



BA CLUBS LIMITED
(A PRIVATE COMPANY LIMITED BY GUARANTEE)

Annual Report & Unaudited Financial Statements

**Financial Year Ended
31 March 2018**





BA CLUBS LIMITED
(A PRIVATE COMPANY LIMITED BY GUARANTEE)
FOR THE YEAR ENDED 31 MARCH 2018

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BA CLUBS LIMITED
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FOR THE YEAR ENDED 31 MARCH 2018

COMPANY INFORMATION

Directors	Andrew I Fleming	Appointed 27 February 2018
	John C Byron	
	Alison Hartigan	Appointed 27 February 2018
	Timothy P Taylor	Resigned 27 February 2018
	Carole L Farr	Resigned 18 January 2018
Secretary	Carole L Farr	Resigned 18 January 2018
Company Registration No.	06003398	
Registered Office	Regus - Abbey House 450 Bath Road Longford West Drayton UB7 0EB	
Bankers	Santander UK plc Bootle Merseyside L30 4GB	

BA CLUBS LIMITED
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DIRECTORS' REPORT

The directors present their annual report and financial statements for year ended 31 March 2018.

Principal activities

The principal activity continued to be that of a company that promotes, facilitates and encourages sporting activities and rewards to BA Staff and Community members.

Company Structure

The company is constituted as a company limited by guarantee and is therefore governed by a memorandum and articles of association.

Directors

The directors who served during the period are shown on the Company information sheet. No director has a beneficial interest in the company. All Directors are members of the company and guarantee to contribute £1 each in the event of a winding up.

Directors' responsibilities

The directors are responsible for preparing the annual report and 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 the United Kingdom Generally Accepted Accounting Practice (UK 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 those financial statements, the directors are required to:

- select suitable accounting policies and then 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 which disclose with reasonable accuracy at any time the financial position of the company and to 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.

By order of the board



John Christopher Byron
Director

BA CLUBS LIMITED
(A PRIVATE COMPANY LIMITED BY GUARANTEE)
AS AT 31 MARCH 2018

STATEMENT OF FINANCIAL POSITION

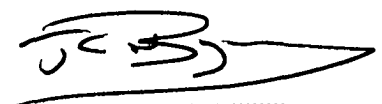
		2017/2018		2016/2017	
		£	£	£	£
				AS RESTATED	AS RESTATED
FIXED ASSETS					
Intangible assets	Note 5		24,489		43,033
Tangible assets	Note 6		94,674		98,217
			<u>119,163</u>		<u>141,250</u>
CURRENT ASSETS					
Debtors	Note 7	11,366		10,866	
Cash at bank and in hand	Note 8	266,766		958,141	
		<u>278,132</u>		<u>969,007</u>	
CREDITORS: Amounts falling due within one year	Note 9	356,225		213,067	
NET CURRENT ASSETS (LIABILITIES)			(78,093)		755,940
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>41,070</u>		<u>897,190</u>
ACCUMULATED FUND as at 1 April			897,190		1,178,597
Net increase/(decrease) in fund for the year			(856,120)		(281,407)
ACCUMULATED FUND AT 31 March			<u>41,070</u>		<u>897,190</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A. The directors have elected not to include a copy of the income statement within the financial statements.

As a small company the entity was entitled to exemption from audit under s477 and the members have not required the company to obtain an audit of its accounts for the year in accordance with s476. The directors/members acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The financial statements were approved and authorised for issue by the Board on 9th May 2019.

Signed on behalf of the board of directors by:



John Christopher Byron
Director

The notes on pages 4 to 8 form part of these accounts.

BA CLUBS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

1. Statutory Information

BA Clubs Limited is a private company limited by guarantee incorporated in England & Wales.
The registered office at the year end was:
Regus - Abbey House, 450 Bath Road, Longford, West Drayton. UB7 0EB.

2. Compliance with Accounting Standards

The financial statements have been prepared in accordance with the provisions of FRS102 Section 1A and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. There were no material departures from that standard and the disclosure requirements have been complied with other than where additional disclosure was required to show a true and fair view.

3. Accounting Policies

3.1 Accounting convention

The financial statements are prepared under the historical cost convention and where applicable are modified in accordance with the standards published within FRS102 - namely requiring the consideration and recognition of revaluing fixed assets and certain financial instruments to their fair value.

The financial statements have been prepared on a going concern basis. Although current liabilities are exceeding current assets as at the balance sheet date the directors are satisfied that this was due to exceptional losses reported in 16/17 and 17/18 for which recovery funds have been secured as a post balance sheet event. Details of the exceptional items and post balance sheet event are contained within the following notes.

