



**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 31st MARCH 2010**



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**THE BRITISH AMATEUR GYMNASTICS ASSOCIATION**  
(A Company Limited by Guarantee)

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2010**

**THE BRITISH AMATEUR GYMNASTICS ASSOCIATION**  
(A Company Limited by Guarantee)

**COMPANY INFORMATION**

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**DIRECTORS**

A Sommerville  
B Stocks (resigned 28 November 2009)  
K R Flynn (resigned 11 September 2010)  
P S Garber  
S J James (resigned 11 September 2010)  
L Milne  
J N Moss  
H M Phillips  
H R Phillips  
A S Spriggs (resigned 11 September 2010)  
I H Todd (resigned 11 September 2010)  
M Warren  
I D Fordham (resigned 25 November 2010)  
A G Wighton  
M D Gannon (appointed 28 November 2009)  
J Allen (appointed 12 April 2010)

**COMPANY NUMBER**

1630001

**REGISTERED OFFICE**

Ford Hall  
Lilleshall National Sports Centre  
Newport  
Shropshire  
TF10 9NB

**AUDITORS**

haysmacintyre  
Fairfax House  
15 Fulwood Place  
London  
WC1V 6AY

**BANKERS**

National Westminster Bank Plc  
19 High Street  
Newport  
Shropshire  
TF10 7AT

**THE BRITISH AMATEUR GYMNASTICS ASSOCIATION**  
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**THE BRITISH AMATEUR GYMNASTICS ASSOCIATION**  
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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2010**

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The directors present their report and the financial statements for the year ended 31 March 2010.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**PRINCIPAL ACTIVITIES**

The principal activity of the group is the encouragement, promotion and regulation of the sport of gymnastics including the organising of displays and events.

**BUSINESS REVIEW**

British Gymnastics has enjoyed a successful year with continuing growth in registered clubs and members, further strengthening of development activities and strong results at major events that have helped increase the profile of the sport.

Membership continues to grow and now stands around 190,000. This has been achieved through the efforts of our clubs and coaches and with the support of our affiliates in the home countries and English regions. A restructured membership offer was introduced during the year following consultation with members and we are pleased to report that it met with a positive response.

The grants awarded by UK Sport (for high performance) and Sport England (for development activity) and covering the 2009 to 2013 cycle are being used to good effect to support carefully delineated programmes. We are pleased to report that the outcomes are in line with expectations.

Outstanding performances were recorded by teams and individuals across a range of disciplines and have included medals at World and European Championships. Highlights included a second World Artistic Gold on Floor for Beth Tweddle and an All-Around World Artistic Silver from Daniel Keating during an outstandingly successful World Championships held at the O2 Arena in London (the venue for the gymnastics competition at the 2012 Olympic Games). Our congratulations to Beth on her appointment as MBE, a well deserved honour

**THE BRITISH AMATEUR GYMNASTICS ASSOCIATION**  
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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2010**

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for an excellent ambassador for our sport.

Media coverage of the sport has doubled over the last 2 years as a result of the approaching London Olympic Games, the increasing success of our teams and individuals and our efforts at building relationships with media contacts. The BGtv web-cast concept has achieved 1 million views over the 12 month period and we believe it is the leader in the UK web-cast sports sector.

Notwithstanding the positive achievements reported above and the generation of a pleasing surplus on activities that will be used to build reserves and continue investment in the sport, we are conscious of operating within a particularly tough economic climate that may continue for some time.

We have responded to these challenges with an internal restructuring that has delivered significant cost and efficiency savings and that has enabled us to reduce membership fees for 65% of our membership. There is a continuing commitment to strengthening membership services and developing closer relationships with clubs, coaches and gymnasts. This demonstrates our commitment to creating a sustainable business model that allows continuing investment through the expected difficult times whilst maintaining reserves at a prudent level.

At its annual review the Board resolved to reduce its size from 12 to 10 Directors and to introduce a formal recruitment matrix based on requisite skills and competencies.

Our CEO, Brian Stocks retired at the end of 2009. We wish every success to our new CEO, Jane Allen who took up post in April 2010 having previously acted as CEO of Gymnastics Australia over a 10 year period.

**RESULTS**

The surplus for the year, after taxation, amounted to £290,348 (2009 - deficit £240,709).

