

# **Carn Brea Leisure Centre Trust (Limited by Guarantee)**

## **Trustees' Annual Report and Financial Statements**

**For the year ended 31 March 2022**

Company registration number 03896891  
Charity registration number 1079101

## Contents

### *Page*

Reference and administrative information	1
Trustees' report	2 – 7
Independent auditor's report	8 – 11
Consolidated statement of financial activities	12
Consolidation and company balance sheet	13
Consolidated statement of cashflows	14
Notes to the financial statements	15 – 32

## Reference and administrative information

*For the year ended 31 March 2022*

Charity registration number	1079101
Company registration number	03896891
Registered office and business address	Station Road Pool REDRUTH Cornwall TR15 3QS
Trustees	Mr R Beeching Mr C Hunter Mr N Lake Mr M Moyle Mr DH Price – Chair (until 16 December 2021) Mr C Rowe – Chair (from 16 December 2021) Ms L May (appointed 27 January 2022) Ms N Smith (appointed 27 January 2022)
Auditors	RRL LLP Peat House Newham Road TRURO Cornwall TR1 2DP
Bankers	Lloyds Bank Plc 27 Fore Street REDRUTH Cornwall TR15 3BJ  CCLA Investment Management Limited Senator House 85 Queen Victoria Street LONDON EC4V 4ET  Santander UK plc 31 Boscawen Street TRURO Cornwall TR1 2QJ
Solicitors	Foot Anstey High Water House Malpas Road TRURO Cornwall TR1 1QH
Key Management Personnel	Jenine Williams (Operations Manager) Sharon Christie (Business Administration Manager) Alex King (Acting General Manager)

## Trustees' report

*For the year ended 31 March 2022*

The Trustees of Carn Brea Leisure Centre Trust present their report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)".

## OBJECTIVES AND ACTIVITIES

### • POLICIES AND OBJECTIVES

The objects of the charity, as defined by the Memorandum of Association, are to provide recreational facilities together with education and training in sporting and leisure activities with the object of improving the potential user's condition of life. Such facilities should be available to the public at large irrespective of their youth, age, infirmity, disablement, poverty or social or economic circumstances.

In setting our objectives and planning the activities of the charity the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

### • STRATEGIES FOR ACHIEVING OBJECTIVES

The charity has in place a robust business plan and budgets, complemented by creative sales and marketing initiatives to ensure the facilities are fit for purpose and the leisure activities on offer support delivery of the Trust's charitable objectives.

The Trustees and management team use a variety of 'key performance indicators' alongside customer feedback schemes to evaluate and measure how effective the charity is at delivering against its charitable goals.

### • ACTIVITIES FOR ACHIEVING OBJECTIVES

The charity's facility comprises: gym, swimming pools, sports hall, group fitness studios, athletics track, squash courts, Cafe, meeting/training/conference rooms and a therapy suite. Utilising the various facilities, the Trust offers a comprehensive, diverse and accessible range of activities to ensure the community's activity needs are met.

A number of initiatives have also been used to engage with the local community and ensure wherever possible that facilities/activities are accessible to all, these have included: GP referral schemes, subsidised swimming sessions, corporate membership schemes and a community sponsor's scheme.



## Trustees' report

*For the year ended 31 March 2022*

### **ACHIEVEMENTS AND PERFORMANCE**

#### **REVIEW OF ACTIVITIES**

The Trustees are pleased to report that following the prolonged closure from the third lockdown customers have steadily returned to using the centre across all activities. The Centre still had to follow government advice and protocols to provide a safe environment for both visitors and staff and this inevitably put pressure upon the Management Team to ensure adequate social distancing and cleaning measures were adhered to throughout. Across all areas visitor numbers were monitored and controlled.

As the trading year progressed and confidence returned so did demand across all areas of the centre. It was also fantastic to see many local schools, that use the Centre for swimming lessons, return for the 2021/22 academic year as well as a return to the amazing Swim School Program.

The Management and Staff worked tirelessly throughout this period to return the Centre to an "as normal" operation as possible. Staff numbers had been depleted during the previous trading year and the team worked hard to deliver the quality of service expected by our loyal customer base. Staff recruitment however proved to be challenging throughout the 2021/22 trading year.

The Trustees were grateful for the continued support from the Acting General Manager – seconded from another Leisure Sector Trust on a part-time basis in 2020 - guiding the Operations Manager and Business Administration Manager during what was becoming a busy trading year. Visitor/User numbers were returning to near pre-pandemic numbers across all areas of the Centre that was still having to operate under "safe" protocols.

Late in 2021 the Trustees were confident that the Trust needed to recruit a new Senior Manager to replace the previous CEO, who had left in June 2020, and to take over from the Acting General Manager who had extended his tenure of support to the end of the current financial year. The Trustees carried out a thorough review of the Trust's requirements for this Senior Role to support and develop the existing management team and to safely manage and take the charity forward. A robust recruitment procedure was put in place to recruit a General Manager and the successful candidate was appointed to start early in April 2022.

Although it was a testing trading year in so many ways it is testament to both the Management Team and Staff that the loyal customers and the amazing local community have continued to be able to safely use and to enjoy the many different activities provided by Carn Brea Leisure Centre Trust.

