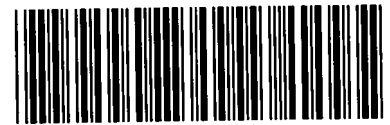


**CREWKERNE LEISURE MANAGEMENT LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**FINANCIAL STATEMENTS**  
**31 MARCH 2020**

SATURDAY



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COMPANIES HOUSE

**CHALMERS & CO (SW) LIMITED**  
Chartered accountants & statutory auditor  
Trading as Chalmers & Co.  
6 The Linen Yard  
South Street  
Crewkerne  
Somerset  
TA18 8AB

**CREWKERNE LEISURE MANAGEMENT LIMITED  
COMPANY LIMITED BY GUARANTEE  
FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2020**

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**CREWKERNE LEISURE MANAGEMENT LIMITED  
COMPANY LIMITED BY GUARANTEE**

**LEGAL AND ADMINISTRATIVE DETAILS**

<b>Charity number</b>	1062281
<b>Company registration number</b>	3344871
<b>The board of management and trustees</b>	A Singleton C Saxby S Jackson M Best A Cooper S Briggs A Farrington D Pittard
<b>Company secretary</b>	S Frackiewicz
<b>Registered office</b>	Henhayes South Street Crewkerne Somerset TA18 7LZ
<b>Auditor</b>	Chalmers & Co (SW) Limited Chartered Accountants & Statutory Auditor Trading as Chalmers & Co. 6 The Linen Yard South Street Crewkerne Somerset TA18 8AB
<b>Bankers</b>	Lloyds Bank PLC 37 Market Square CREWKERNE Somerset
<b>Solicitors</b>	BPL Solicitors Ltd 1st Floor Mansion House Princes Street Yeovil Somerset BA20 1EP

# **CREWKERNE LEISURE MANAGEMENT LIMITED COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES' ANNUAL REPORT**

**YEAR ENDED 31 MARCH 2020**

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements of the charity for the year ended 31 March 2020.

### **REFERENCE AND ADMINISTRATIVE DETAILS**

Reference and administrative details are shown on page 1 of the financial statements. The company trades under the name of Crewkerne Aqua Centre.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The company was formed on 3 April 1997 and is governed by its Memorandum and Articles of Association. Registration as a charity was obtained on 9 May 1997. There are no subsidiary undertakings.

The financial statements have been prepared in accordance with the accounting policies set out in note 3 to the financial statements and comply with the charity's memorandum and articles of association, the Charities Act 2011, the Companies Act 2006 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (Charities SORP (FRS102)).

The trustees who served the charity during the year were as follows:

Claire Saxby  
Angela Singleton  
Mike Best  
Anthony Cooper  
Sandra Jackson  
Steve Briggs  
Anthony Farrington  
David Pittard

In accordance with clause 47 of the Articles of Association, Anthony Cooper and Sandra Jackson are due to retire by rotation and offer themselves for re-election at the AGM.

The following organisations can appoint a representative to the board of management: Crewkerne Town Council and South Somerset District Council. The board of management may also appoint any member of the company as a general member of the board and their appointment is then voted on at the AGM. The minimum and maximum number of trustees (and directors) is 5 and 12 respectively of whom no more than 10 may be general members and no more than 2 may be nominated members. Formal trustee training is provided on an ad-hoc basis as required.

Day to day management tasks are delegated to the centre manager and overseen by the trustees, however all decisions affecting the charity are ultimately decided by the members of the board.

No trustee has or had during the year or at the end of the year any beneficial interest in any material contract with the company, which was or is significant in relation to the company's business.

There is an insurance policy providing liability cover for the trustees and officers of the company. The cost of this policy for the year is £634 (2019 £624). This amount is included with other insurance costs shown on page 20.

# **CREWKERNE LEISURE MANAGEMENT LIMITED COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES' ANNUAL REPORT**

**YEAR ENDED 31 MARCH 2020**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

The company has no issued share capital and is limited by guarantee of its members, each member guarantees £1 on the winding up of the company. Each trustee is a member of the company.

In accordance with the provisions of the Health and Safety at Work Act 1974 the company has issued a written statement of its general policy with regard to health and safety at work of its employees and the organisational arrangements for carrying out that policy. The statement has been brought to the attention of the company's staff.

### **OBJECTIVES AND ACTIVITIES**

The main objective and principal activity of the charity is the management of the Crewkerne Aqua Centre operating from Henhayes, South Street, Crewkerne, Somerset. The Crewkerne Aqua Centre includes a swimming pool, healthy lifestyle centre and fitness studio. There have been no significant changes in the objectives or activities of the charity.

