

THURROCK COMMUNITY LEISURE LIMITED

England & Wales · Charity number 1080186

Details

Other names	SPRINGS COMMUNITY LEISURE LIMITED, THURROCK COMMUNITY LEISURE LIMITED, IMPULSE LEISURE
Status	Registered
Legal form	Charitable company
Company number	03782811
Registered	2000-03-31
Register	View on the Charity Commission register

Contact

Address	Blackshots Leisure Centre Blackshots Lane Grays RM16 2JU
Phone	01375 383263
Email	Charity@impulseleisure.co.uk
Website	www.impulseleisure.co.uk

Activities

Objects: The Company's objects (the objects?) are to provide or assist in the provision of facilities for recreation or other leisure time occupation for the general public in the interests of social welfare, such facilities being provided in accordance with the following sub-paragraphs of this sub-clause, namely: (I) the facilities to be provided shall be facilities available to the public at large save that special facilities may be provided for persons who by reason of their youth, age, infirmity or disability, poverty, or social or economic circumstances may have need of special facilities (II) while the persons for whom the facilities are primarily intended are the community of the Thurrock district and its neighbourhood the use of such facilities may be extended to other members of the public who desire to and can conveniently make use of them.

Activities: We offer an impressive array of facilities and activities - including 4 leisure clubs, an 18 hole golf course and an entertainments venue located within Thurrock, Essex

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Arts/culture/heritage/science, Amateur Sport, Recreation
- **Who:** Children/young People, Elderly/old People, People With Disabilities, The General Public/mankind

Geography

- **Area of benefit:** THURROCK, ESSEX
- Thurrock

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£6,691,665	£6,563,501	£2,370,784	177
2024-03-31	£6,281,923	£5,909,330	£2,242,620	162
2023-03-31	£5,256,233	£5,514,314	£4,673,027	164
2022-03-31	£4,500,422	£4,585,547	£2,060,108	147
2021-03-31	£2,717,745	£3,989,220	£1,089,233	155

Trustees

Name	Role	Appointed
Jatinder Singh Nahal	Chair	2021-01-25
BABATUNDE O OJETOLA		2018-06-25
BARRY KENT NORRINGTON		2018-12-17
Daphne Zameziza Longe		2023-08-01
Dr James Matthew Watson		2019-05-17
Garry Tapsell		2025-10-13
Joanne Wintour		2022-09-08
Kameel Zaid Mohammed		2019-08-19
Patrick James Cole		2023-07-13

THURROCK COMMUNITY LEISURE LIMITED

England & Wales - Charity number 1080186

Accounts

REGISTERED COMPANY NUMBER: 03782811 (England and Wales)
REGISTERED CHARITY NUMBER: 1080186

REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 MARCH 2025
FOR
THURROCK COMMUNITY LEISURE LIMITED

McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Building 1063 Cornforth Drive
Kent Science Park
Sittingbourne
Kent
ME9 8PX

THURROCK COMMUNITY LEISURE LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 21
Report of the Independent Auditors	22 to 24
Consolidated Statement of Financial Activities	25
Balance Sheet	26
Consolidated Cash Flow Statement	27
Notes to the Consolidated Cash Flow Statement	28
Notes to The Consolidated Financial Statements	29 to 52

THURROCK COMMUNITY LEISURE LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2025

TRUSTEES	Jatinder Nahal (Chair) Tunde Ojetola (Vice Chair) Barry Norrington Dr James Watson Kameel Mohammed Patrick Cole Joanne Wintour Daphne Zameziza Longe Mark Couldridge (Resigned – 05/06/2025) Cllr Steve Liddiard (Appointed – 23/05/2024)
COMPANY SECRETARY	Nora Obeng-Tuudah
MANAGING DIRECTOR	Karl Hayes
REGISTERED OFFICE AND OPERATIONAL ADDRESS	Blackshots Leisure Centre Blackshots Lane GRAYS Essex RM16 2JU
TRADING AS	Impulse Leisure
REGISTERED COMPANY NUMBER	03782811 (England and Wales)
REGISTERED CHARITY NUMBER	1080186
AUDITORS	McCabe Ford Williams Statutory Auditors and Chartered Accountants Cornforth Drive, Building 1063 Kent Science Park, Sittingbourne, Kent ME9 8PX
BANKERS	National Westminster Bank PLC 17 High Street, Grays Essex, RM17 6NP
SOLICITORS	Winckworth Sherwood Minerva House, 5 Montague Close LONDON, SE1 9BB

THURROCK COMMUNITY LEISURE LIMITED

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2025**

The trustees present their report and the audited financial statements for the year ended 31 March 2025.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

OBJECTIVES AND ACTIVITIES

Purposes and aims

The objectives of Thurrock Community Leisure (TCL), as set out in its memorandum of association, are to run leisure facilities and services primarily for the benefit of the general public. TCL operates in a manner that does not discriminate against any person by virtue of their age, colour, race, nationality, ethnic or national origin, religion/belief, unrelated criminal convictions, gender, gender re-assignment, sexual orientation, marital status / civil partnership, or socio-economic status.

The strategy of TCL is the pursuit of its mission, which continues to be ever more important to the community needs. The mission is 'Creating Active & Healthy Communities'.

TCL's priorities include -

- Instilling pride in communities through training, education, improving the quality of life, youth engagement and increasing opportunities
- Contributing towards achieving safer communities
- Developing prosperous communities through the attraction of inward investment
- Promoting inclusive and diverse communities
- Promoting community regeneration through environmental and cultural improvements
- Delivering healthier, more active communities.

In order to fulfil its objects TCL manages four leisure centres at Belhus Park (plus the Golf Course), Blackshots (plus the Civic Hall), The Gym Hub (Wickford) and Corringham. TCL operates under an Impulse Leisure and Gym Hub brand. The main source of income is from the sale of health and fitness (gym and exercise classes) membership, golf, swimming and swimming lessons, a varied programme of events and entertainment at the Civic Hall.

The facilities are managed to maximise financial efficiency and generate surplus wherever possible. When surpluses are generated, 100% of the surpluses are used to maintain, improve, and extend the facilities and services provided for the benefit of the local community. Service improvements are used to generate improved efficiency, increase income and to improve the health and wellbeing of the community.

In shaping objectives and planning activities, the trustees considered the Charity Commission's guidance on public benefit, including the guidance on fee charging. TCL relies on external programme funding, but mainly the income from fees and charges to cover its operating costs. In setting the level of fees, charges and concessions, the trustees give careful consideration to the accessibility of the services for those on low incomes and those from other disadvantaged groups. As a result, significant pricing discounts are available to concessionary groups. In addition, special programmes and sessions are planned and delivered to help disadvantaged members of the community improve their health and wellbeing, through participating in relevant activities. Specific examples of work undertaken to target public benefit, sometimes at the expense of financial efficiency include employment of apprentices where possible, volunteering opportunities, delivery of numerous health and mental wellbeing improvement programmes (often in partnership with others), offering free taster sessions, attending community events and provision of memberships to community groups working with disadvantaged communities.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRATEGIC REPORT

Achievement and performance

In 2024/25, the UK economy experienced a turbulent period marked by fluctuating growth and persistent inflation. The initial economic upswing in early 2024, driven by post-pandemic recovery efforts, gradually lost momentum due to a deteriorating global backdrop and domestic challenges. Inflationary pressures remained high, exacerbated by rising energy costs and supply chain disruptions. The Bank of England's efforts to stabilise the economy through monetary policy adjustments had limited success, leading to a cautious business environment.

The leisure sector, a vital component of the UK's economy, faced significant challenges during this period. Rising operational costs, particularly energy expenses, strained the financial health of many leisure businesses. Consumer spending patterns shifted as households prioritised essential expenditures over discretionary activities, leading to reduced footfall in leisure establishments. Despite these challenges, certain segments, such as outdoor and wellness activities, showed resilience as consumers sought affordable and health-oriented leisure options. The sector's ability to adapt through innovative offerings and targeted promotions became crucial for survival and growth.

To navigate these challenges, leisure businesses have had to adopt strategic responses that focus on cost management and customer engagement. Many have invested in energy-efficient technologies to reduce operational costs and mitigate the impact of rising utility prices. Additionally, businesses have leveraged digital platforms to enhance customer experiences and offer personalised promotions, driving engagement and loyalty. Collaborations with local communities and charitable initiatives have also played a role in maintaining a positive brand image and attracting socially conscious consumers.

The National shortage of experienced Leisure professionals continues which consistently affects our ability to recruit and retain staff. This shortage has started to push salary rates up which we attempt to compete in this challenging market. We continue to grow and attract our own industry staff through courses, volunteering, work placements and Apprenticeships.

UK businesses faced a significant rise in cybercrime, with over half of businesses reporting some form of cyber-attack. The most common threats included phishing, ransomware, and data breaches, which have become increasingly sophisticated. This surge in cybercrime has led to substantial financial losses and operational disruptions, prompting many businesses to invest heavily in cybersecurity measures. The heightened threat landscape has underscored the importance of robust cyber defences and proactive risk management strategies.

The NHS has faced immense pressure due to the rising demand for healthcare services and the financial constraints imposed by inflation. Staff shortages and industrial actions have further complicated service delivery, leading to longer waiting times and reduced patient satisfaction. However, the government's commitment to healthcare reform, including investments in mental health services and infrastructure, has aimed to address some of these systemic issues.

The leisure sector has played a crucial role in supporting the health and wellbeing of the nation during this challenging period. By promoting physical activity and providing accessible wellness programs, leisure businesses have helped alleviate some of the pressures on the NHS. Community leisure centres have collaborated with healthcare providers to offer referral pathways for patients, encouraging preventive care and healthier lifestyles. Additionally, the sector's focus on mental health and social engagement has contributed to improved overall wellbeing, reducing the burden on healthcare services.

Despite these challenges we have seen a strengthening in consumer confidence with a strong uptake and growth of Leisure Memberships and Swimming Lessons. We have continued our mission to promote the benefits of physical activity to impact the risk of ill health, whilst supporting those with specialist programmes that are impeded by life debilitating conditions.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRATEGIC REPORT

Achievement and performance – continued

The National shortage of Leisure professionals continued which consistently affected our ability to grow due to a lack of Swim Teachers to meet the continuing demand for Swimming Lessons. We introduced a support tier using Swimming Co-ordinators at Blackshots and Belhus Park. These co-ordinators provide support for new teachers and cover for absence ensuring a vast reduction in cancelled classes. We also continue to upskill our existing teams, retrain previously qualified instructors and offer new training opportunities for the community to change careers or start a new one to meet the growing demand.

Whilst we have managed to secure affordable rates for utilities, we are experiencing significant increases against pre covid rates. We have continued through our environmental team to implement energy saving interventions as well as educating our team to think about energy in their daily tasks. In 2024, in partnership with the Local Authority, we were successful in receiving a revenue grant of £240k from the National swimming pool support fund - Phase 1. This grant for Corringham and Blackshots supported the increases in costs. Due to the success of our energy management and some closures we did not need the full support grants and this year we returned £9,439 to the funder. We have continued our commitment to contribute our data to the Moving Communities data to support future schemes, as required by Sport England.

A joint phase 2 application was also partially granted to implement a replacement pool cover and Air handling unit at Blackshots. We managed to deliver the replacement of pool covers but the project for the air handling was unachievable in the timeframe causing the Council to decline the funding of the air handling unit.

Costs throughout the year have been constantly monitored and controlled but with increases in prices for most goods and services this has been another challenging year. All facilities remained fully open and met customer expectations in ensuring value for money within their membership fees.

Total attendance levels in service continue to rise demonstrating customer are valuing their memberships.

Swimming lessons (I-swim) numbers have continued to be strong with many of the classes at capacity, however, consistency of Teachers has remained a continual issue with higher-than-expected class cancellations in the front part of the year. This was eased by the introduction of the swim co-ordinators in the second part of the year.

Management and staff continue to work hard and maximize the resource outputs to maintain the levels of service and delivery during periods of low staffing resource; this challenge has been particularly difficult in maintaining the cleanliness of the facilities with extremely low cleaner resources. Despite these challenges TCL continued to improve and extend the services provided and provide high levels of customer support. In addition to normal essential planned and preventative maintenance there has been several refurbishment and upgrade projects and general service improvements most notably-

THURROCK COMMUNITY LEISURE LIMITED

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2025**

STRATEGIC REPORT

Achievement and performance – continued

Blackshots

- Gym refurbishment and new equipment
- New Gym Rig and Racks
- New wellness check-in pod and body analysis scales
- General décor and repairs
- Replacement Pool Covers
- Replacement of the hot water tank
- Reception desk replacement including infrastructure upgrade.

Belhus Park

- New Polly tunnel for the Community Garden
- Connected power - Smart Socket installations.
- Replacement Pool Covers

Corringham

- Connected power - Smart Socket installations.
- Replacement pool Covers.

The Gym Hub

- Gym refurbishment and new equipment
- New Gym Rig and Racks

The Civic Hall

- Foyer redecoration.

General

- Continued IT hardware replacement and upgrades.
- Targeted, and themed marketing campaigns continue to across all Marketing collateral and socials continuing the promotion of a healthy community. We continue to differentiate ourselves as a charitable organisation that cares about our community's health and wellbeing.
- Cyber security measures have been continually reviewed and improved.
- Cyber Essentials registration was maintained again this year.
- Customer and staff communications have been maintained throughout the year providing advice guidance and updates.
- The Impulse Leisure App continues to be a popular resource for our customers which has seen an average number of users over the year of 6686. This fantastic resource enables our customers to easily book and pay for activities conveniently online as well as access other important tools including their MyWellness portal, swimming lesson portal, Mental Health advice, Online classes, @home activities and workouts as well as general updates on the service we provide.

THURROCK COMMUNITY LEISURE LIMITED

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2025**

STRATEGIC REPORT

Achievement and performance – continued

As the leisure industry and in particular swimming pool operators continue to be impacted by the costs associated by utilities, we maintain a strong focus on reducing our consumption. Our consumption reduction interventions include;

- Installation of destratification fans. (Corringham & Gym Hub)
- Provided localised heating of offices and lowered the heating around the buildings.
- Reduced opening times of the health suites.
- Scheduled control on cardiovascular equipment power times at Corringham gym.
- Increased awareness of housekeeping measures such as turning off of lights, turning off PC plugs overnight and opening windows rather than using air conditioning.

This year we focused our capital energy projects on:

Blackshots

- Pool Covers
- New energy efficient cardiovascular equipment
- Swimming Pool leak detection

Corringham

- Installation of connected power sockets

Belhus Park

- Installation of connected power sockets (Cape)
- Gym air con BMS

The Gym Hub

- New energy efficient cardiovascular equipment
- Gym air con BMS

A new 24 Month Gas contract was secured last year at considerably lower rates than 2022.