#### **• FUNDRAISING ACTIVITIES/INCOME GENERATION**

Carn Brea Leisure Centre Trust owns 100% of the share capital of Carn Brea Leisure Centre (Trading) Limited, a company incorporated in England and Wales (company no. 04212770). The principal activity of Carn Brea Leisure Centre (Trading) Limited is to operate the commercial activities at Carn Brea Leisure Centre. All taxable profits generated through this trading subsidiary are donated to Carn Brea Leisure Centre Trust.

The Trust received some significant grant funding in 2020/21 which had a positive impact on the early 2021/22 financial year and with the return of the users this has seen the cash reserves held by the Trust return to a more healthy position.

## Trustees' report

*For the year ended 31 March 2022*

### **FINANCIAL REVIEW**

#### **• GOING CONCERN**

There is no doubt that the Covid-19 pandemic has had a profound effect on many businesses and individuals in so many different ways and Carn Brea Leisure Centre Trust has not been immune to this whether from a customer or staff point of view. Working closely with Cornwall Council and other partners it has been recognised how important Health and Fitness Activities, across all disciplines, are to the Health and Well Being, both physically and mentally, of both our local and wider community.

The Trustees and Management have engaged with Cornwall Council and other stakeholders and are currently encouraged with the support being given by George Eustice MP and Cornwall Council to submit a funding bid to both improve and enhance the aging facilities but also to make the Centre more sustainable energy wise and to future proof the operation for future generations of users.

Although the Trust returned a trading loss for the financial year 2021/22 the Trustees are pleased with the overall performance during exceptional and difficult circumstances and are delighted that the indications for the 2022/23 trading year, under the leadership of the new General Manager, are encouraging with demand across all sectors at record levels.

With the support and dedication of the Management Team and Staff, the loyal customer base and local community support, with all key stakeholders and with the prospect of a significant funding bid, the Trustees remain confident that the Trust will be able to operate for the foreseeable future based upon the information available and projections produced at this time.

As a result the Trustees believe that it is appropriate to continue to prepare the financial statements on the going concern basis.

#### **• FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Trustees have assessed the major risks they have identified and are satisfied that systems are in place to mitigate exposure to these risks.

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

#### **• CONSTITUTION**

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and it is governed by its Articles of Association.

The company was incorporated under the Companies Act 1985 as a company limited by guarantee and not having share capital. In the event of a winding up, registered members are liable to contribute a sum not exceeding £10 per member towards the debts and liabilities of the Trust and the costs and expenses of winding up.

#### **• METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

New Trustees are recruited based on the skills, knowledge and experience that the Board requires to ensure that the charity is well governed. Trustees are elected by the members of the charity attending the Annual General Meeting or by proxy vote.

## Trustees' report

*For the year ended 31 March 2022*

### • **POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES**

Following appointment, all new Trustees attend an induction with the Company Secretary. The induction includes provision to them of the following material, our Memorandum and Articles of Association, The Hallmarks of an Effective Charity (CC60), The Essential Trustee (CC3), Charities and Risk Management information, management accounts and operational information.

### • **PAY POLICY FOR SENIOR STAFF**

It is essential for Carn Brea Leisure Centre Trust (CBLCT) to have competent and credible leaders at the top of the charity to guide us towards achieving our vision in the most effective and efficient ways; and professional staff at all levels.

Having a competitive salary offering is one of the many ways CBLCT can work to secure the best people to do this important work. CBLCT has pay policies to help us attract and retain great people.

The remuneration committee within the Board of Trustees, led by the Chair, are responsible for defining CBLCT pay policies, particularly our pay grades and processes to determine the salaries of the Chief Executive and the executive team (our senior managers who lead our other staff).

An important pay principle in our pay policies is that our pay grades, salaries and benefits should be proportionate to the complexity of role responsibilities, in line with our charitable objectives and competitive within the UK charity sector.

We aim to pay around the median for similar roles in similar organisations but not compete on salaries within the public or private sectors. To help us achieve this, we monitor charity sector pay trends through available reputable sources such as charity trade associations.

### • **ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The centre's structure continues to evolve to reflect the needs of the business, on average we employed between 60 and 80 members of staff primarily from the Camborne, Pool and Redruth community. The team consists of both full time and part time employees. The team is managed by the senior management group, through the departmental and supervisory team leaders.

### • **RISK MANAGEMENT**

The Trust takes a pro-active approach to risk management and has a risk management policy in place, which is reviewed annually at the end of each financial year.

As part of developing the risk management policy the Trustees have assessed the major risks and are satisfied that systems are in place to mitigate exposure to these risks. The Trust is aiming to increase the general reserve fund going forwards, however, recognises that as a result of the Covid-19 pandemic this continues to be challenging.

## Trustees' report

*For the year ended 31 March 2022*

### **PLANS FOR FUTURE PERIODS**

#### **• FUTURE DEVELOPMENTS**

As mentioned above the Trust is in early discussions with key stakeholders to submit a bid for significant funding to enhance and improve the facilities across the centre. It is our wish to upgrade and improve the facilities to be more energy sustainable in the future. We continue to work with Cornwall Council to provide leisure facilities across the county and we have engaged a Leisure Consultant to advise the Board on these future opportunities. We are delighted to have the support of George Eustice MP, Cornwall Council and our key Stakeholders.

