

**HARROW SCHOOL OF GYMNASTICS**

**(A Company Limited by Guarantee)**

**REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS**

**YEAR TO 31 MARCH 2021**

**Company No. 2585823 (England and Wales)**

**REGISTERED CHARITY NO: 1002258**

**HARROW SCHOOL OF GYMNASTICS (A Company Limited by Guarantee)  
YEAR TO 31 MARCH 2021**

**COMPANY INFORMATION**

<b>Registered Company No</b>	<b>2585823</b>
<b>Registered Charity No</b>	<b>1002258</b>
<b>Directors (including those who served for any part of the Financial Year)</b>	
<b>Chair</b>	<b>Nigel Clarke</b>
<b>Treasurer</b>	<b>Weldon Ramirez</b>
<b>Other</b>	<b>Lynsay Shaw Karsten Shaw</b>
<b>Principal Address and Registered Office</b>	
	<b>186 Christchurch Avenue Harrow Middlesex HA3 5BD</b>
<b>Key Personnel and Professional Advisers</b>	
<b>General Manager</b>	<b>Fliss Copp</b>
<b>Health, Safety &amp; Welfare Officers</b>	<b>Lynsay Shaw</b>
<b>Head Coach</b>	<b>Graham O'Sullivan</b>
<b>Bankers</b>	
	<b>NatWest Bank Plc 80 Shenley Road Borehamwood Hertfordshire WD6 1DZ</b>
	<b>United Trust Bank 1 Ropemaker Street London EC2Y 9AW</b>
	<b>Hampshire Trust Bank PO Box 74003 London EC2P 2QR</b>
	<b>Cambridge &amp; Counties Bank Chamwood Court 5B New Walk Leicester LE1 6TE</b>

**HARROW SCHOOL OF GYMNASTICS (A Company Limited by Guarantee)  
YEAR TO 31 MARCH 2021**

<b>Human Resources</b>	<b>Citrus HR 18E Charles Street Bath BA1 1HX</b>
<b>Independent Examiner</b>	<b>Stephen Meredith FCA DChA Alliotts LLP Chartered Accountants Imperial House 8 Kean Street London WC4B 4AS</b>

## **DIRECTORS' REPORT**

The Directors present their report and the financial statements for the period ended 31 March 2021.

### **1 STRUCTURE, GOVERNANCE AND MANAGEMENT**

Harrow School of Gymnastics was founded in 1979 but moved to its current site in 1991. Harrow School of Gymnastics is a registered charity and is also a company limited by guarantee. The members of Harrow School of Gymnastics are the gymnasts or, in the case of a gymnast under the age of 18 years, a parent. The Directors of Harrow School of Gymnastics are also the charity trustees. They are volunteer members who are elected at the Annual General Meeting by members present at the meeting. One third of the Directors are required to retire each year and may offer themselves for re-election.

As well as administrative tasks the Directors are responsible for the strategic direction, major decisions of the school and the generation and continuous review of school policies. They also work closely with the General Manager and coaches to generate and monitor the school development plan. They also have overall responsibility for Human Resources within the school. However, operational and day to day management is delegated to the General Manager.

Directors can be members of the gym or parents of junior members who take part in either General Gymnastics or Competitive Gymnastics. Non-members may also be appointed as Associate Directors, but they would not have any voting rights.

All directors are required to sign the Directors' Code of Conduct and a Declaration of Interests.

The representative on the Board of Directors for Health, Safety and Welfare is currently Lynsay Shaw.

Harrow School of Gymnastics is affiliated to British Gymnastics, the governing body for the sport of gymnastics in the United Kingdom.

### **2 OBJECTIVES AND ACTIVITIES**

The objective set out in the Memorandum of Association is the provision of gymnastic coaching and facilities. The mission of Harrow School of Gymnastics is to provide "Gymnastics of the highest standard for all" within its geographic area of operations, i.e. the London Borough of Harrow and surrounding areas.