The above improvements demonstrate TCL's commitment to continuously improve the facilities whilst we are keeping a mind on increasing our reserves to ensure the business is prepared for any future disruptions. These improvements make the facilities and services more attractive to new customers and obviously increase the value for money existing customers receive. Increasing the value for money offering by improving the facilities and services increases the likelihood that more of the community will seek to choose our facilities for their health and wellbeing requirements. As such TCL succeeds in its mission of 'Creating Active & Healthy Communities'.

THURROCK COMMUNITY LEISURE LIMITED

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2025**

STRATEGIC REPORT - continued

Achievement and performance – continued

With the work recently completed at the facilities, we are very proud that TCL has now been able to reinvest more than £8m in leasehold improvements and services (this figure excludes the significant investment in gym equipment replacements), all of which have been a great advantage to improving the accessibility and appeal for the community to live a healthy lifestyle. This demonstration of continued reinvestment highlights the tangible benefit for all by operating the 'charity model' to deliver local leisure services. Alternative solutions or service delivery models are unlikely to be able to reinvest these kinds of sums, as there would have been potentially other priorities for the money, i.e., shareholder/owner profit, other council services (general fund), or investment in facilities outside of the Borough.

In addition, all services provided by TCL are available to all, including spectators, casual pay and play users as well as members. All prices remain competitive and reflect the community's needs. We also offer significant concessions to those most in need, including heavily discounted or free membership, with at least 50% discount on most activity prices.

All the facilities operate quality management systems to ensure the level of service provision is delivered consistently. Our systems are externally audited and endorsed by the leisure industry quality standard (QUEST). The sites have had their reassessment and have maintained QUEST accreditation in the Very Good category (Belhus Park, Corringham, and Blackshots). The Gym Hub in Wickford only has a 1-day assessment and is registered with QUEST. All sites also achieved the UK Active – Active Standard accreditation. The Active Standard (also known as TAS) is a quality mark for the physical activity sector, developed by ukactive and its partners. The Active Standard is here to help instil consumer confidence in the safety and inclusivity of fitness and leisure facilities

We have continued to run our Customer Satisfaction surveys through the Moving Communities platform for consistency and transparency. In addition, we offer customer support and feedback via social media and direct feedback remains in the large positive.

The health of the community is always at the heart of everything we do. Every activity we provide supports the prevention of ill health. We also specialise in targeted health programme for those unfortunately experiencing a level of ill health. The results from these programmes are life changing for many attendees. Some of the initiatives we have been part of this year include:

- Lung Screening in the Blackshots car park
- CHAPS men's health day
- COPD hospital rehabilitation continued to co-locate at Blackshots creating space in hospitals.
- Thurrock MIND memberships to provide a gateway of physical activity support to help those struggling with mental health issues.
- Expansion of the Cancer Prehab and Rehabilitation program with multiple partners in Essex.
- Exercise on Referral continues to support people with comorbidities affecting their daily lives. Our 12-week exercise support program provides rehabilitation and health maintenance to enhance their quality of life.
- Continuation of the water-based exercise referrals has seen increased attendance and health improvements for patients.
- We supported the NHS with their Health Checks scheme operating from within the Leisure Centre's creating a non-clinical environment to encourage early signs of kidney and heart disease, cancer, and type 2 diabetes.

To assist in supporting those that cannot travel to our facilities we have expanded the number of free workouts from home via our app. These free classes target the home user offering chair-based exercise sessions, restricted space (e.g. home lounge) sessions and exercise safety to ensure home workouts are completed with the proper advice and safety in mind.

Most of the above programmes aim to increase physical activity levels, targeting health improvement in the community. This all fits perfectly with TCL's mission 'creating active and healthy communities'. The staff who deliver these schemes and programmes are highly qualified and often praised by the customers for their results.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRATEGIC REPORT

Achievement and performance – continued

We have played a major part as key stakeholders in the Place Partnership with our Health & Fitness Manager integral to the co-creation and delivery of the funding application to bring £1m to meet the objective of targeting the sedentary sector of the community to create activities, sessions, education and opportunity to be active. This collaboration of multiple agencies is driving the ABCD approach being adopted by the Local Authority.

A series of test and learn programmes were funded to establish best practice examples in which we hosted and supported a number of these initiatives.

Health and safety improvements continued throughout the year through the constant reviewing and developing of policy and procedures monitored by the Health and Safety Management Committee. Accident numbers for the year were again low but reflective of lower attendances with no major accidents or incidents to note. All accidents and incidents are still recorded via STITCH which also compares our average with the National rate.

We value the contributions made by our teams sometimes in difficult situations and this year again we said 'Thank You' with a £25 Love to shop voucher at Christmas.

We continue to recognise and reward those long-serving loyal team members. This year we acknowledged.

1 x 30-year service award

1 x 20-year service award

2 x 10-year service award

The staff benefits scheme remains more valuable than ever with increasing costs to most employees' personal bills, these all-year-round benefits provide discounts and promotions at high profile national retailers, restaurants, and other popular organisations, and has continued to be used well by employees.

General short term Sickness absence has not been a major issue again this year, however we have managed extended periods of sickness absence with empathy and understanding.

We continue to be an Employer Partner of CIMSPA with a commitment to ensure relevant staff are members of the industries professional institute. Staff have access to over 2000 hours of online training suitable for undertaking the required CPD relevant to their membership category. The Managing Director achieved Chartered Fellow of CIMSPA the highest acknowledgement for his contributions to the sector and Impulse Leisure. We plan to acknowledge and celebrate the successes of our senior operational teams next year as they go through the process.

Several HR policies have been refreshed/updated and introduced to ensure our managers and employees have the latest guidance and understanding to manage their teams fairly and consistently.

Recruitment continues to be an ongoing challenge as we strive to meet the demands of the business. The team have been creative and responsive to the changing candidate demands, and we have grown our team from 175 to 186 this year. Our Apprenticeship programmes continue to be very popular with most achieving full/part time employment at the end of the programme. We have expanded the work placement programme with our college partners to expose the future employees to different parts of the industry. Our Volunteering programme at Belhus Park Golf Course again was very popular and well supported. The Community Garden project offers further volunteering opportunities with produce from their effort going to local food charities.

We have made further great strides in the roll out of our staff app, where rosters, timesheets and communications are more accessible, less time intensive and significantly reduces paper. This year we introduced comms into the App to help with communication.

We are very grateful that there has been another good year of progress by Thurrock Council against their landlord property responsibilities despite their own financial challenges. Some urgent and essential works have been completed, and a programme of works to meet the forthcoming priorities is well underway.

THURROCK COMMUNITY LEISURE LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025**

STRATEGIC REPORT
Key Performance Indicators

	2025	2024
Wages as a percentage of Turnover	45.46%	43.26%

Financial review

The budget in 2024/25 was set and agreed by the Board, which demonstrated a good level of growth in revenue, but was not sufficient enough to offset the increase in National Minimum wage for a third year in a row and the subsequent impact on the whole company pay structure, the huge rise in costs for all supplies and services consumed by TCL, as well as the 400% increase in utilities. These factors predicted a deficit budget.

We continue to service our loans and liabilities, and with a strong income performance, control on costs and funding support will see an improvement in the Charities reserves, which are still below the Charity Commission guidelines.

We continue to make efficiencies in the processing of financial data and have implemented API data extracts as part of the Gladstone software upgrades.

The processing and production of the financial management and reporting is partly outsourced to McCabe Ford Williams (MFW) which is providing the additional support for the CFO as the business develops and grows.

A key decision of the Gladstone transformation was to bring the Direct Debit management back in-house. This process was completed in January following four smaller test runs before the bulk transfer. This has provided us with greater insight and control which we hope will result in greater efficiencies and higher collections rates.

The Management team continued to proactively source and apply for available funding sources that the organisation was eligible for with success in;Phase 1 of the Swimming Pool recovery Fund (joint partnership with Thurrock Council)

- Phase 1 of the Swimming Pool recovery Fund (joint partnership with Thurrock Council) 23/24
- Phase 2 of the Swimming pool recovery Fund (joint partnership with Thurrock Council) covering 23/24 and 24/25
- Multiple health projects.

The Government continued to provide Rates support for Leisure through the Local Authority this year helping reduce costs.

The efforts of the whole team have driven income streams to exceed the budget, which demonstrates the growth of the business this year. As mentioned before the expenditure lines have been a challenge to manage, but the team have remained focused on controlling consumption and costs wherever possible. This combined effort has produced a bottom-line performance better than the budget by £228K turning the budgeted deficit into a surplus of £128k.

Trustees acknowledged the need for a longer-term business plan following several years of turmoil. This year we have been through an extensive process of reviewing the strategy, direction and aspirations of the organisation. We have completed a series of sessions with Trustees and the Senior Leadership Team to establish a collective understanding of our purpose and ideals. We consulted with our key stakeholders and employee teams to ensure we meet their aspirations and objections for our organisation and insight into the positives Impulse Leisure brings to them. The launch of the final Strategy is expected to be in the new fiscal year 2025-2026.

The relationship and working partnerships created with officers and members of the Council have been extremely productive again this year. Several examples of linked up/partnership working have delivered reward and positive impact to the community. Our customers continue to support our 'give a gift 'and 'Easter egg' campaigns ensuring children are less fortunate that others receive a gift at Christmas and an easter egg at Easter. In addition, our working group with the Assets team has seen excellent communication and positive delivery of essentials.

THURROCK COMMUNITY LEISURE LIMITED

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2025**

STRATEGIC REPORT

Achievement and performance – continued

Financial review – continued

Leisure Centres –

The Membership numbers at Blackshots has seen increased growth over the year with a number of successful membership marketing campaigns attracting more people to be regularly active. Swimming lessons remains a growth area which is pleasing as it demonstrates the Communities appreciate for the importance of this life saving skill for children and Adults.

Office and Cottage Rent –

Cottage rental was maintained as both properties were occupied throughout the year.

Golf Shop and Bar –

Golf and the bar has performed well this year with strong income but with challenging costs came just short of budget by £1362. Green fees and season tickets performed well.

Civic Hall –

The Civic Hall has had a strong year in rebuilding its profile as an events destination and not solely reliant on hirers. We have provided a balanced programme of events that meet sporting and culture events to maximize the hall's value to the community. The bar product range is constantly reviewed to ensure it meets current drink trends and customer demands, which has been reflected in increased income. All other costs have been well managed to generate a surplus for the year.

Principal risks and uncertainties

The trustees and senior management undertake an annual risk assessment process and report on this to the full board. The overarching issue to the future, remains the economic impact on the Country. Increases in utility pricing, cost of living increases for consumers including interest rate hikes as well as supplies and services price rises way above average norms. The potential for another Pandemic remains a constant concern with the risk of possible restrictions and closures. In response to the continuing rise in costs the Board prudently review the reserves position to ensure there are sufficient reserves to protect the company whilst releasing them for the betterment of the facilities and services we provide.

The other main risks identified include building failures, the LGPS deficit including admission agreement issues (Lastman standing), health and safety, staff and Trustee shortages and increasing staff costs (see section below), ongoing economy uncertainty (utility and cost of living) denting consumer confidence, local politics and increasing competition. Ongoing works with Thurrock Council and our own planned and preventative maintenance regimes are used to ensure that buildings and/or plant are less likely to fail in such a way as to cause unplanned service disruption. Business interruption insurance is also in place. The potential for major health and safety issues to arise is taken seriously and as such TCL have a comprehensive policy and manual covering health and safety, monitored at the highest level, with Trustee involvement at bi-monthly bespoke meetings and again reported at Board meetings. Staff are also involved in the risk assessment process and everyone in the organisation is aware of the health and safety mission of 'everyone safe every day'. Constant improvements to service and increasing value for money is the main strategy in use for dealing with competition. Marketing and promoting our unique selling points and differentiating our service from the competition has been an increased focus.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRATEGIC REPORT

Financial review - continued

Principal risks and uncertainties - continued

Local politics always have the potential to change, so developing good relationships with senior staff at Thurrock Council and working with them to add value to the whole range of council services raises the profile of TCL and its importance to the community. There have been a number of initiatives listed elsewhere regarding staff recruitment and retention.

The trustees are satisfied that adequate processes are in place to mitigate the key risks faced by the charity.

Reserves policy and going concern

The Reserves policy for TCL is formulated to ensure the continuation and improvement of its services, for the benefit of the community and as a safety net in the event of short-term income shortfall. The services are run from various centres, which need to be regularly maintained and updated to continue to provide excellent standards of service. Therefore, reserves required are allocated into two types –

Operational Reserves

Are held to ensure TCL can meet expenditure commitments in the short term, whilst actions are put into place to overcome income shortfall.

Management risk strategies, insurance and contingency plans are in place to mitigate risks. As centres are all in different locations, it is unlikely that problems in one centre will have a direct impact on the remaining centres, although in the light of the unprecedented UK response to Covid 19 this assumption has been tested to retain a short closure at all sites in advance of Government support streams.

The reserves policy should therefore include overhead expenditure for all sites, whilst centres are closed, along with staff costs previously supported by a furlough scheme, as this may not be available in future.

The reserve policy TCL should provide resilience to keep going till support is available and/or give time to put alternative action in place.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRATEGIC REPORT

Reserves policy and going concern – continued

Facility improvement and unexpected opportunity reserve -

The day-to-day operational budget does not set aside any reserve for major improvement, or major capital commitment. As such reserves are required to ensure funding is available to continually improve the service (property, equipment, and technology) in this very competitive industry, to enable compliance with ever-changing legislation and to take advantage of other unexpected opportunities that may arise during a year. Improvements to Blackshots changing rooms is a previous example of using these reserves to update and improve efficiency/service.

To expand the services, we can offer to more beneficiaries, TCL may wish to acquire new business either through partnership, tender, acquisition or development of new premises and the purchase and refurbishment of community hub is a good example of this. This is made possible when reserves are in place to support the exploitation of such opportunities as they arise.

Therefore, TCL will continue to build up to £1m, reserves to 3 months running costs for all sites when closed, and then work towards an additional £300k for Facility improvement/opportunity reserves.

The £300k reflects amounts required for recent large projects such as Belhus refurbishment and Blackshots changing room works.

The Group held fund balances at 31 March 2025 of £2,370,784 (2024: £2,242,620).

These funds comprised £50,960 of restricted funds (2024: £nil), £2,319,824 of unrestricted funds (2024: £2,242,620), together with a pension fund reserve of £nil (2024: £nil).

TCL have been able to maintain adequate cash levels to meet day-to-day liabilities whilst maintaining operational reserves and settling outstanding legacy liabilities. The CFO reviews the value of day to day cash required to meet our operational costs and invests any excess as part of our invested portfolio to maximise the interest on this money. TCL is therefore meeting going concern requirements.

TCL has been working hard to drive income levels to cover the increased costs of operation, whilst remaining understanding and sympathetic to the impact of the cost-of-living crisis on our clients. Expenditure will continue to be closely monitored whilst income grows. TCL actively seeks new opportunities, funding, and income streams to help diversify income in order to facilitate financial robustness and take up opportunities to further its objects.

