

Grafham Water Sailing Club Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2019

Grafham Water Sailing Club Limited

Contents

Company Information	1
Directors' Report	2
Statement of Directors' Responsibilities	3
Independent Auditor's Report	4 to 5
Profit and Loss Account	6
Balance Sheet	7
Notes to the Financial Statements	8 to 13
Detailed Profit and Loss Account	14 to 16

Grafham Water Sailing Club Limited

Company Information

Directors	J C Aston G Baines A Baker D S Clemmet J P Constable S Dwight M G Edwards J H Hitchin Dr D M McNamee T O'Brien R G Oscroft D K Philpott I J E Rawet M G Rushton H C D Talbot
Company secretary	H S Dance
Registered office	Grafham Water Sailing Club Chichester Way Perry Huntingdon Cambridgeshire PE28 0BU
Bankers	National Westminster Bank Plc 37 High Street St Neots Cambridgeshire PE19 1BP
Auditors	Bulley Davey Limited Chartered Certified Accountants 4 Cyrus Way Cygnet Park Hampton Peterborough PE7 8HP

Grafham Water Sailing Club Limited

Directors' Report for the Year Ended 31 March 2019

The directors present their report and the financial statements for the year ended 31 March 2019.

Directors of the company

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

J C Aston

G Baines (appointed 22 August 2018)

A Baker

D S Clemmet

J P Constable

S Dwight

M G Edwards

J H Hitchin (appointed 19 August 2018)

Dr D M McNamee

T O'Brien

R G Oscroft

D K Philpott

I J E Rawet

M G Rushton

H C D Talbot

S C Smith (resigned 1 August 2018)

Principal activity

The principal activity of the company is the provision of sailing facilities at Grafham Water.

Appointment of auditors

Following the resignation of the previous auditors, Davey Grover, the Council appointed Bulley Davey Limited as Statutory Auditors.

Small companies provision statement

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

Approved by the Board on 3 July 2019 and signed on its behalf by:

H S Dance
Company secretary

Grafham Water Sailing Club Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Grafham Water Sailing Club Limited

Independent Auditor's Report to the Members of Grafham Water Sailing Club Limited

Opinion

We have audited the financial statements of Grafham Water Sailing Club Limited (the 'company') for the year ended 31 March 2019, which comprise the Profit and Loss 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 FRS 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its 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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Grafham Water Sailing Club Limited

Independent Auditor's Report to the Members of Grafham Water Sailing Club Limited

Opinion on other matter 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 year 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 our 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 where 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 Statement of Directors' Responsibilities [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.

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

M A Burden (Senior Statutory Auditor)
For and on behalf of Bulley Davey Limited, Statutory Auditor

4 Cyrus Way
Cygnet Park
Hampton
Peterborough
PE7 8HP

3 July 2019

Grafham Water Sailing Club Limited

Profit and Loss Account for the Year Ended 31 March 2019

	Note	2019 £	2018 £
Turnover		330,001	331,377
Cost of sales		<u>(49,736)</u>	<u>(47,367)</u>
Gross surplus		280,265	284,010
Administrative expenses		(297,761)	(299,167)
Other operating income		<u>7,224</u>	<u>8,092</u>
Operating deficit		(10,272)	(7,065)
Other interest receivable and similar income		<u>173</u>	<u>24</u>
Deficit before tax	4	(10,099)	(7,041)
Taxation		<u>(201)</u>	<u>(452)</u>
Deficit for the financial year		<u><u>(10,300)</u></u>	<u><u>(7,493)</u></u>

The notes on pages 8 to 13 form an integral part of these financial statements.

Grafham Water Sailing Club Limited

(Registration number: 00857021)
Balance Sheet as at 31 March 2019

		(As restated)	
	Note	2019 £	2018 £
Fixed assets			
Tangible assets	6	152,294	88,633
Current assets			
Stocks	7	7,534	1,724
Debtors	8	20,962	18,458
Cash at bank and in hand		<u>115,420</u>	<u>122,912</u>
		143,916	143,094
Creditors: Amounts falling due within one year	9	<u>(115,198)</u>	<u>(63,943)</u>
Net current assets		<u>28,718</u>	<u>79,151</u>
Total assets less current liabilities		181,012	167,784
Creditors: Amounts falling due after more than one year	9	<u>(47,367)</u>	<u>(23,839)</u>
Net assets		<u>133,645</u>	<u>143,945</u>
Capital and reserves			
Other reserves		90,000	90,000
Profit and loss account		<u>43,645</u>	<u>53,945</u>
Total equity		<u>133,645</u>	<u>143,945</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 3 July 2019 and signed on its behalf by:

J C Aston
Director

S Dwight
Director

Grafham Water Sailing Club Limited

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

1 General information

The company is a company limited by guarantee, incorporated in England & Wales, and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

The address of its registered office is:

Grafham Water Sailing Club
Chichester Way
Perry
Huntingdon
Cambridgeshire
PE28 0BU

These financial statements were authorised for issue by the Board on 3 July 2019.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

The financial statements have been prepared on a going concern basis.

