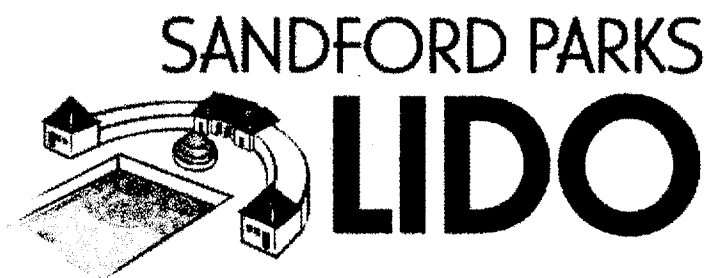


SANDFORD LIDO LIMITED
(Limited by guarantee)

**TRUSTEE'S REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 OCTOBER 2020



CHARITY NUMBER: 1052203

COMPANY NUMBER: 03128079

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CHARITY INFORMATION

Company registration number	03128079
Charity registration number	1052203
Trustees and Directors	J Claridge (Chairman) C Billington-Wood E Chadwick A Cherrington P Eggleston A Holding C James R Jones N Morton D Rolley
Registered Office and Principal Address	Sandford Parks Lido Keynsham Road Cheltenham Gloucestershire GL53 7PU
Auditors	Kingscott Dix (Cheltenham) Ltd Malvern View Business Park Stella Way Bishops Cleeve Cheltenham Gloucestershire GL52 7DQ
Bankers	Barclays Bank Plc 128 High Street Cheltenham Gloucestershire GL50 1EL
Solicitors	Charles Russell Speechlys LLP Compass House Lypiatt Road Cheltenham Gloucestershire GL50 2QJ

TRUSTEES' ANNUAL REPORT
(Incorporating the Directors' Report)

The Trustees have pleasure in presenting their annual report and the financial statements of Sandford Lido (the "Lido") for the year ended 31 October 2020.

The trustees have adopted the provision of the Statement of Recommended Practice for Charities (Charity SORP) in preparing the annual report and financial statements.

Reference and Administrative Details

Sandford Lido is a registered charity (charity number 1052203), which is incorporated as a company (company number 03128079) in the United Kingdom. It is limited by guarantee and accordingly has no share capital. The registered office address is Sandford Parks Lido, Keynsham Road, Cheltenham, Gloucestershire, GL53 7PU.

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees serving during the year and since the year end were as follows:

Elected Trustees:	J Claridge (Chairman)	
	C Billington-Wood	
	E Chadwick	
	A Cherrington	
	P Eggleston (Treasurer)	(Appointed 1 April 2021)
	A Holding	
	C James	
	R Jones (Vice Chair)	
	N Morton	
	D Rolley	(Appointed 8 September 2020)

Structure, Governance and Management

Sandford Lido Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 9 November 1995 and amended by Special Resolution of 16 January 1996. It is registered as a charity with the Charity Commission. There are currently ten subscribers who have agreed to contribute £1 in the event the charity is wound up.

As set out in the Articles of Association, there shall be a minimum of five trustees who are the "Committee of Management". Existing trustees invite and appoint additional trustees. Cheltenham Borough Council has the right to appoint one trustee if the total number of trustees is 11 or less, or two if there are more than 11. Cheltenham Borough Council have chosen not to appoint someone at the present time.

Newly appointed trustees meet with existing trustees to explain their duties as a trustee and to determine if any specific training is required to enable them to fulfil these duties.

The Board of Trustees administers the charity. The board meets at least quarterly. Sub committees are formed where a particular issue needs to be addressed but are not permanent. The trustees delegate day to day operational matters to the Executive Officers who have delegated authority, within the terms given by the trustees, for operational matters including finance, staffing and the running of the Lido.

Risk Management

The trustees have a risk management strategy which includes a regular review of the risks the charity faces, and addressing those risks so far as practicable. A key element in the management of financial risk is the setting of a reserves policy and its regular review by the trustees. Non-financial risks addressed include health and safety and child safety in respect of the operation of the pool.

Related Parties

The freehold site known as Sandford Parks Lido and adjoining car park is owned by Cheltenham Borough Council who lease the complex to the charity. The charity is responsible for the maintenance of the site under the terms of the lease.

The charity's wholly owned subsidiary, Sandford Parks Lido Trading Ltd, was established to operate the car park and café at Sandford Lido. The company has a licence from the charity to operate both the car park and café and gift aids all of its profits to the charity.