Harrow School of Gymnastics provides gymnastics coaching in two broad categories:

- Recreational gymnastics (also known as General Gymnastics or Gymnastics for All): typically, in classes of one hour per week for all ages from toddlers to adults.
- Competitive gymnastics: two separate squads (Men's Artistic and Women's Artistic) for age 5 up to early 20's, training for up to 24 hours per week.

### **3 ACHIEVEMENTS AND PERFORMANCE**

As with many organisations, 2020/2021 proved extremely difficult for gymnastics due to the impact of Covid, forcing the charity to close its doors to the public for most of the year.

The charity however continued to maintain open lines of communication with the community through extensive use of social media.

**HARROW SCHOOL OF GYMNASTICS (A Company Limited by Guarantee)**  
**YEAR TO 31 MARCH 2021**

With the doors open again, Harrow School of Gymnastics continues to be well used by the community.

	Year to February 2016	Year to March 2017	Year to March 2018	Year to March 2019	Year to March 2020	Year to March 2021
Recreational:						
Playgym (age under 5 years)	51	49	48	50	48	21
Pre-school (ages 3 – 5 years)	191	201	202	170	157	0
Gymnastics for All (ages 5 – 15)	1,064	1,016	998	1,031	1,101	721
Adult gym	49	48	32	35	32	24
Competitive (including Floor & Vault):						
Men’s Artistic	27	44	47	31	23	18
Women’s Artistic	50	55	37	42	44	29
<b>Total</b>	<b>1,432</b>	<b>1,413</b>	<b>1,364</b>	<b>1,359</b>	<b>1,405</b>	<b>813</b>

In addition to regular gymnastics training and classes, there were:

1. 0 Parties of up to 40 children, (145 in 2019/20)
2. 5 Train and Play sessions (50 in 2019/20)
3. 0 weeks of holiday classes (0 in 2019/20)

In addition to the above...

- No coaches achieved qualifications due to the cancellation of all coaching courses.

### **3.1 HIGHLIGHTS IN GYMNASTICS FOR ALL (FORMERLY KNOWN AS GENERAL GYMNASTICS) 2020/21**

- Club Championships were cancelled in 2020 (346 gymnasts competed in 2019).

### **3.2 HIGHLIGHTS IN COMPETITIVE GYMNASTICS 2020/21**

- All regional and national competitions were cancelled.

The reduced numbers and lack of competition results above are all due to the lockdown during the pandemic. Harrow School of Gymnastics are now rebuilding and expect its numbers and to increase once again.

## **4 PUBLIC BENEFIT**

The trustees confirm that they have referred to the Charity Commission’s general guidance on public benefit when reviewing the charity’s aims and objectives and in planning future activities.

Discounted rates are offered to individuals where families are in hardship.

Discounted rates are also applied to sessions run by Special Needs Schools from the Harrow area. The club will start offering these free of charge in the following year.

The club also provides judges free of charge for the Harrow Qualifiers, for the London mini games schools competition.

Free gym sessions are also donated to local schools as prizes in their fetes.

## **5 FINANCIAL REVIEW**

The financial results for the year to 31 March 2021 are set out on pages 9 to 17. Funding is from members via fees with a small amount of additional fundraising to support specific areas of our work. All funding goes towards the provision of training and training related facilities and equipment. Unrestricted income was £234,592 compared with £608,358 in 2019/20, while related expenditure was £780,922 compared with £480,307 in 2019/20. There was a deficit of income over expenditure of £546,300 compared with a excess of income of £128,051 in 2019/20, which has reduced the unrestricted reserves.

There is no restricted reserves balance at the end of the year.

The Directors carry out an annual review of Harrow School of Gymnastics' free reserves policy in the light of known risks and future plans. Free reserves are those funds which are not committed to specific projects or invested in fixed assets. The Directors have established a policy that Harrow School of Gymnastics should have a minimum free reserve of six months budgeted expenditure, which is approximately £250,000. This will enable Harrow School of Gymnastics to meet its objectives if it faces loss of income or unexpected increases in unfunded costs. The total free reserves at 31<sup>st</sup> March 2021 were £839,400, a decrease of 39.5% on the 2019/20 reserves.