When planning the activities for the year, the trustees have considered the Charity Commission's general guidance on public benefit and, in particular, the specific guidance for charities for the advancement of health and education. The trustees believe the activities carried out in the facilities clearly demonstrate the charity's commitment to providing an identifiable public benefit and that access to this benefit is not restricted in any way.

The trustees have reviewed the company's current trading position and believe that it has sufficient resources and is well placed to manage its business risks successfully. After making enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The trustees have also considered the effects of the Covid-19 pandemic on the company's operations, in particular the loss of revenue from the closure of the entire Centre. Steps have been taken to limit the impact on profitability and cash flow. Furthermore, forecasts have been prepared which factor in these impacts and demonstrate that the company is well placed to continue trading for more than 12 months from the date of approval of these accounts, subject to any unforeseen Covid restrictions set down by the Government. Accordingly, the trustees continue to adopt the going concern basis in preparing the accounts.

The trustees are very grateful and extend their thanks to the volunteers who give freely of their time to assist the running of the Centre. During the year volunteers gave approximately 4,985 hours of time free of charge to the charity. The value of this time is not reflected in the Statement of Financial Activities but goes a long way to ensuring that the charity is able to run the Centre at a surplus and to securing the future of the Centre for the community.

### **ACHIEVEMENTS AND PERFORMANCE**

The Aqua Centre continues to be successful and has remained price competitive in the local leisure provision. The trustees are satisfied that the finances of the charity have remained stable.

### **FUTURE DEVELOPMENTS**

The company remains committed to providing a first-class community leisure and health facilities in Crewkerne for the benefit of the town and district. The company will continue to monitor, assess and seek other opportunities which may present themselves, subject to these being commercially viable and in the interests of the community. From its opening in 1997 the company continues in its program of refurbishments and renewals at the Centre.

# **CREWKERNE LEISURE MANAGEMENT LIMITED COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES' ANNUAL REPORT**

**YEAR ENDED 31 MARCH 2020**

### **FINANCIAL REVIEW**

Total incoming resources were £672,983 (2019 £719,022), with the majority of income arising from the fitness centre and swimming admission fees as disclosed further in note 15. Total resources expended were £674,688 (2019 £705,299), the major categories of expenditure being staff costs and premises running costs, as disclosed further in note 16.

Net funds therefore decreased by £(1,705) (2019 increased by £13,723). Cash at bank and in hand at the year-end was £400,806 (2019 £549,415) as disclosed on page 10.

The grant paid of £19,906 (2019 £19,906) as shown in note 4 is being funded out of operations. It is payable to Crewkerne Town Council in lieu of additional rent on the property from which the Crewkerne Aqua Centre is operated.

The reserves at the year end stand at £720,665 all of which are unrestricted reserves.

The committee's policy on reserves is to maintain sufficient reserves for the charity to continue to meet its ongoing commitments and to provide financial stability and the means for the development of the principal activity. The charity does not aim to hold substantial reserves. The trustees consider the level of reserves shown on page 10 to be sufficient to meet the periodic maintenance of the pool, fitness centre and building and also the replacement and maintenance of machinery.

### **INVESTMENT POLICY**

It is the trustees' policy to invest surplus cash funds in a high interest account whilst allowing access to those funds as necessary to meet expenditure as it arises.

### **TAXATION STATUS**

The charity is a registered charity and the results of its normal activities are not liable to corporation tax.

### **RISK MANAGEMENT**

The trustees have considered the major risks to which the charity is exposed. They have reviewed those risks and established systems and procedures to minimise those risks and manage them appropriately.

### **INDEPENDENT AUDITORS**

A resolution to reappoint Chalmers and Co (SW) Limited as auditors for the ensuing year and to authorise the trustees to fix their remuneration will be proposed at the annual general meeting.

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees, who are also trustees of Crewkerne Leisure Management Limited for the purposes of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

# CREWKERNE LEISURE MANAGEMENT LIMITED COMPANY LIMITED BY GUARANTEE

## TRUSTEES' ANNUAL REPORT YEAR ENDED 31 MARCH 2020

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

### SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions applicable to companies entitled to the small companies' exemptions.

