



Fourth Court, Gym and Multi-purpose Function Room

Members Update No.10 – 19th July 2019

To All CALSA Members and parents of Junior Members,

Costs

We have finally agreed with HMRC the VAT treatment for both the expenditure on the Extension Project and income from the gym once it is up and running. Based on existing budgets it means we will have VAT expenditure of £30k, which we will not be able to recover.

The extra costs are within plan, albeit it may require the use of the contingency allocation.

Building Work

The tender requirements document is presently being finalised and will be sent out to the five identified potential contractors by the end of July. That means we will have the tenders back from contractors during the latter part of August.

The specialist work by drainage people and structural engineer has revealed no unexpected problems, so indications at this stage are that the budget figures are reliable.

The plan at present is to place the contract with the chosen contractor in the first few days of September. It is still possible for the work to therefore start in October.

Raising the Funds

On the fund raising side all matters are on plan. £100k investor has money waiting. Promissory note figure is just over £100k. Seed Enterprise Investment Scheme (SEIS application) for preapproval has gone off to HMRC.

If you haven't already indicated an interest in helping fund the extension, and you wish to do so, then please contact me. The options are:

1. Promissory Notes - This is in effect an unsecured loan to CALSA, which will pay 3% gross interest on an annual basis, with a selection of terms from 4 to 6 years. All details will be private & confidential and known only to myself as Treasurer and an independent auditor.
2. Sponsor "a brick" - We are planning on having a commemorative wall with some acknowledgement to people who have donated funds to the project. Location and details are yet to be agreed but if you think you may be willing to donate say £100 please let me know. This will be eligible for gift aid tax support. I've had a meeting with the designer who did the mural on the wall near the fire exit and he has come up with a modern design.
3. Seed Enterprise Investment Scheme (SEIS) - This is a more risky investment suitable only for those individuals who have more sophisticated approach to investment. A tax incentive is provided by HMRC and this will be set up using the gym as a new company.

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