### **Covid-19 CONSIDERATION**

At the time of preparing the financial statements the trustees are aware of the potential implications of Covid-19 which is having severe repercussions throughout the world. We are working to ensure a continuation of our services, the safety of staff and young people. We continue to monitor the changing government advice, while we investigate the impact this will have on operations over the coming months. We are confident in our current level of reserves and we will seek to build upon these going forward.

## **6 ACHIEVEMENTS OF THE BOARD OF DIRECTORS IN 2020/21**

With the doors closed to the public, the charity was able to undergo a complete refurbishment of the facilities, creating a more modern and comfortable experience for its members. Over £650k was invested in the project which saw a complete revamp of the facilities, including all equipment. Details of this expenditure are included in the notes on extraordinary expenditure in the accounts.

In addition to the above...

- The GymMark accreditation was maintained from British Gymnastics
- The directors have undertaken a full review of the governance of the club.
- Proper systems of health and safety relating to Covid have been put in place and continue to be adhered to for the benefit of its members.

## **7 PRIORITIES FOR 2021/22**

- The overriding priority of the Directors continues to be to ensure the smooth running of the gymnastics school and to ensure the welfare, care and security of members and staff. In addition, Directors will continue to determine strategy of the gym and continue to develop the offering of the school, ensuring personal development of coaches and work towards high satisfaction of members and gymnasts.

**HARROW SCHOOL OF GYMNASTICS (A Company Limited by Guarantee)**  
**YEAR TO 31 MARCH 2021**

- Harrow School of Gymnastics will embark on generating a greater presence of the club through rebranding and other public relations activities.
- Harrow School of Gymnastics will continue building relationships with the local community including schools and other sporting organisations to ensure that it benefits not just its members but the whole community in Harrow and the surrounding area
- The Directors also wish to explore increasing numbers to the board, to bring in more people with the relevant skill sets to help drive the charity forward in a positive direction for the future.

## **8 STATEMENT OF DIRECTORS' RESPONSIBILITIES**

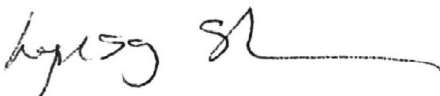
The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law required the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. 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 and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The directors are responsible for maintaining proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charitable company, and enable them to ensure that the financial statements comply with the Companies Act 2006. The directors are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Directors at their meeting on 23 November 2021 and signed on their behalf by



Lynsay Shaw  
on behalf of  
Chair of Directors

**HARROW SCHOOL OF GYMNASTICS (A Company Limited by Guarantee)  
YEAR TO 31 MARCH 2021**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HARROW SCHOOL OF GYMNASTICS**

I report to the charity trustees on my examination of the accounts of Harrow School of Gymnastics for the year ended 31 March 2021, which comprise the Statement of Financial Activities including Income and Expenditure, the Balance Sheet, cash flow statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

**Responsibilities and basis of report**

The trustees (who are also the directors of the company for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of Charities Act 2011 (the '2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent examiner's report**

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants England and Wales which is one of the listed bodies.

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

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

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



Stephen Meredith FCA, DChA

Alliotts LLP  
Imperial House, 8 Kean Street,  
London, WC2B 4AS  
Date: 27/1/2022

**HARROW SCHOOL OF GYMNASTICS (A Company Limited by Guarantee)****YEAR TO 31ST MARCH 2021****Statement of Financial Activities**

(Including Income and Expenditure Account)

	Notes	Unrestricted Funds £	Total Funds Year ended 31/03/21 £	Unrestricted Funds Year ended 31/03/20 £
<b>Income from:</b>				
Donations		13	13	398
Charitable activities		89,967	89,967	564,054
Other incoming resources		4,948	4,948	34,464
Government grants received		133,285	133,285	0
Investments		6,380	6,380	9,442
<b>Total Income</b>		<b>234,592</b>	<b>234,592</b>	<b>608,358</b>
<b>Expenditure on:</b>				
Raising funds		3,903	3,903	16,757
Charitable Activities		777,019	777,019	463,550
<b>Total expenditure</b>	3	<b>780,922</b>	<b>780,922</b>	<b>480,307</b>
<b>Net Income before Transfers</b>		<b>-546,330</b>	<b>-546,330</b>	<b>128,051</b>
Transfer Between Funds		-	-	-
<b>Net movement in Funds</b>		<b>-546,330</b>	<b>-546,330</b>	<b>128,051</b>
<b>Reconciliation of Funds</b>				
Total funds brought forward at 1 April 2020		1,385,730	1,385,730	1,257,679
Total funds carried forward at 31 March 2021		839,400	839,400	1,385,730