Objectives and Activities

Sandford Lido Limited is incorporated with the charitable object of providing Sandford Lido in the interest of social welfare, with the object of improving the conditions of life for the residents and visitors of Gloucestershire and the surrounding areas. Its activities during the period have related to the operation of Sandford Lido to enable people to enjoy Cheltenham's outdoor heated swimming pool.

Public Benefit

The Trustees have considered the Charity Commissioner's guidance on public benefit and fee charging. The purpose of Trust is to safeguard Sandford Parks Lido and its heritage as a community facility providing a wide range of innovative events which engage our customers. The Trust is proud to be self-sustaining, and one of the most significant Lido's of its kind in Britain, providing a national community asset for health, fitness and well-being of the population.

The Trustee's believe as a valuable facility we have a duty to support our community wherever possible. This year has been extremely challenging due to the coronavirus pandemic, but we have still tried to support our community whenever possible.

During this year we have supported:

1. The National Health Service

During the pandemic it became evident that our neighbour Cheltenham General Hospital were under considerable pressures both in terms of the impact on their services/facilities and directly on their employees. With this in mind we agreed to permit staff free parking at the lido and to permit the

Gloucestershire NHS Trust the opportunity to locate a portacabin to enable service to those with diabetes to continue throughout the pandemic.

2. Clubs

Whilst covid restrictions prevented us operating as normal during lifting of restrictions we able to continue with our aims to maintain low hire fees to ensure local clubs can access the facility.

3. Emergency Services

The Trust continued to provide a water training venue for Gloucestershire Fire and Rescue. Throughout the year both Gloucester and Cheltenham fire stations will use the Lido for their water-based training.

4. Aid to Others

Whilst we couldn't provide our normal support to local schools and charities due to covid restrictions, when we were finally permitted to open we continued to ensure our ethos to maintain Cheltenham Borough Council's objective back in 1935 which was to improve the health and wellbeing of their community and to ensure the Lido was available to everyone's purse. Supporting this we offer reduced entry fees and season tickets rates to those on low income, essential services, students and the military.

All of our yearly fundraising activities were cancelled due to coronavirus but we will continue to support Linc, Colbalt, Pied Piper, Winston's Wish, Heidi's Heroes, Macmillan and Maggie's when we are able to organise large fundraising initiatives.

5. Supporting Local Business and Community

The Trust supports local business as we believe that keeping money local has a profound economic impact on our community, which the Lido is a significant part of.

Sandford Lido also continues to provide support and attendance at the Friends of Sandford Park meetings.

Achievements and Performance

Season ticket sales began early this year with high hopes of a successful season ahead of us. Unfortunately, this wasn't to happen as coronavirus arrived in the UK and we would soon find ourselves in lockdown. Our planned opening was now pushed back and as the disease took hold and our business had to be mothballed. Those who had purchased season tickets were offered a refund or the opportunity to defer their ticket to 2021 or receive a partial refund once we were able to open. Many thankfully chose options which helped to support our charity.

Staff were placed on the furlough scheme and a skeleton team remained on site to carry out basic routine maintenance, those not on furlough worked from home whenever possible.

In July it became apparent that we may be able to open albeit under considerable restrictions. The Trustees made the difficult decision to open to support our community but had to keep monitoring and adjusting the provision to ensure we remained financially viable.

We opened on the 20th July, but only the main pool, everyone was to arrive swim ready, as we couldn't provide changing rooms. The café also had to remain shut which was devastating, but thankfully part of the café investment in the winter had been to convert our first aid room into a catering outlet and this was permitted to open. We had to restrict numbers on the site at any one time, initially this was set at 80 per hour, but by the end of the season we had 100 per wave.

All events were cancelled except the dog swim which took place on the 11th October and 12th October.

We also ran cold water swim sessions from the 17th October until lockdown came back into force. Cold water swimming proved very popular and will be considered after the dog swim in 2021.

Maintenance

The Trust has once again invested significant sums totalling £300,000k into the buildings, pool and equipment, a large sum being the replacement of the gas boilers for the swimming pools. The majority of these works were funded through the Lido's own cash reserves, although we received a £25,000 grant from Enovert directly associated with the replacement boiler project.

