

GUERNSEY RFC LBG
REPORT AND FINANCIAL STATEMENTS
30 JUNE 2020

GUERNSEY RFC LBG

REPORT AND FINANCIAL STATEMENTS

30 JUNE 2020

| CONTENTS | PAGE |
|---|-------------|
| Company information | 2 |
| Directors' report and directors' responsibilities statement | 3 |
| Auditor's report | 4 to 5 |
| Income statement and statement of comprehensive income | 6 |
| Statement of financial position | 7 |
| Statement of changes in equity | 8 |
| Notes to the financial statements | 9 to 13 |
| Detailed income statement | 14 |

GUERNSEY RFC LBG

COMPANY INFORMATION

30 JUNE 2020

DIRECTORS:

Adrian Le Page
Martin Belcher
Charles McHugh
Andrea Harris
Sadie Merrien
Chris Gnapp
Andrew Whittaker
Ian Endres
Paul Wright

SECRETARY:

Sadie Merrien

REGISTERED OFFICE:

PO Box 181
Footes Lane
St Peter Port
Guernsey
GY1 2UL

REGISTERED NUMBER:

53279

AUDITORS:

Kemp Le Tissier Limited
Suite A
Stan Brouard Complex
Landes du Marche
Vale
Guernsey
GY6 8DE

GUERNSEY RFC LBG

DIRECTORS' REPORT

30 JUNE 2020

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 June 2020.

PRINCIPAL ACTIVITY

The principal activity of the company during the year was that of to encourage and facilitate the playing of rugby football in Guernsey.

RESULTS

The results of the company for the year are set out on page 5.

GOING CONCERN

The directors have a reasonable expectation that the company have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

DIRECTORS

Adrian Le Page
Martin Belcher
Charles McHugh
Andrea Harris
Sadie Merrien
Chris Gnapp
Andrew Whittaker
Ian Endres
Paul Wright

DIRECTORS' RESPONSIBILITIES STATEMENT

The Companies (Guernsey) Law, 2008 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 (Financial Reporting Standard 102 ("FRS 102 Section 1A - small entities") 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 profit or loss of the company for that period. In preparing these 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 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 (Guernsey) Law 2008. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention of fraud and other irregularities.

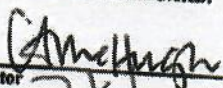
AUDITORS

Each of the persons who is a director at the date of approval of the financial statements confirms that:
(1) so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
(2) the director has taken all steps he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 249 of The Companies (Guernsey) Law, 2008.

A resolution to reappoint Kemp Le Tissier Limited as the company's auditors will be proposed at the Annual General Meeting.

ON BEHALF OF THE BOARD:



Director

29/1/21

Date



Director

29/1/21

Date

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GUERNSEY RFC LBG

Opinion

We have audited the financial statements of Guernsey RFC LBG (the 'Company') for the year ended 30 June 2020, which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Company's affairs as at 30 June 2020 and of its loss for the year then ended;
- the financial statements have been prepared in accordance with the Companies (Guernsey) Law, 2008; and
- the financial statements have been properly prepared in accordance with Generally Accepted Accounting Practice; and
- the information given in the Directors' Report is consistent with the financial statements

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) issued by the Financial Reporting Council. Our responsibilities under those standards are further described in the Auditors' 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, including the Financial Reporting Council'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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- the Company has not kept proper accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
GUERNSEY RFC LBG (continued)**

Responsibilities of directors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and accounting standards are set out in the Directors' Responsibilities Statement on page 3.

Auditors' 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 Auditors' 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 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 Auditors' Report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with the Companies (Guernsey) Law, 2008. 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 Auditors' 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.

Kemp Le Tissier Limited
.....

Kemp Le Tissier Limited
Stan Brouard Complex
Landes Du Marche
Vale
Guernsey
GY6 8DE

Date:

29/1/2021

GUERNSEY RFC LBG

INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2020

| INCOME STATEMENT | Note | 2020 £ | 2019 £ |
|--|-------------|------------------------|--------------------|
| Turnover - bar | 3 | 119,510 | 140,995 |
| Cost of sales | | <u>(52,688)</u> | <u>(58,075)</u> |
| Gross profit | | 66,822 | 82,920 |
| Bar expenses | | (38,099) | (35,248) |
| Bar operating profit | | <u>28,723</u> | <u>47,672</u> |
| Turnover - rugby | | 277,064 | 341,888 |
| Rugby expenses | | (330,349) | (389,615) |
| (Loss) on ordinary activities before taxation | | <u>(24,562)</u> | <u>(55)</u> |
| Tax on (loss) on ordinary activities | 4 | - | - |
| (Loss) for the financial year | | <u><u>(24,562)</u></u> | <u><u>(55)</u></u> |

| STATEMENT OF COMPREHENSIVE INCOME | 2020 £ | 2019 £ |
|--|------------------------|--------------------|
| (Loss) for the financial year | <u>(24,562)</u> | <u>(55)</u> |
| Total comprehensive income for the year | <u><u>(24,562)</u></u> | <u><u>(55)</u></u> |

