

SHENLEY LEISURE CENTRE TRUST LIMITED
(A Company Limited by Guarantee)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

SHENLEY LEISURE CENTRE TRUST LIMITED
(A Company Limited by Guarantee)

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SHENLEY LEISURE CENTRE TRUST LIMITED
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

Trustees

C Brown (Chairman)
J S Howe (Vice Chairman)
A P Dransfield
D W Hoyle
B G Connell
W G Butler
S Milner
G D Morla
K Brewlis
M Coppins
G E Gadd (appointed 31 August 2022)

Company registered number

03525067

Charity registered number

1069376

Registered office

Burchard Crescent, Shenley Church End, Milton Keynes, MK5 6HF

Independent examiner

MHA MacIntyre Hudson, Peterbridge House, The Lakes, Northampton, NN4 7HB

SHENLEY LEISURE CENTRE TRUST LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report together with the financial statements of the Company for the year 1 April 2021 to 31 March 2022. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

a. POLICIES AND OBJECTIVES

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

The object of the Charity is the provision of leisure, sports, recreation and community activities at the Shenley Leisure Centre to the general public of all ages.

The Shenley Leisure Centre was opened in September 1991 and is sited alongside Denbigh School, by the Shenley Church End Local Centre in the west of Milton Keynes.

The Leisure Centre was originally managed by Buckinghamshire County Council and linked to the Woughton Leisure Centre. Following local government reorganisation the Centre came under the jurisdiction of Milton Keynes Council in 1997.

In 1998 the Centre gained independent Charitable Trust status, and is now overseen by a Board of Trustees.

In order to protect its charitable status, the Trust has formed a subsidiary trading Company to manage the more commercial aspects of the organisation such as the Bar and Entertainment Programme. Surplus funds generated by the trading Company are donated to the Trust and, along with other surplus funds generated are used to help expand and develop the Leisure Centre's programmes and facilities.

The Centre works very hard to encourage people of all ages and from all sections of the community to use the facilities for a whole range of both active and more passive types of activities. In planning our activities the Trustees have considered the Charity Commission guidance on public benefit and fee charging. Since 2016 the leisure centre relies on the income from fees to cover its operating costs. In setting the level of fees the Trustees give careful consideration to the accessibility of the Centre to those on low incomes.

SHENLEY LEISURE CENTRE TRUST LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

a. KEY FINANCIAL PERFORMANCE INDICATORS

The shadow of Covid 19 hangs heavy over the Trust and will have a massive impact on our financial performance. We have seen our turnover from charitable activities increase to £317,188 (2021 - £87,787) but it is still well below our turnover in 2020 £383,772 pre COVID. We have again relied on grant income (£135,636) and the government job retention scheme (£23,592) to cover our costs in the 2021/22 financial year.

For the year ended 31 March 2022 the centre made a deficit of £72,952, this is attributable to an increase in costs to run the centre and the fall in expected income. We are hoping with the centre being fully open and operational in 2022/23, that a small surplus can be achieved.

b. REVIEW OF ACTIVITIES

The Trustees and staff have continued to work hard again during the year in moving a stage further towards the Trust being self-sustaining following the full withdrawal of grant funding by MK Council in 2016.

To ensure that our customers felt as comfortable as they could we changed the way our facilities were laid out to provide better social distancing between our customers.

We actively sourced all possible grants and funding opportunities to keep the business financially stable and afloat and we regularly communicated with the team whilst they were on furlough.

There was a deficit for the year before realised and unrealised revaluation profits on investments amounting to £72,052 (2021 surplus - £268,622).

Unrestricted funds at 31 March 2022 amounted to £473,595 (2021: £545,647). Restricted funds at 31 March 2022 amounted to £406,082 (2021: £406,082).

c. INVESTMENT POLICY AND PERFORMANCE

Under the Memorandum and Articles of Association 3 (15), the Centre has the power to invest in any way the Trustees wish. The Trustees, having regard for the reserves policy, have operated a policy of keeping available funds in fixed term deposit accounts. Interest received was £40 (2021: £206).

Financial review

a. GOING CONCERN

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

SHENLEY LEISURE CENTRE TRUST LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2022

b. RESERVES POLICY

Through article 15 of the Charity's Memorandum of Association, it has the express legal power to hold income in reserve instead of expending it promptly.