The Trustees recognise that for much of the maintenance and associated expenditure, the benefit is hidden away (often in the ground), not directly improving the visitors experience, but providing an indirect benefit. The Trustees are prudent in where financial resources are expended in each financial period to ensure the continued successful operation of the Lido which is well over 80 years old. It is and will remain the area of greatest long-term expenditure to ensure the facilities are maintained and improved over the long term.

Environment

The Trust recognises that after salaries and repairs & maintenance, the single biggest expense are the utilities; water, electric and gas. The Trust continues to investigate ways of reducing our water and utility consumption, as well as looking for green sources of energy with a number of projects being considered.

Development of our Company Structure

The decision was made in September 2020 that we required further adjustment to our company structure. The new structure was aimed at streamlining efficiencies and reducing wages and salaries. The interim CEO's contract was not renewed, and two management staff resigned. The number of year-round staff changed from nine to six.

These changes would enable the development of key staff already within the organisation.

The Board of Trustees is made up of individuals from a wide range of backgrounds and professionals which help support the operation of the Lido from their respective fields. As a board we are always interested to hear from individuals who may wish to become a part of the Lido and bring in skills which may be missing or complement our objectives.

Financial Review

Understandably income was impacted significantly by the forced closure of the facility, however by opening up later in the year we did achieve some income but most importantly gained valuable experience in operating a facility with restrictions, which would go on to assist us with another restricted season to follow in 2021.

Season ticket sales finished at £51,373 (2019 - £284,788) and day tickets at £127,888 (2019 - £274,869)

Personnel costs were down £153,983 and utility costs were also down by £64,601 due to the short season.

The impact of site closure and only permitted a partial re-opening impacted on our organisation significantly leading to a deficit of £286,963 compared with a deficit of £69,353 in 2019.

Funding Sources

The Trust has previously been discouraged to apply for grant funding due to the short-term nature of the Lido lease in place with Cheltenham Borough Council. However, during the 2019 season the Lido engaged positively with council members and agreed, in principle, terms for a new lease. Although yet to be formally documented, this provides a platform and should, we hope, open up grant funding opportunities in the future. We are thankful to Cheltenham Bough Council for working with the Trust on this matter and hope our relationship continues to grow to support our mutual objectives.

The Trust is extremely proud to have been self-funding, especially given the primary source of income of the Trust is heavily weather dependant. The management of finances within the business is inherently difficult against a cost base which is largely fixed and an extensive maintenance requirement. As such the Trust has built a business model which helps mitigate this risk by offering season tickets for the season and innovative events to provide certainty over income.

Reserves

The Trustees have established a general reserves policy to ensure the charity can withstand prolonged poor weather conditions that could affect the level of income generated. The Trustees believe a reserve equivalent to two months' income during the season to be appropriate. This equates to a reserve of the order of £100,000.

Reserves are also held to ensure we can cover the cost of possible emergency repairs to the swimming pools, buildings or engineering equipment and major pool refurbishment work. The Trustees allocated £300,000 to ensure that sufficient funds exist at the time a major pool refurbishment is necessary.

A reserve was also held to the sum of £80,000 to facilitate a development plan which will be completed in a phased approach beyond 2020, pending the grant of a new lease for the Trust.

When considering the Charities reserves, the Trustees are mindful that in order of fulfil plans for future and completing tasks contained within our facilities maintenance document we need to raise significant sums each year. In 2016 the charity went about updating the facilities maintenance schedule, previously commissioned by the Trustees and completed by Alder King. In order to maintain the facilities over the next 25 years the Charity is forecast to require £6 million in today's prices.

Investments

Under the Memorandum and Articles of Association, the charity may invest funds not immediately required in such investments, securities or property as the trustees see fit.

It is of the opinion of The Board of Trustees, that due to the current unpredictability of cash flows and maintenance schedule, it is appropriate at present time to hold surplus cash in short to medium term deposit accounts.

Pay and Remuneration

The remuneration of key management personnel, such as the Executive Officers, is determined by the trustees who take into account: comparative pay in the sector; any remuneration trends; and geographic location.

Covid-19 Impact on Going Concern

As anticipated in our previous audited accounts our designated reserves that we held for poor weather conditions and emergency maintenance had to financial support our business as a direct result of covid-19. Whilst every effort was made to reduce costs and maximise any returns, covid-19 has set us back financially.