Considering, the current reserves position, together with the existing financial performance, forecasts for the future, cash flow forecasts, the main risks facing the organisation, the trustees are confident that TCL will continue as a going concern.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRATEGIC REPORT

Plans for the future

As we continue to 'Create active and Healthy Communities' we dovetail into the Local Authorities 'Active Place' and 'Playing Pitch' strategies. We continue to work closely with Public Health in delivering both services and programmes to prevent ill health and support those that have health debilitating conditions. Thurrock Community Leisure will continue to collaborate with Officers and Councillors to help in the delivery of such plans.

The Local Authority are facing huge challenges to cope and adapt to their financial difficulties and as such their attention is focused on their ability to provide statutory services. The working relationship we have with the Local Authority is positive with both organisations having a common goal regarding the health and activity of the communities we work with. It is pivotal for the benefit of the whole community that this stronger partnership continues to enable Thurrock Community Leisure to support the Council in delivering Leisure and health improvement in a cost-effective manner. The regular Officer meetings with a variety of departments within the Authority will, provide clear two-way communication into the successes and challenges faced by both organisations with a view of working collaboratively to meet the changing physical activity and health inequality demands of the Borough.

Thurrock Community Leisure will invest time and resource into the review of its corporate plan to assess and react to the changing face and needs of a physical activity service and delivery in a modern environment. This review will seek to identify future opportunities and risks that will enhance or hinder business growth.

Forecast Budgets take into consideration the sustained national price increases affecting UK Businesses in;

- goods and services
- utilities
- Minimum wage increases of 9.7% (up 30% in last three years).

Leisure activity and attendance trends have returned to pre-pandemic levels which enables historical data to be used for patterns of behaviour. Customer feedback and surveys also provide a deeper understanding of the business. We will continue to maximise income streams whilst controlling expenditure closely which is monitored on a daily basis.

The Annual Plan focuses on the ten pillars of the business, ensuring we apportion sufficient attention to each area. We continue with reshaping our digital landscape to mitigate the resourcing challenges and improve the customer experience whilst providing increased consumer knowledge and data. Our strategic alignment with the Local Authority strategies which we aim to dovetail into our future plans. The opportunity for partnership working with the voluntary sector and local clubs and groups has never been more prevalent aligning common goals with a series of pilots, support and links. Examples include the community garden project, CVS, club partnerships with Thurrock Swimming Club and Thurrock Rugby Club, as well as social services supporting events like the easter egg and Christmas gift for underprivileged children.

TCL's positioning in the marketplace remains strong, despite the increased competition over the recent years. The Charity status resonates with ethical purchasers and the distribution of any surpluses into community services and facilities is well received by our customers.

The financial growth is still anticipated to come from both Membership and Swimming Lessons where we continue to see a high support and demand. Whilst we make inroads to improving our income position, we are still having to cover off the unprecedented increases in staff costs due to NMW increases and salary squeeze affect, utility and supplies cost base increases. As such the budgets for 2025/26 show a negative bottom-line with a clear indication of recovery before year end. We will continue to ensure a tight ship approach to all costs and remain conservative in income growth.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRATEGIC REPORT

Plans for the future - continued

We have implemented our pricing strategy for 25/26 which is crucial to maintaining the differential between income and expenditure, whilst maintaining an awareness and empathy for our customers' ability to meet these new prices. The launch last year of the students and young children's memberships have been extremely popular, and we will continue to encourage physical activity habits at this influential age.

In response to the continued challenges in recruiting staff we will continue to use and attract Apprentices and train unskilled potential employees improving and extending the associated career development learning programmes to as many staff and local people as possible. This together with the CIMSPA membership and ongoing training will enable more staff to complete the requisite amount of CPD as well as relevant qualifications appropriate to their roles and future progression. This ensures more staff are undertaking relevant training to their career aspirations and the business need, which in turn should improve staff retention and customer service. We also plan to grow and expand the Volunteering opportunities to all sites over the coming years.

Community Health and Wellbeing

The more opportunities created for people to be physically active increases the positive impact TCL has on Thurrock's 'health and social issues'. Many of these issues have been proven to be improved by exercise. Indeed, Central Government and Public Health England (Physical Activity Framework – Everyone Active Everyday), supported by UK Active, have been consistently raising the profile of the benefits of physical activity, versus the associated costs of inactivity on the National Health Service (NHS). There are potential opportunities within the NHS 10-year plan, some of which focusses on prevention of ill health, part of which includes physical activity in promoting physical and mental health. TCL will work with local health commissioners, social prescribers, and others to develop new programmes to improve community health.

The newly awarded Healthy Community grant from public Health will be a co-created series of interventions covering a three-year term. These programmes may also include social and cultural related activities. TCL will consider providing/supporting these services without the benefit of external support funding. TCL will continue to support the delivery of the Sport England Place Partnership working with stakeholders, the Local Authority, Public Health and Active Essex.

TCL operate a multitude of successful health programmes that improve health as well as quality of life with many moving case studies of life changing impacts. In line with Government and Sport England Strategy on increasing physical activity levels, we will expand our programmes to deliver increased physical activity opportunities to more of the community including children and disadvantaged groups. We will continue and to grow our FREE online home-based classes including chair based and beginners to enable the housebound access to our services.

TCL will continue the work on the location master plans for the leisure stock in Thurrock. We hope these Leisure Strategies will be integrated into decision making in future, including establishing our place as the operator of choice within that strategy. Bringing solutions and funding options to the table is a line being pursued at present.

We are actively promoting with partners our concession schemes to increase the reach of those in the target group on low income or asylum seeking.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRATEGIC REPORT

Plans for the future – continued

Main facility related works will centre around the following improvements or investigations including:

TCL plan to:

Blackshots

- Replacing Gym equipment.
- Converting the Café toilets to a universal toilet provision.
- Gallery suite floor sand and reseal

Belhus Park

- Work with Thurrock Council and others to deliver a Master plan for the site including 2 x 3G full size football pitch and Cricket facilities.
- Replacing some gym equipment
- Redecoration of Ladies toilets
- Redecoration of the Group Exercise Studio

Civic Hall

- Upgrade the ID scan for security
- Install external access to the Green Rooms

Corringham

- Replacing gym flooring
- Refurbishing of the Health Suite

General

- Develop remaining viable LED lighting schemes into a project and seek external funding contributions to the costs. If external funding achieved, implement the
- schemes.
- Explore the implementation of Government funding for sustainable products to reduce the consumption of Local Authority Leisure.
- Expand the Airius Fans schemes to Blackshots and Belhus Park

Customer satisfaction scores and QUEST will be maintained at all applicable sites. In addition, as an internationally recognised measure of customer satisfaction we will assess the Net Promoter Score (NPS) on all feedback surveys.

Health and safety management will continue to be a priority, constantly reviewing and developing new policy and procedures making at least 10 safety improvements during the year.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRATEGIC REPORT

Plans for the future – continued

The viability of local expansion, other smaller trusts and other business opportunities will continue to be assessed on a case-by-case basis. Through on-going networking and industry knowledge, TCL will continue to identify business opportunities, or other trusts or organisations that might benefit from collaborative working. In addition, TCL will continue to seek to expand operations in the Southeast keeping in contact with those businesses / authorities / organisations / schools that are changing the way they operate.

This benefits TCL as overhead costs are reduced, as they are contributed to by additional group members.

TCL will expand further the Swimming teacher recruitment programme to continue its work on creating a sustainable teacher infrastructure. This new infrastructure will enable both expansion, support and development of our swim teachers creating an exciting career pathway.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

TCL is controlled by its governing document, a Memorandum and Articles of Association and is constituted as a limited company, limited by guarantee as defined by the Companies Act 2006. TCL is a registered charity.

Appointment of trustees

TCL is governed by a board of up to 11 trustees. The board of trustees (volunteers) are drawn from all sections of the local community. Once appointed, trustees act in their personal capacity in the best interests of TCL and do not act as representatives of the body that nominated them.

The board is made up of the following categories of trustees, which are fixed in the articles:

- Independent trustees x (up to) 8
- Local Authority elected trustees x 2
- Employee elected trustees x 1

Thurrock Council nominates two trustees to the board.

Should there be a need to attract new trustees to the board, adverts are placed at the sites and in appropriate social media, CVS, and various partner websites.

The trustees co-opt new members to the board once agreed and they are official appointed at the next Annual General Meeting. Trustees are selected to provide a broad range of skills to support the business and management. Specific attention and targeting will be focused on underrepresented areas of the board. This under representation can be in the form of skills, knowledge, gender, ethnic background, or disability.

All trustees will hold office for a maximum of three years before retiring. Upon retirement, the other trustees may re-appoint them or another person. At each Annual General Meeting (AGM), the greater of three and 33% of the longest serving trustees shall retire but may be re-appointed unless the vacancy is filled.

Each trustee guarantees to contribute an amount not exceeding £1 to the assets of TCL in the event of winding up. The total number of such guarantees at 31 March 2025 was 10 (2024 – 9, 2023 – 8, 2022-8, 2021 - 7).

The trustees have no beneficial interest in TCL. As a charity, TCL is a non-profit distributing organisation. Therefore, trustees do not receive any dividend, as 100% of surpluses must be invested to pursue the charitable objectives of the company.

THURROCK COMMUNITY LEISURE LIMITED

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2025**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Appointment of trustees – continued

TCL is a community organisation working with Thurrock Council (TC) and other organisations, to provide leisure and cultural opportunities within the Thurrock area and its neighbourhood. TCL came into existence when Thurrock Council transferred leisure and cultural services to TCL on 10 January 2000.

The trustees have overall responsibility for the organisation and its efficient operation. However, as volunteers the trustees appoint a Managing Director (MD, Karl Hayes), to whom they delegate responsibility for undertaking the work that is required to ensure that the organisation is operated efficiently, and in accordance with its objects. The trustees have agreed a delegated authority framework, which sets out the responsibilities of the trustees and management. In addition, the trustees are aware that they have expert advice available to them from their auditors, legal advisors, bank and health and safety advisors. The trustees use the 'Charity Governance Code' as a framework to govern TCL in line with best practice principles.

Trustee induction and training

The trustees have agreed a Governance Manual, which provides information about TCL, including its history, structure, governance, legal standing, agreements with related parties, procedures at meetings, shared contact information, information about being a trustee (Charity Commission) and other sources of information.

Once appointed new trustees are inducted by the Managing Director and Company Secretary using the governance manual as a guide. The updated manual is available to Trustees on an ongoing basis in an electronic format, using a dedicated Share Point drive accessed by an Impulse leisure appointed email.

Occasionally training is provided to the trustees as a group, in the past this has included governance, risk analysis and financial responsibility training. In addition, individual trustees are encouraged to attend training provided by auditors and legal advisors on a range of subjects. The Management team also provide guidance, training and support on Leisure specific understanding.

The trustees carry out 'spot checks' using internal control procedures and audits developed to cover the main financial and employment risks identified by the organisation. The trustees aim to carry out all of these checks on an annual basis.

Related parties and relationships with other organisations

TCL has a wholly owned subsidiary company known as TCL Trading (TCLT). TCLT operates a golf shop, grounds maintenance function, bar, and catering operation at Belhus Park. Directors of TCLT are appointed by TCL. The directors have no beneficial interest in TCLT, or TCL. All surpluses generated by TCLT are gift aided back to TCL and this arrangement is governed by a deed of covenant.

Remuneration policy for key management personnel

TCL has a Remuneration Policy which is a TCL & TCLT Group policy. This policy is posted on the website no more than two clicks away from the home page.

TCL is committed to ensuring a proper balance between paying staff and others who work for it so that only the best people are recruited and retained.

Whilst TCL remuneration is generally competitive within the leisure industry, it does not compete on pay with other industries. Leisure remains a low pay industry.

When determining the salary for a post, TCL will collect information about comparable roles where possible, preferably within the Leisure sector. This information will be used to benchmark TCL salaries, normally aiming to set them at a level that appears to represent the market / local area. TCL will also seek advice from peers within other organisations where they employ people in similar roles. To this end TCL benchmark with other southeast Community Leisure operators (CLUK) and Community Leisure UK (CLUK) the sport and recreation trust association. CLUK represent charitable organisations who provide leisure and cultural services.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Remuneration policy for key management personnel - continued

All posts meet the minimum requirements in respect of the National Minimum Wage, which is reviewed and amended where required in April each year. All employees (except apprentices) working for TCL will be paid. £12.21 with effect from 1st April 2025 an increase of 6.7%, this is regardless of age. This created a companywide salary squeeze which was addressed in April 25 pay awards agreed by Trustees.

Salaries for the majority of posts will comprise a band made up of a series of salary points. Other posts have a flat rate salary. All salaries are openly stated in job adverts.

Post-holders can progress up to the next salary point within their band around the beginning of each new financial year, subject to having received a satisfactory annual appraisal (Development and Review Time (DART) and performance assessment) and having achieved their key performance indicators for the year. Following the annual appraisal (DART), an employee's manager will make a recommendation to the Managing Director as to whether a progression up to the next band has been merited.

'Annual' Pay Award and Adjustments - During the budget setting process (in around November/December) each year, for implementation in the following new financial year (April), the management team will consider whether the salary points for all staff should be adjusted for the forthcoming financial year beginning 1st April, to reflect changes in the market conditions and reflecting cost of living impacts.

The considerations will begin with an assumption that salaries should be adjusted to match inflation (specifically the Consumer Price Index) over the preceding 12-months. Further consideration will then determine whether this is appropriate in the context of: -

- i. TCL's financial situation – can it afford the CPI linked increase and is it sustainable?
- ii. TCL's performance – have KPIs been met?
- iii. Previous pay awards made in recent years
- iv. Pay reviews elsewhere – how might a failure to follow wider trends be perceived amongst staff, within peer organisations
- v. Overall affordability and sustainability – can TCL realistically afford it now and can it sustain it moving forwards?
- vi. TCL's ability to attract and retain suitable staff in sufficient numbers to deliver a consistent service level.

Based on the above, the management team will make a recommendation to the trustees to approve any annual pay award/budget. If approved, annual pay awards will normally be applied in April of the new financial year.

The Managing Director has the responsibility to make any ad hoc decisions regarding salary changes for any position/post holder. Any decision/s regarding the salary of the Managing Director and senior managers are made by the TCL trustees. The Senior Management Team does not have delegated authority in matters relating to their own remuneration, and any recommendations or decisions must be ratified by the trustees prior to implementation.

By nature of previous arrangements (TUPE transfers), some staff have previously opted to join the Local Government Pension Scheme (LGPS) in accordance with the respective Admission Agreement with Essex County Council. The TCL LGPS scheme is currently closed to new members as dictated by the Admission Agreement.

For those staff who are not members of the LGPS, TCL complies with its statutory auto-enrolment duties in accordance with Part 1 of the Pensions Act 2008, where employees will be automatically enrolled into a defined contribution pension scheme from the date required by the Pensions Act 2008. Details are notified to each individual separately, including what they would need to do should they wish to opt out of membership. In this regard, TCL uses NEST to fulfil auto-enrolment obligations.