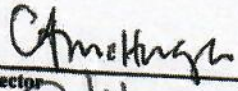

GUERNSEY RFC LBG

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2020

| | Note | 2020 | | 2019 | |
|--|------|----------------|-----------------|----------------|-----------------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Plant and equipment | 7 | 398,825 | | | |
| Investment in subsidiary | 8 | <u>1</u> | | 138,447 | |
| | | | 398,826 | <u>1</u> | 138,448 |
| CURRENT ASSETS | | | | | |
| Stock | | 5,824 | | | |
| Debtors | 9 | 122,069 | | 3,283 | |
| Cash at bank and in hand | | <u>190,613</u> | | 40,702 | |
| | | | | <u>62,474</u> | |
| CREDITORS: Amounts falling due within one year | 10 | <u>318,506</u> | | <u>106,459</u> | |
| | | (273,569) | | (58,989) | |
| NET CURRENT ASSETS | | | <u>44,937</u> | | <u>47,470</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 443,763 | | 185,918 |
| CREDITORS: Amounts falling due after more than one year | 11 | | <u>(68,157)</u> | | - |
| NET ASSETS | | | <u>375,606</u> | | <u>185,918</u> |
| CAPITAL AND RESERVES | | | | | |
| Members' contributions | 12 | | 216,459 | | 202,209 |
| Revaluation reserve | | | 200,000 | | |
| Profit and loss account | | | <u>(40,853)</u> | | <u>(16,291)</u> |
| TOTAL EQUITY | | | <u>375,606</u> | | <u>185,918</u> |

These accounts 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 - small entities.


 Director

 Director

29/1/21
 Date

29/1/21
 Date

GUERNSEY RFC LBG**STATEMENT OF CHANGES IN EQUITY****AS AT 30 JUNE 2020**

| | Members' contributions | Revaluation reserve | Profit and loss account | Total |
|--------------------------------------|-----------------------------------|--------------------------------|------------------------------------|-----------------------|
| | £ | £ | £ | £ |
| AT 1 JULY 2018 | 197,209 | - | (16,236) | 180,973 |
| Additional contributions | 5,000 | - | - | 5,000 |
| (Loss) for the financial year | - | - | (55) | (55) |
| AT 30 JUNE 2019 | <u>202,209</u> | <u>-</u> | <u>(16,291)</u> | <u>185,918</u> |
| AT 1 JULY 2019 | 202,209 | - | (16,291) | 185,918 |
| Additional contributions | 14,250 | - | - | 14,250 |
| Unrealised appreciation for the year | - | 200,000 | - | 200,000 |
| (Loss) for the financial year | - | - | (24,562) | (24,562) |
| AT 30 JUNE 2020 | <u>216,459</u> | <u>200,000</u> | <u>(40,853)</u> | <u>375,606</u> |

GUERNSEY RFC LBG

NOTES TO THE ACCOUNTS

30 JUNE 2020

1 General information

Guernsey RFB LGB is a company limited by guarantee and incorporated in Guernsey. Its registered address is PO Box 181, Footes Lane, St Peter Port, Guernsey, GY1 2UL.

2 Basis of preparation and compliance with accounting standards

These financial statements have been prepared on a going concern basis in accordance with the provisions of applicable United Kingdom accounting standards, Financial Reporting Standard 102 Section 1A - smaller entities and with The Companies (Guernsey) Law 2008.

3 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and have been consistently applied within the same accounts, unless otherwise stated. The presentation currency is £ sterling.

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered/products sold, stated net of discounts. The company recognises revenue when the amount of revenue can be measured reliably and when it is probable that future economic benefits will flow to the entity.

Plant and equipment

The company measures all items of plant and equipment after initial recognition using the cost model as detailed below.

Under the cost model property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all plant and equipment, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows.

| | |
|-------------------------------|--|
| Leasehold improvements | 5% reducing balance |
| Clubhouse fixtures & fittings | 10% reducing balance |
| Rugby equipment | 20% reducing balance |
| Scoreboard | 4 years straight line (from 2019 to 2022) |
| Club Pitch | 15 years straight line (from 2020 to 2034) |
| Mascot costume | 3 years straight line (from 2020 to 2022) |
| Office container | 5 years straight line (from 2020 to 2024) |

On disposal, the difference between the net disposal proceeds and the net book value of the item sold is recognised in profit or loss, and included in other operating income.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

GUERNSEY RFC LBG

NOTES TO THE ACCOUNTS

30 JUNE 2020

3 Summary of significant accounting policies (continued)

Investments in subsidiary

Under FRS 102 section 1A.21 the Company is exempt from preparing consolidated financial statements as the parent qualifies as small. Accordingly, these financial statements present information about the Company as an individual undertaking and not about its group. The investment in subsidiary, The Guernsey Rugby Academy LBG, is carried at cost.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are interest free, unsecured and receivable on demand and hence are measured at their fair value.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including loans, are interest free, unsecured and payable on demand and hence are measured at their fair value.