**DIRECTORS**

The directors who served during the year were:

A Sommerville  
B Stocks (resigned 28 November 2009)  
K R Flynn (resigned 11 September 2010)  
P S Garber  
S J James (resigned 11 September 2010)  
L Milne  
J N Moss  
H M Phillips  
H R Phillips  
A S Spriggs (resigned 11 September 2010)  
I H Todd (resigned 11 September 2010)  
M Warren  
I D Fordham (resigned 25 November 2010)  
A G Wighton  
M D Gannon (appointed 28 November 2009)  
J Allen (appointed 12 April 2010)

**THE BRITISH AMATEUR GYMNASTICS ASSOCIATION**  
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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2010**

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**PROVISION OF INFORMATION TO AUDITORS**

Each of the persons who is a director at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company and the group's auditors in connection with preparing their report and to establish that the company and the group's auditors are aware of that information.

**AUDITORS**

The auditors, haysmacintyre, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the Board on 13 December 2010 and signed on its behalf.

**J Allen**  
Director

**THE BRITISH AMATEUR GYMNASTICS ASSOCIATION**  
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE BRITISH AMATEUR GYMNASTICS ASSOCIATION**

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We have audited the group and parent company financial statements (the "financial statements") of The British Amateur Gymnastics Association for the year ended 31 March 2010, set out on pages 6 to 24. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2010 and of the group's surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**EMPHASIS OF MATTER**

**Going Concern**

In forming our opinion, which is not qualified, we have considered the adequacy of the disclosures made within the accounting policies concerning the Group's and Company's ability to continue as a going concern.

The Group incurred a net profit of £290,348 during the year ended 31 March 2010 and at the year end the Group had net liabilities of £186,951. This along with the other matters explained within the accounting policies and note 23 to the financial statements, indicates the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.



**THE BRITISH AMATEUR GYMNASTICS ASSOCIATION**  
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE BRITISH AMATEUR GYMNASTICS ASSOCIATION**

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**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us; to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us;; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Jeremy Beard (Senior Statutory Auditor)

for and on behalf of  
**haysmacintyre**

Statutory Auditors

Fairfax House  
15 Fulwood Place  
London  
WC1V 6AY

13 December 2010

**THE BRITISH AMATEUR GYMNASTICS ASSOCIATION**  
**(A Company Limited by Guarantee)**

**CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2010**

	Note	2010 £	2009 £
<b>INCOME</b>	1,2	10,755,919	10,081,662
Direct Costs		(9,470,356)	(8,818,086)
<b>GROSS SURPLUS</b>		1,285,563	1,263,576
Administrative expenses		(1,003,179)	(1,563,037)
<b>OPERATING SURPLUS/(DEFICIT)</b>	3	282,384	(299,461)
Interest receivable and similar income		29,713	121,651
Other finance income	26	(33,000)	(34,000)
<b>SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		279,097	(211,810)
Tax on surplus/(deficit) on ordinary activities	6	11,251	(28,899)
<b>SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR</b>		290,348	(240,709)

All amounts relate to continuing operations.

The notes on pages 11 to 24 form part of these financial statements.

**THE BRITISH AMATEUR GYMNASTICS ASSOCIATION**  
**(A Company Limited by Guarantee)**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**FOR THE YEAR ENDED 31 MARCH 2010**

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	Note	2010 £	2009 £
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		290,348	(240,709)
Actuarial loss related to pension scheme	20	(967,000)	(155,000)
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>		<u>(676,652)</u>	<u>(395,709)</u>

The notes on pages 11 to 24 form part of these financial statements.

**THE BRITISH AMATEUR GYMNASTICS ASSOCIATION**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 1630001**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 MARCH 2010**

	Note	2010 £	2009 £
<b>FIXED ASSETS</b>			
Tangible assets	7	423,415	380,231
<b>CURRENT ASSETS</b>			
Stocks	9	129,765	109,136
Debtors	10	1,649,193	1,065,342
Cash at bank		3,545,285	4,376,077
		<u>5,324,243</u>	<u>5,550,555</u>
<b>CREDITORS:</b> amounts falling due within one year	12	<u>(4,408,618)</u>	<u>(4,666,341)</u>
<b>NET CURRENT ASSETS</b>		915,625	884,214
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,339,040</u>	<u>1,264,445</u>
<b>CREDITORS:</b> amounts falling due after more than one year	13	<u>(299,991)</u>	<u>(158,744)</u>
<b>NET ASSETS EXCLUDING PENSION SCHEME ASSETS/(LIABILITIES)</b>		1,039,049	1,105,701
Defined benefit pension scheme liability	20	<u>(1,226,000)</u>	<u>(616,000)</u>
<b>NET (LIABILITIES)/ASSETS INCLUDING PENSION SCHEME ASSETS/(LIABILITIES)</b>		<u>(186,951)</u>	<u>489,701</u>
<b>RESERVES</b>			
Income and expenditure account	15	<u>(186,951)</u>	<u>489,701</u>
<b>MEMBERS FUNDS</b>	16	<u>(186,951)</u>	<u>489,701</u>

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 13 December 2010.