We utilised government support packages to keep our business viable, but we have very real concerns with regards to our 2021 season, this terrible disease is crippling many organisations. The Trustees agreed that the winter works 2020/21 will be scaled back to priority tasks only to ensure funds remain available to support the organisation.

Whilst it was difficult to plan an opening date for the 2021 season, the Trustees gave careful consideration to ensure they made the best decision for the organisation financially as well as trying to provide an amenity for the residents of Cheltenham, whilst still under covid restrictions.

The lido finally opened for the 2021 season on the 1st May much to the delight of our community and would run until the 8th October (still operating under covid restrictions, but with the hope that they would be lifted at some point during the summer).

Weekly financial monitoring would continue in 2021 to ensure we can remain operational during restrictions.

Going concern

The trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future and consider it appropriate to adopt the going concern basis in the preparation of the financial statements.

Statement of Trustees' Responsibilities

The trustees' (who are also directors for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and regulations.

Company law requires 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 (UK GAAP). 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 of the income and expenditure of the company for that period. In preparing these financial statements the directors are required to:

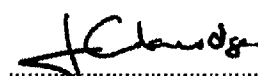
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make sound judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standard have been followed, subject to any material departures disclosed in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to the Auditors

As far as the trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware. Each director has taken all the steps that he or she ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Approved by the Board of Trustees and signed on its behalf:


.....

J Claridge – Chairman

26-7-21
.....
Date

INDEPENDENT AUDITOR'S REPORT

To the members and trustees of Sandford Lido Limited

We have audited the financial statements of Sandford Lido Limited for the year ended 31 October 2020 which are comprised of the Consolidated Statement of Financial Activities, Consolidated and Parent Charitable Company Balance Sheets, Consolidated Cash Flow Statement and related notes. 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 charitable 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 charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on 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 charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustee's Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 charitable company's affairs as at 31 October 2020 and of its incoming resources and application of resources, including its income and expenditure, 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 and the Charities Act 2011.


Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual 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 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we required for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Trustees' Annual Report.



Gwyneth Milner BA ACA
(Senior Statutory Auditor)

27-7-21
Date

For and on behalf of Kingscott Dix (Cheltenham) Limited, Statutory Auditor
Cheltenham

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Including Income and Expenditure Account)

	Note	2020 Group Unrestricted Funds £	2020 Group Restricted Funds £	2020 Group Total Funds £	2019 Group Total Funds £
INCOME					
Income from charitable activities:					
Operation of Sandford Lido	5	214,482	-	214,482	725,057
Income from other trading activities:					
Commercial trading operations	6	269,586	-	269,586	531,077
Donations		90,402	-	90,402	794
Interest received		-	-	-	-
TOTAL INCOME		574,470	-	574,470	1,256,928
EXPENDITURE					
Expenditure on charitable activities:					
Operation of Sandford Lido		777,121	-	777,121	1,052,017
Expenditure on raising funds:					
Commercial trading operations		84,312	-	84,312	274,264
TOTAL EXPENDITURE	7	861,433	-	861,433	1,326,281
NET INCOME / (EXPENDITURE)		(286,963)	-	(286,963)	(69,353)
Transfers between funds		-	-	-	-
NET MOVEMENT IN FUNDS	10	(286,963)	-	(286,963)	(69,353)
TOTAL FUNDS BROUGHT FORWARD	17	588,715	-	588,715	658,068
TOTAL FUNDS CARRIED FORWARD	17	301,752	-	301,752	588,715

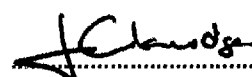
The statement of financial activities includes all comprehensive income recognised in the year. All income and expenditure derive from continuing activities.

CONSOLIDATED BALANCE SHEET
 (Company number: 03128079)

	Note	2020 Group £	2019 Group £
FIXED ASSETS			
Tangible assets	12	85,292	100,570
Investments	13	-	-
		<u>85,292</u>	<u>100,570</u>
CURRENT ASSETS			
Stock		-	4,181
Debtors	14	-	23,104
Cash at bank and in hand	15	407,620	543,256
		<u>407,620</u>	<u>570,541</u>
CURRENT LIABILITIES			
Creditors due within one year	16	191,160	82,396
		<u>191,160</u>	<u>82,396</u>
Net current assets		216,460	488,145
Total assets less current liabilities		301,752	588,715
NET ASSETS		<u>301,752</u>	<u>588,715</u>
FUNDS			
Unrestricted funds		1,752	188,715
Designated funds		300,000	400,000
Restricted funds		-	-
TOTAL FUNDS	17	<u>301,752</u>	<u>588,715</u>

