



MUSSELBURGH TENNIS CLUB (SCIO)
Annual Report and Financial Statements
For The Year Ended 28 February 2019

Scottish Charity No. SC045399

MUSSELBURGH TENNIS CLUB

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 28 FEBRUARY 2019

The trustees have pleasure in presenting their report together with the financial statements and the independent examiner's report for the year ended 28 February 2019

REFERENCE & ADMINISTRATIVE INFORMATION

Charity Name

Musselburgh Tennis Club

Charity Number

SC045399

Address

c/o Stella Smith, 10 Wedderburn Court, Inveresk, Musselburgh EH21 7TU

Current Trustees

Sean Elliot	Chair	(Re-appointed 27/03/19)
Stella Smith	Treasurer	(Re-appointed 27/03/19)
Rosemary Gray	Secretary	(Appointed 27/03/19)
Kevin Duffy		(Appointed 27/03/19)
Louise Kirkpatrick		(Appointed 27/03/19)
Colin Chisholm		(Appointed 21/03/18, resigned 24/06/19)
Tim Price		(Appointed 23/03/17, resigned 27/03/19)
Ian Hunt		(Appointed 23/03/17, resigned 27/03/19)
Joy Young		(Appointed 21/03/18, resigned 27/03/19)

STRUCTURE GOVERNANCE & MANAGEMENT

Constitution

Musselburgh Tennis Club (MTC) has been in existence since 1925. It was previously an unincorporated association, but changed its legal form to a Scottish Charitable Incorporated Organisation (SCIO) on 5 February 2015. It is governed by its constitution which was amended on 10 October 2014 to reflect its change of status; and updated by a Special Resolution at the AGM on 21 March 2018.

Appointment of Trustees

Charity trustees are elected to the Board of Trustees at the Annual General Meeting which is held in March. There must be a minimum of three and a maximum of seven charity trustees. Each charity trustee must retire from the Board of Trustees after two years, but may then seek re-election. At the AGM on 27 March 2019, we had two Trustees re-appointed - Sean Elliot and Stella Smith; three Trustees stand down - Tim Price, Ian Hunt and Joy Young; and three new Trustees were elected to the Board - Rosemary Gray, Kevin Duffy and Louise Kirkpatrick. Colin Chisholm resigned from the Board on 24 June 2019 due to a move in location.

Management

The charity trustees are responsible for the strategic direction and governance of MTC, and board meetings are held at least quarterly. In accordance with the amended constitution, specific SubGroups were set up after the period end. Some operating matters can be discussed and delegated to these SubGroups, which must contain at least one charity trustee. SubGroups report to the Board of Trustees. All MTC members are eligible to be members of the SubGroups.

OBJECTIVES & ACTIVITIES

Charitable Purpose

The charitable purpose of MTC is the advancement of public participation in sport. Specifically, to promote

and encourage public participation in the game of tennis in Musselburgh and the surrounding area; and to provide a safe and secure environment in which the public may play tennis.

Activities

MTC's activities are based at the tennis courts and pavilion within Lewisvale Park, Musselburgh. These are the property of East Lothian Council (ELC) with MTC having an agreement in place with ELC, under the terms of a Service Level Agreement (SLA), for their use. The SLA sets out the expected respective responsibilities for the usage and maintenance of the courts.

In recent years, MTC worked alongside ELC to plan and raise funds for the development of the courts, which culminated in the newly developed courts being opened in April 2015. The redevelopment saw the court surfaces being upgraded to a high quality, all-weather, synthetic clay and the number of courts being increased from three to four. New fencing was erected all around the courts' perimeter, with the additional court being fully enclosed with the installation of a practice wall at one end. Floodlights were also erected for all four courts.

This is the fourth financial year since the improved facilities were opened, and they have enabled MTC to provide all year tennis to members, no longer curtailed by weather or light. MTC is able to offer all year membership, and additional court availability to members, with public access now being managed by MTC. MTC has sought to continue to increase our membership numbers and the coaching programme available to adults, juniors and minis, both to members and non-members, and to facilitate use by local schools.