The Statement of Financial Activities has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the Statement of Financial Activities.

There are no funds other than the unrestricted funds in the current or comparative year.

**HARROW SCHOOL OF GYMNASTICS (A Company Limited by Guarantee)****AS AT 31 MARCH 2021****Balance Sheet**

	Notes	2021 £	2020 £
<b>Fixed Assets</b>			
Tangible Assets	5	266,811	36,702
<b>Current Assets</b>			
Stock		7,062	8,987
Debtors	6	29,403	8,858
Cash at bank & in hand		583,075	1,382,084
		<u>619,540</u>	<u>1,399,929</u>
<b>Current Liabilities</b>			
Creditors: Amounts falling due within one year	7	<u>46,951</u>	<u>50,901</u>
<b>Net Current Assets</b>		572,589	1,349,028
<b>Total Net Assets</b>		<u>839,400</u>	<u>1,385,730</u>
<b>Funds</b>			
Unrestricted - Invested in Fixed Assets		266,811	36,702
Unrestricted - Free Reserves		<u>572,589</u>	<u>1,349,028</u>
<b>Total Funds</b>	8	<u>839,400</u>	<u>1,385,730</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

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

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime, as set out in Financial Reporting Standard 102 section 1A and part 15 of the Companies Act 2006 applicable to small companies.

The accounts on pages 9 to 17 were approved by the Directors on 23rd November 2021 and signed on their behalf by:



**Weldon Ramirez – Director**

**Company number – 025855828 Charity number - 1002258**

**HARROW SCHOOL OF GYMNASTICS (A Company Limited by Guarantee)**  
**YEAR TO 31ST MARCH 2021**  
**Cash flow statement**

	Notes	2021	2020
		£	£
<b>Cash flows from operating activities</b>			
Cash generated from/(absorbed by) operations	11	(542,274)	161,992
<b>Net cash inflow/(outflow) from operating activities</b>		(542,274)	161,992
<b>Investing activities</b>			
Payments to acquire fixed assets		(263,115)	(26,980)
Interest received		<u>6,380</u>	<u>9,442</u>
<b>Net cash used in investing activities</b>		(256,735)	(17,538)
<b>Net cash (used in)/generated from financing activities</b>		<u>(799,009)</u>	<u>144,454</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		(799,009)	144,454
Cash and cash equivalents at beginning of year		1,382,084	1,237,630
<b>Cash and cash equivalents at end of year</b>		<u><u>583,075</u></u>	<u><u>1,382,084</u></u>

**HARROW SCHOOL OF GYMNASTICS (A Company Limited by Guarantee)**  
**YEAR TO 31ST MARCH 2021**  
**NOTES TO THE ACCOUNTS**

**1 Accounting policies**

**Charity information**

Harrow School of Gymnastics is a private limited company by Guarantee incorporated in England and Wales. The registered office is 186 Christchurch Avenue, Harrow, Middlesex, HA3 5BD.

**1.1 Accounting convention**

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

**1.2 Going concern**

At the time of approving the accounts, also taking into account the potential effects of the Covid-19 pandemic, the Council of Management have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Council of Management continue to adopt the going concern basis of accounting in preparing the accounts.

**1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

**1.4 Incoming resources**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Grant income is recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected.

Incoming resources are the amounts derived from the provision of charitable services, and stated after applicable discounts.

**1.5 Resources expended**

Resources expended are accounted for an accruals basis. Certain expenditure is allocated and apportioned between costs of generating funds and charitable expenditure by allocating costs on a fair basis, based on a specific review of the expenditure incurred.