All staff, regardless of whether entitled/not, entitled/eligible have the opportunity to join NEST on request. Furthermore, TCL (and the employee) pay contributions on total earnings, irrespective of age or earnings level. Employees can only be a member of one pension scheme.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Remuneration policy for key management personnel - continued

Private Health Care – is a company and employee benefit for senior management and key personnel, to ensure that any ill-health is treated promptly, enabling the individual to continue/return to work with minimum absence. All private health care is declared on a P11D and subject to tax in accordance with HMRC guidelines.

Use of Facilities by Employees - In order to promote health, fitness and wellbeing, employees may use the facilities free of charge, provided a paying member of the public is not prohibited from use because of an employee taking up space.

TCL apply a long service recognition scheme within which staff are rewarded for continuous service at 5, 10, 20, 30 and 40 years. The scheme is designed to reward long service and is for gifts at various values depending on the milestone reached. The scheme follows the guidance issued by HMRC on the values of the awards.

TCL/TCLT trustees are not paid for their work as a trustee.

Trustees can be reimbursed for reasonable out of pocket expenses. They may also be paid for undertaking special work for the charity, provided that this meets with the Charity Commission guidance 'Payments to Charity Trustees – What the Rules Are'. However, TCL will generally avoid engaging its trustees for work and will only do so where there is no suitable alternative supplier of that work.

Diversity

The board's approach to diversity supports its effectiveness and leadership, as such TCL wholeheartedly supports the principle of equal opportunities and diversity in employment and service provision and opposes all forms of unlawful or unfair discrimination on the grounds of colour, race, nationality, ethnic or national origin, religion/belief, unrelated criminal convictions, gender, gender re-assignment, sexual orientation, marital status/civil partnership, age, or disability.

It is in TCL's best interests, and those of all who represent or work within it, to ensure the human resources, talents, and skills available throughout the organisation and community are considered when employment and or training opportunities arise or when the service-based decisions are made.

Statistical reports are compiled once a whole recruitment and selection process is complete, these show the ethnic/national background, gender, age, religion/religious belief, and disability (if any) of all applications; those short-listed, and those offered employment. TCL monitor the declared diversity of its workforce.

TCL aims to have trustees and staff from different backgrounds, abilities, cultures, and genders as the inherent diversity of life experience is more likely to encourage debate, resulting in better decision making. The aim is that the workforce and Board reflect the community it serves.

The Board and staff undertake equal opportunity and diversity training.

Policy for employment of disabled persons

TCL is 'positive about disability' and operates a Guaranteed Interview Scheme (GIS).

TCL recognises that during employment a person's capability to carry out their duties may deteriorate. This can be for several reasons, the most common ones being that either the job changes over a period, or because of health changes (including developing a disability). Should this be the case, TCL will make every effort to ensure staff receive adequate training and supervision to reduce any impact. Informal meetings are used in the first instance with a view to resolving any issues. TCL will also consider the possibility of a transfer to more suitable work if this is possible. If issues persist TCL will normally seek a medical diagnosis and prognosis and with the benefit of this professional medical advice, consult with the employee to enable a decision to be made about the future, either in the current role or, where circumstances permit, in a more suitable role. Where concerns about work arise due to the nature of a disability as defined under the Act, TCL will endeavour to make reasonable adjustments to work and/or working pattern wherever possible.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Employee information

Employees are provided with information in a number of ways including, general electronic communication to personal email addresses, staff notice boards, staff newsletters, team briefings, staff satisfaction survey (once per annum) and one to one meetings where appropriate. These communications are used to provide employees with relevant information on matters of concern to them, common awareness of the financial and economic factors affecting TCL's performance and seek the employees' views about the business and how it might be improved.

TCL recognise the trade union Unite and staff can seek their advice and support where applicable. TCL consult with Unite in line with the recognition agreement in place.

Modern Slavery Act 2015

By virtue of its size TCL is not required to comply with all of the duties within the Act. However, TCL takes steps to prevent modern slavery and human trafficking in its business in accordance with the Act. TCL publishes its policy regarding modern slavery on its website.

FUNDRAISING

The TCL Group do not use professional fundraisers to raise funds. All of the income is derived from the main functions including, sales for facility use/hire, secondary spending, and grants for specified programmes. Occasionally TCL receive donations through online fundraising platforms, although at presents this a very minor source of income.

THURROCK COMMUNITY LEISURE LIMITED

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2025**

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

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

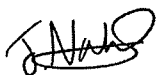
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

In so far as the trustees are aware:

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

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 30/9/25 and signed on the board's behalf by:



.....
Jatinder Nahal (Chair)

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THURROCK COMMUNITY LEISURE LIMITED

Opinion

We have audited the financial statements of Thurrock Community Leisure Limited Group for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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.

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 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Opinion 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF **THURROCK COMMUNITY LEISURE LIMITED**

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the group and 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 and 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the Charitable Company through discussions with trustees and our experience of the sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Group and Charitable Company, including, but not limited to, the Companies Act (2006), UK tax legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THURROCK COMMUNITY LEISURE LIMITED

We assessed the susceptibility of the Group's and Charitable Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations in each section.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the relevant regulator where relevant.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees' and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of Our Report

This report is made solely to the group and charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group and charitable company's members those matters we are required to state to them in an auditors' 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 group and charitable company and the group and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Clair Rayner FCA DChA (Senior Statutory Auditor)
for and on behalf of McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Building 1063 Cornforth Drive
Kent Science Park
Sittingbourne
Kent
ME9 8PX
Date: ...30/09/2025

THURROCK COMMUNITY LEISURE LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2025**

		31.03.25			31.03.24		
	Notes	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
INCOME							
Donation Income	2	-	-	-	-	-	-
Charitable activities							
Leisure Centres	3	5,847,299	120,484	5,967,783	5,161,125	386,008	5,547,133
Civic Hall	3	370,277	-	370,277	434,892	-	434,892
Office and Cottage Rent	3	28,717	-	28,717	27,436	-	27,436
Other trading activities	4	264,129	-	264,129	213,356	-	213,356
Investments	5	60,759	-	60,759	59,106	-	59,106
Total income		6,571,181	120,484	6,691,665	5,895,915	386,008	6,281,923
EXPENDITURE							
Raising funds	7	9,890	-	9,890	9,106	-	9,106
Charitable activities							
Leisure Centres	7	5,305,853	82,602	5,388,455	4,669,269	386,008	5,055,277
Civic Hall	7	400,338	-	400,338	448,792	-	448,792
Office and Cottage Rent	7	9,890	-	9,890	9,106	-	9,106
Trading activities	6	551,928	-	551,928	387,049	-	387,049
Total resources expended		6,277,899	82,602	6,360,501	5,523,322	386,008	5,909,330
Net income/(expenditure) for the year before other recognised gains and losses		293,282	37,882	331,164	372,593	-	372,593
Transfers between funds	22	-	-	-	-	-	-
Actuarial gains/(losses) on defined benefit pension scheme	23	(203,000)	-	(203,000)	(2,803,000)	-	(2,803,000)
Net movement in funds		90,282	37,882	128,164	(2,430,407)	-	(2,430,407)
RECONCILIATION OF FUNDS							
Total funds brought forward	22	2,242,620	-	2,242,620	4,673,027	-	4,673,027
TOTAL FUNDS CARRIED FORWARD	22	2,332,902	37,882	2,370,784	2,242,620	-	2,242,620

CONTINUING OPERATIONS

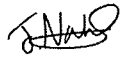
All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

BALANCE SHEETS
AT 31 MARCH 2025

	Note	The Group		The Charitable Company	
		31.03.25	31.03.24	31.03.25	31.03.24
		£	£	£	£
FIXED ASSETS					
Tangible assets	12	1,978,904	1,801,682	1,958,121	1,793,807
Investments	13	-	-	10,000	10,000
		<u>1,978,904</u>	<u>1,801,682</u>	<u>1,968,121</u>	<u>1,803,807</u>
CURRENT ASSETS					
Stocks	15	53,371	59,093	45,108	50,096
Debtors	16	249,154	176,410	254,496	229,555
Investments	17	1,085,795	1,085,795	1,085,795	1,085,795
Short term deposits		-	-	-	-
Cash at bank and in hand		<u>472,594</u>	<u>379,215</u>	<u>417,804</u>	<u>281,961</u>
		<u>1,860,914</u>	<u>1,700,513</u>	<u>1,803,303</u>	<u>1,647,407</u>
CREDITORS					
Amounts due <1 year	18	<u>(1,155,455)</u>	<u>(981,873)</u>	<u>(1,101,452)</u>	<u>(932,145)</u>
NET CURRENT ASSETS		<u>705,459</u>	<u>718,640</u>	<u>701,851</u>	<u>715,262</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,684,363</u>	<u>2,520,322</u>	<u>2,669,972</u>	<u>2,519,069</u>
CREDITORS					
Amounts due >1 year	19	(309,830)	(276,449)	(309,830)	(276,449)
PROVISIONS FOR LIABILITIES	20	(3,749)	(1,253)	-	-
NET ASSETS EXCLUDING PENSION LIABILITY		<u>2,370,784</u>	<u>2,242,620</u>	<u>2,360,142</u>	<u>2,242,620</u>
PENSION ASSET / (LIABILITY)	23	-	-	-	-
TOTAL NET ASSETS		<u><u>2,370,784</u></u>	<u><u>2,242,620</u></u>	<u><u>2,360,142</u></u>	<u><u>2,242,620</u></u>
FUNDS	22				
Restricted funds		50,960	-	50,960	-
Unrestricted funds:					
General funds		2,309,182	2,242,620	2,309,182	2,242,620
Non charitable trading funds		10,642	-	-	-
Pension reserve		-	-	-	-
Total unrestricted funds		<u>2,319,824</u>	<u>2,242,620</u>	<u>2,309,182</u>	<u>2,242,620</u>
TOTAL FUNDS		<u><u>2,370,784</u></u>	<u><u>2,242,620</u></u>	<u><u>2,360,142</u></u>	<u><u>2,242,620</u></u>

The financial statements were approved by the Board of Trustees on 30/9/25 and were signed on its behalf by:

..... 
Jatinder Nahal (Chair)

The notes form part of these financial statements

THURROCK COMMUNITY LEISURE LIMITED**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025**

	Notes	31.03.25 £	31.03.24 £
Cash flows from operating activities			
Net cash inflow from operating activities	1	400,265	648,192
Tax paid		-	-
Finance costs paid		(18,079)	-
Net cash/(cost) from operating activities		382,186	648,192
Cash flows from investing activities			
Dividends, interest and rent from investments		-	59,106
Purchase of investment		-	(1,085,795)
Current investment maturing		-	560,752
Purchase of tangible fixed assets (Including HP)		(402,773)	(103,615)
Cash used on investing activities		(402,773)	(569,552)
Cash flows from financing activities			
Repayment of borrowing including HP		(42,576)	(121,364)
Repayment of loan		(138,015)	-
New leases		294,557	-
Cash used in financing activities		113,966	(121,364)
Increase / (decrease) in cash and cash equivalents in the year		93,379	(42,724)
Cash and cash equivalents at the beginning of the year	2	379,215	421,939
Total cash and cash equivalents at the end of the year	2	472,594	379,215

The notes form part of these financial statements

THURROCK COMMUNITY LEISURE LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

1. RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31.03.25	31.03.24
	£	£
Net incoming resources before other recognised gains and losses	331,164	372,593
Depreciation charges	225,552	191,802
Actuarial pension scheme charges	(203,000)	(145,000)
Dividends, interest and rent from investments	18,079	(59,106)
(Increase) / decrease in stocks	5,722	(4,262)
(Increase) / decrease in debtors	(72,744)	(35,980)
Increase / (decrease) in creditors	92,996	326,892
Increase / (decrease) in provisions	2,496	1,253
Net cash inflow from operating activities	400,265	648,192

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31.03.25	31.03.24
	£	£
Short term deposits	-	-
Cash at bank and in hand	472,594	379,215
Total cash and cash equivalents	472,594	379,215

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.24	Cash Flow	At 31.3.25
Net Cash			
Cash at bank	379,215	93,379	472,594
Debt			
Finance Leases	(107,785)	(184,570)	(292,355)
Debts falling due within one year	(137,950)	(9,933)	(147,883)
Debts falling due after one year	(182,929)	147,949	(34,980)
Total	(49,449)	46,825	(2,624)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the group and charitable company, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary TCL Trading Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes to the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of Companies Act 2006.

The presentational currency of the financial statements is the Pound Sterling (£). Amounts included in the financial statements are rounded to the nearest Pound Sterling (£). The charity is an incorporated private company limited by guarantee without share capital and is registered with Companies House and Charity Commission. The charitable company's registered office and place of business are listed on Reference and Administrative Details page.

Going concern

The UK economy remains in a fragile but cautiously optimistic state. While growth has slightly exceeded expectations, underlying challenges persist—high inflation, rising public debt, and a cooling labour market continue to weigh on consumer confidence and business investment. The effects of global instability, particularly the war in Ukraine, are still being felt through elevated energy costs and disrupted supply chains. Yet, there's a sense that the worst may be behind us, with policymakers aiming for a soft landing and gradual recovery, even as households and businesses remain wary of future uncertainties.

The trustees have assessed the charity's ability to continue as a going concern. Despite ongoing financial pressures in the public sector and the broader economic environment, the charity maintains a stable operational base and continues to deliver essential leisure services to the community.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025

1. ACCOUNTING POLICIES – continued

Going concern – continued

Key factors supporting the going concern status include:

TCL's facilities and programmes remain well-utilised, reflecting strong local engagement and relevance. This is supported through increased membership numbers.

Based on current financial performance, strategic direction, and community support, the trustees are confident that Thurrock Community Leisure is well-positioned to continue delivering its mission of creating active and healthy communities across Thurrock.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether capital grants or revenue grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Interest receivable

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

Grants receivable

Grants receivable in respect of a specified period relating to the general activities of the charitable company are recognised in the Statement of Financial Activities in the period in which they become receivable. Where related expenditure has not been incurred the grant is deferred only when the donor has imposed restrictions on the expenditure of resources which amount to pre-conditions for use

Government grants

Government grants are recognised when it is reasonably certain that the conditions attached to the grant are met. Income from grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025

1. ACCOUNTING POLICIES – continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to the activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following bases which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives, and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

- Cost of raising funds	1%
- Leisure centres	90%
- Civic Hall	8%
- Office and cottage rental	1%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £10,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Leasehold improvements	10-40 years
Assets on finance lease	over the length of the lease

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025

1. ACCOUNTING POLICIES – continued

Investment in subsidiary

Investment in the subsidiary is stated at cost.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. In general, cost is determined on a first in first out basis and includes transport and handling costs.

Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Hire purchase and leasing commitments

Assets purchased under finance leases are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charge. Finance charges are written off to the SOFA over the period of the lease so as to produce a constant periodic rate of charge.

Operating lease rental charges are charged on a straight line basis over the term of the lease.