Registered office:  
Henhayes  
South Street  
Crewkerne  
Somerset  
TA18 7LZ

Signed by order of the trustees



S FRACKIEWICZ  
Charity Secretary

Approved by the trustees on 20-11-2020

**CREWKERNE LEISURE MANAGEMENT LIMITED  
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF  
CREWKERNE LEISURE MANAGEMENT LIMITED  
YEAR ENDED 31 MARCH 2020**

**Opinion**

We have audited the financial statements of Crewkerne Leisure Management Limited (the charity) for the year ended 31 March 2020 which comprise the Statement of Financial Activity (including the Income and Expenditure Account), Statement of Financial Position, Cash Flow Statement and Notes to the Financial Statements, 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 state of the charitable company's affairs as at 31 March 2020 and of its incoming resources, application of resources, including its income and expenditure, profit 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 Charities Act 2011.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 (UK) require us to report to you were:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees 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.

**Other information**

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the other information. The other information comprises the information in the Annual Report other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially



**CREWKERNE LEISURE MANAGEMENT LIMITED  
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF  
CREWKERNE LEISURE MANAGEMENT LIMITED  
YEAR ENDED 31 MARCH 2020**

misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been;
- the financial statements are not in agreement with the accounting records;
- we have not received all the information and explanations we require for our audit;
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing a directors' report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

**Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on pages 4 and 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly, we have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Auditors 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 (UK) 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

**CREWKERNE LEISURE MANAGEMENT LIMITED  
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF  
CREWKERNE LEISURE MANAGEMENT LIMITED  
YEAR ENDED 31 MARCH 2020**

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's 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 charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



CHALMERS & CO (SW) LIMITED  
Chartered Accountants & Statutory Auditors

Trading as Chalmers & Co  
6 The Linen Yard  
South Street  
Crewkerne  
Somerset  
TA18 8AB

20 - 11 - 2020

**CREWKERNE LEISURE MANAGEMENT LIMITED  
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING THE INCOME AND EXPENDITURE ACCOUNT**

**31 MARCH 2020**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Trading Activities	15	672,246	-	672,246	716,714
Investment income	15	501	-	501	2,038
Other incoming resources	15	236	-	236	270
<b>TOTAL INCOMING RESOURCES</b>		<u>672,983</u>	<u>-</u>	<u>672,983</u>	<u>719,022</u>
<b>RESOURCES EXPENDED</b>					
Cost of Trading Activities	16	624,903	-	624,903	677,265
Other resources expended	16	41,190	-	41,190	19,713
Governance costs	16	8,595	-	8,595	8,321
<b>TOTAL RESOURCES EXPENDED</b>		<u>674,688</u>	<u>-</u>	<u>674,688</u>	<u>705,299</u>
<b>NET INCOMING RESOURCES</b>					
Reconciliation of funds		(1,705)	-	(1,705)	13,723
Balance brought forward at 1 April 2019		<u>722,370</u>	<u>-</u>	<u>722,370</u>	<u>708,647</u>
Balance carried forward at 31 March 2020		<u>720,665</u>	<u>-</u>	<u>720,665</u>	<u>722,370</u>

The results for the year derive from continuing activities and there are no gains or losses other than those shown above.

The notes on pages 12 -20 form part of these financial statements.

**CREWKERNE LEISURE MANAGEMENT LIMITED  
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL POSITION**

**31 MARCH 2020**

	Note	2020 £	2019 £
<b>FIXED ASSETS</b>			
Tangible assets	6	138,336	32,129
<b>CURRENT ASSETS</b>			
Stocks		14,648	11,280
Debtors	7	234,713	254,951
Cash at bank and in hand	8	400,806	549,415
		<u>650,167</u>	<u>815,646</u>
<b>CREDITORS: Amounts falling due within one year</b>	9	<u>67,838</u>	<u>125,405</u>
<b>NET CURRENT ASSETS</b>		<u>582,329</u>	<u>690,241</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>720,665</u>	<u>722,370</u>
<b>FUNDS</b>	11		
Restricted		-	-
Unrestricted		<u>720,665</u>	<u>722,370</u>
<b>MEMBERS' FUNDS</b>		<u>720,665</u>	<u>722,370</u>

These accounts have been prepared in accordance with the provisions applicable to companies' subject to the small companies' regime.

These financial statements were approved by the trustees and authorised for issue on 20.11.2020 and are signed on their behalf by:

C SAXBY  
Trustee



M BEST  
Trustee



Company Registration Number: 3344871  
Charity Registration Number: 1062281

The notes on pages 12 -20 form part of these financial statements.