**J Allen**  
 Director

The notes on pages 11 to 24 form part of these financial statements.

**THE BRITISH AMATEUR GYMNASTICS ASSOCIATION**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 1630001**

**COMPANY BALANCE SHEET**  
**AS AT 31 MARCH 2010**

	Note	£	2010	£	£	2009	£
<b>FIXED ASSETS</b>							
Tangible assets	7			335,227			257,975
Investments	8			10,104			10,104
				<u>345,331</u>			<u>268,079</u>
<b>CURRENT ASSETS</b>							
Stocks	9	18,517				3,700	
Debtors	10	2,964,249				1,219,018	
Cash at bank		2,332,220				4,275,320	
				<u>5,314,986</u>		<u>5,498,038</u>	
<b>CREDITORS:</b> amounts falling due within one year	12			<u>(4,284,632)</u>		<u>(4,502,647)</u>	
<b>NET CURRENT ASSETS</b>				<u>1,030,354</u>		<u>995,391</u>	
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				<u>1,375,685</u>		<u>1,263,470</u>	
<b>CREDITORS:</b> amounts falling due after more than one year	13			<u>(299,991)</u>		<u>(158,744)</u>	
<b>NET ASSETS EXCLUDING PENSION SCHEME ASSETS/(LIABILITIES)</b>				<u>1,075,694</u>		<u>1,104,726</u>	
Defined benefit pension scheme liability	20			<u>(1,226,000)</u>		<u>(616,000)</u>	
<b>NET (LIABILITIES)/ASSETS INCLUDING PENSION SCHEME ASSETS/(LIABILITIES)</b>				<u>(150,306)</u>		<u>488,726</u>	
<b>RESERVES</b>							
Income and expenditure account	15			<u>(150,306)</u>		<u>488,726</u>	
<b>MEMBERS FUNDS</b>	16			<u>(150,306)</u>		<u>488,726</u>	

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 13 December 2010.

**J Allen**  
 Director

The notes on pages 11 to 24 form part of these financial statements.

**THE BRITISH AMATEUR GYMNASTICS ASSOCIATION**  
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**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2010**

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	Note	2010 £	2009 £
Net cash flow from operating activities	17	(651,668)	34,477
Returns on investments and servicing of finance	18	29,713	87,651
Taxation		(11,119)	(53,013)
Capital expenditure and financial investment	18	(199,194)	(191,306)
<b>DECREASE IN CASH IN THE YEAR</b>		<u>(832,268)</u>	<u>(122,191)</u>

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**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT**  
**FOR THE YEAR ENDED 31 MARCH 2010**

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	2010 £	2009 £
Decrease in cash in the year	<u>(832,268)</u>	<u>(122,191)</u>
<b>MOVEMENT IN NET DEBT IN THE YEAR</b>	<u>(832,268)</u>	<u>(122,191)</u>
Net funds at 1 April 2009	<u>4,376,077</u>	<u>4,498,268</u>
<b>NET FUNDS AT 31 MARCH 2010</b>	<u>3,543,809</u>	<u>4,376,077</u>

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The notes on pages 11 to 24 form part of these financial statements.

**THE BRITISH AMATEUR GYMNASTICS ASSOCIATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2010**

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**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

**1.2 Basis of consolidation**

The financial statements consolidate the accounts of The British Amateur Gymnastics Association and all its subsidiary undertakings ('subsidiaries').

**1.3 Income**

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts.

**1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & machinery	-	over 5 to 10 years
Fixtures & fittings	-	over 5 to 10 years
Computer equipment	-	over 2 to 4 years

**1.5 Investments**

Investments in subsidiaries are valued at cost less provision for impairment.