4 Taxation

The company is a Guernsey registered charity and as such under Section 40A of the Income Tax (Guernsey) Law, 1975 the income is exempt as it is all applied to charitable purposes only.

5 Judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. Although the nature of estimation means that actual outcomes could differ from those estimates both estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

No significant judgements have had to be made by the directors in preparing these financial statements.

Tangible fixed assets

Tangible fixed assets, other than investment properties, 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.

6 Average number of employees during the year

During the year the average number of employees was 13 (2019: 9).

GUERNSEY RFC LBG

NOTES TO THE ACCOUNTS

30 JUNE 2020

7 Plant and equipment

| | Lease valuation £ | Leasehold improvements, kitchen & club pitch £ | Rugby equipment £ | Score board £ |
|-----------------------|-------------------------|--|-------------------------|---------------------|
| COST | | | | |
| At 1 July 2019 | - | 198,918 | 25,598 | 6,000 |
| Additions | 200,000 | 71,159 | - | - |
| At 30 June 2020 | <u>200,000</u> | <u>270,077</u> | <u>25,598</u> | <u>6,000</u> |
| DEPRECIATION | | | | |
| At 1 July 2019 | - | 67,174 | 23,395 | 1,500 |
| Charge for the year | - | 12,208 | 441 | 1,500 |
| At 30 June 2020 | <u>-</u> | <u>79,382</u> | <u>23,836</u> | <u>3,000</u> |
| NET BOOK VALUE | | | | |
| At 30 June 2020 | <u>200,000</u> | <u>190,695</u> | <u>1,762</u> | <u>3,000</u> |
| At 30 June 2019 | <u>-</u> | <u>131,744</u> | <u>2,203</u> | <u>4,500</u> |
| | Mascot Costume £ | Office Container £ | Total £ | |
| COST | | | | |
| At 1 July 2019 | - | - | 230,516 | |
| Additions | 3,180 | 1,559 | 275,898 | |
| At 30 June 2020 | <u>3,180</u> | <u>1,559</u> | <u>506,414</u> | |
| DEPRECIATION | | | | |
| At 1 July 2019 | - | - | 92,069 | |
| Charge for the year | 1,060 | 312 | 15,520 | |
| At 30 June 2020 | <u>1,060</u> | <u>312</u> | <u>107,589</u> | |
| NET BOOK VALUE | | | | |
| At 30 June 2020 | <u>2,120</u> | <u>1,247</u> | <u>398,825</u> | |
| At 30 June 2019 | <u>-</u> | <u>-</u> | <u>138,447</u> | |

A Directors' valuation of £200,000 has been placed on the new long term lease.

GUERNSEY RFC LBG

NOTES TO THE ACCOUNTS

30 JUNE 2020

| | | | |
|-----------|--|-------------------|--------------------|
| 8 | Investment in subsidiary | | Total £ |
| | VALUATION | | |
| | At 1 July 2019 | | 1 |
| | and at 30 June 2020 | | <u>1</u> |
| | | | |
| 9 | Debtors | 2020 £ | 2019 £ |
| | Deposit on Open Market house | 11,000 | 11,000 |
| | Other debtors | 101,941 | 23,812 |
| | Prepayments | 9,128 | 5,890 |
| | | <u>122,069</u> | <u>40,702</u> |
| | | | |
| 10 | Creditors: Amounts falling due within one year | 2020 £ | 2019 £ |
| | Trade creditors | 13,151 | 11,986 |
| | Taxation and social security | 8,184 | 7,089 |
| | Deferred income: | | |
| | - Membership | 16,239 | 11,589 |
| | - Sponsorship | 174,600 | 26,917 |
| | - Siam staging | 58,320 | - |
| | - Other | - | 1,100 |
| | Other creditors | 3,075 | 308 |
| | | <u>273,569</u> | <u>58,989</u> |
| | | | |
| 11 | Creditors: Amounts falling due after more than one year | 2020 £ | 2019 £ |
| | Loan payable - RFU | 68,157 | - |
| | | <u>68,157</u> | <u>-</u> |

The amount due to RFU is interest free, unsecured and repayable in equal quarterly instalments of £1,500 on the usual quarter days in each year commencing on the next but one quarter day after the first advance. The repayment period is 15 years.