Achievements & Performance

Introduction

The 2018-19 season has been another successful year for the Club as we continue to develop. We introduced the Subgroups initiative last year in order to help spread the workload for various Club functions, activities and tasks. Every Club has a purpose and, taking on board what has been instigated by others before, we see this as "to encourage people of all ages and abilities from Musselburgh and its surrounding communities to develop a lifelong passion for tennis". There is a general belief amongst our core membership that "MTC can provide the best tennis facilities, coaching programmes and club culture in (at least) East Lothian".

To achieve this we do need to maintain and grow our membership, as the lifeblood of the Club is membership and coaching programme fees.

We need to maintain focus on

- Maintaining a pipeline of new juniors entering our coaching programme
- Providing social tennis opportunities for members
- Maintaining the success of women's, men's and mixed teams in leagues
- Building our junior programme & junior teams, providing them with competitive league and match opportunities
- Providing our members with club competition and social events, on and off the courts

We aim to achieve this with the help of our Subgroup structure, populated with enthusiastic people, willing to sacrifice some of their valuable time. Due to these efforts and commitment over the past year, we've had some great successes and firsts for the Club. Events like our Race Night, for example, took a lot of time and effort to plan, organise and deliver. We will continue to encourage our membership to become involved in helping us to build on the successes of the 2018-19 season.

Membership

The Full Year Membership runs from 1 April to 31 March, with the more recently introduced half price Winter Membership running from 1 October to 31 March. This enables us to attract winter members, mainly from other clubs in the surrounding areas where play is curtailed over winter. Membership rates remained the same as the previous year.

There has been a general industry wide pattern of decrease in tennis participation rates, and at MTC we have experienced a decrease in membership numbers this year, from a total of 177 (104 adults, 73 juniors) in 2017/18 to a total of 145 (90 adults, 55 juniors) in 2018/19. The main reason behind our decrease appears to be due to a loss of a couple of family memberships due to families moving away. The net movement in family membership was 18 fewer members. There was also a reduction in Winter Membership from 32 in 2017/18 to 22 this year. The introduction of the new, easier public access method - making tennis more accessible to all - may have also created the situation where previously potential members have elected to simply "Pay & Play" instead.

We will keep our full year membership fees at the same level for 2019/20 and increase efforts to attract new members.

Coaching

This has been MTC's third year with Head Coach, Kevin Duffy, in place along with Assistant Coach, Amelia Black, and it has proven to be another largely successful one, building on from the strong foundations already laid down. There has been a marked improvement and development of both our junior and adult players, most notably evidenced in league successes, for which the quality of the coaching programme has played a significant part.

Thirteen blocks of coaching (each block averaging a 4 week period) were completed during the period, with several one-off classes being added around the summer holiday period. These coaching blocks incorporated Juniors (averaging 21-35 kids on a Saturday morning), Adults Improvers/Intermediates, Adults Advanced and a Doubles Matchplay class (averaging 11-19 adult attendees per week). The total number of junior attendance over the year was 1000 (compared to 1365 last year) and adult attendance was 634 (up from 581 last year). It is noted that the junior attendance fell in the winter months this year, from October through February; whereas the adult class numbers were not weather affected. The junior classes coaching ratios were restructured in relation to attendance numbers to ensure that the programme was not incurring a continual loss.

MTC will work to attract more young players going forward, with a plan for Amelia Black to go in to local primary schools to deliver taster sessions, via the Active Schools Programme. Due to the fact that current attendees are progressing well through the colours (red, to orange, to green, to yellow ball), there is an aim to attract new, red ball players in particular, red ball being the youngest cohort.

MTC has coaching links with Musselburgh Grammar School and its School of Tennis programme. It is also the host club for the East Lothian Junior Development Squad, with our head coach, Kevin Duffy, being the lead coach.

Coaching classes are available to both members and non-members, with a discounted rate being applied to members. Free coaching sessions were also run by volunteers and offered to ladies on a Sunday morning and juniors on a Sunday afternoon. Specific pre-season match practice coached sessions were also introduced for the teams, both men's and ladies.