**CREWKERNE LEISURE MANAGEMENT LIMITED  
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF CASH FLOWS**

**31 MARCH 2020**

	Note	2020 £	2019 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income		(1,705)	13,723
<i>Adjustments for:</i>			
Depreciation of tangible fixed assets		25,875	7,737
Net losses on fixed assets		30	-
Accrued expenses		-	-
<i>Changes in:</i>			
Stocks		(3,368)	(1,457)
Trade and other debtors		20,238	25,401
Trade and other creditors		(57,567)	35,184
		<u>(16,497)</u>	<u>80,588</u>
Cash generated from operations		(16,497)	80,588
		<u>(16,497)</u>	<u>80,588</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of tangible assets		(132,112)	-
Disposal of tangible assets		-	-
		<u>(132,112)</u>	<u>-</u>
Net cash used in investing activities		(132,112)	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		-	-
		<u>-</u>	<u>-</u>
Net cash used in financing activities		-	-
		<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents		(148,609)	80,588
Cash and cash equivalents at beginning of year		549,415	468,827
		<u>549,415</u>	<u>468,827</u>
Cash and cash equivalents at end of year	8	400,806	549,415
		<u>400,806</u>	<u>549,415</u>

The notes on pages 12 -20 form part of these financial statements.

**CREWKERNE LEISURE MANAGEMENT LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2020**

**1. General Information**

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Henhayes, South Street, Crewkerne, Somerset, TA18 7LZ.

**2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Companies Act 2006 and the Charities Act 2011.

**3. Accounting policies**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

**Going concern**

There are no material uncertainties about the charity's ability to continue.

**Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal.

Designated funds are unrestricted funds earmarked by the trustees for particular future projects or commitments.

**Income tax**

The company is a registered charity. As such the company has obtained confirmation from HM Revenue and Customs that corporation tax is not payable on the profits generated.

**CREWKERNE LEISURE MANAGEMENT LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2020**

**3.ACCOUNTING POLICIES (continued)**

**Incoming resources**

The incoming resources shown in the Statement of Financial Activities represents amounts derived from ordinary activities receivable during the year. The charity is not registered for VAT.

Incoming resources are included gross and are accounted for once the charity has entitlement to

the resources, it is certain that the resources will be received, and the monetary value of the incoming resources can be measured with sufficient reliability. Incoming resources received in respect of future periods are deferred to that period.

Activities income from trading include all monies received for swimming and fitness centre admission fees and membership and other sundry sales relating to the principle activities of the charity, for instance the sale of swimming accessories. Monies are included in full in the Statement of Financial Activities when receivable.

Investment income includes bank interest and is included when receivable.

Other incoming resources include all income which cannot be allocated directly to the other income categories.

**Grants receivable**

All grants receivable is credited to the income and expenditure account as incoming resources. Where a restriction is placed on the use of the grant, the amount of the grant is included in restricted funds.

**Resources expended**

Resources expended are shown gross and are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and costs are allocated directly to the category to which they relate. Where this allocation is not possible costs are allocated within "other resources expended".

Costs of trading activities include all costs directly relating to the principle activities of the charity including the running costs of the building from which the charity operates and the direct wages costs needed to enable the charity to operate.

Other resources expended comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include the preparation and examination of statutory accounts and legal advice to trustees on governance or constitutional matters.

Also included are all costs which cannot be allocated directly to the other expense categories. All support costs are included within 'other resources expended'.

**CREWKERNE LEISURE MANAGEMENT LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2020**

**3. ACCOUNTING POLICIES (continued)**

**Pension Costs**

The company operates a defined contribution pension scheme for certain employees. The assets of the scheme are held separately from those of the company in an independently administered fund. Pension costs are charged to the Statement of Financial Activities as incurred and represent contributions payable by the company.

**Grants paid**

Grants paid of a revenue nature are charged in the period of expenditure. Grants paid of a capital nature, to obtain future benefit for the company, are treated as prepaid expenditure and released to expenditure over the expected benefit period. The grant disclosed in note 16 is in lieu and additional rent for the use of the premises.

**Volunteer costs**

The charity keeps its wages costs to a minimum by using volunteers for some reception and administrative duties. The deemed cost of the volunteers' services has not been calculated and included in the accounts as this would be very time consuming and not considered by the trustees to be cost effective or beneficial to the charity.