Cost of generating funds comprises costs which are associated with raising funds from all the possible sources of incoming resources. Support costs comprise costs for the training of staff, and have been allocated to sheltered accommodation in line with the nature of the training. Governance costs comprise costs incurred in connection with administration of the charity and compliance and constitutional and statutory requirements. Salary costs have been allocated on the basis of time engaged in each area of activity.

**HARROW SCHOOL OF GYMNASTICS (A Company Limited by Guarantee)**  
**YEAR TO 31ST MARCH 2021**  
**NOTES TO THE ACCOUNTS**

**1.6 Tangible Fixed Assets**

Tangible fixed assets are stated at cost less accumulated depreciation. The cost of items less than £1,000 are written off as an expense as required. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Leasehold Property	25 years
Gym Equipment	5 years
Fixtures and Fittings	6½ years (except computer equipment: 3 years)

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

**1.7 Impairment of fixed assets**

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Expenditure is allocated to expense headings either on a direct cost basis, or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

**1.8 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

**1.9 Financial instruments**

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

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

**Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Basic financial liabilities**

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Derecognition of financial liabilities**

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

**HARROW SCHOOL OF GYMNASTICS (A Company Limited by Guarantee)**  
**YEAR TO 31ST MARCH 2021**  
**NOTES TO THE ACCOUNTS**

**1.10 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.11 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**1.11 Funds**

The operating reserves are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objects of the charity and which have not been designated for other purposes.

**1.12 Taxation**

No provision for taxation arises on the income of the Charitable Company due to its charitable status.

**1.13 Government grants**

Government grants received are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. Government grants relating to revenue expenditure are recognised in income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. During the year ending 31 March 2021 the Charitable Company received £133,285 (2020 - £nil) in respect of the Coronavirus Job

**2 Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the Council of Management are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Critical judgements**

**Tangible fixed assets**

Tangible fixed assets are recorded at cost less accumulated depreciation and impairment losses. Judgement is required to determine whether there are indicators of impairment of the company's property, plant and equipment. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the assets.

**Key sources of estimation uncertainty**

**Tangible fixed assets**

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

**Impairment of debtor balances**

The charitable company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment management considers factors including the ageing profile of amount due and historical experience.

**HARROW SCHOOL OF GYMNASTICS (A Company Limited by Guarantee)**  
**YEAR TO 31ST MARCH 2021**  
**NOTES TO THE ACCOUNTS (continued)**

**3 Expenditure**

	Staff Costs	Depreciation	Other Costs	Total Year ended 31/03/21	Total Year ended 31/03/20
	£	£	£	£	£
<i>Raising funds</i>					
Fundraising Trading - Costs of Goods Sold	-	-	3,903	3,903	19,931
<i>Charitable Activities</i>					
Costs of Gymnastic Coaching					
Service running costs	271,420	19,234	1,594	292,248	339,747
Premises costs	939	10,427	419,243	430,609	52,964
Support costs	37,642	-	13,400	51,042	65,491
Governance Costs	-	-	3,120	3,120	3,000
	<u>310,001</u>	<u>29,661</u>	<u>437,357</u>	<u>777,019</u>	<u>461,202</u>
Total Expenditure	<u>310,001</u>	<u>29,661</u>	<u>441,260</u>	<u>780,922</u>	<u>481,133</u>

**Other Costs**

Governance Costs include:

Independent Examiner's Remuneration		<u>3,120</u>	<u>3,120</u>
-------------------------------------	--	--------------	--------------

**4 Employees**

	2021	2020
	£	£
<b>Employment Costs</b>		
Wages & Salaries	293,167	342,692
Social Security Costs	12,115	15,838
Other pension costs	<u>4,719</u>	<u>6,366</u>
	<u>310,001</u>	<u>364,896</u>

The average number of persons employed by the Charitable Company during the year was:

	Number	Number
Trustees	6	6
Coaches (mainly part-time)	38	38
Administration	<u>3</u>	<u>3</u>
	<u>47</u>	<u>47</u>

No employee earned emoluments of more than £60,000 during the period. Payments made to a person connected with a Trustee for coaching services amounted to £nil (2020 - £nil). No reimbursement of expenses were made to the trustees (2020 - £Nil). No other remuneration was made to Trustees during the year (2020 - £Nil).