We had 3 members (2 of whom are juniors) undertake their Level 1 coaching qualification, and it is hoped that that we will be able to add them to the club programme going forward.

In total, this year's programme saw income from coaching of £12,390, compared to £13,239 last year. This 6% decrease is in line with the fall in juniors numbers over the winter. This would also have contributed towards the £428 overall loss in the programme, the extent of which was mitigated by the coaching ratio restructuring on a Saturday morning.

Teams

The year was another very successful year for our teams. In the East of Scotland League, the Ladies' Team and both the Men's 1st and 2nd Teams were promoted from their respective divisions. The Ladies' Team finished second in division 6, thus achieving promotion to division 5 next year; the Men's 1st Team won division 7, securing promotion to division 6; the Men's 2nd Team finished third in division 9, and this was enough to gain promotion to division 8 next year.

The Men's Vets 1st Team were also promoted again after a successful campaign this year, winning division 2, therefore placing themselves in division 1 for next year. The Men's Vets also entered a 2nd team in division 4 this year. The Ladies Vets Team just lost out on promotion, finishing a close third in division 3.

This year we entered a mixed team in to the East of Scotland Winter Cup League for the first time. It was a very successful first outing, with our team finishing top of their group, thus earning a place in the final against Kirkcaldy. It was a win for Kirkcaldy, but a very encouraging debut campaign for Musselburgh.

We were also able to field three mixed teams again in the local East Lothian League, the first team just losing out to Dunbar 1, finishing second in division 1.

It has been very encouraging to have so many players keen to represent the Club's various teams over the season. We will definitely be in a position to enter a 2nd Ladies Team in to the East of Scotland Leagues next year.

Juniors - this year Dalkeith and Musselburgh joined forces to enter combined teams in to the East of Scotland Leagues. The 12 & Under team won three of their four matches and were only beaten into second place on set

percentage. The 16 & Under team were hampered by call-offs by opposing teams and only had three matches, winning one. Unfortunately the 14 & Under team had to withdraw due to lack of players.

In addition, friendly matches were arranged against Hatton and Joppa. The second Hatton match featured 17 players in all from the two teams, which was a great turn-out at the end of a season. In all, 12 different players played in the East of Scotland league matches, with a further two featuring in the friendlies.

We have continued with the team practices throughout the year to try to retain interest and improve the standard. For the coming season, we have also teamed up with Joppa and entered three teams again.

Events & Fundraising

The Events & Fundraising team was one of the newly formed subgroups of Spring 2018 and, thanks to an enthusiastic and committed team of members, there was a varied and successful programme of events through the year. It started with a Great British Tennis Weekend in May, first with a Ladies Day on the Saturday followed by a general Open Day on the Sunday. In July, the Club once again co-hosted the East Lothian Open and the events team provided refreshments throughout the week. Wednesday of that week also saw the Lewisvale Fair, and a tennis tea was prepared within the park including Strawberries & Cream, whilst taster tennis sessions were provided for those attending the fair. Overall it was a highly successful and busy week at MTC.

The annual Club Championship Finals Day and a second Open Day were held in September, where teas and catering were provided to entrants and visitors. The Club's first Race Night was held in November. As the biggest fundraiser of the year, this was a highly successful event, attracting many members and friends to a fun evening. The now traditional Ladies Team Christmas lunch also took place in December.

Going forward, we aim to continue to hold key fundraising events, with a Quiz Night already planned for March. We would also like to establish some more regular, bi-monthly social evenings open to all members.

Public Access

This year was the first season that public access has been facilitated by members of the public being able to book and pay online through the use of the SmartGate technology implemented in the early part of 2018, with the system going live in May. Previously the public Pay & Play access had been managed by Enjoy Leisure with a different system to MTC's online booking system. Now that everything has been intergrated within the one system, via our website, the process is both easier to manage and easier for the public to book, with the risk of potential double-bookings being completely eliminated. The revenue generated from public bookings is shown separately in the accounts, and goes directly towards our annual sink fund obligations.

