

SUTTON & CHEAM MOTOR CLUB LIMITED

(Company Registration No. 960331)

COUNCIL OF MANAGEMENT REPORT

&

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31st MARCH 2016

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COMPANIES HOUSE

SUTTON & CHEAM MOTOR CLUB LIMITED

Officers & Professional Advisors

Chairman	Mr Ian Brooks
Secretary	Mr David Whyman
Treasurer	Mr William Phillips
Membership Secretary	Mr Barry Guess
Competition Secretary	Mr Nigel Griffiths
General Council Members	Mr Karam Dhala Mr Dale Huxford Mr Martin Pickles (joined May 2015)
Registered Office	Hendford Leatherhead Road Great Bookham Leatherhead Surrey KT23 4RR
Principal Bankers	HSBC Bank plc 150 Central Road Worcester Park Surrey KT4 8HL

Sutton & Cheam Motor Club

Chairman's report 2015/16

First of all, I would like to thank all of the members of the Board of the club for their focus on club matters and continued efforts to represent the interests of members and put on activities that will be of interest.

Membership and AGM

The membership year runs to 31 December. In 2015 numbers dipped to around 100 members and the trend is continuing in 2016. There are some obvious re-joiners who would help to build the numbers again and if you are aware of anyone considering rejoining, please encourage them to do so.

The club magazine is probably the most member specific output we produce during the year with our web site being generally accessible as a means of promoting the club. After many years of editing and producing Spotlight, Barry Guess has spent the last five years trying to hand on the mantle. In early 2016 Martin Pickles and Dale Huxford agreed to have a go at producing the magazine and their first effort was a real success. However, whilst they can 'pad' the magazine with articles from the MSA, the quality of the magazine really relies on members telling us what they have been/ are/ will be up to.

The website is a critical medium for keeping members and potential members up to date with what the club is doing and Dale Huxford has been working on the underlying software to make it easier to upload materials. The web site over went a major update behind the scenes in early 2016. Thank you to Dale for his efforts alongside his 'proper job'.

The Annual General Meeting is the single most important meeting of the club each year, being a legal requirement. Because of its importance, the club's Rules require a minimum number of members to be present (12 excluding the Chairman) to be quorate (make valid decisions). This number has only just been achieved for a number of years and was not in May 2014. As a result, the notice of the AGM this year reflects rules changes agreed in 2015 to allow proxy voting to achieve a quorate AGM. Please come to the meeting or use the proxy provisions in order to enable the club to fulfil its statutory duties.

Social

The second Tuesday of the month events at the Tennis Club remain sparsely attended – I don't believe there have been more than six attendees on any second Tuesday in the last year. Furthermore the tennis club has announced that it is likely to close early during the winter. The Committee will be looking at re-locating as a means of improving attendance. The 'Down the Pub with...' nights have continued to attract better attendances and I am grateful to the hosts for the variety of hostelries they have taken us to.

The Interesting Car Night, held at Guildford Tyres in July, proved to be a massive success through the active use of social media, especially Facebook. I have to admit that for once we were not properly organised for an event and the venue became a little chaotic during the course of the evening. We were however treated to a display of a fantastic range of cars. Those of you who attended the 2016 event will have seen that lessons have been learnt. Special thanks to Chris Phillips and Ted Block who together cooked around 150 burgers and sausages at the event.

Thanks to Barry for an excellent Awards Dinner and to all members of the Committee or were involved in phoning around all relatively local members in order to drum up support. Those of you who were there will realise it was worth the effort but watch this space – we are investigating something new for the Awards Dinner in 2017.

Competition

Consistent with previous years, the general approach amongst members has been to pick events that are enjoyable rather than to enter championships. On the event side:

