500	53,708
Indoor Tennis Centre surplus	-	14,388	-	-	14,388	15,009
Junior coaching	767	956	-	-	1,723	2,273
Creche income	-	-	-	1,334	1,334	2,206
Sundry income	4,288	4,311	6,446	-	15,045	5,361
Performance	-	17,799	-	-	17,799	-
TOTAL INCOME	13,332	60,780	35,926	23,461	133,499	105,559
EXPENDITURE						
Affiliation fees	1,666	2,011	2,460	-	6,137	5,177
Creche costs	-	-	-	3,518	3,518	4,014
Coaching costs and fees	6,919	9,214	19,979	33,010	69,122	57,085
Repairs, equipment leasing and maintenance	2,034	801	1,122	26,653	30,610	32,426
Competition fees	-	2,747	2,045	-	4,792	3,634
Ball and equipment purchases	-	1,983	2,049	-	4,032	1,279
Performance costs	-	12,750	-	-	12,750	-
Other expenses	4,302	6,018	7,972	-	18,292	8,122
Depreciation	14,921	35,524	35,627	63,181	149,253	111,737
Loss on disposal of fixed asset	5,131	16,993	23,193	6,206	51,523	53,345
TOTAL EXPENDITURE	20,052	52,517	58,820	69,387	200,776	165,648
SURPLUS/(DEFICIT)	(6,720)	8,263	(22,894)	(45,926)	(67,277)	(60,089)

IPSWICH SPORTS CLUB

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

6. GENERAL ADMINISTRATION COSTS

	Unrestricted Funds	Designated Funds	Total Funds 2012	Total Funds 2011
	£	£	£	£
ADMINISTRATION COSTS				
Wages and NIC	115,800	-	115,800	103,514
Rates	27,300	-	27,300	25,149
Insurance	6,545	-	6,545	5,503
Light and heat	45,846	-	45,846	37,664
Repairs and renewals	15,497	-	15,497	24,253
Cleaning	34,310	-	34,310	30,654
Postage and stationery	3,120	-	3,120	3,934
Advertising	9,752	-	9,752	9,882
Telephone	1,969	-	1,969	1,715
Computer and IT costs	9,641	-	9,641	7,569
Legal and professional fees	5,095	-	5,095	4,830
Accountancy and audit fees	12,064	-	12,064	11,526
Bad debts	184	-	184	1,831
Other expenses	5,483	-	5,483	4,703
Licences	3,802	-	3,802	2,296
Equipment maintenance	6,688	-	6,688	6,505
Depreciation	31,346	-	31,346	30,541
Irrecoverable VAT	25,503	-	25,503	23,460
	<u>359,945</u>	<u>-</u>	<u>359,945</u>	<u>335,529</u>
FINANCE COSTS				
Bank charges and interest	3,876	-	3,876	3,435
Loan interest	15,522	-	15,522	18,510
	<u>19,398</u>	<u>-</u>	<u>19,398</u>	<u>21,945</u>
TOTAL COSTS	<u>379,343</u>	<u>-</u>	<u>379,343</u>	<u>357,474</u>

7. OPERATING SURPLUS

	2012 £	2011 £
This is stated after charging:		
Wages, salaries and NI costs	168,600	158,976
Auditors remuneration	3,500	3,000
Depreciation of owned assets	<u>82,870</u>	<u>82,797</u>

IPSWICH SPORTS CLUB

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

8. TAXATION

	2012 £	2011 £
Analysis of charge in accounts		
Current tax		
Uk corporation tax	2,395	2,423
Total current tax charge	<u>2,395</u>	<u>2,423</u>

Corporation tax is provided on non member trading income

9. STAFF COSTS & EMOLUMENTS

Staff and Committee

The 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 trustee during the year (2011: £Nil).