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

Approved by the Board of Trustees on 26-7-21 and signed on its behalf by:

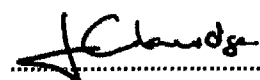

 J Claridge

CHARITY BALANCE SHEET
(Company number: 03128079)

	Note	2020 Group £	2019 Group £
FIXED ASSETS			
Tangible assets	12	47,441	62,761
Investments	13	100	100
		<u>47,541</u>	<u>62,861</u>
CURRENT ASSETS			
Stock		-	908
Debtors	14	303,386	320,152
Cash at bank and in hand	15	128,063	247,022
		<u>431,449</u>	<u>568,082</u>
CURRENT LIABILITIES			
Creditors due within one year	16	177,238	42,228
		<u>177,238</u>	<u>42,228</u>
Net current assets		254,211	525,854
Total assets less current liabilities		301,752	588,715
NET ASSETS		<u>301,752</u>	<u>588,715</u>
FUNDS			
Unrestricted funds		1,752	188,715
Designated funds		300,000	400,000
Restricted funds		-	-
TOTAL FUNDS	17	<u>301,752</u>	<u>588,715</u>

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

Approved by the Board of Trustees on 26-7-21 and signed on its behalf by:


.....
J Claridge

CONSOLIDATED CASH FLOW STATEMENT

	Note	2020 Group £	2019 Group £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net movement in funds		(286,963)	(69,353)
Depreciation charge	12	25,077	30,452
Profit on asset disposals		-	-
Interest income		-	-
		<u>(261,886)</u>	<u>(38,901)</u>
(Increase) / decrease in stock		4,181	624
(Increase) / decrease in debtors	14	23,104	16,984
Increase / (decrease) in creditors	16	108,764	(87,593)
Net cash provided by operating activities		<u>(125,837)</u>	<u>(108,886)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income		-	-
Purchase of tangible fixed assets	12	(9,799)	(65,626)
Proceeds from sale of tangible fixed assets		-	-
Net cash used in investing activities		<u>(9,799)</u>	<u>(65,626)</u>
Change in cash and equivalents for the year		(135,636)	(174,512)
Cash and equivalents at the beginning of the year		543,256	717,768
CASH AND EQUIVALENTS AT THE END OF THE YEAR		<u>407,620</u>	<u>543,256</u>

NOTES TO THE FINANCIAL STATEMENTS

1 General Information

Sandford Lido Limited is a registered charity, incorporated in the United Kingdom as a company limited by guarantee. General information about the charity can be found on the Charity information page. The functional and presentational currency of both the Group and the Charity is British Sterling (£). The Charity is a public benefit entity.

2 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP – FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated below.

Going concern

The group has cash resources and has no requirement for external funding. The trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future, and consider it appropriate to adopt the going concern basis in the preparation of the financial statements.

Consolidated group accounts

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the charity and its wholly owned subsidiary, Sandford Parks Lido (Trading) Limited, company registration number 03177909, on a line by line basis. No separate SOFA, nor income and expenditure account, is presented for the charity itself as the charity has taken advantage of the exemptions afforded by section 408A of the Companies Act 2006.

Judgements and estimation uncertainty

The trustees are of the opinion that the financial statements do not contain any significant judgements or estimations.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably. Income received in advance is deferred until the criteria for income recognition are met.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

- Expenditure on charitable activities includes expenditure associated with the running of the Lido and include both the direct costs and support costs relating to these activities.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

Tangible fixed assets

Tangible fixed assets costing more than £500 are capitalised at cost and are depreciated over their useful economic lives as follows:

Leasehold improvements	10 years straight line
Poolside equipment	25% on net book value
Office and other equipment	10 years straight line

Investments

Investments in equity shares are measured at cost less impairment.

Stock

Stock is stated at the lower of cost and net realisable value.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered, less any provision for unrecoverable amounts. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and equivalents

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months.

Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Pensions

Employees of the charity are entitled to join a money purchase defined contribution pension scheme. Any employees joining the money purchase pension scheme, contract directly with the insurance company. The group makes contributions to the individual schemes of employees and acts as agent in collecting and paying over employee pension contributions. The contributions made for the accounting period are treated as an expense.