- The Abingdon Motorsport CAR-nival, with strong entries on the rally and sprint and a decent entry on the autosolo, ran incredibly smoothly this year. Nevertheless, the average age of the Organising Team is now at least 15 years older than when we started running the event in 1996 is causing concern. In 2016, we will be looking with the other principal organising clubs (Farnborough District MC and Craven MC) at regularising arrangements surrounding the event management and providing for a program of succession planning.
- The Tempest was a great success in 2015 with near record entries and some top level competition. Quite a lot of track and fence damage was done on the event and it was largely through Barry's efforts, negotiating skills and raising of sponsorship that we managed to make a healthy financial surplus. Unfortunately, the experience of running an event to the new regulations, damage levels and series of challenges with accessing the land resulting in license uncertainties have led us to conclude that there is too much financial risk in continuing to run the event and that no amount of effort from the organisers can properly mitigate such risk.
- We held the permit for the Race of Champions held at the Olympic Stadium late last year. The event ran smoothly despite the best efforts of a range of competitors and Barry, and other members, did brilliantly to complete the event within about 2 minutes of the scheduled TV time.
- The club has now run several Consistency Trials at the Royal Automobile Club's facilities in Woodcote Park, Epsom. Whilst entry levels appear to be bottoming out this appears to have much to do with a lack of promotion which can be remedied. Members should not under-estimate the potential value to this club of building a good working relationship with the RAC which continues to be keen to work with us on a variety of new opportunities. The Consistency Trials are generally held mid-week and if anyone can help Barry and David Penn then please let them know.
- We sought to replace the Longmoor event with an event at Bramley which we have previously used for a Rallysprint. For reasons that are not 100% clear we were unable to get a positive response to our request to run the event in 2015. We will investigate running an event in 2016 but we remain mindful that the rally calendar is increasingly crowded at that time of the year – in particular with the advent of the 'Circuit Championship'.

Forestry Commission Land in Wales

It would be inappropriate to conclude this review of the year without highlighting the predicament faced by Welsh forestry rallying. In summary, the owners/operators of Forestry Commission land in Wales are arguing that stage repair costs are roughly double what they collect in land hire fees. They are therefore not prepared to allow rallying after 1 June 2016 unless new long term fees are agreed. If the economics of events in Wales are anything like we experience, events will not be viable if hire fees are doubled. Whilst rallying can continue in England and Scotland on the basis of fee arrangement which are in place, one should not underestimate the impact of no rallying in Wales on the number of competitors and the value of rally cars. The Welsh situation is a very real threat to forest rallying in this country.

In summary

2015/16 has been another challenging year where the club has delivered well on the matters that it can control. However, we face a period of considerable uncertainty on the competition front and the social side will become critical to attracting and retaining members. Club night attendance remains patchy and thinking up events/ venues is falling on a limited number of shoulders. If you've got some spare time or want to get involved with the running of a club night or event please let me or any of the Board know.

Ian Brooks, Chairman

Sutton & Cheam Motor Club

Treasurer's report 2015/16

Sutton & Cheam Motor Club Limited has maintained its objective in successfully supporting various motor sport events during the past year.

Despite the national downturn we have maintained quality events and have been rewarded with good entry levels and a reasonable return for most of our competitive events.

As a club we promoted and co-promoted 1 Multi-use Stage Rally, 1 Multi-venue Rally, 1 Sprint, assisted with the Race of Champions and run a number of Consistency Trials at the RAC Club.

In June, the Abingdon Motorsport Car-nival made a donation of £1,322 for the use of our equipment and the facilities provided by the club to the organisers.

The Tempest Rally (now financially fully controlled by the club) was blessed again with a financially contributing sponsor in JLT Insurance which limited the club's financial exposure. Positive actions to mitigate expenditure and an expectedly good entry, together with tight control over the repairs costs, resulted in a contribution of over £6,000 to the club's funds. In addition, accruals of costs for repairs at the previous year end proved over-prudent and, together with the unexpected return of a land deposit, added another £1,800 to the club's funds.

The Race of Champions held in November at the Olympic Stadium, of which we are the Permit Holders, was a high profile event for the Club and its members. We support our members who assisted there with accommodation and refreshments at a cost of £673.

We also lent our barriers, generators, radios and marquees to other events and this generated £140 as a donation to the club funds.

During the year we have maintained our stock of equipment, produced another 300 wooden stakes at a cost of £216 and had our fire extinguishers serviced and where necessary replaced at a cost of £402. Our handheld and car based MSA frequency radios needed upgrading to the new dual-frequency standard which cost £168. For better levels of communications we had to invest in radio earpieces for our handheld peer-to-peer admin radios at a cost of £181. Of our vital and most used equipment, 2 trailer tyres were replaced at a cost of £110.

Our part of the store rental costs have increased (by around £800) largely due to the lower number of associate users and due to small increases in the overall rental charge. We continue to look for others to share the facility in Ash which is suitable for vehicle or trailer storage.

On the social side, we again promoted the '2015 Interesting Car Night' which Guildford Tyres generously hosted at their facility in Guildford. The event was well-advertised through social media and many new and unexpected vehicles attended. We supported the BBQ and refreshments at a cost of almost £250.

Our Annual Awards Dinner was again a huge success and this year we reconditioned our Annual Trophies and purchased bespoke new awards. This was supported by £73 from club funds.

Looking ahead to the next year, the Club continues to organise quality events and whilst we must be mindful of the reduction in competitive turnover and potential profit from the Tempest Rally, there is no reason why we should not continue to maintain a sound financial standing.