### **INFORMATION ON FUNDRAISING PRACTICES**

The Trust did and continues to fund raise across a number of platforms in order to create investment, renewals, new opportunities and provide its services on a continual basis to its existing customer base and endeavour to attract new custom and users.

### **TRUSTEES' RESPONSIBILITIES STATEMENT**

The Trustees (who are also directors of Carn Brea Leisure Centre Trust 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 group will continue in operation.

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

### **DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant information of which the charitable group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant information and to establish that the charitable group's auditor is aware of that information.

Trustees' report

*For the year ended 31 March 2022*

This report was approved by the Trustees, on 1 December 2022 and signed on their behalf by:

By order of the Board

Station Road  
Pool  
REDRUTH  
Cornwall  
TR15 3QS

**C Rowe**

*Trustee*

## Independent auditors' report to the members of Carn Brea Leisure Centre Trust

### Opinion

We have audited the financial statements of Carn Brea Leisure Centre Trust (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, consolidated and company balance sheet, consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2022, and of the group's incoming resources and application of resources, including its income and expenditure, for the period 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.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company associated with these particular events.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.



## Independent auditors' report to the members of Carn Brea Leisure Centre Trust

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

In our evaluation of the directors' conclusion, we considered the risks associated with the company's business, including effects arising from macro-economic uncertainties such as Covid-19 and Brexit. We analysed how those risks might affect the company's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

### Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report incorporating the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

## Independent auditors' report to the members of Carn Brea Leisure Centre Trust

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require 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 in preparing the directors' report and from the requirement to prepare a strategic report.

### Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

As part of our audit work, we obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which they operate. We determined that the laws and regulations that were most significant were those that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, and compliance with the Charities Statement of Recommended Practice. In addition, we have considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or to avoid a material penalty. These include data protection regulations, health and safety regulations, licensing acts and employment legislation. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Obtain an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which they operate. We determined that the following laws and regulations were most significant: the Charities Act 2011, the Companies Act 2006, Health and Safety Regulations, Safeguarding and GDPR;
- Review of the disclosures in the financial statements and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;



## Independent auditors' report to the members of Carn Brea Leisure Centre Trust

- Enquiries of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing minutes of trustee meetings and correspondence with regulators;
- Performing audit work in connection with the risk of management override of controls, including testing journal entries for reasonableness and evaluating the business rationale of significant transactions outside the normal course of business.

We also communicate relevant identified laws and regulations and potential fraud risk to all engagement team members and remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for->. This description forms part of our auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Use of our report

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 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### Mark Williams (Senior Statutory Auditor)

For and on behalf of RRL LLP

*Statutory Auditors*

Peat House

Newham Road

TRURO

Cornwall

TR1 2DP

12 December 2022

# Consolidated statement of financial activities (incorporating income and expenditure account)

For the year ended 31 March 2022

		Unrestricted funds		Restricted funds	Total funds	Total funds
		General fund	Designated fund		2022	2021
Notes		£	£	£	£	£
<b>Income from:</b>						
Donations and legacies	2	284,912	-	5,000	<b>289,912</b>	567,575
Charitable activities	5	1,181,703	-	-	<b>1,181,703</b>	352,902
Other trading activities	3	73,364	-	-	<b>73,364</b>	21,411
Investments	4	350	-	-	<b>350</b>	290
<b>Total income</b>		<b>1,540,329</b>	<b>-</b>	<b>5,000</b>	<b>1,545,329</b>	<b>942,178</b>
<b>Expenditure on:</b>						
Raising funds	3	10,878	-	-	<b>10,878</b>	11,271
Charitable activities	6	1,606,544	-	48,224	<b>1,654,768</b>	1,290,008
<b>Total expenditure</b>		<b>1,617,422</b>	<b>-</b>	<b>48,224</b>	<b>1,665,646</b>	<b>1,301,279</b>
<b>Net expenditure before transfers</b>		<b>(77,093)</b>	<b>-</b>	<b>(43,224)</b>	<b>(120,317)</b>	<b>(359,101)</b>
Transfers between funds		75,474	(75,474)	-	-	-
<b>Net movement in funds</b>		<b>(1,619)</b>	<b>(75,474)</b>	<b>(43,224)</b>	<b>(120,317)</b>	<b>(359,101)</b>
Total funds brought forward		10,062	75,474	562,241	<b>647,777</b>	1,006,878
<b>Total funds carried forward</b>		<b>8,443</b>	<b>-</b>	<b>519,017</b>	<b>527,460</b>	<b>647,777</b>

The notes on pages 15 to 32 form part of these financial statements.