Pension costs and other post-retirement benefits

The Charitable Company accounts for the pension scheme in accordance with the Financial Reporting Standard 102. The Charitable Company operates a defined benefit pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2019.

The Charitable Company provides pension benefits for eligible staff through an Essex County Council administered pension scheme. The Essex County Council administered scheme is a multi-employer scheme which provides benefits based upon final pensionable pay. For defined benefit schemes the amounts charged to resources expended on charitable activities are the current service costs and any gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately if the benefits are vested. If the benefits have not vested, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the Statement of Financial Activities.

The defined benefit scheme is funded, and the assets of the scheme are held separately from those of the charity in a trustee administered fund. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on long dated high quality corporate bonds of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

Contributions made by the Charitable Company to defined contribution pension schemes are charged to the Statement of Financial Activities as they are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025

1. ACCOUNTING POLICIES – continued

Financial instruments

The company enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

a) Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

b) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

c) Impairment of financial assets

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

d) Trade and other creditors

Debt instruments like loans and other accounts payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable within one year, typically trade payables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025

1. ACCOUNTING POLICIES – continued

Taxation

The charity is exempt from corporation tax on its charitable activities. The trading subsidiary is liable to pay corporation tax on its trading profits.

Taxation is recognised in the Statement of Financial Position under expenditure on trading activities.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred Tax

Deferred tax is recognised in response of all timing differences that have originated but not reversed at the statement of financial position date.

Deferred tax is recognised at the amount of tax that would be payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

The deferred tax expense is recognised in the Statement of Financial Position under expenditure on trading activities.

Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value, like plant and equipment, are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets, which is the higher of value in use and the fair value less cost to sell, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit and loss.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the group's accounting policies management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from the 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 March 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

THURROCK COMMUNITY LEISURE LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025****2. DONATION INCOME**

	Unrestricted	Restricted	31.03.25 Total	31.03.24 Total
	£	£	£	£
Donation Income	-	-	-	-

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted	Restricted	31.03.25 Total	31.03.24 Total
	£	£	£	£
Funding income	-	-	-	-
Leisure centres income	5,847,299	120,484	5,967,783	5,547,133
Sub-total for leisure centres	5,847,299	120,484	5,967,783	5,547,133
Civic Hall income	370,277	-	370,277	434,892
Sub-total for Civic Hall	370,277	-	370,277	434,892
Office and cottage rent	28,717	-	28,717	27,436
Total income from charitable activities	6,246,293	120,484	6,366,777	6,009,461

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted	Restricted	31.03.25 Total	31.03.24 Total
	£	£	£	£
Golf club, shop and bar	264,129	-	264,129	213,356
	264,129	-	264,129	213,356

5. INCOME FROM INVESTMENTS

	Unrestricted	Restricted	31.03.25 Total	31.03.24 Total
	£	£	£	£
Interest receivable	60,759	-	60,759	59,106
	60,759	-	60,759	59,106

THURROCK COMMUNITY LEISURE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025

6. TRADING ACTIVITY COSTS

	Unrestricted £	Restricted £	31.03.25 Total £	31.03.24 Total £
Staff costs	235,155	-	235,155	194,735
Other trading costs	316,773	-	316,773	192,314
	<u>551,928</u>	<u>-</u>	<u>551,928</u>	<u>387,049</u>

7. ANALYSIS OF EXPENDITURE

	Cost of raising funds £	Charitable activities				Support Costs £	31.03.25 Total £	31.03.24 Total £
		Leisure centres £	Civic hall £	Office and cottage rent £	Governance costs £			
Staff costs	-	2,079,949	140,295	-	-	586,652	2,806,896	2,522,647
Promotion and publicity	-	136,943	56,572	-	-	-	193,515	205,334
Premises costs	-	1,400,412	36,551	-	-	214,962	1,651,925	1,677,487
Purchases for resale	-	113,552	47,951	-	-	-	161,503	195,096
Office administration costs	-	180,839	18,301	-	-	752,812	951,952	864,934
Audit and accountancy	-	-	-	-	37,280	-	37,280	47,952
Legal and professional	-	-	-	-	-	5,502	5,502	8,831
	-	<u>3,911,695</u>	<u>299,670</u>	<u>-</u>	<u>37,280</u>	<u>1,559,928</u>	<u>5,808,573</u>	<u>5,522,281</u>
Support costs	9,517	1,443,208	97,686	9,517	-	(1,559,928)		
Governance costs	373	33,552	2,982	373	(37,280)			
Total expenditure 2025	<u>9,890</u>	<u>5,388,455</u>	<u>400,338</u>	<u>9,890</u>	<u>-</u>	<u>-</u>	<u>5,808,573</u>	
Total expenditure 2024	<u>9,106</u>	<u>5,055,277</u>	<u>448,792</u>	<u>9,106</u>	<u>-</u>	<u>-</u>		<u>5,522,281</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025**8. NET INCOME/(EXPENDITURE)**

Net income / (expenditure) is stated after charging/ (crediting):

	31.03.25	31.03.24
	£	£
Depreciation	225,552	191,802
Interest payable	18,018	24,278
Operating lease rentals	59,529	16,304
Auditors' remuneration		
- Audit fee (parent)	13,209	12,580
- Other services (parent)	772	735
- Audit fee (subsidiary)	5,445	5,185
- Other services	375	360
	<u>19,801</u>	<u>18,860</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

Trustees only receive remuneration in respect of the services they provide undertaking the roles of staff and not in respect of their services as Trustees. The value of Trustees' remuneration was £41,983 (2024: £49,533).

Mark Couldridge, an employee of the trust, was appointed as a staff trustee on 26 September 2023.

He received total remuneration (Gross pay, employer pension contributions and employer national insurance contributions) of £41,983 for his role as a site manager (2024: £38,350). Of this, £1,106 (2024: £2,541) relates to pension contributions paid by the charity.

Trustees' expenses

There were no payments or reimbursements of travel and subsistence costs paid in the year ended 2025 or 2024.

THURROCK COMMUNITY LEISURE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025

10. STAFF COSTS

	31.03.25	31.03.24
	£	£
Wages and salaries	2,857,736	2,527,278
Social security costs	180,797	156,166
Employer's contribution to defined contribution pension schemes	59,518	50,938
Employer's contribution to defined benefit pension schemes	116,000	108,000
Operating cost of defined benefit pension schemes	(172,000)	(125,000)
	<u>3,042,051</u>	<u>2,717,382</u>

The average monthly number of employees during the year was as follows:

	31.03.25	31.03.24
Leisure centres	139	130
Civic hall	14	13
Other trading activities	13	9
SMT	4	4
Support	7	6
	<u>177</u>	<u>162</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.03.25	31.03.24
£60,001 - £70,000	1	1
£70,001 - £80,000	2	1
£80,001 - £90,000	1	1
£90,001 - £100,000	-	-
£100,000 - £110,000	-	-
£110,000 - £120,000	-	-
	<u>4</u>	<u>3</u>

The total employee benefits including pension contributions of the key management personnel was £356,484 (2024: £363,977).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025

11. TAXATION

The Charitable Company paid no corporation tax during the year. Provisions for £nil (2024: £nil) have been made at 31 March 2025 for corporation tax due in respect of the surplus from trading activities recorded in the year ended 31 March 2025. During the year ended 31 March 2025 all trading activities were conducted by the wholly owned subsidiary, TCL Trading Limited.

TCL Trading Limited has provisions included of £3,749 (2024: £1,253) in respect of deferred taxation and a corporation tax creditor of £nil (2024: £1,425) in respect of corporation tax payable on profits relating to trading income. The analysis of the tax charge on the profit for the year was as follows:

	31.3.25 £	31.3.24 £
Current tax:		
UK corporation tax	-	1,425
Deferred taxation movement	2,496	1,253
Tax on trading profit	<u>2,496</u>	<u>2,678</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025

12. TANGIBLE FIXED ASSETS

The Group	Improvements to leasehold property £	Plant and machinery £	Totals £
COST			
At 1 April 2024	4,780,003	1,091,895	5,871,898
Additions	103,512	299,261	402,773
Disposals	-	-	-
At 31 March 2025	<u>4,883,515</u>	<u>1,391,156</u>	<u>6,274,671</u>
DEPRECIATION			
At 1 April 2024	3,082,556	987,659	4,070,215
Charge for year	167,811	57,741	225,552
Disposal	-	-	-
At 31 March 2025	<u>3,250,367</u>	<u>1,045,400</u>	<u>4,295,767</u>
NET BOOK VALUE			
At 31 March 2025	<u>1,633,148</u>	<u>345,756</u>	<u>1,978,904</u>
At 31 March 2024	<u>1,697,447</u>	<u>104,236</u>	<u>1,801,683</u>

Fixed assets, included in the above, which are held under hire purchase contracts or finance leases are as follows:

The Group	Plant and machinery £
COST	
At 1 April 2024	122,232
Additions	288,685
At 31 March 2025	<u>410,917</u>
DEPRECIATION	
At 1 April 2024	17,997
Charge for year	57,566
At 31 March 2025	<u>75,563</u>
NET BOOK VALUE	
At 31 March 2025	<u>335,354</u>
At 31 March 2024	<u>104,235</u>

THURROCK COMMUNITY LEISURE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025

12. TANGIBLE FIXED ASSETS – continued

The Charitable Company	Improvements to leasehold property £	Plant and Machinery £	Totals £
COST			
At 1 April 2024	4,633,886	963,804	5,597,690
Additions	103,512	275,761	379,273
Disposals	-	-	-
At 31 March 2025	<u>4,737,398</u>	<u>1,239,565</u>	<u>5,976,963</u>
DEPRECIATION			
At 1 April 2024	2,943,694	860,189	3,803,883
Charge for year	164,366	50,593	214,959
Disposals	-	-	-
At 31 March 2025	<u>3,108,060</u>	<u>910,782</u>	<u>4,018,842</u>
NET BOOK VALUE			
At 31 March 2025	<u>1,629,338</u>	<u>328,783</u>	<u>1,958,121</u>
At 31 March 2024	<u>1,690,192</u>	<u>103,615</u>	<u>1,793,807</u>

Fixed assets, included in the above, which are held under hire purchase contracts or finance leases are as follows:

The Charitable Company	Plant and machinery £
COST	
At 1 April 2024	103,615
Additions	265,185
At 31 March 2025	<u>368,800</u>
DEPRECIATION	
At 1 April 2024	-
Charge for year	<u>50,418</u>
At 31 March 2025	<u>50,418</u>
NET BOOK VALUE	
At 31 March 2025	<u>318,382</u>
At 31 March 2024	<u>103,615</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025

13. FIXED ASSET INVESTMENTS

The Charitable Company	Shares in group undertakings £	Totals £
COST		
At 1 April 2024	10,000	10,000
Disposals	<u>-</u>	<u>-</u>
At 31 March 2025	<u>10,000</u>	<u>10,000</u>
AMORTISATION		
At 1 April 2024	-	-
Eliminated on disposal	<u>-</u>	<u>-</u>
At 31 March 2025	<u>-</u>	<u>-</u>
NET BOOK VALUE		
At 31 March 2025	<u>10,000</u>	<u>10,000</u>
At 31 March 2024	<u>10,000</u>	<u>10,000</u>

THURROCK COMMUNITY LEISURE LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**
FOR THE YEAR ENDED 31 MARCH 2025**13. FIXED ASSET INVESTMENTS – continued**

The company's investments at the balance sheet date in the share capital of companies include the following:

Subsidiary**TCL Trading Limited**

Nature of business: Golf shop, bar, catering, maintenance services

	%
Class of share:	holding
Ordinary share capital	100

The charitable company owns the whole of the issued shares of TCL Trading Limited, a company registered in England which became operable from 1 October 2003. The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line bases in the statement of financial activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

	31.03.25	31.03.24
	£	£
Turnover	562,476	476,698
Cost of sales	<u>(186,826)</u>	<u>(116,831)</u>
Gross profit	375,650	359,867
Administrative expenses	<u>(352,004)</u>	<u>(310,688)</u>
Operating profit / (loss)	23,646	49,179
Other income	-	-
Tax on profit	<u>(2,496)</u>	<u>(2,678)</u>
Profit / (loss) on ordinary activities	21,150	46,501
Deed of covenant to parent undertaking	<u>(10,508)</u>	<u>(48,568)</u>
Profit / (loss) for the financial year	<u><u>10,642</u></u>	<u><u>(2,067)</u></u>

The aggregate of the assets, liabilities and funds was:

Assets	87,016	117,040
Liabilities	(66,374)	(107,040)
Share Capital	<u>(10,000)</u>	<u>(10,000)</u>
Retained Earnings	<u><u>10,642</u></u>	<u><u>-</u></u>

14. PARENT CHARITABLE COMPANY

The parent charitable company's gross income and the results for the year are disclosed as follows:

	31.03.25	31.03.24
	£	£
Gross income	6,498,521	6,178,616
Net result for the year	<u><u>117,522</u></u>	<u><u>229,659</u></u>

THURROCK COMMUNITY LEISURE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025

15. STOCKS

	The group		The charitable company	
	31.03.25	31.03.24	31.03.25	31.03.24
	£	£	£	£
Stocks	<u>53,371</u>	<u>59,093</u>	<u>45,108</u>	<u>50,096</u>

16. DEBTORS

	The group		The charitable company	
	31.03.25	31.03.24	31.03.25	31.03.24
	£	£	£	£
<i>Amounts falling due within one year:</i>				
Trade debtors	529	66,396	529	63,970
Other debtors	97,934	31,549	97,934	31,549
Amounts due from other group members	-	-	7,109	55,715
Prepayments and accrued income	150,691	78,465	149,024	78,321
Taxation	-	-	-	-
	<u>249,154</u>	<u>176,410</u>	<u>254,596</u>	<u>229,555</u>

17. CURRENT ASSET INVESTMENTS

	The group		The charitable company	
	31.03.25	31.03.24	31.03.25	31.03.24
	£	£	£	£
<i>Analysis of current asset investments:</i>				
Cash or cash equivalents	<u>1,085,795</u>	<u>1,085,795</u>	<u>1,085,795</u>	<u>1,085,795</u>
	<u>1,085,795</u>	<u>1,085,795</u>	<u>1,085,795</u>	<u>1,085,795</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	The group		The charitable company	
	31.03.25	31.03.24	31.03.25	31.03.24
	£	£	£	£
Trade creditors	260,916	292,195	240,866	282,839
Loans	147,883	137,950	147,883	137,950
Accruals and deferred income	531,858	434,493	513,206	411,243
VAT payable	17,681	14,282	19,194	14,626
Lease liability	71,505	14,265	54,690	12,530
Social Security and other taxes	45,083	42,702	45,083	42,702
Other creditors	80,529	44,561	80,530	30,255
Other taxes	-	1,425	-	-
Amounts due to other group members	-	-	-	-
	<u>1,155,455</u>	<u>981,873</u>	<u>1,101,452</u>	<u>932,145</u>

THURROCK COMMUNITY LEISURE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	The group		The charitable company	
	31.03.25	31.03.24	31.03.25	31.03.24
	£	£	£	£
Lease liabilities due 2 – 5 years	271,324	70,726	271,324	70,726
Lease liabilities due after 5 years	3,526	22,794	3,526	22,794
Loan liabilities due 2 – 5 years	34,980	182,929	34,980	182,929
	<u>309,830</u>	<u>276,449</u>	<u>309,830</u>	<u>276,449</u>

The charity have a charge with National Westminster Bank PLC which is secured on the charity's assets and commenced in June 2002. The charge is specifically for the Direct Debit membership collections, in the eventuality members request money back.