In addition to members of the public booking and paying online, member access migrated from fob-based access to booking online through the website too and this has proved to be a much better system for controlling court access.

Going forward, we are exploring whether there is a way that the Smartgate system can be linked to the floodlights so that floodlighting can be booked and paid for online at the same time as booking a court. This would make the provision and payment of floodlighting much more efficient, eliminating the need for both members and non-members to buy physical tokens from assigned trustees to be able to operate the floodlights.

Court Maintenance

Our artificial clay courts require regular, appropriate maintenance to keep them at their optimum playing condition. ELC are responsible for delivering court maintenance, for which which they originally contracted Ecosse Sports, the court installation company, to do in the first year. Thereafter, for two years, ELC included court maintenance within their overall outsourced contract for all the district's sports surface. MTC felt that the the firm involved was not delivering the correct level of maintenance to the courts. After we brought forward our concerns to ELC last year, an agreement was reached that MTC would engage Ecosse Sports to provide maintenance, and ELC will then reimburse MTC for the payments made to Ecosse Sports. This was implemented during this financial year, and the costs of this and the reimbursements have been accounted for appropriately.

Proposed New Pavilion

The state of the current pavilion remains what we consider to be the most significant limiting factor in the continued growth and development of our Club. It is dilapidated and no longer fit-for-purpose, and is particularly disadvantageous in the provision of the coaching programme for juniors over the winter months. With no warm, useful space to take shelter and provide technical, off-court coaching, or for families to wait or spectate, the bad weather becomes a negative factor, as can be seen in the decrease in our junior numbers over the last winter.

There would also be significant benefits to the community and social aspects of our Club with having better quality facilities and space to hold events.

Although we are not as advanced in delivering this project as we'd like to have been, we are making progress. The Musselburgh Common Good Fund has approved our application for funding, for an amount of £40,000 (50% of what we applied for). Providing this amount is ratified by East Lothian Council, it will mean that our funding for the project would shortly be in the region of £75,000. We still have a long way to go to reach our budget target of £180,000 but getting this significant, initial grant funding should hopefully make other funding applications a bit easier. We are in the process of pursuing other grant funding for the project.

Our planning permission from 2015 expired in October 2018, so we have recently submitted a new planning application based on a revised, scaled back building plan. We have obtained a detailed groundworks and build estimate from a local construction firm who, as a local firm, are keen to work on a community project and are prepared to do so on an 'open book' basis.

We will continue to pursue this as a top priority in the forthcoming year, as we consider the state of the current pavilion to be a significant limiting factor in the further growth and development of our Club, and the provision of the sport of tennis in Musselburgh and the wider community.

FINANCIAL REVIEW

The main sources of income for MTC are membership fees and coaching income. This year membership fees totalled £9,475 compared to £11,803 last year, a 20% decrease. This is in line with the 18% overall decrease in number of members experienced this year, as explained above, as membership fee rates remained unchanged this year.

Coaching income decreased slightly by 6% from £13,239 to £12,390. This decrease can be explained by the decrease in numbers attending junior coaching classes over the winter months. Overall, there was a consequent £428 loss made in the coaching programme, but the extent of the loss was managed and mitigated by restructuring the coaching ratios at the Saturday morning juniors classes.

Receipts of other charitable activities were introduced this year, most significantly the reimbursement of £5,220 by East Lothian Council for maintenance payments made by MTC directly to Ecosse Sports. This is due to the differing contractual agreement for court maintenance this year, as explained above, whereby MTC engaged with and paid the contractor directly. This expense of £5,220 is accounted for in the Cost of Charitable Activities.

This was the first year that both of the annual Sink Fund payments due for court refurbishment became payable to ELC. Last year, one instalment of £4,000 was made; this year two instalments were due and paid, that of £3,200 and £4,000. The annual court usage fee of £400 was also paid to ELC; last year a payment of £800 was made to cover that and the previous year.