## Consolidated and company balance sheet

As at 31 March 2022

		The Group		The Charity	
		2022	2021	2022	2021
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12	1,272,857	1,470,070	1,262,942	1,458,032
Investments	13	-	-	10	10
		<u>1,272,857</u>	<u>1,470,070</u>	<u>1,262,952</u>	<u>1,458,042</u>
<b>Current assets</b>					
Stocks	14	10,978	8,845	10,871	8,738
Debtors	15	47,010	71,086	55,186	77,083
Cash at bank and in hand		378,559	187,481	359,776	178,349
		<u>436,547</u>	<u>267,412</u>	<u>425,833</u>	<u>264,170</u>
<b>Creditors: amounts falling due within one year</b>	16	(342,314)	(293,908)	(332,033)	(284,278)
		<u>94,233</u>	<u>(26,496)</u>	<u>93,800</u>	<u>(20,108)</u>
<b>Net current assets/(liabilities)</b>					
		<u>1,367,090</u>	<u>1,443,574</u>	<u>1,356,752</u>	<u>1,437,934</u>
<b>Total assets less current liabilities</b>					
<b>Creditors: amounts falling due after more than one year</b>	18	(839,630)	(795,797)	(839,630)	(795,797)
		<u>527,460</u>	<u>647,777</u>	<u>517,122</u>	<u>642,137</u>
<b>Net assets</b>	20				
		<u>527,460</u>	<u>647,777</u>	<u>517,122</u>	<u>642,137</u>
<b>Charity funds</b>					
Restricted funds	19	519,017	562,241	519,017	562,241
Unrestricted funds	19	-	75,474	-	75,474
- Designated funds		-	10,062	-	4,422
- General fund		8,443		(1,895)	
		<u>527,460</u>	<u>647,777</u>	<u>517,122</u>	<u>642,137</u>
<b>Total funds</b>					
		<u>527,460</u>	<u>647,777</u>	<u>517,122</u>	<u>642,137</u>

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

These financial statements were approved and authorised for the issue of the Trustees on 1 December 2022 and signed on their behalf by:

**C Rowe**  
Trustee

These notes on pages 15 to 32 form part of these financial statements.

Company registration no.: 03896891

## Consolidated statement of cash flows

For the year ended 31 March 2022

		2022 £	2021 £
	Note		
<b>Cash flows from operating activities</b>			
Net cash provided/(utilised) by operating activities	21	<b>223,753</b>	(114,471)
		<hr/>	<hr/>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		<b>350</b>	290
Purchase of tangible fixed assets		<b>(12,541)</b>	(17,691)
Interest payable on borrowings		<b>(37,221)</b>	(34,225)
		<hr/>	<hr/>
<b>Net cash used in investing activities</b>		<b>(49,412)</b>	(51,626)
		<hr/>	<hr/>
<b>Cash flows from financing activities:</b>			
Repayments of borrowings		<b>(9,922)</b>	-
Cash inflows from new borrowing		<b>26,659</b>	75,932
		<hr/>	<hr/>
<b>Net cash provided by financing activities</b>		<b>16,737</b>	75,932
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		<b>191,078</b>	(90,165)
Cash and cash equivalents brought forward		<b>187,481</b>	277,646
		<hr/>	<hr/>
<b>Cash and cash equivalents carried forward</b>	22	<b>378,559</b>	187,481
		<hr/>	<hr/>

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

#### 1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with 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 (FRS102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Carn Brea Leisure Centre Trust 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.

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

#### 1.2 Basis of consolidation

The financial statements consolidate the financial statements of Carn Brea Leisure Centre (Trading) Limited its subsidiary undertaking.

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

The Carn Brea Leisure Centre Trust individual SOFA shows total income of £1,529,753, total expenditure of £1,654,768 and a net movement in funds of (£125,015).

#### 1.3 Company status

Carn Brea Leisure Centre Trust is a company limited by guarantee incorporated in England and Wales and accordingly does not have any share capital. Every member undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

These financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financials statements are rounded to the nearest £.

The registered office is disclosed within the reference and administrative details of the company, on page 1.

#### 1.4 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.

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies (continued)

#### 1.4 Fund accounting (continued)

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.

Investment income, gains and losses are allocated to the appropriate fund.

#### 1.5 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.

For legacies, entitlement is taken as the earlier of the date on which either the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

#### 1.6 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.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies (continued)

#### 1.6 Expenditure (continued)

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

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.

#### 1.7 Going concern

The Covid-19 pandemic created challenges for all in the leisure industry. Despite the loss within the 2021/22 financial year, the indications for the 2022/23 financial year are encouraging and indicating a return to pre-Covid income levels in the near future.

Whilst there is an element of uncertainty as to the impact of the current cost of living crisis, current demand is at record levels and as a result, the Trustees remain confident that with the support of customers, staff and key stakeholders that the charity will be able to continue to operate for the foreseeable future based on the information known at this time. As a result the Trustees believe that it is appropriate to continue to prepare these financial statements on the going concern basis.

#### 1.8 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.

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:

Short-term leasehold property	- Over life of lease (5-25 years)
Plant and machinery	- 10-33% straight line
Fixtures and fittings	- 10-33% straight line
Computer equipment	- 20-50% straight line

# Carn Brea Leisure Centre Trust (Limited by Guarantee)

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies (continued)

#### 1.9 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.

Investments in subsidiaries are valued at cost less provision for impairment.

