

# Club Capital Recovery Fund Frequently Asked Questions

## Funding questions

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### Can we apply for less than £10,000 or more than £50,000?

Most awards will be made within this range. Awards above £50,000 may be considered in exceptional circumstances. For awards under £10,000 there may be better ways to fund your requirements such as small grants, crowd funding or donations. We'd suggest contacting the British Gymnastics Facilities Team via email [participation@british-gymnastics.org](mailto:participation@british-gymnastics.org) for support.

### What can I use the investment for?

The purpose of this funding is to support the recovery of gymnastics clubs through the current crisis. The majority of essential business operational costs will be eligible for use of the funding. Please see common examples of eligible and ineligible costs below – these lists are not exhaustive:

- Eligible - essential operational costs, such as:
  - Rent
  - Business rates
  - Staff/employee wages and salaries
  - Insurance
  - Utilities
  - Cleaning
  - Costs which are linked to the club's recovery plan, such as staff training to help reconfigure the programme or offer new activities
  - Essential capital costs, such as purchases required to support reconfiguration to enable more people to attend in a Covid safe environment
  - Normal repayment of non-connected party lending (e.g. bank loan)
  - Normal repayment of connected party lending (e.g. director loan) where it is backed by commercial lending (such as a mortgage).
- Ineligible:
  - Non-essential operational costs, such as staff training
  - Purchase of fixed assets (facility improvements, equipment, etc)
  - Costs incurred outside of the ordinary course of business
  - Accelerated repayment of non-connected party or connected party lending
  - Repayment of connected party lending if not backed by commercial lending

## Do I have to have match funding?

No, there is no requirement for the club to have match funding, however the assessment team will be keen to understand what other sources of funding have been obtained and/or explored to support the club during the pandemic (e.g. Bounceback loan, crowdfunding etc.)

## Can we get grant funding from Club Capital Recovery Fund?

No, Club Capital Recovery Fund only provides loan finance. Please see “other questions” below for further information on the loan product and terms.

# Eligibility criteria

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Please refer to the main Club Capital FAQs, available at <https://clubcapital.co.uk/faqs/> for the following questions:

- My club is based outside of England, can we apply?
- I'm not sure if my organisation is incorporated – can you provide any more guidance?
- I'm not sure what organisation types are eligible – can you provide any more guidance?
- Why do I need to be a member of British Gymnastics?
- Why must the club have a recreational gymnastics programme to be eligible?
- Why must we use the British Gymnastics award scheme?
- Can I apply if the Club is currently being investigated for Integrity or Safeguarding issues?
- What are the requirements for UK Subsidy and State Aid control?

## Why do we need potential for additional growth and/or social impact?

Club Capital is part funded from a variety of public and private sources. The aim of Club Capital is to support the development of new and improved gymnastics facilities. Once your club recovers past the current challenges, we would anticipate you to grow and/or deliver more social impact in line with normal Club Capital principles.

## Why must our club be in a Dedicated Facility to be eligible?

Due to the funding being repayable, we require the club to have a dedicated facility with security of tenure for the term of the loan.

## What do you mean by financially sustainable before the coronavirus pandemic?

As a responsible investor we will only invest into clubs that can afford a loan. When assessing if the club was financially sustainable before the coronavirus pandemic, we will review the clubs statutory accounts and look to see that the club had made an operating profit for the 2 years preceding the pandemic. If the club are unable to demonstrate this, we will require the club to provide a reasonable explanation as to why this was not achieved.

## What do you mean by at risk of not being financially sustainable over the coming months without a Recovery Fund award?

The Recovery Fund is aimed at helping clubs recover to financial sustainability over the next year. Clubs which appear to be financially sustainable without an award from the Recovery Fund will therefore not be eligible for funding.

## What do you mean by “Recovery Plan”?

When applying to the fund we will request that the club completes a financial template to indicate the forecast cash flow for next 12 months, accompanied by commentary on the key measures in place to indicate how the club is able to return to sustainable operations over the next year with help from the Recovery Fund.

# Application process

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## I need support with my Application, Recovery Plan or Financial Forecast, can I still apply?

Yes. If you require support, please contact us on [enquires@clubcapital.co.uk](mailto:enquires@clubcapital.co.uk), with the email heading “[Club Name] - Club Capital Recovery Fund – Support Required” and include a brief summary of the support which you require. Someone will be in touch to confirm what support might be available.

## How long will the application process take?

The application process will vary depending upon a number of factors, however we anticipate the time from full application to decision will be between 4 to 6 weeks. We will aim to respond within five working days to your full application, and will aim to schedule a call and follow up questions within 10 days. These questions will be straightforward and will mostly rely on information you should already have. If you have any concerns (for example due to illness or annual leave) please let us know and we will work with you to complete the information requested as quickly as possible.

## Other questions

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Please refer to the main Club Capital FAQs, available at <https://clubcapital.co.uk/faqs/> for the following questions:

- Are there any requirements about how many Board/Committee members we have?
- Are there any other reporting requirements if I am successful in getting investment?
- Are there any other requirements before I can draw down the money if I am successful in getting investment?
- Why must we submit Know Your Customer Consent forms for our Directors and Ultimate Beneficial Owners?
- Can we prepay the loan in the future?

### How much will the loan cost and what are the repayment terms?

The loan is repayable and attracts interest. For most investments this will be 0% interest in year 1 and 4% per annum thereafter. There is no arrangement fee.

The standard repayment terms will be a capital repayment holiday in year 1, with capital repaid in the following 5 years.

## Complaints Procedure

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Please refer to the main Club Capital FAQs, available at <https://clubcapital.co.uk/faqs/> for the following questions:

- What is the procedure if I have a complaint?
- What if I remain dissatisfied?