

IPSWICH SPORTS CLUB

**REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2015**

**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 2015

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IPSWICH SPORTS CLUB

NOTICE OF ANNUAL GENERAL MEETING AND OUTLINE AGENDA

FOR THE YEAR ENDED 31 DECEMBER 2015

The Annual General Meeting of the Club will be held at the Club house, Henley Road, Ipswich, on 30th June 2016 commencing at 7:30pm

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| 1. Welcome, introduction to the meeting and apologies for absence. | President |
| 2. Minutes and matters arising from the minutes of the last AGM and EGM's. | Secretary |
| 3. Chairman's Report. | Chairman |
| 4. Treasurer's Report (including Budget adopted for 2016 and mid-term Financial Report) and Financial Statements for 2015. | Treasurer |
| 5. Proposed amendment to Rule 6.1 of the current Constitution.
Resolution: That Rule 6.1 be amended by the substitution of the word "four" for the word "two" in the first sentence and the word "seven" for the word "six" in the second sentence which will then read "... together with not more than four members of the Club elected to the Council. Seven members of the Council present shall form a quorum." | Secretary |
| 6. Election of President and Council Officers for 2016/17 and any additional Honorary Vice-President(s). | President |
| 7. Business items of importance to the AGM.

i. Resolution: That Rule 4.10 of the Constitution be amended by the addition of the words shown below in italics "... At an EGM, 10% or 100 members whichever is the lower of members entitled to vote shall form a quorum unless the meeting has been called by the Council to consider <i>either</i> a matter under rule 8.4 <i>or one or more resolutions in relation to the incorporation of the club and/or it becoming a charitable body when 50 members entitled to vote and present shall form a quorum in respect of any such Council supported resolution/s, but not otherwise.</i> " | Chairman |
| ii. Update on
a. the Vision Strategy including Tuddenham Road hockey pitch and possible sale of land at Henley Road and
b. potential incorporation of the Club. | Chairman
Secretary |
| 8. Appointment of Club Auditors for 2016. | Treasurer |
| 9. Any Other Business acceptable to the Chairman. | Chairman |

IPSWICH SPORTS CLUB

CLUB INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2015

LIST OF OFFICERS

President	Mrs M Lipscombe
Executive Chairman	Miss V Penn
Executive Vice Chairman	Mr A Cookson
Executive Treasurer	Mr M Ledger
Executive Secretary	Mr K Palmer
Fitness Chairman	Mr K Brazier
Squash & Racketball Chairman	Mr K Day
Tennis Chairman	Mr G Fretwell
Hockey Chairman	Miss V Mutimer
Officer	Mr D Partridge
Officer	Mrs C Miller
Officer	Mr R Butler
Officer	Mrs K Watling
Hon. Vice-Presidents	Mr J Gordon, Mr H Langton, Dr A Livingstone, Mr G Sheldrake, Miss C Webb

General Manager	Mr A Yorke
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Auditors	GMS Francis Clarks Limited 1 London Road Ipswich IP1 2HA
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Bankers	Lloyds TSB National Westminster Santander
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Solicitors	Gotelee Solicitors 31 - 41 Elm Street Ipswich IP1 2AY
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IPSWICH SPORTS CLUB

REPORT OF THE CHAIRMAN

FOR THE YEAR ENDED 31 DECEMBER 2015

2015 has been another very active year for us all on Executive, Council, Committees and Management and it's a testament to the team we have at the club.

- ✓ Provision of solar power to reduce energy bills
- ✓ Installation of the tennis air dome
- ✓ Refurbishment of the indoor centre
- ✓ Day and evening studio programme
- ✓ New gym equipment arriving in the summer
- ✓ First ever Junior Silver Squash event with over 200 entries
- ✓ Compliance with the new CASC rules and subsequent incorporation ongoing

In terms of our finances, a small surplus with the main profits coming from bar and catering, plus the numerous member and external functions held throughout the year.

Our loans have increased to £278,000, due to Dome, Spin bikes and capital improvements, from £238,000 in 2015.

In terms of membership and DD income we are holding steady, with some growth in social, junior and studio members and small gains in other sections. The annual membership offer is more popular and we have added a number of corporate members. We thank all our sponsors without whom we could not have run a number of the Tournaments and Events.

Our Vision plans have been displayed, which include refurbishment of the hockey pitch at TR and a swimming pool, plus larger studio and gym. We appreciate that whilst this is a huge step change for the club other existing facilities Clarice House, Ballantyne, David Lloyd prove that the model works.

We are working up a planning application for the redevelopment of the Henley Road hockey pitch as the land has been allocated by IBC. We have to demonstrate reinvestment into club facilities to obtain planning permission. If we achieve planning permission we will enhance our asset value, which provides us with a one off opportunity to invest not just for the short term but also for the longer term.

There has been a huge amount of work to comply with the new CASC rules, and ultimately we will need to look at charitable status and incorporation to ensure that going forward we have a better vehicle, not only to attract funding, but to take away liabilities for Executive, Council and Committee members.