The charity is required to retain reserves for the following reasons:

1. To ensure a measure of business continuity in the event of a sudden loss of significant part of the income revenue stream. For this purpose a minimum reserve, equivalent to three months salary costs, will be maintained.
2. Replacement and refurbishment of equipment and facilities.
3. Investment in new facilities, including buildings, to meet the expanding local community needs.
4. To cover short term high cash flows.

The Charity's management maintains a 5 year capital expenditure programme and this is periodically reviewed by the Board and endorsed by the Trustees. This plan includes provision for all foreseeable expenditure outlined in 2 and 3 above. The timing of planned expenditure will be phased to ensure the maintenance of adequate minimum reserves.

In determining the planned expenditure programme, and therefore planned reserve levels, Management and Trustees will take account of:

1. Forecasts of the future income from the Business Plan and possible new sources of income in the future.
2. Forecast expenditure
3. An analysis of future needs with inputs from Management and Trust Committees.
4. An assessment of the risk of discontinuity of elements of income and expenditure streams.

It is though anticipated that the impact of Covid 19 will not deplete all reserves of the Trust.

Structure, governance and management

a. CONSTITUTION

The Company, which is limited by guarantee and has no share capital, is governed by its Memorandum and Articles of Association dated 5 March 1998 and subsequent amendments. It is registered as a charity with the Charity Commission.

The Company was incorporated on 5 March 1998 and commenced trading on 1 June 1998 and has now completed twenty two years of operation and continues to grow in strength.

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

In March 2018 the Articles of Association were changed in order that the Board of Trustees shall consist of at most 14 members.

The Trustees who served the Company during the year are shown on page 1.

The Company is limited by guarantee, and no Trustee has a beneficial interest in the capital of the charitable Company. All Trustees are directors of the Company.

c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

New and potential Trustees receive a briefing on their legal obligations under charity and Company law, the content of the Memorandum and Articles of Association, the committee and decision making process, the Business Plan and recent financial performance of the centre. During their visit they will be introduced to members of staff on duty and given a copy of the Business Plan which has a copy of the core staffing structure. They will then be invited to the next Board meeting where introductions are dealt with at the beginning of the meeting.

d. RISK MANAGEMENT

The Board is responsible for the management of business risks faced by the Charity.

The systems of internal control are designed to provide reasonable, but not absolute assurance against material misstatement or loss. They include:

1. A strategic plan and an annual budget approved by the Trustees.
2. Regular consideration by the Trustees of financial results, variance from budgets, non-financial performance indicators and benchmarking reviews.
3. Delegation of authority and segregation of duties.
4. Identification and management of risks.

The Trustees have previously introduced a formal risk management process to assess business risks and implement risk management strategies. This involved identifying the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. Business risks are identified, assessed and controls established throughout the year. A formal review of the charity's business risk management process is undertaken on a periodic basis.

Attention has been focused on non-financial risks and in particular, health and safety issues relating to the use of the Trust facilities.

A key element in the management of financial risk is the setting of a reserve policy and is regularly reviewed by the Trustees.

SHENLEY LEISURE CENTRE TRUST LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2022

e. TRUSTEES

The present membership of the Board is set out on page 1. Except as otherwise noted, all trustees/directors served throughout the year. Trustees are invited to join the Board generally on the recommendation of existing trustees.

The present membership of the Board is as set out below.

C Brown (Chairman)
J S Howe (Vice Chairman)
B G Connell
W G Butler
A P Dransfield
S Milner
G Morla
K Brewis
M Coppins
D W Hoyle
G E Gadd

Plans for future periods

a. FUTURE DEVELOPMENTS

Plans are still in place to construct a multi-purpose one badminton court size sports hall on site following the allocation of s106 funding derived from the loss of the Bourton Mill facility. The Trust has encountered many issues around leasing of the land required for construction and is pleased to say that we have finally gained authorisation to construct on the land in question. No start date has been agreed

The Trustees and staff continue to work together to work towards a situation whereby it can sustain itself into the future and continue to provide the local community with up to date affordable facilities.