W.N.Phillips – Treasurer.

SUTTON & CHEAM MOTOR CLUB LIMITED
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED

	2015		2016
	£	£	£
<u>INCOME</u>			
Subscriptions	2,668		2,295
Gross bank interest received	17		17
Competitive events - (deficit)/surplus	(1,163)		7,611
Refund of insurance premiums	1,113		1,228
Sale of Club items	0		0
Hire of Club Equipment	2,200		1,463
	<u>4,835</u>		<u>12,614</u>
<u>EXPENDITURE</u>			
Club meeting costs	369		389
Social events	410		359
Printing, postage & stationery	425		705
Subscriptions to Associations etc.	282		353
Annual return	13		13
Depreciation of fixed assets	3,080		2,984
Competitor of the Month / Year	350		290
Fire extinguisher service	0		402
Web Site costs	264		90
Insurance	426		440
Equipment Rentals & Costs	223		385
Equipment Maintenance	102		307
Storage Facility Rental	1,275		2,053
	<u>7,219</u>		<u>8,770</u>
NET SURPLUS / (DEFICIT)			
(Before Taxation)	<u>(2,384)</u>		<u>3,844</u>
TAXATION (Note 8)	0		0
NET Surplus / (Deficit) transferred to			
Accumulated Fund (Note 7)	<u><u>(2,384)</u></u>		<u><u>3,844</u></u>

SUTTON & CHEAM MOTOR CLUB LIMITED

BALANCE SHEET AS AT 31st March

	Note	2015 £	2016 £
FIXED ASSETS			
Tangible assets	3	5,531	2,956
CURRENT ASSETS			
Stock on hand (at cost)		200	200
Sundry debtors & prepayments	4	2,319	30
Bank & cash balances		62,455	52,532
		<u>64,974</u>	<u>52,762</u>
CREDITORS			
Due within 1 year	5	18,644	13
Provision for Tax due	8	0	0
Subscriptions for 2015		480	500
		<u>19,124</u>	<u>513</u>
NET CURRENT ASSETS		<u>45,850</u>	<u>52,249</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>51,381</u>	<u>55,205</u>
Creditors: amounts falling due after more than one year	6	<u>260</u>	<u>240</u>
		<u>51,121</u>	<u>54,965</u>
Financed by:			
CAPITAL & RESERVES⁶			
Accumulated fund	7	<u>51,121</u>	<u>54,965</u>

DIRECTORS' STATEMENT
(Audit exempt accounts)

For the year ending 31/03/2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to the accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to small companies' regime.

Approved by the Council of Management on 12/07/16

Mr Barry Guess



Mr William Phillips



Members of the
Council of Management

SUTTON & CHEAM MOTOR CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2016

1/ ACCOUNTING POLICIES

a) CONVENTION

These accounts have been prepared under the historical cost convention. The principal accounting policies which the Council of Management have adopted within that convention are set out below.

b) DEPRECIATION

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost over their useful life, i.e. Fixtures, Fittings and Equipment - 25% per annum.

c) STOCK

The stock has been valued at the lower of either the cost or net realisable value.

2/ STATUS

The Company is limited by guarantee and has no share capital; the liability of members is limited to a maximum of 50 pence each. The term 'Council of Management' is the official title for the Club's Officers and Committee.

3/ TANGIBLE FIXED ASSETS

	2014-15 £	2015-16 £
Fixtures, Fittings and Equipment (Cost)		
At start of year	46,223	47,333
Additions	<u>1,110</u>	<u>409</u>
At end of year	47,333	47,742
Depreciation		
At start of year	(38,722)	(41,802)
Charges	<u>(3,080)</u>	<u>(2,984)</u>
At end of year	(41,802)	(44,786)
Net Book Values		
At end of year	<u>5,531</u>	<u>2,956</u>

4/ SUNDRY DEBTORS AND PREPAYMENTS

Prepayments	2,319	30
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5/ CREDITORS DUE WITHIN ONE YEAR

Accruals including prepaid subscriptions	19,111	500
Annual Return	13	13
Corporation Tax	<u>0</u>	<u>0</u>
	19,124	513

6/ CREDITORS: due after one year

Prepaid subscriptions	<u>260</u>	<u>240</u>
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7/ ACCUMULATED FUND

As at start of year	53,505	51,121
Surplus / (Deficit) for the year	<u>(2,384)</u>	<u>3,844</u>
At end of year	<u>51,121</u>	<u>54,965</u>

8/ TAXATION

After discussions with HM Customs & Revenue it has been confirmed that as a members' club we are not required to pay tax on surpluses arising from running events for the benefit of members.