**1.6 Operating leases**

Rentals under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

**1.7 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**1.8 Government grants**

Government grants relating to tangible fixed assets are treated as deferred income and released to the Income and Expenditure account over the expected useful lives of the assets concerned. Other grants are credited to the Income and Expenditure account as the related expenditure is incurred.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2010**

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**1. ACCOUNTING POLICIES (continued)**

**1.9 Pensions**

The company operates two defined benefits pension schemes for certain employees. The assets are held separately from those of the Association and are independently administered.

Where assets are separately identifiable from liabilities the scheme assets are measured at fair value. The scheme liabilities are measured on an actuarial basis. Actuarial gains and losses arising from any new valuations and from updating the latest actuarial valuation to reflect conditions at the balance sheet date are recognised in the statement of total recognised gains and losses. Operating costs are recognised in the accounting period in which they are earned by employees. Finance costs and any other changes in the value of assets and liabilities are recognised in the accounting period in which they arise.

Where assets are not separately identifiable from liabilities they are treated as a defined contribution scheme under FRS 17.

The company also contributes up to a maximum of 5% of salaries to personal pension plans of individuals excluded from the defined benefit schemes.

**1.10 Future Events**

Income and expenditure which relate to future events are carried forward and released during the year in which the event takes place.

**1.11 Going Concern**

At 31 March 2010 The British Amateur Gymnastics Association has a consolidated net liability position of £186,951 due to the increase in the defined benefit pension obligation. However the Directors are of the opinion that the group has sufficient funds to repay the pension obligation payments when they fall due which is reflected by the net current asset position of £1,339,040. It is for this reason that the financial statements have been prepared on the going concern basis.

**2. INCOME**

An analysis of the company's income, all of which arose within the United Kingdom, is shown below:

All income arose within the United Kingdom.

	2010 £	2009 £
Membership	3,596,001	3,540,117
Grants received	4,959,350	4,196,739
Other	2,200,568	2,344,806
Total	<u>10,755,919</u>	<u>10,081,662</u>

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**THE BRITISH AMATEUR GYMNASTICS ASSOCIATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2010**

**3. OPERATING SURPLUS/(DEFICIT)**

The operating surplus/(deficit) is stated after charging:

	2010 £	2009 £
Depreciation of tangible fixed assets:		
- owned by the group	156,784	156,491
Auditors' remuneration	15,000	13,000
Operating lease rentals:		
- other operating leases	134,571	153,904
	<u>134,571</u>	<u>153,904</u>

Auditors fees for the company were £7,500 (2009 - £13,000)

**4. STAFF COSTS**

The average monthly number of persons employed by the group, (including directors) during the year, analysed by category, was as follows:

	2010 No.	2009 No.
Directors	14	14
British Amateur Gymnastics Association	61	61
BG England	49	36
World Class Performance	14	18
	<u>138</u>	<u>129</u>

The aggregate payroll costs of these persons were as follows:

	2010 £	2009 £
British Amateur Gymnastics Association	1,939,484	1,741,089
BG England	1,078,373	873,378
World Class Performance	501,387	689,633
Social security	350,452	334,455
Other Pension costs	73,838	71,809
	<u>3,943,534</u>	<u>3,710,364</u>
Total	<u>3,943,534</u>	<u>3,710,364</u>

**THE BRITISH AMATEUR GYMNASTICS ASSOCIATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2010**

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**5. DIRECTORS' REMUNERATION**

The directors' emoluments for the year are as follows:

	2010 £	2009 £
Directors' remuneration (including benefits in kind)	207,982	197,664
Directors' pension contributions	85,809	22,995
Compensation for loss of office	-	26,000
Total	<u>293,791</u>	<u>246,659</u>

The highest paid Director's emoluments totalled £80,000 (2009: £99,750)

**6. TAXATION**

	2010 £	2009 £
<b>Analysis of tax (credit)/charge in the year</b>		
UK Corporation Tax (credit)/charge on surplus/deficit for the year	(11,302)	28,899
Adjustments in respect of prior periods	51	-
<b>Tax on profit/loss on ordinary activities</b>	<u>(11,251)</u>	<u>28,899</u>

**THE BRITISH AMATEUR GYMNASTICS ASSOCIATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2010**

**6. TAXATION (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2009 - lower than) the standard rate of corporation tax in the UK (21%). The differences are explained below:

	2010 £	2009 £
Surplus/deficit on ordinary activities before tax	279,097	(211,810)
Surplus/deficit on ordinary activities multiplied by standard rate of Corporation Tax in the UK of 21% (2009 - 21%)	64,425	(44,480)
<b>Effects of:</b>		
Income not subject to tax	(66,075)	69,164
Capital allowances for year in excess of depreciation	(524)	(2,184)
(Over)/under provision in prior year	(11,302)	6,508
Rounding	-	(109)
Other timing differences	2,174	-
Adjustments to tax charge in respect of prior periods	51	-
<b>Current tax (credit)/charge for the year</b> (see note above)	<b>(11,251)</b>	<b>28,899</b>

**Factors that may affect future tax charges**

At 31 March 2010 the group had tax losses of approximately £92,153 (2009: £116,289) available for offset against future trading surpluses.