SHENLEY LEISURE CENTRE TRUST LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Shenley Leisure Centre Trust 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. Under company law the Trustees 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 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:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

This report was signed on the Trustees behalf on 19/12/2022 by:



C Brown
Chairman of the Trust

SHENLEY LEISURE CENTRE TRUST LIMITED
(A Company Limited by Guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2022

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SHENLEY LEISURE CENTRE TRUST LIMITED (the 'company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

RESPONSIBILITIES AND BASIS OF REPORT

As the Trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: 
Rebecca Hughes BSc(Hons) FCCA

Dated: 20 December 2022

MHA MACINTYRE HUDSON
Peterbridge House
The Lakes
Northampton
NN4 7HB

SHENLEY LEISURE CENTRE TRUST LIMITED
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
INCOME FROM:					
Donations and legacies	2	250,636	-	250,636	489,250
Charitable activities	3	317,188	-	317,188	87,781
Other trading activities	4	-	-	-	32,992
Investments	5	40	-	40	206
Other income	6	64,274	-	64,274	155,409
TOTAL INCOME		632,138	-	632,138	765,638
EXPENDITURE ON:					
Charitable activities		704,190	-	704,190	497,016
TOTAL EXPENDITURE	8,7	704,190	-	704,190	497,016
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES					
		(72,052)	-	(72,052)	268,622
NET MOVEMENT IN FUNDS		(72,052)	-	(72,052)	268,622
RECONCILIATION OF FUNDS:					
Total funds brought forward	12	545,647	406,082	951,729	683,107
TOTAL FUNDS CARRIED FORWARD		473,595	406,082	879,677	951,729

The notes on pages 13 to 28 form part of these financial statements.

SHENLEY LEISURE CENTRE TRUST LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 03525067

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	£	2022 £	£	2021 £
FIXED ASSETS					
Tangible assets	11		87,556		71,714
Investments	12		10,000		10,000
			97,556		81,714
CURRENT ASSETS					
Stocks		155		155	
Debtors	13	62,505		53,663	
Cash at bank and in hand		1,256,134		1,341,814	
		1,318,794		1,395,632	
CREDITORS: amounts falling due within one year	14	(57,673)		(46,617)	
NET CURRENT ASSETS			1,261,121		1,349,015
TOTAL ASSETS LESS CURRENT LIABILITIES			1,358,677		1,430,729
Defined benefit pension scheme liability	18		(479,000)		(479,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			879,677		951,729
CHARITY FUNDS					
Restricted funds	15		406,082		406,082
Unrestricted funds	15		473,595		545,647
TOTAL FUNDS			879,677		951,729

SHENLEY LEISURE CENTRE TRUST LIMITED
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BALANCE SHEET (continued)
AS AT 31 MARCH 2022

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements are signed on the Trustees behalf, on 19/12/2022 by:



C Brown



J S Howe

The notes on pages 13 to 28 form part of these financial statements.

SHENLEY LEISURE CENTRE TRUST LIMITED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	17	(58,795)	279,446
Cash flows from investing activities:			
Purchase of tangible fixed assets		(26,885)	(47,080)
Net cash used in investing activities		(26,885)	(47,080)
Change in cash and cash equivalents in the year		(85,680)	232,366
Cash and cash equivalents brought forward		1,341,814	1,109,448
Cash and cash equivalents carried forward	18	1,256,134	1,341,814

The notes on pages 13 to 28 form part of these financial statements.

SHENLEY LEISURE CENTRE TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Shenley Leisure Centre Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

If any property remains upon the winding up or dissolution of the company it shall be given or transferred to some other charitable institution having similar objects to the company.

1.3 Going concern

The financial statements have been prepared on a going concern basis. The Trustees have not identified any further material uncertainties that may cast significant doubt about the ability of the charitable company to continue as a going concern. The charitable company's business activities, together with the factors likely to affect its future development, performance and position, its cash flows and liquidity position have been assessed. The charitable company has sufficient financial resources together with long term contracts for its trading centre.

Based on these assessments and having regard to the resources available to the charitable company, the Trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (CONTINUED)

1.4 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Membership fees

Membership fees are amounts payable to Shenley Leisure Centre on a monthly basis for usage of the leisure facilities. Details of the various membership categories and the benefits they offer can be found on our website at www.shenleyleisure.org.uk.

Centre fees

Centre fees are amounts payable to Shenley Leisure Centre on a visit-by-visit basis for usage of the leisure facilities. Details of opening times, activity tables and charges are all available on our website.

Management fees

Management fees are the fees paid by Shenley Leisure Centre Trading Limited for the use of the facilities and associated costs

Grants receivable

Grants are accounted for when conditions to entitlement have been met.