#### 1.10 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

#### 1.11 Operating leases

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

#### 1.12 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.

#### 1.13 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.

#### 1.14 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.

#### 1.15 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.

#### 1.16 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.



## Notes

*(forming part of the financial statements)*

### **1 Accounting policies (continued)**

#### **1.17 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.

#### **1.18 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.

#### **1.19 Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

#### **1.20 Critical accounting estimates and judgements**

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

## Notes

(forming part of the financial statements)

## 2 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	<b>Total 2022 £</b>	Total 2021 £
Donations	-	-	-	272
Grants:				
- Cornwall Council – National Leisure Recovery Fund	127,300	-	<b>127,300</b>	21,589
- HMRC – Job Retention Scheme	118,912	-	<b>118,912</b>	477,214
- Growth Fund Business Support	-	-	-	5,500
- Big Issue Invest	-	-	-	63,000
- The National Lottery - Community Leisure Recovery Fund	38,700	-	<b>38,700</b>	-
- England Athletics	-	5,000	<b>5,000</b>	-
<b>Total donations and legacies</b>	<b>284,912</b>	<b>5,000</b>	<b>289,912</b>	<b>567,575</b>
Total 2021	567,575	-	<b>567,575</b>	567,575

HMRC grants included within the above have been received totalling £118,912 (2021: £477,214) to assist with the furloughed staff whilst in a nationwide lockdown due to COVID-19.

## 3 Trading activities

	Unrestricted funds £	Restricted funds £	<b>Total 2022 £</b>	Total 2021 £
<b>Trading income</b>				
Trading income	73,364	-	<b>73,364</b>	21,411
<b>Fundraising trading expenses</b>				
Trading expenses (including depreciation)	10,878	-	<b>10,878</b>	11,271
<b>Net income from trading activities</b>	<b>62,486</b>	<b>-</b>	<b>62,486</b>	<b>10,140</b>

## 4 Investment income

	Unrestricted funds £	Restricted funds £	<b>Total 2022 £</b>	Total 2021 £
Bank interest receivable	350	-	<b>350</b>	290
Total 2021	290	-	<b>290</b>	

## Notes

*(forming part of the financial statements)*

## 5 Income from charitable activities

	Unrestricted funds £	Restricted funds £	<b>Total 2022 £</b>	Total 2021 £
Operation of the leisure centre	1,181,703	-	<b>1,181,703</b>	352,902
	<u>352,902</u>	<u>-</u>	<u><b>352,902</b></u>	
Total 2021				

## Operation of the leisure centre income can be summarised as follows:

	Unrestricted funds £	Restricted funds £	<b>Total 2022 £</b>	Total 2021 £
Rent receivable	7,915	-	<b>7,915</b>	1,584
Gym income	563,033	-	<b>563,033</b>	198,770
Pool and sports activities	529,020	-	<b>529,020</b>	146,012
Catering and refreshments income	52,555	-	<b>52,555</b>	1,146
Sales of sports goods	9,489	-	<b>9,489</b>	1,765
Other activities	19,691	-	<b>19,691</b>	3,625
	<u>1,181,703</u>	<u>-</u>	<u><b>1,181,703</b></u>	<u>352,902</u>
<b>Total</b>				

## 6 Analysis of expenditure on charitable activities

	Unrestricted funds £	Restricted funds £	<b>Total 2022 £</b>	Total 2021 £
Operation of the leisure centre	1,606,544	39,551	<b>1,646,095</b>	1,281,335
Operation of the Hub Club project	-	8,673	<b>8,673</b>	8,673
	<u>1,606,544</u>	<u>48,224</u>	<u><b>1,654,768</b></u>	<u>1,290,008</u>
Total 2021	1,242,374	47,634	<b>1,290,008</b>	

## Notes

(forming part of the financial statements)

## 7 Direct costs

	Operation of the leisure centre £	Operation of the Hub Club project £	<b>Total 2022 £</b>	Total 2021 £
Cost of sales	48,025	-	<b>48,025</b>	9,333
Leasing and equipment rental costs	5,158	-	<b>5,158</b>	3,494
Cleaning and waste removal	15,745	-	<b>15,745</b>	5,424
Repairs and renewals	53,347	-	<b>53,347</b>	22,591
Printing, postage and stationery	3,813	-	<b>3,813</b>	2,805
Health and safety	3,218	-	<b>3,218</b>	3,547
ICT system expenses	16,102	-	<b>16,102</b>	2,321
Staff training	6,027	-	<b>6,027</b>	146
Premises costs	272,215	-	<b>272,215</b>	128,299
Irrecoverable VAT	72,910	-	<b>72,910</b>	30,546
Bank charges and interest	44,015	-	<b>44,015</b>	36,259
Licenses and subscriptions	19,625	-	<b>19,625</b>	14,961
Legal and professional	8,759	-	<b>8,759</b>	10,509
Consulting	3,598	-	<b>3,598</b>	-
Bookkeeping	16,912	-	<b>16,912</b>	7,128
Advertising and marketing	2,595	-	<b>2,595</b>	537
Wages and salaries	798,705	-	<b>798,705</b>	740,931
National insurance	39,224	-	<b>39,224</b>	36,943
Pension cost	11,972	-	<b>11,972</b>	10,974
Depreciation	197,280	8,673	<b>205,953</b>	217,909
	<u>1,639,245</u>	<u>8,673</u>	<u><b>1,647,918</b></u>	<u>1,284,657</u>
Total 2021	<u>1,275,984</u>	<u>8,673</u>	<u><b>1,284,657</b></u>	