Reserves Policy

MTC require to have a sufficient level of reserves to enable it to meet its future financial commitments. The most significant of these is the court refurbishment Sink Fund which has been set up to financially plan for the cost of replacing the new court surfaces when required, the estimated life of the surface being around 12 years. This fund is held by ELC and, under the terms of the SLA between ELC and MTC, an annual amount of £7,200 is due by MTC, the first instalment having been paid in October 2017. The amount of this liability will be reviewed every three years. Other regular liabilities to ELC include the annual court usage fee of £400, and a proportion of the utility cost of floodlighting, both of which are also due under the terms of the SLA. The charity trustees aim to maintain reserves at a level which represents at least two years' worth of liabilities due to ELC, which has been met in this year.

The charity trustees agreed to allocate a further £5,000 of accumulated unrestricted funds to the designated fund for the proposed new pavilion, making a total of £15,000 of funds earmarked for this project.

PLANS FOR FUTURE PERIODS

The charity trustees will seek to increase membership numbers and general participation rates, particularly that of juniors and women. We will support the provision of taster tennis sessions for children in local schools, community groups and at Open Days. We will team up with neighbouring clubs to enable our junior players to experience more competitive match play. We will enter a second ladies' team in the East of Scotland League. We propose to keep membership fees at the same rate for the year ahead to help encourage uptake.

We will continue to develop our successful coaching programme, expanding it by adding a beginners class to the schedule and continuing to provide appropriate coaching support to help maintain our teams' league successes.

We wish to further develop our Club community identity by providing additional social opportunities. We plan to add another weekly social tennis session to our schedule and, as well as run events for fundraising purposes, hold regular social events, both in the form of fun tournaments and social gatherings.

The proposed new pavilion project will continue to be a top priority for the year ahead. The focus will be on building on the momentum of the Common Good Fund grant approval and actively seeking further sources of funding. We will also continue, through our Events & Fundraising Subgroup, to run internal fundraising events.

We will also explore the option of linking up the floodlighting to the Smartgate access system, so that floodlights can be booked and paid for online at the same time as booking a court.

Approved by the charity trustees on 15 November 2019 and signed on their behalf by:



Stella Smith
Treasurer

MUSSELBURGH TENNIS CLUB

**Statement of Receipts and Payments
For the Year to 28 February 2019**

Receipts	Note	Year to 28 February 2019			Year to 28 February 2018		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		Funds	Funds		Funds	Funds	
		£	£	£	£	£	£
Donations							
Membership Fees		9,475	-	9,475	11,803	-	11,803
Guest Fees	3	375	-	375	421	-	421
Public Access	4	770	-	770	-	-	-
Grants		-	-	-	-	108	108
Receipts from Fundraising Activities		1,587	-	1,587	451	-	451
Gross Trading Receipts							
Coaching income		12,390	-	12,390	13,239	-	13,239
Floodlight tokens		40	-	40	315	-	315
Other		136	-	136	495	-	495
Receipts from Other Charitable Activities							
Court Maintenance reimbursement	5	-	5,220	5,220	-	-	-
Equipment Purchase reimbursement	6	-	212	212	-	-	-
Total Receipts		24,773	5,432	30,205	26,724	108	26,832
Payments							
Cost of Fundraising		783	-	783	112	-	112
Cost of Charitable Activities	7	10,509	5,432	15,941	7,393	-	7,393
Cost of Trading							
Coaching fees		12,818	-	12,818	13,228	-	13,228
Coaching equipment		66	-	66	16	-	16
Coaching development		-	-	-	21	108	129
Other		283	-	283	527	-	527
Total Payments		24,459	5,432	29,891	21,297	108	21,405
Surplus for the period		314	-	314	5,427	-	5,427