Donations receivable

Donations are accounted for when the company has control over that item and conditions to entitlement have been met.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (CONTINUED)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

1.6 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.7 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property improvements	-	25 years straight line
Furniture and fittings	-	33% straight line
Equipment	-	25% straight line

1.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities incorporating Income and Expenditure Account.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (CONTINUED)

1.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.12 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.14 Financial instruments

The company 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

SHENLEY LEISURE CENTRE TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (CONTINUED)

1.15 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds..

1.16 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 company 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 company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.17 Government grants

Government grants relating to tangible fixed assets are treated as income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned.

Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

Job retention scheme grants received are accounted for when conditions to entitlement have been met.

SHENLEY LEISURE CENTRE TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donation for use of facility	115,000	-	115,000	75,000
Grants	-	-	-	368,036
Government grants	135,636	-	135,636	46,214
	<u>250,636</u>	<u>-</u>	<u>250,636</u>	<u>489,250</u>
Total donations and legacies	<u>250,636</u>	<u>-</u>	<u>250,636</u>	<u>489,250</u>
	<u>121,214</u>	<u>368,036</u>	<u>489,250</u>	
Total 2021	<u>121,214</u>	<u>368,036</u>	<u>489,250</u>	

The company occupies Shenley Leisure Centre for a peppercorn rent. In accordance with the statement of Recommended Practice: Accounting by Charities, the Trustees have sought a valuation of this benefit for inclusion in the Statement of Financial Activities. The benefit of this lease is valued at a commercial rent of £115,000 (2021 - £75,000) per annum assuming a normal commercial lease and no change to the current exclusive and shared facilities. The valuation was performed by S Greener, Assistant Estate Surveyor of Milton Keynes Council in September 1999. In 2021 the Trustees, under professional advice increased this from £75,000 to £115,000. This benefit has been included under incoming resources, as intangible income, and the related cost has been apportioned between charitable and support costs.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Room hire	62,794	-	62,794	23,081
Sports	215,655	-	215,655	56,669
Health and fitness	36,334	-	36,334	7,255
Childrens' activities	2,405	-	2,405	776
	<u>317,188</u>	<u>-</u>	<u>317,188</u>	<u>87,781</u>
Total 2021	<u>87,781</u>	<u>-</u>	<u>87,781</u>	

SHENLEY LEISURE CENTRE TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

4. TRADING ACTIVITIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Charity trading income				
Trading income Shenley Leisure Centre Trading Limited	-	-	-	32,992
Net income from trading activities	-	-	-	32,992

5. INVESTMENT INCOME

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest receivable	40	-	40	206
Total 2021	206	-	206	

6. OTHER INCOMING RESOURCES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Cleaning income	841	-	841	615
Management charge	39,840	-	39,840	16,599
Furlough income	23,593	-	23,593	138,195
	64,274	-	64,274	155,409
Total 2021	155,409	-	155,409	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

7. DIRECT COSTS

	Activities £	Total 2022 £	Total 2021 £
Sports	562	562	7,177
Health and fitness	1,934	1,934	326
Childrens' activities	1,771	1,771	135
Centre marketing	2,507	2,507	2,282
	<u>6,774</u>	<u>6,774</u>	<u>9,920</u>
Total 2021	<u>9,920</u>	<u>9,920</u>	

8. SUPPORT COSTS

	Support costs £	Total 2022 £	Total 2021 £
Wages and salaries	346,779	346,779	309,414
Donated facility	115,000	115,000	75,000
Insurance	3,384	3,384	5,089
Light and heat	34,393	34,393	23,807
Repairs and maintenance	13,543	13,543	11,317
Printing and stationery	3,141	3,141	2,037
Advertising	2,294	2,294	415
Legal and professional	35,434	35,434	11,029
Water	6,600	6,600	5,225
Refuse charges	84	84	163
Telephone	1,349	1,349	1,773
Accountancy and book keeper	8,866	8,866	6,922
Computer costs	27,891	27,891	17,823
Cleaning	5,605	5,605	3,221
Health and safety	903	903	580
Bank charges	4,351	4,351	2,668
Sundry	1,854	1,854	810
Bad debt	17,427	17,427	-
Additional rental paid	11,448	11,448	1,815
Grant expenditure	46,027	46,027	-
Depreciation	11,043	11,043	7,988
	<u>697,416</u>	<u>697,416</u>	<u>487,096</u>
Total 2021	<u>487,096</u>	<u>487,096</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

8. SUPPORT COSTS (continued)

During the year ended 31 March 2022, the company incurred the following Governance costs:
£8,866 (2021 - £6,922) included within the table above in respect of Support costs.