**THE BRITISH AMATEUR GYMNASTICS ASSOCIATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2010**

**7. TANGIBLE FIXED ASSETS**

<b>Group</b>	Furniture, fittings and equipment £	Gymnastic apparatus and equipment £	Total £
<b>Cost</b>			
At 1 April 2009	973,814	28,247	1,002,061
Additions	201,091	-	201,091
Disposals	(114,993)	(28,247)	(143,240)
	<u>1,059,912</u>	<u>-</u>	<u>1,059,912</u>
At 31 March 2010			
<b>Depreciation</b>			
At 1 April 2009	593,586	28,244	621,830
Charge for the year	156,784	-	156,784
On disposals	(113,873)	(28,244)	(142,117)
	<u>636,497</u>	<u>-</u>	<u>636,497</u>
At 31 March 2010			
<b>Net book value</b>			
At 31 March 2010	<u>423,415</u>	<u>-</u>	<u>423,415</u>
At 31 March 2009	<u>380,228</u>	<u>3</u>	<u>380,231</u>
<b>Company</b>			
<b>Cost</b>			
At 1 April 2009			635,446
Additions			167,909
At 31 March 2010			<u>803,355</u>
<b>Depreciation</b>			
At 1 April 2009			377,471
Charge for the year			90,657
At 31 March 2010			<u>468,128</u>
<b>Net book value</b>			
At 31 March 2010			<u>335,227</u>
At 31 March 2009			<u>257,975</u>

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**8. FIXED ASSET INVESTMENTS**

<b>Company</b>	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 April 2009 and 31 March 2010	10,104
	<u><u>10,104</u></u>

**9. STOCKS**

	<u>Group</u>		<u>Company</u>	
	2010 £	2009 £	2010 £	2009 £
Finished goods and goods for resale	129,765	109,136	18,517	3,700
	<u><u>129,765</u></u>	<u><u>109,136</u></u>	<u><u>18,517</u></u>	<u><u>3,700</u></u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

**10. DEBTORS**

	<u>Group</u>		<u>Company</u>	
	2010 £	2009 £	2010 £	2009 £
Trade debtors	539,502	664,599	472,394	564,330
Amounts owed by group undertakings	-	-	1,463,674	346,998
Other debtors	239,370	86,228	234,790	84,976
Advanced expenditure on future events	184,117	73,301	184,117	73,301
Prepayments and accrued income	686,204	241,214	609,274	149,413
	<u><u>1,649,193</u></u>	<u><u>1,065,342</u></u>	<u><u>2,964,249</u></u>	<u><u>1,219,018</u></u>

**11. CASH**

Cash balances include amounts received from Sports Councils which can only be used for the purpose for which the grants were awarded, and have not yet been spent.

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**12. CREDITORS:**  
**Amounts falling due within one year**

	<u>Group</u>		<u>Company</u>	
	2010 £	2009 £	2010 £	2009 £
Bank loans and overdrafts	1,476	-	1,476	-
Trade creditors	593,981	1,021,866	555,465	926,968
Corporation Tax	21	22,391	21	22,391
Social Security and other taxes	126,090	116,694	114,216	107,146
Other creditors	87,263	66,976	13,667	7,728
Accruals and deferred income	3,599,787	3,438,414	3,599,787	3,438,414
	<u>4,408,618</u>	<u>4,666,341</u>	<u>4,284,632</u>	<u>4,502,647</u>

Assets charged to the bank as security include an intercompany guarantee between The British Amateur Gymnastics Association and Gymnastics Enterprises Limited.