Reclassification of comparative amounts

The Directors have considered the analysis of deferred income and have decided to split out amounts due within one year and amounts due after more than one year. This has had no impact on the surplus in the current or prior year. The impact on creditors due within one year was a decrease of £23,839 and the impact on creditors due after more than one year was an increase of £23,839 in 2018.

Grafham Water Sailing Club Limited

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

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

-Annual membership subscriptions and boat dues

The subscription year runs from 1 April to 31 March and the income is recognised for the period in which it relates, with any subscriptions received in advance is carried forward into the next period at statement of financial position date as a creditor.

-Open meetings

Open meeting income is recognised on the date that the event occurs.

-Training school

Training school income is recognised on the date that the training within the school is provided.

-Bar

Bar income is recognised as received for the period in which it relates to.

Capital grants

Capital grants received have been recognised to the statement of financial position as deferred income and released to the profit and loss account to match the depreciation policy on the related assets capitalised.

Tax

The company operates as a club and as such accounts for taxation for non member income only and this is charged to the income statement for the year in which it relates to.

The tax expense for the period comprises tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Permanent structures	5-10% straight line per annum
Temporary structures	20% straight line per annum
Rescue boats	25% straight line per annum
Fixtures and fittings	33% straight line per annum

Cash and cash equivalents

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

Grafham Water Sailing Club Limited

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

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

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

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

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

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 16 (2018 - 14). The average numbers of staff take into account sailing and powerboat instructors which are employed on a casual basis.

4 Loss before tax

Arrived at after charging/(crediting)

	2019 £	2018 £
Depreciation expense	23,238	20,546
Operating lease - rent	49,356	48,636
(Profit)/loss on disposal of tangible fixed assets	(300)	-
Irrecoverable input VAT	17,422	17,991
	<u>17,422</u>	<u>17,991</u>

5 Taxation

	2019 £	2018 £
Current tax		
UK corporation tax	201	452
	<u>201</u>	<u>452</u>

Grafham Water Sailing Club Limited

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

6 Tangible assets

	Property improvements £	Fixtures and fittings £	Plant and machinery £	Office equipment £	Total £
Cost or valuation					
At 1 April 2018	206,678	175,561	141,534	272	524,045
Additions	<u>71,826</u>	<u>1,725</u>	<u>13,348</u>	-	<u>86,899</u>
At 31 March 2019	<u>278,504</u>	<u>177,286</u>	<u>154,882</u>	<u>272</u>	<u>610,944</u>
Depreciation					
At 1 April 2018	136,360	169,705	129,325	22	435,412
Charge for the year	<u>10,756</u>	<u>4,636</u>	<u>7,756</u>	<u>90</u>	<u>23,238</u>
At 31 March 2019	<u>147,116</u>	<u>174,341</u>	<u>137,081</u>	<u>112</u>	<u>458,650</u>
Carrying amount					
At 31 March 2019	<u>131,388</u>	<u>2,945</u>	<u>17,801</u>	<u>160</u>	<u>152,294</u>
At 31 March 2018	<u>70,318</u>	<u>5,856</u>	<u>12,209</u>	<u>250</u>	<u>88,633</u>

During the year the Club installed a new heating infrastructure at a cost of £70,315. Part of this cost was funded through a grant contribution. The cash impact of this has also been assisted by some members contributing towards advance memberships. The depreciation of the asset will be offset over its useful life of 20 years.