GUERNSEY RFC LBG

NOTES TO THE ACCOUNTS

30 JUNE 2020

12 Members' contributions

| | |
|------------------------------------|-----------------------|
| At 1 July 2019 | 202,209 |
| Members' contributions in the year | <u>14,250</u> |
| At 30 June 2020 | <u><u>216,459</u></u> |

At 30 June 2020 there were 538 members (2019: 492).

13 Related party transactions

During the year the company made a payment to Adrian Le Page of £1,521.66 for work undertaken for repairs and maintenance to the clubhouse and pitch during the year and various expenses reimbursed with connection with social events.

The company also paid £2,450.99 to R & A Le Page, a business controlled by Adrian Le Page, during the year which included £636 owed as at 30 June 2019.

14 Financial commitments

The company leases its clubhouse and pitch under 40 year lease agreements with the States of Guernsey. The leases terminate on 31 December 2052 and the annual rent payable is £251.

The company is the guarantor under a lease of an open market house. The lease runs until 7 October 2019 and the annual rent payable is £45,000. The company ensures that the underlying tenants pay the rent and the directors do not expect the company to suffer financially from this arrangement.

The company entered into a motor vehicle leasing arrangement with Investec which ends in August 2024. The annual commitment under this lease is £2,409.

GUERNSEY RFC LBG

DETAILED INCOME STATEMENT

FOR THE YEAR ENDED

30 JUNE 2020

| | 2020 | | 2019 | |
|---|---------|------------------|---------|------------------|
| | £ | £ | £ | £ |
| REVENUE - BAR SALES | | 119,510 | | 140,995 |
| LESS: COST OF SALES | | (52,688) | | (58,075) |
| GROSS PROFIT | | <u>66,822</u> | | <u>82,920</u> |
| BAR EXPENSES | | | | |
| Bank charges | 2,929 | | 2,350 | |
| Light, heat and water | 7,590 | | 322 | |
| Rates, licenses, security & insurance | 2,056 | | 2,300 | |
| Repairs, maintenance, cleaning & sundry bar costs | 3,011 | | 5,031 | |
| Telephone, Sky TV, website, postage & office supplies | 3,593 | | 3,402 | |
| Wages | 18,920 | | 21,843 | |
| | | <u>(38,099)</u> | | <u>(35,248)</u> |
| NET BAR PROFIT | | <u>28,723</u> | | <u>47,672</u> |
| REVENUE - RUGBY | | | | |
| Clubhouse hire | 2,100 | | 1,205 | |
| Gate | 16,237 | | 21,683 | |
| Matchday Tables | 12,987 | | 43,801 | |
| Merchandies, Meat draw, Raffle, 50/50 & Club ties | 3,486 | | 3,340 | |
| Other income | 6,987 | | 2,060 | |
| Social Events Income | 9,998 | | - | |
| Sponsorship | 201,410 | | 219,774 | |
| Sports & Arts Lottery | - | | 23,343 | |
| Subscriptions/Membership | 23,859 | | 24,694 | |
| Ticket Sales | - | | 1,988 | |
| | | <u>277,064</u> | | <u>341,888</u> |
| RUGBY RELATED COSTS | | | | |
| Academy sponsorship | - | | 2,000 | |
| Admin staff | 11,440 | | 3,635 | |
| Audit fees | 3,000 | | 3,000 | |
| Coaching and staff | 68,199 | | 62,446 | |
| Depreciation | 15,521 | | 9,946 | |
| Equipment, kit, physios, first aid etc | 34,273 | | 35,153 | |
| Food for teams | 5,320 | | - | |
| Gym maintenance | - | | 2,000 | |
| Inter-Insular & Siam Shirt Presentation | - | | 1,052 | |
| Ladies Travel Costs | 4,755 | | 10,233 | |
| Laundry | 2,817 | | - | |
| Marketing | 8,792 | | 8,814 | |
| Matchday costs | 4,901 | | 39,851 | |
| Men's Travel Costs | 43,102 | | 63,090 | |
| Pitch Maintenance & Pitch Renovation | 9,387 | | 19,001 | |
| Player related costs | 41,025 | | 25,509 | |
| Referees | 1,200 | | 289 | |
| Rent | 45,754 | | 76,461 | |
| RFU/NCA costs | 295 | | 375 | |
| Social Events costs | - | | 5,141 | |
| Stadium Hire Costs | 10,488 | | 17,248 | |
| Sundry Expenses | 10,525 | | 1,371 | |
| Ticket sales costs | 230 | | - | |
| Training costs | 9,305 | | 3,000 | |
| | | <u>(330,349)</u> | | <u>(389,615)</u> |
| (Loss) on ordinary activities before taxation | | <u>(24,562)</u> | | <u>(55)</u> |

The detailed income statement does not form part of the statutory financial statements.