The charity also have a second charge in respect of a loan with Social Investment Business FM Limited which is secured on the charity's assets and commenced in March 2021. The loan is repayable over 5 years in instalments. Interest is chargeable at 9% in year 1, and 7% in subsequent years.

20. PROVISIONS FOR LIABILITIES

	Group		Company	
	31.12.25	31.12.24	31.12.25	31.12.24
	£	£	£	£
Deferred taxation	<u>3,749</u>	<u>1,253</u>	<u>-</u>	<u>-</u>
	<u>3,749</u>	<u>1,253</u>	<u>-</u>	<u>-</u>

21. OPERATING LEASE COMMITMENTS

The group's minimum lease payments under non-cancellable operating leases fall due as follows:

Equipment		
	31.03.25	31.03.24
	£	£
Within one year	2,447	4,320
Between one and five years	<u>7,953</u>	<u>4,040</u>
	<u>10,400</u>	<u>8,360</u>
Rent		
	31.03.25	31.03.24
	£	£
Within one year	54,250	54,250
Between one and five years	<u>212,479</u>	<u>262,208</u>
	<u>266,729</u>	<u>316,458</u>

THURROCK COMMUNITY LEISURE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025

21. OPERATING LEASE COMMITMENTS – continued

The charitable company's minimum lease payments under non-cancellable operating leases fall due as follows:

Equipment

	31.03.25	31.03.24
	£	£
Within one year	2,447	3,746
Between one and five years	<u>7,953</u>	<u>4,040</u>
	<u>10,400</u>	<u>7,786</u>

Rent

	31.03.25	31.03.24
	£	£
Within one year	54,250	54,250
Between one and five years	<u>212,479</u>	<u>262,208</u>
	<u>266,729</u>	<u>316,458</u>

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	31.03.25 Total funds	31.03.24 Total funds
	£	£	£	£
Fixed assets	1,978,904	-	1,978,904	1,801,682
Investments	1,085,795	-	1,085,795	1,085,795
Current assets	713,419	61,700	775,119	614,718
Current liabilities	(1,144,055)	(11,400)	(1,155,455)	(981,873)
Long term liabilities	(309,830)	-	(309,830)	(276,449)
Provisions for liabilities	(3,749)	-	(3,749)	(1,253)
Pension asset / (liability)	-	-	-	-
	<u>2,320,484</u>	<u>50,300</u>	<u>2,370,784</u>	<u>2,242,620</u>

Analysis of net assets between funds – previous year

	Unrestricted funds	Restricted funds	31.03.24 Total funds	31.03.23 Total funds
	£	£	£	£
Fixed assets	1,801,682	-	1,801,682	1,889,869
Investments	1,085,795	-	1,085,795	560,752
Current assets	614,718	-	614,718	617,200
Current liabilities	(981,873)	-	(981,873)	(730,175)
Long term liabilities	(276,449)	-	(276,449)	(322,619)
Pension asset / (liability)	(1,253)	-	(1,253)	2,658,000
	<u>2,242,620</u>	<u>-</u>	<u>2,242,620</u>	<u>4,673,027</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025

23. MOVEMENT IN FUNDS

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers and gains £	At the end of the year £
Restricted funds:					
Cancer Rehab	-	66,340	(22,620)	-	43,720
Place Partnership	-	32,000	(34,739)	2,739	-
Weight Management	-	3,180	(1,590)	-	1,590
Active Essex – Park Run	-	5,200	-	-	5,200
General Restricted	-	13,764	(23,653)	10,339	450
Total restricted funds	-	120,484	(82,602)	13,078	50,960
Unrestricted funds:					
General funds of TCL	2,242,620	6,307,052	(6,076,499)	(163,991)	2,309,182
General funds of TCL Trading	-	264,129	(404,400)	150,913	10,642
Total general funds	2,242,620	6,571,181	(6,480,899)	(13,078)	2,319,824
Pension fund	-	-	203,000	(203,000)	-
Total unrestricted funds	2,242,620	6,571,181	(6,277,899)	(216,078)	2,319,824
Total funds including pension fund	2,242,620	6,691,665	(6,360,501)	(203,000)	2,370,784

Movement in Funds – Previous year

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers and gains £	At the end of the year £
Restricted funds:					
Leisure Centre	-	386,008	(386,008)	-	-
Total restricted funds	-	386,008	(386,008)	-	-
Unrestricted funds:					
General funds of TCL	2,012,959	5,682,559	(5,281,273)	(171,625)	2,242,620
General funds of TCL Trading	2,068	213,356	(387,049)	171,625	-
Total general funds	2,015,027	5,895,915	(5,668,322)	-	2,242,620
Pension fund	2,658,000	-	145,000	(2,803,000)	-
Total unrestricted funds	4,673,027	5,895,915	(5,523,322)	(2,803,000)	2,242,620
Total funds including pension fund	4,673,027	6,281,923	(5,909,330)	(2,803,000)	2,242,620

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025

23. MOVEMENT IN FUNDS – continued

Transfer of funds

A transfer of £13,078 (2024: £nil) has been made from restricted to unrestricted funds for the reallocation of assets purchased via restricted funds which are being used in the unrestricted element of the trade.

Restricted funds

Restricted funds of £50,960 (2024: £nil) have been carried forward this year.

Cancer Rehab

TCL Limited t/a Impulse Leisure will deliver face-to-face, twice weekly exercise programmes for 12 weeks in seven locations across the MSE locality to provide pre-and rehabilitation to cancer patients.

The service will have the goal of delivering:

- Improvement in function, frailty level, physical activity, health-related quality of life and mobility as well as leading to a greater sense of control, lower levels of anxiety and improved motivation.
- For prehabilitation this will ready patients to cope with best-in-class cancer treatment, reduce hospital stays and emergency admissions and reduce treatment related side effects.
- For rehabilitation this will help patients to recover from cancer treatment and cope with ongoing treatment and for some cancers reduce the chance of the cancer recurring.

Outcomes:

- To improve local access to specialist face-to-face exercise programme
- Promoting Health and improved quality of life
- Reduced side effects of cancer treatment such as fatigue, stress and anxiety and depression

Place Partnership

To act in a senior capacity to drive the development phase of Thurrock Place Partnership work supporting the Thurrock Place. In this period, the individual is not representing the organisation they work for, but the local system, funding is provided for a limited period to create the development phase into a full application. This is achieved through:

- Working in partnership with the Active Essex team.
- Building momentum and commitment to Place Partnership across multiple partners and senior people.
- Influencing, where possible in the timeframe of the development phase, relevant identified policies, plans, programmes, projects, budgets to prioritise physical activity.
- Overseeing the development phase delivery plan, and in some cases, leading on some of the delivery plan tasks, such as set up test and learn projects.
- Get involved with some of the development phase workshops and co-design meetings.
- Helping co-design an appropriate governance structure for the 3-year main phase.
- Helping with the working up of the 3-year plan and budget

Weight Management

12 Week programme with a focus on tackling high levels of inactivity/Hypertension/obesity in Tilbury and Chadwell areas. TCL Limited t/a Impulse Leisure based on this funding offers Hybrid solution of face to face and impulse on demand/virtual platform. The 12-week programme is for 30 inclusive memberships for all.

We offer guidance and support throughout with education and regular weigh-in. Initially, we have 30 minutes initial consultation. We can have referrals from self-referral, GP surgeries, Social Prescribers, Community Health Champions, Local Area Co-ordinator's.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025

23. MOVEMENT IN FUNDS – continued

Weight Management - continued

TCL Limited t/a Impulse Leisure offers a 12-week membership to our 3 main centres with no restriction to times and days. With participants that are unable to easily visit our centres will be supported by with our "on demand virtual library".

Once a week, TCL Limited t/a Impulse Leisure will check in with participant for weight, food diary, activity log via telephone or zoom call.

Active Essex Park Run

This is Junior parkrun at Belhus Park Leisure Centre in South Ockendon at present pending as we recruit volunteers.

The distance is 2Km and the targeted audience are 4 to 14 years. They are encouraged to walk, jog or run the distance and must be accompanied by an adult. This would encourage families to be active together.

TCL Limited t/a Impulse Leisure are working in co-operation with the council (commissioned this run) to work with schools, family hubs, public health team for children and young people

Pension Fund

The pension fund covers the actuarial valuation of the pension scheme.

Swimming pool support fund

The charity received £nil (2024: £240,544) of swimming pool support funding from Sport England. All of this funding was spent in the year, with funds of £nil being carried forward.

24. EMPLOYEE BENEFIT OBLIGATIONS

Employees of Thurrock Community Leisure are admitted to the Essex County Council Pension Fund, a defined benefit scheme which is administered by Essex County Council under the regulations governing the Local Government Pension Scheme. The figures disclosed below have been derived by approximate methods from the last full actuarial valuation of the fund carried out by Mercer Human Resource Consulting Ltd as at 31 March 2016.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	31.03.25	31.03.24
	£	£
Present value of funded obligations	(3,499,000)	(4,028,000)
Fair value of plan assets	7,853,000	7,542,000
Impact of asset ceiling	<u>(4,354,000)</u>	<u>(3,514,000)</u>
	-	-
Surplus / (Deficit)	-	-
Asset / (Liability)	<u>-</u>	<u>-</u>

THURROCK COMMUNITY LEISURE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025

24. EMPLOYEE BENEFIT OBLIGATIONS – continued

The amounts recognised in the statement of financial activities are as follows:

	Defined benefit pension plans	
	31.03.25	31.03.24
	£	£
Current service cost	85,000	88,000
Net interest from net defined benefit asset/liability	(3,000)	(130,000)
	<u>5,000</u>	<u>5,000</u>
 Total loss / (profit)	 <u>87,000</u>	 <u>(37,000)</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31.03.25	31.03.24
	£	£
Opening defined benefit obligation	4,028,000	4,056,000
Current service cost	85,000	88,000
Past service cost	-	-
Contributions by scheme participants	34,000	33,000
Interest cost	195,000	192,000
Change in financial assumptions	(610,000)	(165,000)
Actuarial losses/(gains)	(7,000)	11,000
Change in demographic assumptions	(9,000)	(52,000)
Benefits paid	<u>(217,000)</u>	<u>(135,000)</u>
	<u>3,499,000</u>	<u>4,028,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31.03.25	31.03.24
	£	£
Opening fair value of scheme assets	7,542,000	6,714,000
Interest on assets	372,000	322,000
Administration expenses	(5,000)	(5,000)
Contributions by employer	116,000	108,000
Contributions by scheme participants	34,000	33,000
Expected return	11,000	505,000
Other actuarial gains/(losses)	-	-
Benefits paid	<u>(217,000)</u>	<u>(135,000)</u>
	<u>7,853,000</u>	<u>7,542,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025

24. EMPLOYEE BENEFIT OBLIGATIONS – continued

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	31.03.25	31.03.24
	£	£
Actuarial gains/(losses) from changes in demographic assumptions	9,000	52,000
Actuarial gains/(losses)	<u>617,000</u>	<u>154,000</u>
	<u>626,000</u>	<u>206,000</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	31.03.25	31.03.24
Equities	55%	55%
Gilts	2%	2%
Other bonds	0%	0%
Property	8%	7%
Cash	2%	2%
Other managed funds	18%	18%
Alternative assets	15%	16%
Asset breakdown	31.03.25	31.03.24
	£000s	£000s
Equities	4,311	4,177
Gilts	119	135
Other bonds	-	-
Property	634	521
Cash	153	186
Other managed funds	1,452	1,376
Alternative assets	1,184	1,147
	7,853	7,542

Projected employer contributions for the year ending 31 March 2025 are £118,000.

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	31.3.25	31.3.24
Discount rate	5.85%	4.95%
Future salary increases	3.90%	3.85%
Future pension increases	2.90%	2.85%

THURROCK COMMUNITY LEISURE LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025****24. EMPLOYEE BENEFIT OBLIGATIONS – continued**

The following table sets out the impact of a small change in the discount rates on the defined benefit obligation and projected service cost along with a +/- 1 year age rating adjustment to the mortality assumption:

	£	£	£
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	3,954	3,499	4,104
Projected service cost	68	70	72
	+0.1%	0.0%	-0.1%
Adjustment to long term salary increase			
Present value of total obligation	4,037	3,499	4,019
Projected service cost	70	70	70
	+0.1%	0.0%	-0.1%
Adjustment to pension increases and deferred revaluation			
Present value of total obligation	4,096	3,499	3,692
Projected service cost	72	70	68
	+1 year	None	-1 year
Adjustment to life expectancy assumptions			
Present value of total obligation	4,155	3,499	3,905
Projected service cost	73	70	67

25. CAPITAL COMMITMENTS

At 31 March 2025 there was capital commitments totalling £nil (2024: £77,841 relating to gym refurbishment at Blackshots leisure centre).

26. RELATED PARTY TRANSACTIONS

Thurrock Community Leisure Limited (TCL) owns 100% shares of TCL Trading Ltd (TCLT). During the year following transactions occurred between the group companies:

TCLT:

During the year, TCL paid commission of £46,494 (2024: £37,309) and management charges of £256,783 (2024: £244,788) to TCLT for management of the golf club and shop. TCL charged a management fee of £44,820 to TCLT (2024: £42,726).

TCLT gift aided £10,508 (2024: £48,568) to TCL.

At the year end, TCL owed £nil (2024: £nil) to TCLT. TCLT owed £7,109 (2024: £55,715) to TCL.