9. TURNOVER

The whole of the turnover is attributable to the operation and running of a sports centre for people of all ages and from all sections of the community to use the facilities for a whole range of both active and more passive types of activities.

All turnover arose within the United Kingdom.

10. STAFF COSTS

The average number of persons employed by the company during the year was as follows:

	2022	2021
Management and administration	1	1
Office staff	1	1
Centre staff	31	22
	<u>33</u>	<u>24</u>

No employee received remuneration amounting to more than £60,000 in either year.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

11. TANGIBLE FIXED ASSETS

	Leasehold property improvements £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 April 2021	126,443	114,673	137,164	378,280
Additions	5,839	21,046	-	26,885
At 31 March 2022	132,282	135,719	137,164	405,165
Depreciation				
At 1 April 2021	74,712	99,315	132,539	306,566
Charge for the year	-	8,700	2,343	11,043
At 31 March 2022	74,712	108,015	134,882	317,609
Net book value				
At 31 March 2022	57,570	27,704	2,282	87,556
At 31 March 2021	51,731	15,358	4,625	71,714

12. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
Market value	
At 1 April 2021 and 31 March 2022	10,000

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Holding
Shenley Leisure Centre Trading Limited	100%
The aggregate of the share capital and reserves as at 31 March 2022 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:	

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Shenley Leisure Centre Trading Limited	188,327	62,382

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13. DEBTORS

	2022	2021
	£	£
Trade debtors	4,941	18,765
Amounts owed by group undertakings	50,008	-
Other debtors	-	15,685
Prepayments and accrued income	7,556	19,213
	62,505	53,663

14. CREDITORS: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	17,190	26,820
Amounts owed to group undertakings	-	4,095
Other taxation and social security	6,859	3,874
Other creditors	1,313	937
Accruals and deferred income	32,311	10,891
	57,673	46,617

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

15. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 31 March 2022 £
Designated funds					
Capital expenditure fund	150,000	-	(30,000)	30,000	150,000
General funds					
General Funds - all funds	395,647	632,138	(674,190)	(30,000)	323,595
Total Unrestricted funds	545,647	632,138	(704,190)	-	473,595
Restricted funds					
Sports hall facility	406,082	-	-	-	406,082
Total of funds	951,729	632,138	(704,190)	-	879,677

The designated capital fund represents future capital expenditure as shown in the Charity's capital expenditure programme including a provision for future maintenance. Any amounts not utilised are carried forward where the specific purpose or project remains part of the expenditure programme.

The lease with Milton Keynes Council stipulates that £30,000 annually adjusted for inflation must be allocated to a separate designated fund to be used for planned maintenance of the premises including refurbishment and capital works. During the financial statements £32,295 were incurred regarding the sports centre.

Restricted Funds

Milton Keynes Council grant received towards the legal costs and other expenses associated with the Section 106 Replacement Leisure Facilities Contribution, for the purpose of delivering a new multi-use sports hall facility at Shenley Leisure Centre.

Milton Keynes Council grant received towards the legal costs and other expenses associated with the sports hall facility.

SHENLEY LEISURE CENTRE TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

15. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 31 March 2021 £
Capital expenditure fund	150,000	-	(30,000)	30,000	150,000
General Funds - all funds	495,061	397,602	(467,016)	(30,000)	395,647
Restricted funds					
Sports hall facility	38,046	368,036	-	-	406,082

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 31 March 2022 £
Designated funds	150,000	-	(30,000)	30,000	150,000
General funds	395,647	632,138	(674,190)	(30,000)	323,595
	545,647	632,138	(704,190)	-	473,595
Restricted funds	406,082	-	-	-	406,082
	951,729	632,138	(704,190)	-	879,677

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 31 March 2021 £
Designated funds	150,000	-	(30,000)	30,000	150,000
General funds	495,061	397,602	(467,016)	(30,000)	395,647
	645,061	397,602	(497,016)	-	545,647
Restricted funds	38,046	368,036	-	-	406,082
	683,107	765,638	(497,016)	-	951,729