The Notes on pages 10-11 form an integral part of these accounts

MUSSELBURGH TENNIS CLUB

Statement of Balances As at 28 February 2019

Funds Reconciliation	Note	Unrestricted Funds	Restricted Funds	2019 Total	2018 Total
		£	£	£	£
Cash at Bank & In Hand - 28/02/18		37,483	-	37,483	32,056
Surplus for the period		314	-	314	5,427
Cash at Bank & In Hand - 28/02/19		<u>37,797</u>	<u>-</u>	<u>37,797</u>	<u>37,483</u>
Bank & Cash Balances					
Bank Deposit Account				37,797	37,483
Cash in Hand				<u>-</u>	<u>-</u>
				<u>37,797</u>	<u>37,483</u>
Other Assets - unrestricted funds					
Coaching equipment (estimated value)				<u>2,000</u>	<u>2,000</u>
				<u>2,000</u>	<u>2,000</u>

The Notes on pages 10-11 form an intergral part of these accounts

Approved by the charity trustees on 15 November 2019 and signed on their behalf by:



Stella Smith
Treasurer

MUSSELBURGH TENNIS CLUB

Notes to the Accounts

For the Year to 28 February 2019

1 Basis of Accounting

These accounts have been prepared on the Receipts and Payments basis in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

2 Nature and Purpose of Funds

Unrestricted funds are those that may be used at the discretion of the trustees in furtherance of the objects of the charity. In the financial year 2016/17, an amount of £5,000 of fundraising was identified as being allocated towards the proposed new pavilion project and was thus treated as a designated fund. The charity trustees agreed to add a further £5,000 of funds to the pavilion project in the financial year 2017/18, taking the total designated fund total to £10,000. In this financial year the charity trustees agreed to allocate a further £5,000 to the designated fund total to £15,000. The trustees maintain the remaining unrestricted funds for the day-to-day running of the Club.

Restricted funds may only be used for specific purposes. Restrictions arise when specified by the donor or when funds are raised for specific purposes.

- 3 Guest Fees are paid to MTC in the instances where members bring along non-members to play at the courts or where prospective members attend social club tennis sessions prior to deciding whether to join.
- 4 Public Access Fees are those which are paid by members of the public to hire a court. They can do this without being a member of MTC. Public Access Fees were previously managed and received by Enjoy Leisure at Musselburgh Sports Centre. In this financial period, public access fees came under the management of MTC and are accounted for separately.
- 5 East Lothian Council are responsible for Court Maintenance and, in previous years, were fully responsible for contracting and paying the provider. However, in this financial year, there is an agreement for MTC to engage directly with the contractor. MTC became responsible for paying the contractor's invoices in the first instance, and then seeking resimbursement from ELC.
- 6 Equipment purchased by MTC in this financial year included a gazebo and urn, for a total of £212. This cost was covered by the East Lothian Open organisers in recognition of MTC's role as co-host of the event, and the need for the use of these items at the event

7 Cost of Charitable Activities

	Unrestricted Funds	Restricted Funds	2019 Total	2018 Total
	£	£	£	£
Sink Fund Instalment	7,200	-	7,200	4,000
Court Maintenance	-	5,220	5,220	-
Court Usage Fee	400	-	400	800
Gate Access System Fee	811	-	811	786
Tennis Balls	708	-	708	406
Tennis Scotland Affiliation	520	-	520	520
League Fees & Affiliation	498	-	498	410
Key Cutting/Fobs	55	-	55	214
Purchase of Equipment	105	212	317	-
Admin/Misc	212	-	212	257
	<u>10,509</u>	<u>5,432</u>	<u>15,941</u>	<u>7,393</u>

8 Trustee Remuneration

No remuneration was paid to any charity trustees or to anyone connected to them.

9 Trustee Expenses

No expenses were paid to any charity trustees.

Independent Examiner's Report to the Trustees of Musselburgh Tennis Club

I report on the accounts of Musselburgh Tennis Club (Charity No. SC045399) for the year ended 28 February 2019 which are set out on pages 8 to 11 of the Annual Report.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity trustees consider that the audit requirement of Regulation 10(1) (d) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Accounts Regulations

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed: 

Date: 18 November 2019

Name: Moira J Easson

Relevant Professional qualification/professional body: Chartered Accountant (ICAS)

Address: 33 Belford Gardens, Edinburgh, EH4 3EP