Trustees' remuneration and expenses are disclosed in note 9.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

27. LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

THURROCK COMMUNITY LEISURE LIMITED

England & Wales - Charity number 1080186

Accounts

REGISTERED COMPANY NUMBER: 03782811 (England and Wales)
REGISTERED CHARITY NUMBER: 1080186

REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 MARCH 2024
FOR
THURROCK COMMUNITY LEISURE LIMITED

McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Building 1063 Cornforth Drive
Kent Science Park
Sittingbourne
Kent
ME9 8PX

THURROCK COMMUNITY LEISURE LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 20
Report of the Independent Auditors	21 to 23
Consolidated Statement of Financial Activities	24
Balance Sheet	25
Consolidated Cash Flow Statement	26
Notes to the Consolidated Cash Flow Statement	27
Notes to The Consolidated Financial Statements	28 to 51

THURROCK COMMUNITY LEISURE LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2024

TRUSTEES	Tunde Ojetola (Chair) Jatinder Nahal (Vice Chair) Barry Norrington Dr James Watson Juan Rangel (Resigned 08/08/2023) Kameel Mohammed Mark Coxshall (Resigned 26/05/2023) Andrew Jefferies (Resigned 13/07/2023) Patrick Cole (Appointed 13/07/2023) Joanne Wintour (Appointed 30/01/2023) James Thandi (Appointed 13/06/2023 – Resigned 22/03/2024) Joy Redsell (Appointed 13/07/2023 – Resigned 31/01/2024) Daphne Zameziza Longe (Appointed 01/08/2023) Mark Couldridge (Appointed – 26/09/2023) Cllr Steve Liddiard (Appointed – 24 May 2024)
COMPANY SECRETARY	Kay Volk (Resigned – 18/01/2024) Nora Obeng-Tuudah (Appointed – 18/01/2024)
MANAGING DIRECTOR	Karl Hayes
REGISTERED OFFICE AND OPERATIONAL ADDRESS	Blackshots Leisure Centre Blackshots Lane GRAYS Essex RM16 2JU
TRADING AS	Impulse Leisure
REGISTERED COMPANY NUMBER	03782811 (England and Wales)
REGISTERED CHARITY NUMBER	1080186
AUDITORS	McCabe Ford Williams Statutory Auditors and Chartered Accountants Cornforth Drive, Building 1063 Kent Science Park, Sittingbourne, Kent ME9 8PX
BANKERS	National Westminster Bank PLC 17 High Street, Grays Essex, RM17 6NP
SOLICITORS	Winckworth Sherwood Minerva House, 5 Montague Close LONDON, SE1 9BB

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

The trustees who are also directors of the group and charity for the purposes of the Companies Act 2006, present their report with the financial statements of the group and charity for the year ended 31 March 2024. The trustees have adopted the provisions of 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). Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

OBJECTIVES AND ACTIVITIES

Purposes and aims

The objectives of Thurrock Community Leisure (TCL), as set out in its memorandum of association, are to run leisure facilities and services primarily for the benefit of the general public. TCL operates in a manner that does not discriminate against any person by virtue of their age, colour, race, nationality, ethnic or national origin, religion/belief, unrelated criminal convictions, gender, gender re-assignment, sexual orientation, marital status / civil partnership, or socio-economic status.

The strategy of TCL is the pursuit of its mission, which continues to be ever more important to the community needs. The mission is 'Creating active & healthy communities'.

TCL's priorities include -

- Instilling pride in communities through training, education, improving the quality of life, youth engagement and increasing opportunities
- Contributing towards achieving safer communities
- Developing prosperous communities through the attraction of inward investment
- Promoting inclusive and diverse communities
- Promoting community regeneration through environmental and cultural improvements
- Delivering healthier, more active communities.

In order to fulfil its objects TCL manages four leisure centres at Belhus Park (plus the Golf Course), Blackshots (plus the Civic Hall), The Gym Hub (Wickford) and Corringham. TCL operates under an Impulse Leisure and Gym Hub brand. The main source of income is from the sale of health and fitness (gym and exercise classes) membership, golf, swimming and swimming lessons, a varied programme of events and entertainment at the Civic Hall.

The facilities are managed to maximise financial efficiency and generate surplus wherever possible. When surpluses are generated, 100% of the surpluses are used to maintain, improve, and extend the facilities and services provided for the benefit of the local community. Service improvements are used to generate improved efficiency, increase income and to improve the health and wellbeing of the community.

In shaping objectives and planning activities, the trustees considered the Charity Commission's guidance on public benefit, including the guidance on fee charging. TCL relies on external programme funding, but mainly the income from fees and charges to cover its operating costs. In setting the level of fees, charges and concessions, the trustees give careful consideration to the accessibility of the services for those on low incomes and those from other disadvantaged groups. As a result, significant pricing discounts are available to concessionary groups. In addition, special programmes and sessions are planned and delivered to help disadvantaged members of the community improve their health and wellbeing, through participating in relevant activities. Specific examples of work undertaken to target public benefit, sometimes at the expense of financial efficiency include employment of apprentices where possible, volunteering opportunities, delivery of numerous health and mental wellbeing improvement programmes (often in partnership with others), offering free taster sessions, attending community events and provision of memberships to community groups working with disadvantaged communities.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

STRATEGIC REPORT

Achievement and performance

In 2023-2024, the global economy experienced a period of recovery and growth following the challenges posed by the COVID-19 pandemic. The year has seen significant price increases across the board affecting our purchase pricing for utilities supplies and services and salaries. These costs have impacted all businesses, as well as the consumer, as these price increases have been passed to the end user. Increased interest rates have also affected our consumers with large hikes in mortgage and loans rates, reducing their available leisure pound.

Despite these challenges we have seen a strengthening in consumer confidence with a strong uptake and growth of Leisure Memberships and Swimming Lessons. We have continued our mission to promote the benefits of physical activity to impact the risk of ill health, whilst supporting those with specialist programmes that are impeded by life debilitating conditions.

The National shortage of Leisure professionals continued which consistently affected our ability to grow due to a lack of Swim Teachers to meet the continuing demand for Swimming Lessons. We continue to upskill our existing teams, retrain previously qualified instructors and offer new training opportunities for the community to change careers or start a new one to meet the growing demand.

Whilst we have managed to secure affordable rates for utilities, we are experiencing increases in pre covid rates (electricity 149% increase and Gas 366% increase). We have continued through our environmental team to implement energy saving interventions as well as educating our team to think about energy in their daily tasks. In partnership with the Local Authority, we were successful in receiving a revenue grant of £240k from the National swimming pool support fund - Phase 1. This grant for Corringham and Blackshots supported the increases in costs. We have committed as a condition of the support fund to contribute our data to the Moving Communities data to support future schemes, as required by Sport England.

A joint phase 2 application was also partially granted to implement a replacement pool cover and Air handling unit at Blackshots. We continue to work with the Local Authority on their implementation of these investments to reduce energy consumption.

We have managed to meet our agreed payment schedules for all the legacy bills created during Covid, whilst maintaining a good cash position.

Costs throughout the year have been constantly monitored and controlled but with increases in prices for most goods and services this has been another challenging year. All facilities remained fully open and met customer expectations in ensuring value for money within their membership fees including access to hot water for showers reducing their own costs and a warm space during the cold months.

Total attendance levels in service continue to rise and we are seeing that the patterns of behaviour have now returned to pre covid trends.

Swimming lessons (I-swim) numbers have continued to be strong with many of the classes at capacity, however, consistency of Teachers has been a continual issue with higher-than-expected class cancellations. Belhus has been the worst affected by this and has struggled again to hit targets. This remains extremely frustrating, and we are reshaping and remodelling the swim teacher departments to build in support, succession, and cover from the new year.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

STRATEGIC REPORT

Achievement and performance – continued

Management and staff continue to work hard and maximize the resource outputs to maintain the levels of service and delivery during periods of low staffing resource, this challenge has been particularly difficult in maintaining the cleanliness of the facilities with extremely low cleaner resources. Despite these challenges TCL continued to improve and extend the services provided and provide high levels of customer support. In addition to normal essential planned and preventative maintenance there has been several refurbishment and upgrade projects and general service improvements most notably–

Blackshots

- General décor and repairs.

Belhus Park

- Gym layout and environment refresh.
- Additional deadlift platform.
- New wellness check-in pod and body analysis scales
- Installation of the Community Garden

Corringham

- Energy saving destratification fans in the pool hall.
- Gym refurbishment and layout.
- Complete replacement of the fixed resistance and increased functional space.
- New wellness pod and body analysis scales.
- New cardiovascular equipment

The Gym Hub

- Destratification fans to improve the air flow and temperatures.
- Partial roof replacement.

The Civic Hall

- Payment upgrade and ticket booking improvements.
- Replacement of 200 function chairs.

THURROCK COMMUNITY LEISURE LIMITED

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2024**

STRATEGIC REPORT

Achievement and performance – continued

General

- Continued IT hardware replacement and upgrades.
- Targeted, and themed marketing campaigns continue across all Marketing collateral and socials continuing the promotion of a healthy community. We continue to differentiate ourselves as a charitable organisation that cares about our community's health and wellbeing.
- Cyber security measures have been fully reviewed and improved.
- Cyber Essentials registration was maintained again this year.
- Customer and staff communications have been maintained throughout the year providing advice guidance and updates.
- The activity registration scheme continues to assist with tracking who is in the buildings from a security perspective and allows online booking for non-members. We offer booking privileges for non-members 7days in advance to encourage more participation from non-users. We have registered 25106 since its launch and we added a further 3788 residents this year.
- The Impulse Leisure App continues to be a popular resource for our customers which has seen an increase in active users from 5,000 in July 2023 to 6,600 in March 2024. This fantastic resource enables our customers to easily book and pay for activities conveniently online as well as access other important tools including their MyWellness portal, swimming lesson portal, Mental Health advice, Online classes, @home activities and workouts as well as general updates on the service we provide.

As the leisure industry and in particular swimming pool operators continue to be impacted by the costs associated by utilities, we maintain a strong focus on reducing our consumption whilst appreciating the support from the Swimming pool recovery fund to ensure customers are not impacted by closures or massive price increases. Our consumption reduction interventions include;

- Installation of destratification fans (Corringham & Gym Hub).
- Reduced pool water temperatures.
- Reduced pool hall air temperatures
- Provided localised heating of offices and lowered the heating around the buildings.
- Reduced opening times of the health suites.
- Switched off every other piece of duplicated cardiovascular equipment in the gym during quiet times.
- Increased awareness of housekeeping measures such as turning off of lights, turning off PC plugs overnight and opening of windows rather than air con.

This year we focused our capital energy projects on:

- Blackshots – Air handling unit replacement for the teaching pool.
- Corringham – Installing destratification fans.
- Corringham – New energy efficient cardiovascular equipment.
- The Gym Hub – Installing destratification fans.

A new Gas contract was secured at considerably lower rates than this year for the next 24 months.

The above improvements demonstrate TCL's commitment to continuously improve the facilities whilst we are keeping a mind on increasing our reserves to ensure the business is prepared for any future disruptions. These improvements make the facilities and services more attractive to new customers and obviously increase the value for money existing customers receive. Increasing the value for money offering by improving the facilities and services increases the likelihood that more of the community will seek to choose our facilities for their health and wellbeing requirements. As such TCL succeeds in its mission of 'Creating Active & Healthy Communities'.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024**

STRATEGIC REPORT - continued

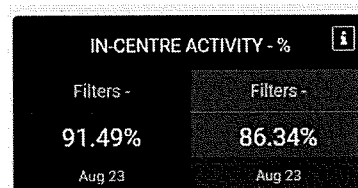
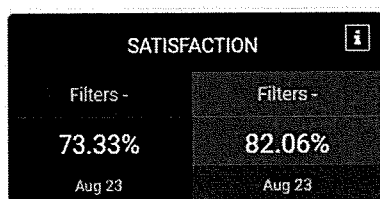
Achievement and performance – continued

With the work recently completed at the facilities, we are very proud that TCL has now been able to reinvest more than £8m in leasehold improvements and services (this figure excludes the significant investment in gym equipment replacements), all of which have been a great advantage to improving the accessibility and appeal for the community to live a healthy lifestyle. This demonstration of continued reinvestment highlights the tangible benefit for all by operating the 'charity model' to deliver local leisure services. Alternative solutions or service delivery models are unlikely to be able to reinvest these kinds of sums, as there would have been potentially other priorities for the money, i.e., shareholder/owner profit, other council services (general fund), or investment in facilities outside of the Borough.

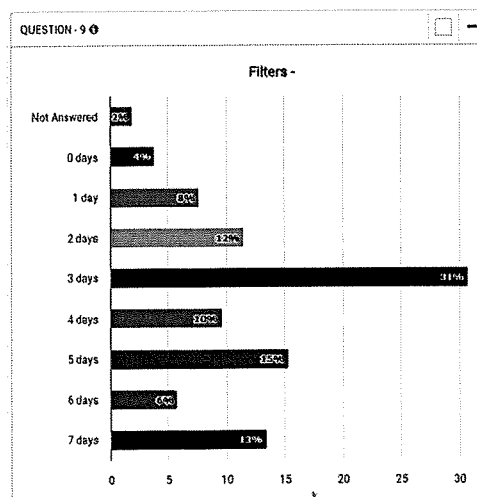
In addition, all services provided by TCL are available to all, including spectators, casual pay and play users as well as members. All prices remain competitive and reflect the community's needs. We also offer significant concessions to those most in need, including heavily discounted or free membership, with at least 50% discount on most activity prices.

All the facilities operate quality management systems to ensure the level of service provision is delivered consistently. Our systems are externally audited and endorsed by the leisure industry quality standard (QUEST). The sites have had their reassessment and have maintained QUEST accreditation in the Very Good category (Belhus Park, Corringham, and Blackshots). The Gym Hub in Wickford only has a 1-day assessment and is registered with QUEST.

We have continued to run our Customer Satisfaction surveys through the Moving Communities platform for consistency and transparency. In addition, we offer customer support and feedback via social media and direct feedback remains in the large positive. Our Moving Communities customer satisfaction results are;



The blue filter are The Thurrock Community Leisure facilities results compared to the red, which is National Averages. The satisfaction results are disappointing this year, but when reviewing the data 42% of responders stated they were quite satisfied, 27% were very satisfied, leaving 29% less than satisfied. The results for in-centre activity rather than home decreased marginally this year but still in 90%+ which confirms the demand for indoor facilities. A key question put to pour customers was "In the past week, on how many days have you done a total of 30 minutes or more of physical activity, which was enough to raise your breathing rate?" - 75% of responders stated they met the Government physical activity recommendations of over 3 days or 150 minutes of physical activity a week.



REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

STRATEGIC REPORT

Achievement and performance – continued

The health of the community is always at the heart of everything we do. Every activity we provide supports the prevention of ill health. We also specialise in targeted health programme for those unfortunately experiencing a level of ill health. The results from these programmes are life changing for many attendees. Some of the initiatives we have been part of this year include:

- Lung Screening in the Blackshots car park
- **CHAPS** men's health day
- **COPD** hospital rehabilitation continued to co-locate at Blackshots creating space in hospitals.
- **Thurrock MIND** memberships to provide a gateway of physical activity support to help those struggling with mental health issues.
- Expansion of the **Cancer Prehab and Rehabilitation** program with multiple partners in Essex.
- **Exercise on Referral** continues to support people with comorbidities affecting their daily lives. Our 12- week exercise support programme provides rehabilitation and health maintenance to enhance their quality of life.
- Continuation of the water-based exercise referrals has seen increased attendance and health improvements for patients.
- We supported the NHS with their Health Checks scheme operating from within the Leisure Centre's creating a non-clinical environment to encourage early signs of kidney and heart disease, cancer, and type 2 diabetes.
- Fat v Football also launched from Belhus Park inviting participants to combine the skills of football to promote physical activity and weight loss.