7 Stocks

	2019 £	2018 £
Other inventories	<u>7,534</u>	<u>1,724</u>

8 Debtors

	2019 £	2018 £
Trade debtors	2,655	1,784
Prepayments	17,740	16,674
Other debtors	<u>567</u>	-
	<u>20,962</u>	<u>18,458</u>

Grafham Water Sailing Club Limited

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

9 Creditors

Creditors: amounts falling due within one year

	(As restated)	
	2019	2018
	£	£
Due within one year		
Trade creditors	14,214	8,107
Taxation and social security	3,245	1,892
Other creditors	9,664	5,986
Accruals	5,530	5,934
Deferred members income	71,005	33,932
Deferred training school income	6,065	3,219
Deferred grant income	5,475	4,873
	115,198	63,943

Creditors: amounts falling due after more than one year

	(As restated)	
	2019	2018
	£	£
Due after one year		
Deferred members income	12,765	-
Deferred grant income	34,602	23,839
	47,367	23,839

10 Reserves

	Profit and loss account	Other reserves	Total
	£	£	£
At 1 April 2018	53,945	90,000	143,945
Deficit for the year	(10,300)	-	(10,300)
At 31 March 2019	43,645	90,000	133,645

A sum of £90,000 had been provided for in other reserves at 31 March 2018, to reflect the provision of running the Club for four months in the event of any unforeseen events outside control of the Club.

Grafham Water Sailing Club Limited

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

11 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2019	2018
	£	£
Not later than one year	49,732	48,193
Later than one year and not later than five years	198,928	192,772
Later than five years	621,650	650,606
	<u>870,310</u>	<u>891,571</u>

Grafham Water Sailing Club Limited

Detailed Profit and Loss Account for the Year Ended 31 March 2019

	2019 £	2018 £
Turnover (analysed below)	330,001	331,377
Cost of sales (analysed below)	<u>(49,736)</u>	<u>(47,367)</u>
Gross surplus	<u>280,265</u>	<u>284,010</u>
Gross surplus (%)	84.93%	85.71%
Administrative expenses		
Establishment costs (analysed below)	(5,025)	(4,783)
General administrative expenses (analysed below)	(266,145)	(271,824)
Finance charges (analysed below)	(3,653)	(2,014)
Depreciation costs (analysed below)	(23,238)	(20,546)
Other expenses (analysed below)	<u>300</u>	<u>-</u>
	(297,761)	(299,167)
Other operating income (analysed below)	<u>7,224</u>	<u>8,092</u>
Operating deficit	(10,272)	(7,065)
Other interest receivable and similar income (analysed below)	<u>173</u>	<u>24</u>
Deficit before tax	<u><u>(10,099)</u></u>	<u><u>(7,041)</u></u>

Grafham Water Sailing Club Limited

Detailed Profit and Loss Account for the Year Ended 31 March 2019

	2019 £	2018 £
Turnover		
Annual subscriptions and boat dues	218,397	205,970
Training school	44,817	42,784
Jonti sailboards	750	938
Open meetings and visitors	46,814	58,073
Other sailing income	7,721	9,303
Bar income	11,502	14,309
	330,001	331,377
Cost of sales		
Training school costs	35,279	29,030
Bar cost of sales	6,118	7,369
Bar wages	3,811	4,298
Open meeting costs	1,494	3,661
Other sailing income	3,034	3,009
	49,736	47,367
Establishment costs		
Waste disposal	5,025	4,783
General administrative expenses		
Administration salaries	44,828	45,215
Sailing salaries	40,085	36,582
Rent and maintenance	49,356	48,636
Rates and water	8,259	6,985
Light, heat and power	14,471	14,383
Insurance, licences and subscriptions	14,746	15,914
Repairs and renewals	10,683	17,407
Coxwain and sailing expenses	32,158	33,351
Telephone	1,356	1,492
Postage, stationery and IT	7,351	6,989
Sailing sundry expenses	472	972
Cleaning	14,793	14,382
Travelling & entertainment	1,434	2,286
Auditor's remuneration - The audit of the company's annual accounts	4,420	4,890
Professional fees	4,227	4,349
Bad debts written off	84	-
Irrecoverable exempt input VAT	17,422	17,991
	266,145	271,824
Finance charges		
Bank charges	3,653	2,014
Depreciation costs		
Depreciation	23,238	20,546
Other expenses		
(Profit)/loss on disposal of tangible fixed assets	(300)	-

This page does not form part of the statutory financial statements.

Grafham Water Sailing Club Limited

Detailed Profit and Loss Account for the Year Ended 31 March 2019

	2019 £	2018 £
Other operating income		
Miscellaneous receipts	2,351	2,685
Grants released	4,873	5,407
	<u>7,224</u>	<u>8,092</u>
Other interest receivable and similar income		
Interest received	<u>173</u>	<u>24</u>