## 8 Support and governance costs

	Operation of the leisure centre £	<b>Total 2022 £</b>	Total 2021 £
Auditors' / Independent Examiners remuneration	6,850	<b>6,850</b>	5,350
	<u>6,850</u>	<u><b>6,850</b></u>	<u>5,350</u>
Total 2021	<u>5,350</u>	<u><b>5,350</b></u>	

## Notes

(forming part of the financial statements)

### 9 Turnover

The whole of the turnover is attributable to leisure activities along with education and training in these activities.

All turnover arose within the United Kingdom.

### 10 Net expenditure

This is stated after charging:

	2022 £	2021 £
Depreciation	<b>209,754</b>	223,127

During the year, no Trustees received any remuneration (2021: £Nil).

During the year, no Trustees received any benefits in kind (2021: £Nil).

During the year, no Trustees received any reimbursement of expenses (2021: £Nil).

### 11 Staff costs

	2022 £	2021 £
Wages and salaries	<b>798,705</b>	740,931
Social security costs	<b>39,224</b>	36,943
Other pension costs	<b>11,972</b>	10,974
	<b>849,901</b>	788,848

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

	2022	2021
Full and part time employees	<b>59</b>	69

Average headcount expressed as a full time equivalent:

	2022	2021
Management	<b>2</b>	2
Administrative	<b>4</b>	3
Operational - Charity	<b>26</b>	20
Operational - Trading	<b>1</b>	1
	<b>33</b>	26

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

Total key management personnel remuneration was £97,112 (2021: £90,451)

## Notes

(forming part of the financial statements)

## 12 Tangible fixed assets

Group	Short-term leasehold Property £	Plant and machinery £	Fixtures, fittings and equipment £	Total £
<b>Cost</b>				
At 1 April 2021	1,650,914	545,808	670,637	2,867,359
Additions	-	2,039	10,502	12,541
At 31 March 2022	1,650,914	547,847	681,139	2,879,900
<b>Depreciation</b>				
At 1 April 2021	625,762	331,929	439,598	1,397,289
Charge for the year	85,081	52,326	72,347	209,754
At 31 March 2022	710,843	384,255	511,945	1,607,043
<b>Net book value</b>				
<b>At 31 March 2022</b>	<b>940,071</b>	<b>163,592</b>	<b>169,194</b>	<b>1,272,857</b>
At 31 March 2021	1,025,152	213,879	231,039	1,470,070
<b>Company</b>	<b>Short-term leasehold Property £</b>	<b>Plant and machinery £</b>	<b>Fixtures, fittings and equipment £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 April 2021	1,650,914	541,689	632,868	2,825,471
Additions	-	2,039	8,824	10,863
At 31 March 2022	1,650,914	543,728	641,692	2,836,334
<b>Depreciation</b>				
At 1 April 2021	625,762	327,845	413,832	1,367,439
Charge for the year	85,081	52,291	68,581	205,953
At 31 March 2022	710,843	380,136	482,413	1,573,392
<b>Net book value</b>				
<b>At 31 March 2022</b>	<b>940,071</b>	<b>163,592</b>	<b>159,279</b>	<b>1,262,942</b>
At 31 March 2021	1,025,152	213,844	219,036	1,458,032

## Notes

(forming part of the financial statements)

## 13 Fixed asset investments

	Shares in group undertaking £	
<b>Company</b>		
<b>Carrying value at cost</b>		
As at 1 April 2021 and 31 March 2022		<b>10</b>
<b>Carn Brea Leisure Centre (Trading) Limited</b>		
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Summary profit and loss account for the year ended 31 March 2022</b>		
Turnover	<b>73,364</b>	21,411
Cost of sales	<b>(477)</b>	(11)
Gross profit	<b>72,887</b>	21,400
Administrative expenses	<b>(10,401)</b>	(11,260)
Interest receivable	-	3
Donation to parent	<b>(57,788)</b>	(8,574)
Result for the year	<b>4,698</b>	1,569
<b>Balance sheet as at 31 March 2022</b>		
Tangible fixed assets	<b>9,915</b>	12,038
Current assets	<b>22,698</b>	18,835
Creditors falling due within one year	<b>(22,265)</b>	(25,223)
Aggregate share capital and reserves	<b>10,348</b>	5,650

Carn Brea Leisure Centre Trust owns 100% of the share capital of Carn Brea Leisure Centre (Trading) Limited, a company incorporated in England and Wales (company no. 04212770). The principal activity of Carn Brea Leisure Centre (Trading) Limited is to operate the commercial activities at Carn Brea Leisure Centre. The registered office of Carn Brea Leisure Centre (Trading) Limited is the same as Carn Brea Leisure Centre Trust.