Financial instruments

The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

3 Legal status of the charity

In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

4 Financial performance of the charity

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary, Sandford Parks Lido (Trading) Limited. As permitted by section 408 of the Companies Act 2016, the parent charity's statement of financial activities has not been included in these financial statements. The charity's deficit for the financial year was £286,963 (2019 – deficit of £69,352).

5 Income from charitable activities

	2020	2019
	Group	Group
	£	£
Admission fees	127,888	274,869
Season tickets	51,373	284,788
Rental income	-	9,122
Event income	22,903	49,891
Other income	12,318	106,387
	<u>214,482</u>	<u>725,057</u>

6 Income from other trading activities

	2020	2019
	Group	Group
	£	£
Car parking receipts	260,096	269,349
Café income	9,490	261,728
	<u>269,586</u>	<u>531,077</u>

7 Total expenditure

	Direct Costs £	Staff Costs £	Support Costs £	2020 Group Total £	2019 Group Total £
Charitable activities					
Staff costs	-	241,450	-	241,450	395,433
Pool running costs	28,808	-	-	28,808	114,062
Maintenance	306,687	-	-	306,687	298,584
Water and utilities	82,252	-	-	82,252	149,822
Support costs	-	-	102,104	102,104	72,878
Depreciation	-	-	15,820	15,820	21,238
	<u>417,747</u>	<u>241,450</u>	<u>117,924</u>	<u>777,121</u>	<u>1,052,017</u>
Raising funds					
Staff costs	-	6,107	-	6,107	117,697
Café purchases	7,610	-	-	7,610	86,997
Support costs	-	-	61,338	61,338	60,356
Depreciation	-	-	9,257	9,257	9,214
	<u>7,610</u>	<u>6,107</u>	<u>70,595</u>	<u>84,312</u>	<u>274,264</u>
Total 2020	<u>425,357</u>	<u>247,557</u>	<u>188,519</u>	<u>861,433</u>	
Total 2019	<u>649,465</u>	<u>513,130</u>	<u>163,686</u>		<u>1,326,281</u>

Support costs includes: car park management of £17,373 (2019 – £24,090); café overheads of £43,672 (2019 - £24,048); administrative costs in operating the Lido of £86,073 (2019 – £64,275); and governance costs in running the charity of £15,657 (2019 – £20,821).

Group expenditure is allocated between restricted and unrestricted funds as follows:

	2020 Restricted £	2020 Unrestricted £	2019 Restricted £	2019 Unrestricted £
Charitable activities	-	777,121	-	1,052,017
Raising funds	-	84,312	-	274,264
	<u>-</u>	<u>861,433</u>	<u>-</u>	<u>1,326,281</u>

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8 Staff costs

	2020 Group £	2019 Group £	2020 Charity £	2019 Charity £
Wages and salaries	223,606	485,878	218,158	374,969
Social security costs	20,004	22,890	19,303	17,015
Pension contributions	3,947	4,362	3,989	3,449
	<u>247,557</u>	<u>513,130</u>	<u>241,450</u>	<u>395,433</u>

Staff costs include £79,775 of Coronavirus Job Retention Scheme grants. No employees were paid in excess of £60,000 during the current or previous year.

9 Staff numbers

The average number of employees during the year was:

	2020 Group No.	2019 Group No.	2020 Charity No.	2019 Charity No.
Operating services	52	57	32	43
Management and administration	6	6	6	6
	<u>58</u>	<u>63</u>	<u>38</u>	<u>49</u>

The number of employees included above in operating services includes lifeguards, café staff, cleaners, receptionists and others who are employed on a part time basis while the Lido is open (i.e. from April to October each year).

10 Movement in funds

This is stated after charging:

	2020 Group £	2019 Group £
Depreciation	25,077	30,452
Auditors remuneration: external audit	4,200	4,200
Auditors remuneration: other services	4,998	5,376

11 Taxation

Sandford Lido Limited is a registered charity and all income falls within the exemptions afforded to charities by the Income and Corporation Taxes Act 2000.