**Value Added Tax**

The charitable company is not registered for VAT. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

**Fund Accounting**

Restricted funds are where grants or donations are received by the charity which must be used for a specific purpose, this income is shown as restricted funds and only the expenditure which is in accordance with the purpose of the grant is allocated against these funds.

Unrestricted funds are general accumulated funds of the charity that are not subject to any restrictions regarding their use and are available for application on the general purposes of the charity. These funds are used in achieving any of the objectives of the charity as decided by the trustees.

**Fixed assets**

All fixed assets are initially recorded at cost and subsequently stated at cost less any accumulated depreciation and impairment losses. Expenditure under £100 is charged to the Statement of Financial Activities in the year of purchase.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

- Leasehold Property Improvements - straight line over the remaining period of the lease
- Plant & Machinery- 25% reducing balance

**Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist.



**CREWKERNE LEISURE MANAGEMENT LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2020**

**3. ACCOUNTING POLICIES (continued)**

Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or group of assets

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items. Cost includes all costs of purchase and other costs incurred bringing the total to its present location and condition.

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight-line basis over the period of the lease.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**Cash and Cash equivalents**

Cash and cash equivalents comprise bank balances including cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less which are available on demand. These are carried in the Balance Sheet at face value.

**4. GRANTS PAID**

During the year a grant totalling £19,906 (2019 £19,906) was released to the Statement of Financial Activities. A grant, totalling £572,298, was originally paid to the Crewkerne Town Council in the 2005 and 2006 accounting years. A proportion is released annually to this company's accounts over the lease term of the property.

**5. OPERATING SURPLUS**

Operating surplus is stated after charging:

	2020	2019
	£	£
Depreciation of owned fixed assets	25,875	7,737
Loss on disposal of fixed assets	30	-
Auditor's fees – audit	<u>5,215</u>	<u>5,096</u>

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**6. TANGIBLE ASSETS**

	Leasehold Property £	Plant & Machinery £	Total £
<b>COST</b>			
At 1 April 2019	24,443	102,150	126,593
Additions	91,172	40,940	132,112
Disposals	-	(429)	(429)
<b>At 31 March 2020</b>	<u><u>115,615</u></u>	<u><u>142,661</u></u>	<u><u>258,276</u></u>
<b>DEPRECIATION</b>			
At 1 April 2019	6,424	88,040	94,464
Charge for the year	12,119	13,756	25,875
On disposals	-	(399)	(399)
<b>At 31 March 2020</b>	<u><u>18,543</u></u>	<u><u>101,397</u></u>	<u><u>119,940</u></u>
<b>NET BOOK VALUE</b>			
<b>At 31 March 2020</b>	<u><u>97,072</u></u>	<u><u>41,264</u></u>	<u><u>138,336</u></u>
At 31 March 2019	<u><u>18,019</u></u>	<u><u>14,110</u></u>	<u><u>32,129</u></u>

No property is shown in the Fixed Assets of the Company, as the property from which the Company operates is owned by Crewkerne Town Council. Rent is paid at the agreed rate of £1,200 per annum.

**7. DEBTORS**

	2020 £	2019 £
Trade debtors	1,555	3,266
Prepayments and accrued income	<u><u>233,158</u></u>	<u><u>251,685</u></u>
	<u><u>234,713</u></u>	<u><u>254,951</u></u>

The debtors above include the following amounts falling due after more than one year:

	2020 £	2019 £
Prepayments and accrued income	<u><u>199,060</u></u>	<u><u>218,966</u></u>

**CREWKERNE LEISURE MANAGEMENT LIMITED**  
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**8. Cash equivalents**

Cash equivalents comprise the following:

	2020 £	2019 £
Cash at bank and in hand	<u>400,806</u>	<u>549,415</u>

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

	2020 £	2019 £
Bank loans and overdrafts	-	39,422
Trade creditors	28,283	29,953
PAYE & NIC	4,773	5,822
Accruals and deferred income	34,782	50,208
	<u>67,838</u>	<u>125,405</u>

**10. COMMITMENTS UNDER OPERATING LEASES**

At 31 March 2020 the charity had aggregate commitments under non-cancellable operating leases as set out below.

	2020 £	2019 £
Operating leases which expire: After 5 years	<u>12,000</u>	<u>13,200</u>

**11. ANALYSIS OF NET ASSETS (between restricted and unrestricted funds)**

	Tangible fixed assets £	Other net assets £	Total £
Unrestricted Funds	138,336	582,329	720,665
Restricted funds	-	-	-
	<u>138,336</u>	<u>582,329</u>	<u>720,665</u>

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**12. RELATED PARTY TRANSACTIONS**

During the year the company paid £1,279 to Paperchase Recycling for collection of waste materials to be recycled. Paperchase Recycling is a business of which the son of Mrs A Singleton, a trustee of this charity, is the proprietor. The transactions were undertaken at arm's length and are considered by the trustees to represent best value.