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	87,556	-	87,556
Fixed asset investments	10,000	-	10,000
Current assets	912,712	406,082	1,318,794
Creditors due within one year	(57,673)	-	(57,673)
Provisions for liabilities and charges	(479,000)	-	(479,000)
	<u>473,595</u>	<u>406,082</u>	<u>879,677</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	71,714	-	71,714
Fixed asset investments	10,000	-	10,000
Current assets	989,550	406,082	1,395,632
Creditors due within one year	(46,617)	-	(46,617)
Provisions for liabilities and charges	(479,000)	-	(479,000)
	<u>545,647</u>	<u>406,082</u>	<u>951,729</u>

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(72,052)	268,622
Adjustment for:		
Depreciation charges	11,043	7,988
Increase in debtors	(8,842)	(5,141)
Increase in creditors	11,056	7,977
Net cash (used in)/provided by operating activities	<u>(58,795)</u>	<u>279,446</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022	2021
	£	£
Cash in hand	1,256,134	1,341,814
Total	1,256,134	1,341,814

19. TRUSTEE REMUNERATION AND EXPENSES

No Trustee received remuneration or reimbursement of expenses during the year (2021 - £nil).

20. RELATED PARTY TRANSACTIONS

Mr W G Butler is a Trustee of Shenley Leisure Centre Trust Limited and a Trustee of The Denbigh Alliance.

The Denbigh Alliance leases Shenley Leisure Centre to Milton Keynes Council for a peppercorn rent who sub-lease to Shenley Leisure Centre Trust Limited.

During the year, The Denbigh Alliance recharged Shenley Leisure Centre Trust Limited in respect of repairs to shared areas as well as cleaning costs. The Denbigh Alliance also paid Shenley Leisure Centre Trust Limited in respect of the licence fee for a shared facilities agreement and recharges of utility costs. At the year end there was a balance owing by Shenley Leisure Centre Trust Limited of £35,219 (2021 - £7,044).

During the year Shenley Leisure Trust Limited recharged Shenley Leisure Centre Trading Limited £39,840 (2021 - £16,599) in respect of management charges for shared facilities, utility costs and wages. At the end of the year there was a balance due to Shenley Leisure Centre Trading Limited of £nil (2021 - £1,628).

At 31 March 2021, there was a balance owing by Shenley Leisure Centre Trading Limited of £50,008 (2020 - owing to £4,095).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

21. PENSION SCHEME

The Trust operated three different pension schemes.

i) The company participates in the London Pensions Fund Authority Pension Scheme, a multi-employer defined benefit pension scheme, the assets of which are held in a separate fund administered by the London Pensions Funds Authority. The scheme is closed to new entrants from the company.

The scheme is governed by the Local Government Pension Scheme Regulations 1997 and is required to have actuarial valuations performed every three years, the last full valuation being as at 31 March 2016.

The results show a funding level of 103% compared with 94% at the 2013 valuation.

The company is not provided with details of its individual share of the underlying assets and liabilities of the scheme and consequently accounts for the contributions as if it were a defined contribution scheme.

On 1 April 2008 the new Local Government Pension Scheme came into force. The main change from the previous scheme is that contributions made by scheme members will now be dependent on the level of their whole time equivalent earnings.

In 2015 a secure income stream assessment was carried out and the actuary recommended a future service funding rate of 31.7% and past service adjustment payments of £24,000 p.a. with effect from 1 April 2016.

On 26 May 2019 the last active member left the service of the Company. The fund has now ceased and had to undertake a valuation of the assets and liabilities within the fund. The purpose of the valuation was to assess the deficit or surplus attributable to Shenley Leisure Centre Trust at 26 May 2019. Based on the valuation results a payment of £479,000 is due from Shenley Leisure Centre Trust to the fund in order to remove its obligation to the fund.

ii) Certain newer employees are enrolled in a defined contribution scheme with Scottish Widows. The assets of the scheme are held separately from those of the company in an independently administered fund. Employer contributions to the scheme amounted to £6,761 (2021: £9,236).

The balance outstanding at the year end amounted to £nil (2021: £441).

iii) The company started the government auto-enrolment scheme last year for those employees who were not included in the other pension schemes, payments in the year amounted to £547 (2020: £1,781).

The balance outstanding at the year end amounted to £1,313 (2021: £496).