The financial statements are prepared in sterling, which is the functional currency of the company and all monetary amounts in these statements are rounded to the nearest £.

The principal accounting policies adopted have been applied consistently and are set out below.

3.2 Income and expenditure

Income and expenses are included in the financial statements as they become receivable or due. Expenses incurred in the supply of exempt or partially exempt activities include VAT where applicable if the company cannot reclaim it.

3.3 Intangible fixed assets and amortisation

Intangible fixed assets are initially measured at cost and then amortised over a finite life which will not exceed 10 years if the life cannot be reliably estimated. Intangibles reported represent the software development costs incurred for business applications that are currently in use and have been estimated to have a total life of 5 years.

3.4 Tangible fixed assets and depreciation

Assets purchased in the supply of exempt or partially exempt activities include VAT where applicable if the company cannot reclaim it.

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Depreciation is calculated so as to write off the cost or valuation of assets, less their residual values, over their useful lives on the following basis:

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NOTES TO THE FINANCIAL STATEMENTS

Freehold land	No depreciation
Office Equipment	3 years
Gym Equipment - Machinery	7 years
Gym Equipment - Other	3 years
Other Sporting Equipment	5 years
Motor Vehicles	5 years

Asset residual values are reassessed at the end of each accounting period to determine any depreciation adjustment required to the charges calculated under the defined depreciation policy.

Any 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 which is credited or charged as a surplus or deficit.

3.5 Impairment of fixed assets

The carrying amounts of tangible assets are reviewed annually at the reporting end date to determine any indication of impairment. If impairment is indicated the recoverable amount of the asset is estimated to ascertain the extent of any impairment loss to be recognised immediately in deficit (assets held on a cost basis) or treated as a revaluation decrease (assets carried at revalued amount).

Recognised impairment losses are reversed, only if, the reasons for the impairment loss cease to apply.

3.6 Financial instruments

The company only holds "Basic Financial Instruments" as defined by FRS102 in the form of current assets and current liabilities to which it applies the provisions of section 11.

Basic financial assets

These include cash/bank balances and debtors which are initially measured at transaction price, including transactions costs, and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

These include bank loans and creditors which are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at present value of the future payments discounted at a market rate of interest. Debt instruments and trade creditors are subsequently carried at the amortised cost using the effective interest method. Financial liabilities classified as payable within one year are not amortised.

3.7 Taxation

The tax expense represents the amount of Corporation Tax currently payable and deferred. As a members club corporation tax is payable on investment income (bank interest) received. VAT returns are calculated quarterly taking account of exempt supplies and calculating recoveries under the HMRC standard method partial exemption rules.

3.8 Pension costs

Under the workplace pension requirements a defined contribution scheme is operated with Scottish Widows and contributions payable are recognised in the financial statements when due.

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NOTES TO THE FINANCIAL STATEMENTS

4. Employees

The average number of persons employed by the company during the year was 10 (2017: 14).

5. Intangible Assets

	Developed Applications £
COST	
At 1 April 2017 RESTATED	91,647
Additions	0
Fair value movements	0
Disposals	0
At 31 March 2018	<u>91,647</u>
AMORTISATION	
At 1 April 2017 RESTATED	48,614
Eliminated on disposals	0
Impairment	0
Charge for the year	18,544
At 31 March 2018	<u>67,158</u>
NET BOOK VALUE	
At 31 March 2017 RESTATED	<u>43,033</u>
At 31 March 2018	<u>24,489</u>

6. Tangible Assets

	Freehold Land £	Office Equipment £	Gym Equipment £	Sporting Equipment £	Motor Vehicle £	Total Assets £
COST						
At 1 April 2017 RESTATED	30,000	6,401	201,293	267,439	10,000	515,133
Additions	0	1,791	16,511	(1,407)	0	16,895
Fair value movements	0	0	0	0	0	0
Disposals	0	0	0	0	0	0
At 31 March 2018	<u>30,000</u>	<u>8,192</u>	<u>217,804</u>	<u>266,032</u>	<u>10,000</u>	<u>532,028</u>
DEPRECIATION						
At 1 April 2017 RESTATED	0	1,423	140,808	266,352	8,333	416,916
Eliminated on disposals	0	0	0	(6,336)	0	(6,336)
Impairment	0	0	0	0	0	0
Charge for the year	0	2,482	18,543	4,082	1,667	26,774
At 31 March 2018	<u>0</u>	<u>3,905</u>	<u>159,351</u>	<u>264,098</u>	<u>10,000</u>	<u>437,354</u>
NET BOOK VALUE						
At 31 March 2017 RESTATED	<u>30,000</u>	<u>4,978</u>	<u>60,485</u>	<u>1,087</u>	<u>1,667</u>	<u>98,217</u>
At 31 March 2018	<u>30,000</u>	<u>4,287</u>	<u>58,453</u>	<u>1,934</u>	<u>0</u>	<u>94,674</u>