Overall our membership numbers remain static; despite marketing efforts we cannot attract the higher value family members who want a more leisure orientated club. A lot of the comments on our members survey pointed to the fact that we are a sports club and don't want to change into a David Lloyd type facility. Having been a member for over thirty years I can assure members that this is not what the Exec or Council wants, but we have the new Garden suburb which will happen on our doorstep with new housing. If one of the large leisure chains was to target North Ipswich then I fear hugely for our future. We also have an ageing membership, and we must bring in younger families and individuals if we are to sustain the model we have at present.

Continued.....

IPSWICH SPORTS CLUB

REPORT OF THE CHAIRMAN (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

Other comments in the survey were that the gym and studio are too small; that we could introduce other sports; that members were happy for the land to be sold if there was reinvestment; that the bar and catering facilities were important and a new membership structure would be needed for swimming. We are grateful for the feedback so keep the comments coming.

It's been an exceptionally busy year for all the volunteers, as they continue to give generously of their time to improve and enhance our club, but I want to give special thanks to the following people:

- ✓ Keith Palmer for all his work as Secretary
- ✓ Mark Ledger as Treasurer;
- ✓ Tony Cookson for all his work on management accounts and electricity savings;
- ✓ Karen and Frank Turmel for the fantastic social events;
- ✓ Ali and Alec Livingstone for the organisation of the PSA, Silver Event and other key Tournaments throughout the year;
- ✓ Geoff Sheldrake, Ian Head and Dave Howell on the steering group;
- ✓ Graham Fretwell for work on the Hockey project;
- ✓ All Section Chairmen and Committees;
- ✓ Rob Marsh-Feiley for all his help with plans and drawings for the numerous schemes.

We are all working in the best interests of the club and whilst we may not always agree on everything our goal is the same - to ensure the longevity of Ipswich Sports Club and provide the best facilities we can.

Over the past ten years we have seen some voluntary roles diminish such as with catering, tennis coaching and management, studio, gym and other activities such as marketing, and social media put on a more professional basis which is necessary in a changing commercial environment, where stakes are ever higher to attract and retain members.

We have a great bar and catering team people with a passion to give great service and understand what our members want, and a General Manager in Andy Yorke and Membership Administrator Pascale Cadier, both of whom have now been with the Club for nearly a decade. Certainly the place wouldn't be the same without them, so thank you from all of us for your hard work and passion for the club.

It was nice to hear the praise given by our frequent guests who attend tournaments and special events - all remark at the atmosphere, welcoming feel and top notch facilities at the Club.

In addition a club in the area told us that they thought we were the best managed members club in this area, with other members Clubs such as ours struggling to retain members and improve facilities and even close down, as we have seen the likes of Ardleigh and others shrink, we can therefore be proud of our achievements.

We hope that 2016 to 2018 will see some of our Vision plans implemented, as we strive to improve our offer to take advantage of market conditions and an ever expanding north Ipswich.


.....
Vanessa Penn
Executive Chairman

IPSWICH SPORTS CLUB

REPORT OF THE TREASURER

FOR THE YEAR ENDED 31 DECEMBER 2015

Overview

Overall the turnover of the club increased by £50,000 (6%) due primarily to continued increase in bar sales and tennis related activity. Total expenditure increased by £30,000 due to increased activity in the tennis section, increased club repair costs and professional fees incurred as part of the various restructuring activities that are taking place. The result is that the surplus retained has increased from £24,500 to £43,700. The club had originally forecasted a surplus of £26,000.

This is a significant result for the club but there is still a huge amount of work to continue to be carried out to make this sustainable.

As a result of these results free cash reserves increased by £24,000 in the year to £58,000 but there is expected to be a heavy drain on these funds in 2016.

Review of sections

Bar

Sales increased by 5% and margins increased overall which has continued into 2016.

Tennis

A huge amount of work has gone into the organisation of this section led by Andy Yorke and the coaches. The result is that the surplus before depreciation is £35,000 compared to the budgeted £24,500. This has been a key factor in the overall performance of the club. It is hoped that during 2016 the full benefit of the dome will be experienced.

Hockey

Under some difficult circumstances the Hockey section have spent a lot of time managing the finances of their section, led by Helen Davies, which has resulted in an improvement in their surplus over the budgeted deficit.

Squash & Racquetball

The S&R section have also been very busy and should be congratulated on the array of events taking place. This doesn't show up particularly in the finances of their section but has brought a lot of people into the club. The deficit incurred was close to the budget.

Gym & Fitness

The strategy for this section has been to continue fine tuning the mix of classes being put on. There are continuous discussions with the lead instructors and the club as to the best program and the section itself is working hard to retain membership which in recent years has been the main area of growth for the club. During 2016 the gym equipment will be replaced which will hopefully give the users a greater experience.

Continued.....