## 14 Stocks

	<b>2022</b>	<b>Group</b>	<b>2022</b>	<b>Company</b>
<b>Group and company</b>	<b>£</b>	<b>2021</b>	<b>£</b>	<b>2021</b>
		<b>£</b>		<b>£</b>
Finished goods and goods for resale	<b>10,978</b>	8,845	<b>10,871</b>	8,738

## Notes

(forming part of the financial statements)

## 15 Debtors

	2022 £	Group 2021 £	2022 £	Company 2021 £
Trade debtors	18,993	10,630	15,185	1,824
Amounts owed by group undertakings	-	-	11,984	15,593
Other debtors	2,379	-	2,379	-
Prepayments and accrued income	25,638	60,456	25,638	59,666
	<u>47,010</u>	<u>71,086</u>	<u>55,186</u>	<u>77,083</u>

## 16 Creditors: amounts falling due within one year

	2022 £	Group 2021 £	2022 £	Company 2021 £
Other loans	59,462	86,558	59,462	86,558
Trade creditors	65,051	47,222	64,989	47,162
Other taxation and social security	44,583	39,423	42,175	37,367
Other creditors	13,198	2,074	5,387	2,074
Accruals and deferred income	160,020	118,631	160,020	111,117
	<u>342,314</u>	<u>293,908</u>	<u>332,033</u>	<u>284,278</u>

Deferred income comprises booking fees from clubs and schools received in advance, bi-annual and annual gym memberships received in advance and advance payments for swim school courses.

## Deferred income

	Group £	Company £
Deferred income at 1 April 2021	67,950	62,232
Resources deferred during the year	98,247	93,506
Amounts released from previous years	(67,950)	(62,232)
	<u>98,247</u>	<u>93,506</u>
Deferred income as at 31 March 2022		

## 17 Financial instruments

	2022 £	Group 2021 £	2022 £	Company 2021 £
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	18,993	10,630	15,185	1,824
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	1,067,777	929,577	1,062,974	929,517



## Notes

(forming part of the financial statements)

## 18 Creditors: amounts falling due after more than one year

	2022 £	Group 2021 £	2022 £	Charity 2021 £
Other loans	<b>839,630</b>	795,797	<b>839,630</b>	795,797

Other loans include aggregate amounts of £578,941 (2021: £635,859) which fall due after five years and are repayable by instalments.

The payment terms and interest rate of each creditor are: the loans from Cornwall Council are repayable over a term of 18 and 19 years and both carry an interest rate of 4%, the loans from Big Issue Invest are repayable over 7 years and carry an interest rate of 7.5%, the Santander bounce back loan is repayable over 6 years and carries an interest rate of 2.5%.

Other loans are secured by fixed charge and a floating charge over the charity's assets.

## 19 Group statement of funds – current year

	Balance as at 1 April 2021 £	Income £	Expenditure £	Transfers £	Balance as at 31 March 2022 £
<b>Designated funds</b>					
Capital fund	75,474	-	-	(75,474)	-
<b>General funds</b>	10,062	1,540,329	(1,617,422)	75,474	<b>8,443</b>
Total unrestricted funds	85,536	1,540,329	(1,617,422)	-	<b>8,443</b>
<b>Restricted funds</b>					
Hub Club project	85,355	-	(8,673)	-	<b>76,682</b>
Sport England – Club House	32,510	-	(5,419)	-	<b>27,091</b>
Sport England – Pool					<b>393,750</b>
Refurbishment	418,750	-	(25,000)	-	
Changing Places project	25,626	-	(8,542)	-	<b>17,084</b>
England Athletics	-	5,000	(590)	-	<b>4,410</b>
	562,241	5,000	(48,224)	-	<b>519,017</b>
<b>Total of funds</b>	647,777	1,545,329	(1,665,646)	-	<b>527,460</b>

## Notes

(forming part of the financial statements)

## 19 Statement of funds (continued)

## Group statement of funds – prior year

	Balance as at 1 April 2020 £	Income £	Expenditure £	Transfers £	Balance as at 31 March 2021 £
<b>Designated funds</b>					
Capital fund	259,208	-	-	(183,734)	<b>75,474</b>
<b>General funds</b>	137,795	942,178	(1,253,645)	183,734	<b>10,062</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total unrestricted funds	397,003	942,178	(1,253,645)	-	<b>85,536</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Restricted funds</b>					
Hub Club project	94,028	-	(8,673)	-	<b>85,355</b>
Sport England – Club House	37,929	-	(5,419)	-	<b>32,510</b>
Sport England – Pool					
Refurbishment	443,750	-	(25,000)	-	<b>418,750</b>
Changing Places project	34,168	-	(8,542)	-	<b>25,626</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	609,875	-	(47,634)	-	<b>562,241</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total of funds</b>	1,006,878	942,178	(1,301,279)	-	<b>647,777</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

## Charity summary of funds – current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Balance as at 31 March 2022 £
Designated funds	75,474	-	-	(75,474)	-
General funds	4,422	1,524,753	(1,606,544)	75,474	<b>(1,895)</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	79,896	1,524,753	(1,606,544)	-	<b>(1,895)</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds	562,241	5,000	(48,224)	-	<b>519,017</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	642,137	1,529,753	(1,654,768)	-	<b>517,122</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