Indemnity insurance is held by the charity in respect of, and on behalf of, the trustees. Premiums paid in the year amount to £634.

No remuneration or expenses have been paid to the trustees during the year.

**13. COMPANY LIMITED BY GUARANTEE**

The company was incorporated as a company limited by guarantee and has no share capital. The guarantee to the company is £1 per member on the winding up of the company. At 31 March 2020 the company had 30 members and the total amount guaranteed is therefore £30.

**14. STAFF COSTS**

	2020 £	2019 £
Wages and salaries	337,727	320,234
Social security costs	17,501	17,987
Pension costs	4,939	3,151
	<u>360,167</u>	<u>341,372</u>

The average number of employees in the year, many of whom are part time, was 34 (2019 - 38). No employees earned in excess of £60,000.

None of the trustees received any remuneration in the year for their work as a trustee.

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**15. INCOMING RESOURCES**

	Unrestricted Funds	Restricted Funds	Total 2020 £	Total 2019 £
<b>Income from Trading Activities</b>				
Admission fees and sundry sales	427,283	-	427,283	518,087
Direct debit membership fees	244,963	-	244,963	198,627
	<u>672,246</u>	<u>-</u>	<u>672,246</u>	<u>716,714</u>
 <b>Investment income</b>				
Bank interest receivable	<u>501</u>	<u>-</u>	<u>501</u>	<u>2,038</u>
 <b>Other incoming resources</b>				
Membership fees	236	-	236	270
Grants receivable	-	-	-	-
	<u>236</u>	<u>-</u>	<u>236</u>	<u>270</u>
	<u>672,983</u>	<u>-</u>	<u>672,983</u>	<u>719,022</u>

Incoming resources of £24,738 have been deferred in the year (2019 £36,462). This represents the amount of swim card income and junior swim lesson income received in advance. £36,462 has been released into the income and expenditure account this year from previous years deferred income (2019 £61,179)

# CREWKERNE LEISURE MANAGEMENT LIMITED

## COMPANY LIMITED BY GUARANTEE

### NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2020

#### 16. RESOURCES EXPENDED

	Unrestricted Funds	Restricted Funds	Total 2020 £	Total 2019 £
<b>Cost of trading activities</b>				
Purchases	23,261	-	23,261	23,948
Studio classes	17,196	-	17,196	18,603
Grants paid to Crewkerne Town Council	19,906	-	19,906	20,030
Light, heat and power	50,331	-	50,331	54,852
Water rates	18,121	-	18,121	17,880
Rent	1,200	-	1,200	1,200
Direct wages and NIC	355,228	-	355,228	338,221
Pension Contributions	4,939	-	4,939	3,151
Hire of plant and machinery	7,492	-	7,492	9,379
Insurance	8,185	-	8,185	7,824
Repairs and maintenance	87,962	-	87,962	170,082
Equipment renewals	2,894	-	2,894	-
Staff training	9,248	-	9,248	921
Staff uniforms	2,039	-	2,039	4,306
Subscriptions	15,954	-	15,954	898
Travel and subsistence	248	-	248	5,350
Advertising	573	-	573	620
Promotional costs	126	-	126	-
	<u>624,903</u>	<u>-</u>	<u>624,903</u>	<u>677,265</u>
<b>Other resources expended</b>				
Telephone	2,327	-	2,327	2,340
Stationery, printing and postage	3,425	-	3,425	2,946
Canteen costs	409	-	409	691
Sundry expenses	1,528	-	1,528	2,120
Legal and professional costs	6,307	-	6,307	2,530
Accountancy fees	1,289	-	1,289	1,349
Depreciation	25,875	-	25,875	7,737
Loss on disposal of assets	30	-	30	-
	<u>41,190</u>	<u>-</u>	<u>41,190</u>	<u>19,713</u>
<b>Governance costs</b>				
Auditors Fees	5,215	-	5,215	5,096
Bank charges	3,380	-	3,380	3,225
	<u>8,595</u>	<u>-</u>	<u>8,595</u>	<u>8,321</u>
	<u>674,688</u>	<u>-</u>	<u>674,688</u>	<u>602,489</u>