IPSWICH SPORTS CLUB

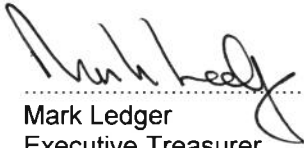
REPORT OF THE TREASURER (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

Coming out of a couple of difficult years it was hoped that we would be able to continue the progress in 2014 into 2015. In fact this has been exceeded, not without significant effort and grief sometimes, but the challenge remains to keep this going into 2016. Ignoring the exceptional costs expected in 2016 the budgeted surplus is £34,000.

We all know that 2016 could be a hugely significant year for the club which will present many challenges.

I said this last year and this year I am equally as grateful for the efforts of the key people in each section to make the running of the what is now a significant organisation as simple as possible. We are going through restructuring in 2016 that will give the club a different presence legally but hopefully in essence still be the same place we as members joined it for.



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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 2015

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 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

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF IPSWICH SPORTS CLUB

FOR THE YEAR ENDED 31 DECEMBER 2015

We have audited the Financial Statements of Ipswich Sports Club for the year ended 31 December 2015 as set out on pages 9 to 21. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to smaller entities).

This report is made solely to the Club's members, as a body. Our audit work has been undertaken so that we might state to the Club'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 Club and the Club's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Club Officers and Auditors

As described on page 7 the Officers of the Club are responsible for the preparation of Financial Statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the Financial Statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Boards' (APB's) Ethical Standards for Auditors, including "APB Ethical Standard - Provisions available for Small Entities (Revised)", in the circumstances set out below:

In common with many organisations of this size and nature the Club uses their auditors to prepare and submit returns to the tax authorities and assist with the preparation of financial statements.

Scope of the audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the Financial Statements sufficient to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Club's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Committee of Management; and the overall presentation of the Financial Statements. In addition, we read all the financial and non-financial information in the Annual Reports to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of affairs of the Club as at 31 December 2015 and of its surplus of income over expenditure for the period then ended; and,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities



Vincent Mark Mellett FCCA (Senior Statutory Auditor)
for and on behalf of GMS Francis Clarks Limited
Chartered Certified Accountants and Statutory Auditors
1 London Road
IPSWICH IP1 2HA

23 | 5 | 2016
Dated

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

IPSWICH SPORTS CLUB

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	Unrestricted Funds	Designated Funds	Total Funds 2015	Total Funds 2014
		£	£	£	£
INCOME					
Members subscriptions		432,919	-	432,919	418,368
Retail turnover:					
Bar	3	151,085	-	151,085	145,030
Shop	4	983	-	983	1,106
Functions		16,176	-	16,176	10,843
Sports income	5	-	206,949	206,949	181,312
Rental income		33,383	-	33,383	36,672
Grant released		6,771	-	6,771	6,771
Advertising income		3,797	-	3,797	1,540
Donations		137	-	137	994
Bank interest received		10	-	10	5
TOTAL INCOME		645,261	206,949	852,210	802,641
EXPENDITURE					
Cost of sales:					
Bar	3	123,681	-	123,681	122,235
Shop	4	224	-	224	810
Functions		10,420	-	10,420	14,662
Sports expenditure	5	-	257,020	257,020	246,115
General administration costs	6	414,800	-	414,800	391,777
TOTAL EXPENDITURE		549,125	257,020	806,145	775,599
NET INCOME/(EXPENDITURE) BEFORE TAX	7	96,136	(50,071)	46,065	27,042
Taxation	8	(2,852)	-	(2,852)	(2,639)
NET INCOME/(EXPENDITURE) AFTER TAX		93,284	(50,071)	43,213	24,403
Transfers to reserves		(70,271)	70,271	-	-
NET INCOME/(EXPENDITURE) AFTER TAX AND RESERVE MOVEMENTS		23,013	20,200	43,213	24,403

IPSWICH SPORTS CLUB

BALANCE SHEET

AS AT 31 DECEMBER 2015

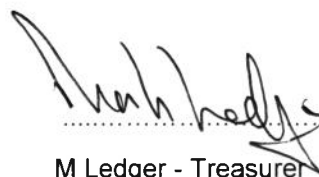
		2015		2014	
	Note	£	£	£	£
FIXED ASSETS					
Tangible Fixed Assets	10		1,560,382		1,479,316
CURRENT ASSETS					
Stocks	11	6,554		5,692	
Debtors	12	25,871		15,776	
Bank and cash		72,747		94,143	
		<u>105,172</u>		<u>115,611</u>	
CREDITORS:					
Amounts falling due within one year	13	<u>(211,290)</u>		<u>(182,140)</u>	
NET CURRENT ASSETS			<u>(106,118)</u>		<u>(66,529)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,454,264		1,412,787
CREDITORS:					
Amounts falling due after one year	14		(179,175)		(174,140)
CAPITAL GRANT RESERVE	15		(97,559)		(104,330)
NET ASSETS			<u>1,177,530</u>		<u>1,134,317</u>
RESERVE FUNDS					
Designated funds	16		101,000		80,800
Unrestricted funds	16		<u>1,076,530</u>		<u>1,053,517</u>
			<u>1,177,530</u>		<u>1,134,317</u>

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

23 May 2016 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