**13. CREDITORS:**  
**Amounts falling due after more than one year**

	<u>Group</u>		<u>Company</u>	
	2010 £	2009 £	2010 £	2009 £
Government grants received	299,991	158,744	299,991	158,744
	<u>299,991</u>	<u>158,744</u>	<u>299,991</u>	<u>158,744</u>

**14. COMPANY STATUS**

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

**15. RESERVES**

<b>Group</b>	Income and expenditure account £
At 1 April 2009	489,701
Surplus for the year	290,348
Pension reserve movement	(967,000)
	<u>(186,951)</u>
At 31 March 2010	<u>(186,951)</u>

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**15. RESERVES (continued)**

<b>Company</b>	Income and expenditure account £
At 1 April 2009	488,726
Surplus for the year	327,968
Pension reserve movement	(967,000)
	<hr/>
At 31 March 2010	(150,306)
	<hr/> <hr/>

The closing balance on the Profit and Loss Account includes a £NIL (2009 - £NIL) credit, stated after deferred taxation of £NIL (2009 - £NIL), in respect of pension scheme liabilities of the Group and Company pension scheme.

**16. RECONCILIATION OF MOVEMENT IN MEMBERS' FUNDS**

<b>Group</b>	2010 £	2009 £
Opening members' funds	489,701	885,410
Surplus/(deficit) for the year	290,348	(240,709)
Other recognised gains and losses during the year	(967,000)	(155,000)
	<hr/>	<hr/>
Closing members' funds	(186,951)	489,701
	<hr/> <hr/>	<hr/> <hr/>

<b>Company</b>	2010 £	2009 £
Opening members' funds	488,726	880,328
Surplus/(deficit) for the year	327,968	(236,602)
Other recognised gains and losses during the year	(967,000)	(155,000)
	<hr/>	<hr/>
Closing members' funds	(150,306)	488,726
	<hr/> <hr/>	<hr/> <hr/>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

The surplus/(deficit) for the year dealt with in the accounts of the company was £327,968 (2009 - £(236,602)).

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**17. NET CASH FLOW FROM OPERATING ACTIVITIES**

	2010 £	2009 £
Operating surplus/(deficit)	282,384	(299,461)
Depreciation of tangible fixed assets	156,784	156,491
(Profit)/loss on disposal of tangible fixed assets	(774)	42
Increase in stocks	(20,629)	(7,067)
Increase in debtors	(583,851)	(180,219)
(Decrease)/increase in creditors	(95,582)	496,691
(Decrease)/increase in net pension assets/liabilities	(390,000)	23,000
Defined benefit contribution in excess of charge	-	(155,000)
	<u>                    </u>	<u>                    </u>
<b>Net cash (outflow)/inflow from operating activities</b>	<b><u>                    </u></b>	<b><u>                    </u></b>

**18. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	2010 £	2009 £
<b>Returns on investments and servicing of finance</b>		
Interest received	29,713	121,651
Other interest paid	-	(34,000)
	<u>                    </u>	<u>                    </u>
<b>Net cash inflow from returns on investments and servicing of finance</b>	<b><u>                    </u></b>	<b><u>                    </u></b>
	<u>                    </u>	<u>                    </u>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(201,091)	(191,306)
Sale of tangible fixed assets	1,897	-
	<u>                    </u>	<u>                    </u>
<b>Net cash outflow from capital expenditure</b>	<b><u>                    </u></b>	<b><u>                    </u></b>



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**19. ANALYSIS OF CHANGES IN NET DEBT**

	1 April 2009 £	Cash flow £	Other non-cash changes £	31 March 2010 £
Cash at bank and in hand	4,376,077	(830,792)	-	3,545,285
Bank overdraft	-	(1,476)	-	(1,476)
<b>Net funds</b>	<u>4,376,077</u>	<u>(832,268)</u>	<u>-</u>	<u>3,543,809</u>

**20. PENSION COMMITMENTS**

The group contributes to two defined benefit pension schemes. The assets of the scheme are held separately from those of the Association and are independently administered. The Association contributes up to a maximum of 5% of salaries to personal pension plans of individuals excluded from the defined benefit schemes.