No out of pocket expenses were paid to Committee members during the year (2011: £Nil)

IPSWICH SPORTS CLUB

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

10. FIXED ASSETS

	COST			DEPRECIATION			NET BOOK VALUE	
	Balance at 1 Jan. 2012 £	Additions £	Disposals £	Balance at 1 Jan. 2012 £	Charge for year £	Disposals £	Balance at 1 Jan. 2012 £	Balance at 31 Dec. 2012 £
CLUB AND GENERAL								
Freehold land and buildings	342,963	-	-	-	-	-	342,963	342,963
Car park and driveway	42,202	-	-	26,346	2,067	-	15,856	13,789
Equipment	83,949	4,432	-	70,124	3,652	73,776	13,825	14,605
Furniture and fittings	119,328	4,387	-	77,046	10,224	87,270	42,282	36,445
Computers	25,991	865	-	25,095	1,047	26,142	896	715
Clubhouse improvements	591,630	10,929	-	104,989	14,357	119,346	486,641	483,212
	<u>1,206,063</u>	<u>20,613</u>	<u>-</u>	<u>303,600</u>	<u>31,347</u>	<u>-</u>	<u>902,463</u>	<u>891,729</u>
TENNIS								
All-weather courts	201,678	-	-	82,439	13,567	96,006	119,239	105,672
Indoor centre	130,887	-	-	19,580	3,272	22,852	111,307	108,035
Equipment	1,950	147	-	1,328	154	1,482	622	615
	<u>334,515</u>	<u>147</u>	<u>-</u>	<u>103,347</u>	<u>16,993</u>	<u>-</u>	<u>231,168</u>	<u>214,322</u>
HOCKEY								
Land, pavillion and synthetic sports surface	350,700	-	-	94,500	10,500	105,000	256,200	245,700
Astro pitch	271,389	-	-	173,209	12,655	185,864	98,180	85,525
Equipment	1,419	-	-	1,229	38	1,267	190	152
	<u>623,508</u>	<u>-</u>	<u>-</u>	<u>268,938</u>	<u>23,193</u>	<u>292,131</u>	<u>354,570</u>	<u>331,377</u>
SQUASH								
Squash courts	142,895	-	-	11,394	3,572	14,966	131,501	127,929
Equipment	-	7,793	-	-	1,559	1,559	-	6,234
	<u>142,895</u>	<u>7,793</u>	<u>-</u>	<u>11,394</u>	<u>5,131</u>	<u>16,525</u>	<u>131,501</u>	<u>134,163</u>
GYMNASIUM								
Gymnasium	43,175	2,570	-	5,115	1,144	6,259	38,060	39,486
Equipment	109,457	750	-	84,897	5,062	89,959	24,560	20,248
	<u>152,632</u>	<u>3,320</u>	<u>-</u>	<u>90,012</u>	<u>6,206</u>	<u>96,218</u>	<u>62,620</u>	<u>59,734</u>
TOTALS	<u>2,459,613</u>	<u>31,873</u>	<u>-</u>	<u>777,291</u>	<u>82,870</u>	<u>-</u>	<u>1,682,322</u>	<u>1,631,325</u>

IPSWICH SPORTS CLUB

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

11. STOCKS

	2012 £	2011 £
Cost of bar and food stock	<u>5,425</u>	<u>5,213</u>

12. DEBTORS

	2012 £	2011 £
Trade debtors	8,978	4,465
Prepayments	<u>9,735</u>	<u>10,244</u>
	<u>18,713</u>	<u>14,709</u>

13. CREDITORS: Amounts falling due within one year

	2012 £	2011 £
Bank loan repayable within one year	51,591	48,975
Other loans repayable within one year	8,245	6,745
Trade creditors	20,925	19,457
Taxes and social security	8,081	6,593
Other creditors	9,597	5,039
Accruals and deferred income	<u>70,493</u>	<u>60,316</u>
	<u>168,932</u>	<u>147,125</u>

Within other creditors is an amount of £4,375 (2011: £2,616) due to the Hockey Club who operate a bank account in the Club's name for the purposes of making arrangements for trips and travelling. These arrangements do not relate to the main Club's activities and the transactions passing through this account are not reflected in the financial statements.

IPSWICH SPORTS CLUB

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

14. CREDITORS: Amounts falling due after one year

	2012 £	2011 £
Bank loans:		
Total bank loan outstanding	257,046	305,459
Less - amount falling due within one year	(51,591)	(48,975)
Bank loans falling due after one year	<u>205,455</u>	<u>256,484</u>
Member's loans:		
Total Member's loans outstanding	40,000	60,000
Less - amount falling due within one year	-	(40,000)
Member's loans falling due after one year	<u>40,000</u>	<u>20,000</u>
Other loans:		
Total LTA loan outstanding	60,701	64,074
Less - amount falling due within one year	(6,745)	(6,745)
LTA loan falling due after one year	<u>53,956</u>	<u>57,329</u>
Total SLTA loan outstanding	14,750	-
Less - amount falling due within one year	(1,500)	-
SLTA loan falling due after one year	<u>13,250</u>	<u>-</u>
Total long term loans	<u>312,661</u>	<u>333,813</u>

The bank loans are secured by mortgages over the Club's freehold premises.