**HARROW SCHOOL OF GYMNASTICS (A Company Limited by Guarantee)**  
**YEAR TO 31ST MARCH 2021**  
**NOTES TO THE ACCOUNTS (continued)**

**5 Tangible Fixed Assets**

	<b>Leasehold Land &amp; Buildings</b>	<b>Gymnasium Equipment</b>	<b>Fixtures, Fittings &amp; Other Equipment</b>	<b>Total 31/03/21</b>
	£	£	£	£
<b>Cost</b>				
As at 1 April 2020	155,444	95,218	42,571	293,233
Additions	-	184,989	78,126	263,115
As at 31 March 2021	<u>155,444</u>	<u>280,207</u>	<u>120,697</u>	<u>556,348</u>
<b>Depreciation</b>				
As at 1 April 2020	155,443	80,580	20,507	256,531
Charged in year	-	22,579	10,427	33,006
As at 31 March 2021	<u>155,443</u>	<u>103,159</u>	<u>30,934</u>	<u>289,537</u>
<b>Net Book Value</b>				
As at 1 April 2020	<u>1</u>	<u>14,638</u>	<u>22,064</u>	<u>36,702</u>
As at 31 March 2021	<u>1</u>	<u>177,048</u>	<u>89,763</u>	<u>266,811</u>

**6 Debtors**

	<b>2021</b>	<b>2020</b>
	£	£
All due within one year		
Trade debtors	5,311	0
Other debtors	18,543	0
Prepayments	5,549	8,858
	<u>29,403</u>	<u>8,858</u>

**7 Creditors**

	<b>2021</b>	<b>2020</b>
	£	£
All due within one year		
Fees received in advance	31,540	33,408
Trade and Other Creditors	12,318	13,500
Taxes & Social Security Cost	3,093	3,993
	<u>46,951</u>	<u>50,901</u>

**HARROW SCHOOL OF GYMNASTICS (A Company Limited by Guarantee)**  
**YEAR TO 31ST MARCH 2021**  
**NOTES TO THE ACCOUNTS (continued)**

**8 Funds**

**a) Analysis of Movement of Funds**

	Balance at 01/04/20	Net Incoming Resources	Transfers	Balance at 31/03/21
Unrestricted:	1,385,730	-546,330	-	839,400
Total Funds	<u>1,385,730</u>	<u>-546,330</u>	<u>-</u>	<u>839,400</u>

**b) Analysis of Net Assets**

	Tangible Assets	Current Assets	Current Liabilities	Inter Fund Balances	Total 31/03/21
Unrestricted - Invested in Fixed Assets	266,811	-	-	-	266,811
Unrestricted - Freereserves	-	619,540	(46,951)	-	572,589
Total Funds	<u>266,811</u>	<u>619,540</u>	<u>(46,951)</u>	<u>-</u>	<u>839,400</u>

**9 Financial Commitments**

At 31 March 2021, the Charitable Company had annual commitments under a non-cancellable operating lease of its land as follows:

2021	2020
£	£
<u>113,000</u>	<u>124,300</u>

**10 Retirement benefit schemes**

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £4,719 (2020 - £6,366).

**11 Cash generated from operations**

	2021	2020
	£	£
Surplus/(deficit) for the year	-546,330	128,051
<i>Adjustments for:</i>		
Investments income	(6,380)	(9,442)
Depreciation of tangible fixed assets	33,006	11,162
<i>Movements in working capital:</i>		
Decrease/(increase) in stock	1,925	(1,899)
Decrease/(increase) in trade and other debtors	(20,545)	75,239
(Decrease)/increase in trade and other creditors	(3,950)	(41,119)
<b>Cash generated from/(absorbed by) operations</b>	<u>(542,274)</u>	<u>161,992</u>