The amounts recognised in the Balance Sheet are as follows:

	2010 £	2009 £
Present value of funded obligations	(3,066,000)	(1,413,000)
Fair value of scheme assets	1,840,000	797,000
<b>Net liability</b>	<u>(1,226,000)</u>	<u>(616,000)</u>

The amounts recognised in profit or loss are as follows:

	2010 £	2009 £
Current service cost	(23,000)	(23,000)
Interest on obligation	(106,000)	(99,000)
Expected return on scheme assets	73,000	65,000
Gains on curtailments and settlements	(61,000)	-
<b>Total</b>	<u>(117,000)</u>	<u>(57,000)</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**20. PENSION COMMITMENTS (continued)**

Changes in the present value of the defined benefit obligation are as follows:

	2010 £	2009 £
Opening defined benefit obligation	1,413,000	1,451,000
Current service cost	23,000	23,000
Interest cost	106,000	99,000
Contributions by scheme participants	8,000	7,000
Actuarial (Losses)/gains	1,225,000	(103,000)
Past service costs	-	18,000
Losses on curtailments	61,000	-
Benefits paid	230,000	(82,000)
	<u>3,066,000</u>	<u>1,413,000</u>

Changes in the fair value of scheme assets are as follows:

	2010 £	2009 £
Opening fair value of scheme assets	797,000	858,000
Expected return	73,000	65,000
Actuarial gains and (losses)	258,000	(258,000)
Contributions by employer	474,000	207,000
Contributions by scheme participants	8,000	7,000
Benefits paid	230,000	(82,000)
	<u>1,840,000</u>	<u>797,000</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2010	2009
Equities	70.00 %	57.00 %
Bonds	10.00 %	10.00 %
Corporate bonds	1.00 %	- %
Alternative assets	14.00 %	25.00 %
Cash	5.00 %	8.00 %

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2010	2009
Discount rate at 31 March	5.50 %	6.90 %
Expected return on scheme assets at 31 March	6.80 %	6.40 %
Future salary increases	5.40 %	4.60 %
Future pension increases	3.90 %	3.10 %

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**20. PENSION COMMITMENTS (continued)**

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2010 £	2009 £
Defined benefit obligation	(3,066,000)	(1,413,000)
Scheme assets	1,840,000	797,000
Deficit	<u>(1,226,000)</u>	<u>(616,000)</u>
Experience adjustments on scheme liabilities	(1,225,000)	103,000
Experience adjustments on scheme assets	<u>258,000</u>	<u>(258,000)</u>

**21. OPERATING LEASE COMMITMENTS**

At 31 March 2010 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2010 £	2009 £	2010 £	2009 £
<b>Group</b>				
<b>Expiry date:</b>				
Within 1 year	-	-	7,379	7,658
Between 2 and 5 years	66,635	87,910	137,515	23,860
After more than 5 years	41,340	40,615	-	-
	<u>41,340</u>	<u>40,615</u>	<u>137,515</u>	<u>23,860</u>

At 31 March 2010 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2010 £	2009 £	2010 £	2009 £
<b>Company</b>				
<b>Expiry date:</b>				
Within 1 year	-	-	7,379	7,658
Between 2 and 5 years	56,449	78,260	137,515	23,860
After more than 5 years	41,340	40,615	-	-
	<u>41,340</u>	<u>40,615</u>	<u>137,515</u>	<u>23,860</u>

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**22. RELATED PARTY TRANSACTIONS**

The company has paid Mr I Fordham, a director, £nil of consultancy fees (2009: £31,250) and expenses of £nil (2009: £2,872). These fees were paid in respect of services provided.

Brian Stocks had a loan as at 31 March 2009 of £11,560. This loan was repaid before he retired on 28 November 2009.

**23. POST BALANCE SHEET EVENT**

The Board has taken a decision to close the defined benefit pension scheme. On 28 November 2009m Brian Stocks retired who was the last remaining member of the scheme. The employer then took a decision on 10 September 2010 not to offer scheme membership to any other employees. At this point an event falling under section 75 of the Pensions Act 1995 was triggered. At this stage the extent of any liability arising from this cessation is unknown.

**24. PRINCIPAL SUBSIDIARIES**

<b>Company name</b>	<b>Country</b>	<b>Percentage Shareholding</b>	<b>Description</b>
Gymnastics Enterprises Limited	England	100	Marketing and commercial activities associated with the Association
Gymnastics Performance and Potential Limited	England	100	Non - trading
Gymnaestrada Limited	England	100	Non - trading

**25. GRANTS FROM FUNDING ORGANISATIONS**

In addition to the Grant Aid received against submission of the Forward Plan, grants have also been received from the funding organisations towards the cost of representation on International Committees and the appointment of specialist staff.

**26. OTHER FINANCE INCOME**

	2010 £	2009 £
Expected return on pension scheme assets	73,000	65,000
Interest on pension scheme liabilities	(106,000)	(99,000)
	<u>(33,000)</u>	<u>(34,000)</u>



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