The member loans are for a five year term but there is no set repayment schedule. Members will take loan repayments at times when cash that is surplus to requirements is available.

15. CAPITAL GRANT RESERVE

	2012 £	2011 £
Balance b/fwd at 1 January	124,643	86,450
Grant advanced in this period	-	44,964
	<u>124,643</u>	<u>131,414</u>
Amortisation of grant in this period	6,771	(6,771)
Balance c/fwd at 31 December	<u>117,872</u>	<u>124,643</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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

16. RESERVE FUNDS

	2012 £	2011 £
Designated fund: LTA sinking fund		
Balance b/fwd at 1 January	20,200	-
Add - Transfers to fund	20,200	20,200
	<u>40,400</u>	<u>20,200</u>
Less - Transfer from fund	-	-
Balance c/fwd at 31 December	<u>40,400</u>	<u>20,200</u>
Designated fund: sports activity		
Balance b/fwd at 1 January	-	-
Add - Transfers to fund	67,277	60,089
	<u>67,277</u>	<u>60,089</u>
Less - Deficit before reserve movements	(67,277)	(60,089)
Balance c/fwd at 31 December	<u>-</u>	<u>-</u>
Unrestricted fund: general fund		
Balance b/fwd at 1 January	1,127,180	1,125,751
Prior period adjustment	-	(26,502)
	<u>1,127,180</u>	<u>1,099,249</u>
Add - Surplus before reserve movements	66,375	91,220
Transfers to fund	-	17,000
	<u>1,193,555</u>	<u>1,207,469</u>
Less - Transfer from fund	(87,477)	(80,289)
Balance c/fwd at 31 December	<u>1,106,078</u>	<u>1,127,180</u>
TOTAL FUND BALANCES	<u>1,146,478</u>	<u>1,147,380</u>

Analysis of net assets between funds:

	Fixed assets less long term liabilities £	Net current assets £	Total 2012 £	Total 2011 £
Designated funds	-	40,400	40,400	20,200
Unrestricted fund	1,200,792	(94,714)	1,106,078	1,127,180
	<u>1,200,792</u>	<u>(54,314)</u>	<u>1,146,478</u>	<u>1,147,380</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.

Maintenance reserve

This fund was closed in 2011.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

17. RELATED PARTIES

	2012 £	2011 £
Member loans		
S. Fairburn	-	20,000
Exors of Mrs V. Packer deceased	10,000	-
M. Watts	10,000	-
A. Livingstone	20,000	-
	<u>40,000</u>	<u>20,000</u>
Interest rate payable	<u>4% per annum</u>	<u>4% per annum</u>
Interest paid during year	<u>533</u>	<u>2,079</u>
Other transactions		
Payments to Penny Lane Computers	<u>-</u>	<u>2,547</u>

Penny Lane Computers is a business run by D Howell, Chairman (2011).

18. CAPITAL EXPENDITURE

The Club had no capital commitments as at 31 December 2012 (2011: Nil)

19. 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.

Lawn Tennis Association Grant

If the Tennis section generates a surplus within a 5 year period from the date of completion of the tennis courts that arises as a result of installing those courts, then the additional surplus may become payable to the Lawn Tennis Association up to a maximum amount equal to the amount of grant received of £44,964.

In calculating whether there is an additional surplus we are using the 2010 surplus as a base, and based upon this no additional surplus has been generated, therefore no provision has been made in the accounts.

20. FINANCIAL COMMITMENTS

The Club paid operating lease payments of £16,311 during the year (£14,815 - 2011). As at 31 December 2012 the Club had annual commitments under non-cancellable operating leases as follows:

	2012 £	2011 £
Expiry date:		
Within one year	21,566	14,815
Between one and five years	3,955	39,553
	<u>25,521</u>	<u>54,368</u>