12 Tangible fixed assets

GROUP	Leasehold improvements £	Poolside equipment £	Office & other equipment £	Total £
Cost				
At 1 November 2019	911,869	205,925	108,530	1,226,324
Additions	-	-	9,798	9,798
Disposals	-	-	-	-
At 31 October 2020	911,869	205,925	118,329	1,236,123
Depreciation				
At 1 November 2019	911,869	157,662	56,223	1,125,754
Charge for year	-	12,067	13,010	25,077
Eliminated on disposals	-	-	-	-
At 31 October 2020	911,869	169,729	69,233	1,150,831
Net book value				
At 1 November 2019	-	48,263	52,307	100,570
At 31 October 2020	-	36,196	49,096	85,292
CHARITY				
	Leasehold improvements £	Poolside equipment £	Office & other equipment £	Total £
Cost				
At 1 November 2019	911,869	205,925	54,632	1,172,426
Additions	-	-	499	499
Disposals	-	-	-	-
At 31 October 2020	911,869	205,925	55,131	1,172,925
Depreciation				
At 1 November 2019	911,869	157,662	40,134	1,109,665
Charge for year	-	12,067	3,753	15,820
Eliminated on disposals	-	-	-	-
At 31 October 2020	911,869	169,729	43,887	1,125,485
Net book value				
At 1 November 2019	-	48,263	14,498	62,761
At 31 October 2020	-	48,263	11,244	47,440

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	2020	2019	2020	2019
	Group	Group	Charity	Charity
	£	£	£	£
Unlisted investments	-	-	100	100
	-	-	100	100

The charity owns the entire ordinary share capital of its subsidiary, Sandford Parks Lido (Trading) Limited, which is used to operate the café and car park situated at the Lido. All profits earned by the subsidiary are transferred to the charity by way of gift aid.

The results of Sandford Parks Lido (Trading) Limited for the year ended 31 October 2020 were:

	2020	2019
	£	£
Turnover	269,586	531,077
Cost of sales	(31,090)	(228,784)
Gross profit	238,496	302,293
Administrative expenses	(79,912)	(60,370)
Profit before taxation	158,584	241,923
Taxation	-	-
Profit after taxation	158,584	241,923
Gift aid distribution	(158,584)	(241,923)
Retained profit for the year	-	-

At 31 October 2020, Sandford Parks Lido (Trading) Limited had the following assets and liabilities:

	2020	2019
	£	£
Fixed assets	37,852	37,810
Current assets	279,557	319,157
Current liabilities	(317,752)	(356,867)
Net assets	100	100
Share capital	100	100
Reserves	-	-
Shareholders' funds	100	100

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14 Debtors

	2020	2019	2020	2019
	Group	Group	Charity	Charity
	£	£	£	£
Trade debtors	-	18,342	-	-
Other debtors and prepayments	-	4,762	-	3,454
Amounts due from group companies	-	-	303,386	316,698
	<u>-</u>	<u>23,104</u>	<u>303,386</u>	<u>320,152</u>

15 Cash at bank and in hand

	2020	2019	2020	2019
	Group	Group	Charity	Charity
	£	£	£	£
Cash at bank	404,419	539,656	124,862	243,422
Cash in hand	3,201	3,600	3,201	3,600
Cash and equivalents	<u>407,620</u>	<u>543,256</u>	<u>128,063</u>	<u>247,022</u>

16 Creditors

	2020	2019	2020	2019
	Group	Group	Charity	Charity
	£	£	£	£
Trade creditors	26,694	28,844	26,181	26,474
Other creditors and accruals	106,516	23,328	96,779	11,308
Other taxes and social security	7,950	30,224	4,278	4,446
Bank loans	50,000	-	50,000	-
	<u>191,160</u>	<u>82,396</u>	<u>177,238</u>	<u>42,228</u>

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17 Group funds

Current year:	1 Nov 2019	Income	Expenditure	Transfers	31 Oct 2020
	£	£	£	£	£
Unrestricted funds					
General	188,715	574,470	(861,433)	100,000	1,752
Designated	400,000	-	-	(100,000)	300,000
Total unrestricted funds	588,715	574,470	(861,433)	-	301,752
Restricted funds	-	-	-	-	-
Total restricted funds	-	-	-	-	-
Total funds	588,715	574,470	(861,433)	-	301,752

Previous year:	1 Nov 2018	Income	Expenditure	Transfers	31 Oct 2019
	£	£	£	£	£
Unrestricted funds					
General funds	178,068	1,256,928	(1,326,281)	80,000	188,715
Designated funds	480,000	-	-	(80,000)	400,000
Total unrestricted funds	658,068	1,256,928	(1,326,281)	-	588,715
Restricted funds	-	-	-	-	-
Total restricted funds	-	-	-	-	-
Total funds	658,068	1,256,928	(1,326,281)	-	588,715

General funds: The group has general unrestricted funds that are free reserves for use in achieving the charity's aims and objectives.