## Notes

(forming part of the financial statements)

## 19 Statement of funds (continued)

## Charity summary of funds – prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Balance as at 31 March 2021 £
Designated funds	259,208	-	-	(183,734)	<b>75,474</b>
General funds	133,724	929,338	(1,242,374)	183,734	<b>4,422</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	392,932	929,338	(1,242,374)	-	<b>79,896</b>
Restricted funds	609,875	-	(47,634)	-	<b>562,241</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,002,807	929,338	(1,290,008)	-	<b>642,137</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**Purpose of unrestricted funds**

The designated capital fund has been created in the year to recognise the Trust's own reserves that are held in non-cash capital items that cannot readily be converted into cash.

**Purpose of restricted funds**

Restricted funds are to be used for specific purposes as laid down by the donor.

Funds restricted for the Athletics track were provided for the cost of maintenance and upkeep of the running track facility. This fund has been fully spent for the purposes intended.

The Hub Club Project comprises the grant funded building used to promote grass roots sports clubs. The building is also rented out as a meeting space.

The Sport England - Club House fund represents the costs of the Club House funded by a Sport England capital grant.

The Sport England - Pool Refurbishment fund represents the costs of refurbishing the pool which was funded by a Sport England capital grant. Should the asset be disposed of, or if the charity ceases to operate then this funding may become repayable. Sport England hold a charge in respect of this.

Changing Places project – funding obtained towards the Changing Places facilities at the Centre.

England Athletics – funding towards repairing the hammer cage at the Centre.

The trustees believe that sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with the restrictions.

## Notes

*(forming part of the financial statements)*

## 20 Analysis of net assets between funds

## Analysis of net assets between funds – current year

	Unrestricted funds	Restricted funds	Total funds 2022 £
	£	£	
Tangible fixed assets	753,840	519,017	<b>1,272,857</b>
Current assets	436,547	-	<b>436,547</b>
Creditors due within one year	(342,314)	-	<b>(342,314)</b>
Creditors due in more than one year	(839,630)	-	<b>(839,630)</b>
	<hr/>	<hr/>	
	8,443	519,017	<b>527,460</b>
	<hr/>	<hr/>	

## Analysis of net assets between funds – prior year

	Unrestricted funds	Restricted funds	Total funds 2021 £
	£	£	
Tangible fixed assets	907,829	562,241	<b>1,470,070</b>
Current assets	267,412	-	<b>267,412</b>
Creditors due within one year	(293,908)	-	<b>(293,908)</b>
Creditors due in more than one year	(795,797)	-	<b>(795,797)</b>
	<hr/>	<hr/>	
	85,536	562,241	<b>647,777</b>
	<hr/>	<hr/>	

## 21 Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net expenditure for the year (as per Statement of Financial Activities)	<b>(120,317)</b>	(359,101)
Adjustment for:		
Depreciation charges	<b>209,754</b>	223,127
Interest paid	<b>37,221</b>	34,225
Dividends, interest and rents from investments	<b>(350)</b>	(290)
(Increase)/Decrease in stocks	<b>(2,133)</b>	1,691
Decrease/(Increase) in debtors	<b>24,076</b>	(9,215)
Increase/(Decrease) in creditors	<b>75,502</b>	(4,908)
	<hr/>	<hr/>
Cash generated/(utilised) from operating activities	<b>223,753</b>	(114,471)
	<hr/>	<hr/>

## Notes

(forming part of the financial statements)

## 22 Analysis of cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	378,559	187,481

## 23 Analysis of changes in net debt

	1 April 2021 £	Cash flows £	31 March 2022 £
Cash at bank and in hand	187,481	191,078	378,559
Loans falling due after more than one year	(882,355)	(16,737)	(899,092)
	(694,874)	174,341	(520,533)

## 24 Pension commitments

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the fund and amounted to £11,972 (2021: £10,974). The outstanding contributions at the year end was £2,607 (2021: £1,846).

## 25 Operating lease commitments

At 31 March 2022 the total of the group's future minimum lease payments under non-cancellable operating leases was:

	2022 £	2021 £
<b>Group and company</b>		
Within 1 year	2,607	2,768
Between 1 and 5 years	1,350	3,957
<b>Total</b>	<b>3,957</b>	<b>6,725</b>

## Notes

*(forming part of the financial statements)*

### 26 **Related party transactions**

Carn Brea Leisure Centre (Trading) Limited, a trading subsidiary, made a gift aid donation of £57,788 (2021: £8,574) to the Trust during the year. Included within debtors due within one year is an amount of £11,984 (2021: £15,593) owed to the Trust by Carn Brea Leisure Centre (Trading) Limited. During the year the Trust recharged its subsidiary £Nil (2021: £255) for wages and salary costs.

Scott and Company (Cornwall) Limited – a company owned by a Trustee. Services totalling £695 (2021: £Nil) were provided to the charity during the year. There were no amounts outstanding as at 31 March 2022 (2021: £Nil).

### 27 **Controlling party**

The ultimate controlling parties are the Trustees of the company as shown on page 1.