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NOTES TO THE FINANCIAL STATEMENTS

7. Debtors

	2018	2017
	£	£
Due within one year:		RESTATED
Trade Debtors	0	0
Prepayments	11,366	10,866
	<u>11,366</u>	<u>10,866</u>

8. Cash at bank and in hand

	2018	2017
	£	£
		RESTATED
Bank	34,403	747,422
Deposit guarantee	35,000	35,000
Section accounts	197,363	175,719
	<u>266,766</u>	<u>958,141</u>

The deposit account acts as a bank guarantee and Santander hold a charge over the balance. Section account balances are under the stewardship of the section committee officials (Chairman and Treasurer) by way of the powers delegated to them by the board, under the company rules.

9. Creditors: amounts falling due within one year

	2018	2017
	£	£
		RESTATED
Trade creditors	107,576	21,640
Corporation tax	2,302	2,382
Other taxation and social security	132,226	120,567
Other creditors	114,121	68,478
	<u>356,225</u>	<u>213,067</u>

Other taxation includes figures for contingent liabilities that have been estimated in relation to VAT. Exceptional events have led to the discovery of potential errors in relation to VAT recoveries and these have been recognised as payable amounts, including possible penalties/interest. The errors relate to the incorrect handling of VAT regarding exempt and partially exempt supplies together with the incorrect recovery of VAT on expenses that have now been identified as non-business related.

10. Exceptional events

On 18th January 2018 it was discovered that the company had been subject to a significant fraud, by an employee, leaving the company with very little cash. The directors have taken steps over the course of the year to seek recovery of the monies and the outcome of those steps is unknown at present. A thorough investigation revealed that in addition to the large amount stolen from the bank account during 2017 a significant number of financial irregularities had also occurred in earlier years resulting in errors within the previously reported financial statements. Prior year adjustments have been applied to the 16/17 comparative numbers within these financial statements to recognise the effect of the fraud and other accounting errors in relation to the retained profits and other balance sheet items. Details are shown in the following note.

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NOTES TO THE FINANCIAL STATEMENTS

11. Prior year adjustments

The 16/17 financial statements have been restated to reflect the effects of the fraud, accounting irregularities and other errors which were discovered as post balance sheet events. As appropriate, financial amounts for 16/17 have been adjusted to achieve the correct comparatives within the income statement and the revised opening financial position for 17/18. The overall effect of the adjustments on the retained funds was a decrease of £19,745 as follows:

	2016 £	2016 £	2016 £
	REPORTED	PYA	RESTATED
INCOME STATEMENT			
Income	689,636	(57,137)	632,499
Expenses	(951,956)	31,115	(920,841)
Net interest after tax	658	6,277	6,935
Net increase/(decrease) in fund for the year	(261,662)	(19,745)	(281,407)
	2016 £	2016 £	2016 £
	REPORTED	PYA	RESTATED
FINANCIAL POSITION			
Fixed assets	169,526	(28,276)	141,250
Current assets	868,225	100,782	969,007
Current liabilities	120,816	92,251	213,067
Total assets less current liabilities	916,935	(19,745)	897,190
Accumulated fund as at 1st April	1,178,597	0	1,178,597
Net increase/(decrease) in fund for the year	(261,662)	(19,745)	(281,407)
Accumulated fund as at 31st March	916,935	(19,745)	897,190

12. Post balance sheet events

As per note 3.1 the financial statements have been prepared on a going concern basis. Although the fraud left the company with virtually no cash, post balance sheet restructuring work has been undertaken to secure cash funding and create a comprehensive recovery plan for the company to generate positive cashflows. On 4th March 2019 the company received further funding which has been used to pay creditors. The directors are satisfied that, absent of unforeseen changes in income, the company will be able to continue trading for the next 12 months and pay its creditors as and when they fall due during that period.

13. Off balance sheet commitments

The company was party to a lease agreement with Affinity Water Limited for the land and buildings at Wraybury lake. As at the year end this lease was due to be re-assigned to the sailing section (Silverwing) who had become an independent club. In order to secure the transfer BA Clubs Limited have acted as guarantor for the lease and in 2019 signed a guarantee for an amount of £10,000 per annum. In normal circumstances the lease will be payable by Silverwing and BA Clubs Limited will have no liability.