Designated funds:

An amount of £100,000 (2019 – £100,000) has been put aside in a designated fund to ensure the charity can withstand prolonged poor weather conditions that could affect the level of income generated.

An amount of £200,000 (2019 – £300,000) has been put aside in a designated fund to cover the cost of possible emergency repairs to the swimming pools, buildings or engineering equipment and major pool refurbishment work.

18 Analysis of group net assets between funds

Current year:	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	85,292	-	85,292
Current assets	407,620	-	407,620
Current liabilities	(191,160)	-	(191,160)
	<u>301,172</u>	<u>-</u>	<u>301,172</u>
 Previous year:	 Unrestricted Funds £	 Restricted Funds £	 Total Funds £
Tangible fixed assets	100,570	-	100,570
Current assets	570,541	-	570,541
Current liabilities	(82,396)	-	(82,396)
	<u>588,715</u>	<u>-</u>	<u>588,715</u>

19 Related party transactions

Group companies: The group has taken advantage of the exemption from disclosing transactions between group companies.

Trustees: No trustee received any remuneration nor any reimbursed expenses during the year (2019 – £nil).

Other: Cheltenham Borough Council lease the Lido grounds and car park to the charity, as described in the accompanying notes. Cheltenham Borough Council previously undertook the administration of the car park, for which a management charge was paid by the charity; however this ceased in the year. No amounts were outstanding at the year end (2019 year end – £nil).

20 Lease commitments

The charity leases the swimming pool, grounds and car park known as Sandford Parks Lido to carry out its charitable activity. The charity pays a nominal annual rent to Cheltenham Borough Council, and any deficit in rental value is considered to be a grant from Cheltenham Borough Council. The trustees' do not consider it possible to quantify in monetary terms the value of this grant and as such neither the deemed grant nor deemed rental are included in the Statement of Financial Activities. The current lease continues until 31 March 2021.

MANAGEMENT INFORMATION: CHARITY INCOME AND EXPENDITURE ACCOUNT

	2020	2019
	Charity	Charity
	£	£
INCOME		
Admission fees	127,888	274,869
Season tickets	51,373	284,788
Shop sales	-	6,671
Hire of pool facilities	12,268	43,220
Other	10,635	-
Total income	202,164	609,548
 EXPENDITURE (see overleaf)	 (761,431)	 (1,048,127)
 OPERATING SURPLUS / (DEFICIT)	 (559,267)	 (438,579)
 OTHER INCOME		
Gift aid distribution from subsidiary	158,584	241,924
Occupation license charged to subsidiary	11,000	11,000
Rental income	-	9,122
Donations	40,402	794
Grants	50,000	-
Events and courses	12,318	106,387
Bank interest	-	-
Total other income	272,304	369,227
 TOTAL SURPLUS / (DEFICIT)	 (286,963)	 (69,352)

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	2020	2019
	Charity	Charity
	£	£
EXPENDITURE		
Wages and salaries	241,450	395,433
Training	3,331	7,815
Recruitment	40	40
Shop purchases	667	5,535
Chemicals	11,076	27,842
Security and cash handling	-	769
Water	34,585	35,564
Gas	21,248	69,197
Electricity	24,734	40,407
General rates	1,685	4,654
Insurances	8,797	10,536
Building, pool and equipment repairs	300,925	285,825
Event costs	567	49,976
Advertising and public relations	7,502	8,921
Ground maintenance	5,762	12,759
Cleaning, waste and sanitary	3,657	10,965
Postage and telephone	4,823	4,901
Stationary	2,497	6,590
Accountancy and audit fees	8,729	8,583
Bank charges	27,369	8,638
Medical supplies	2,442	840
Subscriptions	2,185	1,667
Travelling	304	147
Sundry expenses	4,754	3,833
Website, software and IT	3,405	6,360
Uniform and clothing	2,981	5,344
DBS costs	1,544	1,451
Professional fees	8,957	12,297
Compensation	9,595	-
Depreciation of fixed assets	15,820	21,238
Total expenditure	761,431	1,048,127