To assist in supporting those that cannot travel to our facilities we have expanded the number of free workouts from home via our app. These free classes target the home user offering chair-based exercise sessions, restricted space (e.g. home lounge) sessions and exercise safety to ensure home workouts are completed with the proper advice and safety in mind.

Most of the above programmes aim to increase physical activity levels, targeting health improvement in the community. This all fits perfectly with TCL's mission 'creating active and healthy communities'. The staff who deliver these schemes and programmes are highly qualified and often praised by the customers for their results.

Health and safety improvements continued throughout the year through the constant reviewing and developing of policy and procedures monitored by the Health and Safety Management Committee. Accident numbers for the year were again low but reflective of lower attendances with no major accidents or incidents to note. All accidents and incidents are still recorded via STITCH which also compares our average with the National rate.

We value the contributions made by our teams sometimes in difficult situations and this year we said 'Thank You' with a £25 Love to shop voucher at Christmas.

We continue to recognise and reward those long-serving loyal team members. This year we acknowledged.

1 x 20-year service award

5 x 10-year service award

The staff benefits scheme remains more valuable than ever with increasing costs to most employees' personal bills, these all-year-round benefits provide discounts and promotions at high profile national retailers, restaurants, and other popular organisations, and has continued to be used well by employees.

General short term Sickness absence has not been a major issue again this year, however we have managed extended periods of sickness absence with empathy and understanding.

THURROCK COMMUNITY LEISURE LIMITED

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2024**

STRATEGIC REPORT

Achievement and performance – continued

We continue to be an Employer Partner of CIMSPA with a commitment to ensure relevant staff are members

of the industry's professional institute. Relevant staff who are members have access to over 2000 hours of online training suitable for undertaking the required CPD relevant to their membership category.

Several HR policies have been refreshed/updated and introduced to ensure our managers and employees have the latest guidance and understanding to manage their teams fairly and consistently.

Recruiting qualified personnel has been a challenge this year as we strive to meet the demands of the business. To tackle this, we have adopted several different strategies including Re-train opportunities for local people to qualify as Lifeguards and swim teachers, with each course part funded by Thurrock Community Leisure to ensure the course fees are not a barrier to a change in career. We also increased the number of Leisure Apprenticeships placing opportunities at all sites, these apprenticeships cover all the industry essential technical qualifications and soft skills giving the learner a flavour for each department providing a development pathway for their chosen career. We also partnered with the local College to provide work placements for Sports students. This year saw the extension of our Volunteering programme at Belhus Park Golf Course with the new community Garden.

Our apprenticeship programme is delivered in partnership with an industry leading training provider (Creative Sports and Leisure (CSL)) forging great links with CIMSPA.

We are very grateful that there has been another good year of progress by Thurrock Council against their landlord property responsibilities despite their own financial challenges. Some urgent and essential works have been completed, and a programme of works to meet the forthcoming priorities is well underway.

Thurrock Council undertook:

- RAAC Assessments at Blackshots, Corringham, Belhus Park and the Civic Hall which came back clear.
- Completed the replacement of the flat roof covering at Belhus Park. TCL Investments mentioned above.

Financial review

The budget in 2023/24 was set and agreed by the Board, which demonstrated a good level of growth in revenue, but was not sufficient enough to offset the increase in National Minimum wage for a second year in a row and the subsequent impact on the whole company pay structure, the huge rise in costs for all supplies and services consumed by TCL, as well as the increase in utilities. These factors predicted a deficit budget.

We also said farewell to our longstanding Group Finance Manager, Kay Volk who took retirement this year. We reshaped and welcomed Nora Obeng -Tuudah as our new Chief Finance Officer. We have continued with some partial support from McCabe Ford Williams in the production of the financial management accounts to ensure consistency.

Tight financial controls continued to be in place with cash flow management remaining our focus and priority.

We have serviced our payment plans from the previously negotiated Pandemic legacy bills. Following the Capital payment break on the SIB loan we restarted payments in April onwards.

The Management team continued to proactively source and apply for available funding sources that the organisation was eligible for with success in;

- Phase 1 of the Swimming Pool recovery Fund (joint partnership with Thurrock Council)
- Phase 2 of the Swimming pool recovery Fund (joint partnership with Thurrock Council)
- Multiple health projects.

THURROCK COMMUNITY LEISURE LIMITED

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2024**

STRATEGIC REPORT

Achievement and performance – continued

Financial review – continued

The Government continued to provide Rates support for Leisure through the Local Authority this year helping reduce costs.

The efforts of the whole team have driven income streams to exceed the budget. Removing the funding support from the swimming pool support fund, revenue income has over performed by £271k, which demonstrates the growth of the business this year. As mentioned before the expenditure lines have been a challenge to manage, but the team have remained focused on controlling consumption and costs wherever possible. This combined effort has produced a bottom-line performance better than the budget by £240k turning the budgeted deficit into a surplus of £373k.

The business continued to focus on the year ahead due to the constantly changing environment, however the Board have applied for funding support to deliver a series of facilitated Strategy sessions to shape the future of the business. The relationship and working partnerships created with officers and members of the Council have been extremely productive this year. Several examples of linked up/partnership working have delivered reward and positive impact to the community. Our customers continue to support our 'give a gift' and 'Easter egg' campaigns ensuring children are less fortunate that others receive a gift at Christmas and an easter egg at Easter. In addition, our working group with the Assets team has seen excellent communication and positive delivery of essentials.

Leisure Centres –

The Membership numbers at Blackshots has seen increased growth over the year with a number of successful membership marketing campaigns attracting more people to be regularly active. Swimming lessons remains a growth area which is pleasing as it demonstrates the Communities appreciate for the importance of this life saving skill for children and Adults.

Office and Cottage Rent –

Cottage rental was maintained as both properties were occupied throughout the year.

Golf Shop and Bar –

Golf and the bar has performed better this year reducing the deficit against budget by £8,418. This is despite a very wet winter and resourcing difficulties. Green fees and season tickets performed well. The wet weather affected pitch bookings which underperformed against budget.

Civic Hall –

The Civic Hall has had a strong year in rebuilding its profile as an events destination and not solely reliant on hirers. We have provided a balanced programme of events that meet sporting and culture events to maximize the hall's value to the community. The bar product range is constantly reviewed to ensure it meets current drink trends and customer demands, which has been reflected in increased income. Replacement of more event chairs assists in the presentation of the venue, especially at theatre-style events. All other costs have been well managed to generate a surplus for the year.

Principal risks and uncertainties

The trustees and senior management undertake an annual risk assessment process and report on this to the full board. The overarching issue to the future, remains the economic impact on the Country. Increases in utility pricing, cost of living increases for consumers including interest rate hikes as well as supplies and services price rises way above average norms. The potential for another Pandemic remains a constant concern with the risk of possible restrictions and closures. In response to the huge rise in costs the Board prudently reviewed the reserves policy to ensure the previous calculations remain relevant for such a situation and agreed to increase the reserves policy proportionately they are confident the policy is fit for purpose.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

STRATEGIC REPORT

Financial review - continued

Principal risks and uncertainties - continued

The other main risks identified include building failures, the LGPS deficit including admission agreement issues (Lastman standing), health and safety, staff and Trustee shortages and increasing staff costs (see section below), ongoing economy uncertainty (utility and cost of living) denting consumer confidence, local politics and increasing competition. Ongoing works with Thurrock Council and our own planned and preventative maintenance regimes are used to ensure that buildings and/or plant are less likely to fail in such a way as to cause unplanned service disruption. Business interruption insurance is also in place. The potential for major health and safety issues to arise is taken seriously and as such TCL have a comprehensive policy and manual covering health and safety, monitored at the highest level, with Trustee involvement at bi-monthly bespoke meetings and again reported at Board meetings. Staff are also involved in the risk assessment process and everyone in the organisation is aware of the health and safety mission of 'everyone safe every day'. Constant improvements to service and increasing value for money is the main strategy in use for dealing with competition. Marketing and promoting our unique selling points and differentiating our service from the competition has been an increased focus.

Local politics always have the potential to change, so developing good relationships with senior staff at Thurrock Council and working with them to add value to the whole range of council services raises the profile of TCL and its importance to the community. There have been a number of initiatives listed elsewhere regarding staff recruitment and retention.

The trustees are satisfied that adequate processes are in place to mitigate the key risks faced by the charity.

Funds

The group has returned a surplus of £372,593 (2023 deficit: £258,081). The accumulated reserves for the group amounted to £2,242,620 (2023: £4,673,027), including restricted funds of £nil (2023: £nil) and unrestricted funds of £2,242,620 (2023: £4,673,027).

Reserves policy and going concern

The Reserves policy for TCL is formulated to ensure the continuation and improvement of its services, for the benefit of the community and as a safety net in the event of short-term income shortfall. The services are run from various centres, which need to be regularly maintained and updated to continue to provide excellent standards of service. Therefore, reserves required are allocated into two types –

Operational Reserves

Are held to ensure TCL can meet expenditure commitments in the short term, whilst actions are put into place to overcome income shortfall.

Management risk strategies, insurance and contingency plans are in place to mitigate risks. As centres are all in different locations, it is unlikely that problems in one centre will have a direct impact on the remaining centres, although in the light of the unprecedented UK response to Covid 19 this assumption has been tested to retain a short closure at all sites in advance of Government support streams.

The reserves policy should therefore include overhead expenditure for all sites, whilst centres are closed, along with staff costs previously supported by a furlough scheme, as this may not be available in future. Trustees reviewed the value of this approach and due to increased costs increased the Policy value proportionately.

The reserve policy TCL should provide resilience to keep going till support is available and/or give time to put alternative action in place.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

STRATEGIC REPORT

Reserves policy and going concern – continued

Facility improvement and unexpected opportunity reserve -

The day-to-day operational budget does not set aside any reserve for major improvement, or major capital commitment. As such reserves are required to ensure funding is available to continually improve the service (property, equipment, and technology) in this very competitive industry, to enable compliance with ever-changing legislation and to take advantage of other unexpected opportunities that may arise during a year. Improvements to Blackshots changing rooms is a previous example of using these reserves to update and improve efficiency/service.

To expand the services, we can offer to more beneficiaries, TCL may wish to acquire new business either through partnership, tender, acquisition or development of new premises and the purchase and refurbishment of community hub is a good example of this. This is made possible when reserves are in place to support the exploitation of such opportunities as they arise.

Therefore, TCL will continue to build up to £1m, reserves to 3 months running costs for all sites when closed, and then work towards an additional £300k for Facility improvement/opportunity reserves.

The £300k reflects amounts required for recent large projects such as Belhus refurbishment and Blackshots changing room works.

TCL have been able to maintain adequate cash levels to meet day-to-day liabilities whilst maintaining operational reserves and settling outstanding legacy liabilities. TCL is therefore meeting going concern requirements.

TCL has been working hard to drive income levels to cover the increased costs of operation, whilst remaining understanding and sympathetic to the impact of the cost-of-living crisis on our clients. Expenditure will continue to be closely monitored whilst income is rebuilt. TCL actively seeks new opportunities, funding, and income streams to help diversify income in order to facilitate financial robustness and take up opportunities to further its objects.

Considering, the current reserves position, together with the existing financial performance, forecasts for the future, cash flow forecasts, the main risks facing the organisation, the trustees are confident that TCL will continue as a going concern.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

STRATEGIC REPORT

Plans for the future

As we continue to 'Create active and Healthy Communities' we dovetail into the Local Authorities 'Active Place' and 'Playing Pitch' strategies. We continue to work closely with Public Health in delivering both services and programmes to prevent ill health and support those that have health debilitating conditions. Thurrock Community Leisure will continue to collaborate with Officers and Councillors to help in the delivery of such plans.

The Local Authority are facing huge challenges to cope and adapt to their financial difficulties and as such their attention is focused on their ability to provide statutory services. The working relationship we have with the Local Authority is positive with both organisations having a common goal regarding the health and activity of the communities we work with. It is pivotal for the benefit of the whole community that this stronger partnership continues to enable Thurrock Community Leisure to support the Council in delivering Leisure and health improvement in a cost-effective manner. The regular Officer meetings with a variety of departments within the Authority will, provide clear two-way communication into the successes and challenges faced by both organisations with a view of working collaboratively to meet the changing physical activity and health inequality demands of the Borough.

Thurrock Community Leisure will invest time and resource into the review of its corporate plan to assess and react to the changing face and needs of a physical activity service and delivery in a modern environment. This review will seek to identify future opportunities and risks that will enhance or hinder business growth.

Forecast Budgets take into consideration the sustained national price increases affecting UK Businesses in;

- goods and services
- utilities
- Minimum wage increases of 9.7% (up 30% in last three years).

Leisure activity and attendance trends have returned to pre-pandemic levels which enables historical data to be used for patterns of behaviour. Customer feedback and surveys also provide a deeper understanding of the business. We will continue to maximise income streams whilst controlling expenditure closely which is monitored on a daily basis.

The Annual Plan focuses on the ten pillars of the business, ensuring we apportion sufficient attention to each area. We continue with reshaping our digital landscape to mitigate the resourcing challenges and improve the customer experience whilst providing increased consumer knowledge and data. This year sees the implementation of the new Gladstone Go products and the launch of the staff PlanDay app. Our strategic alignment with the Local Authority strategies which we aim to dovetail into our futures strategy. The opportunity for partnership working with the voluntary sector and local clubs and groups has never been more prevalent aligning common goals with a series of pilots, support and links. Examples include the community garden project, CVS, club partnerships with Thurrock Swimming Club and Thurrock Rugby Club, as well as social services supporting events like the easter egg and Christmas gift for underprivileged children.

TCL's positioning in the marketplace remains strong, despite the increased competition over the recent years. The Charity status resonates with ethical purchasers and the distribution of any surpluses in to community services and facilities is well received by our customers.

The financial growth is still anticipated to come from both Membership and Swimming Lessons where we continue to see a high support and demand. Whilst we make inroads to improving our income position, we are still having to cover off the unprecedented increases in staff costs due to NMW increases and salary squeeze affect, utility and supplies cost base increases. As such the budgets for 2024/25 show a negative bottom-line with a clear indication of recovery before year end. We will continue to ensure a tight ship approach to all costs and remain conservative in income growth.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

STRATEGIC REPORT

Plans for the future - continued

We have implemented our pricing strategy for 24/25 which is crucial to maintaining the differential between income and expenditure, whilst maintaining an awareness and empathy for our customers' ability to meet these new prices. The launch of the students and young children's memberships have been extremely popular, and we will continue to encourage physical activity habits at this influential age.

In response to the continued challenges in recruiting staff we will continue to use and attract Apprentices and train unskilled potential employees improving and extending the associated career development learning programmes to as many staff and local people as possible. This together with the CIMSPA membership and ongoing training will enable more staff to complete the requisite amount of CPD as well as relevant qualifications appropriate to their roles and future progression. This ensures more staff are undertaking relevant training to their career aspirations and the business need, which in turn should improve staff retention and customer service. We also plan to grow and expand the Volunteering opportunities to all sites over the coming years.

Community Health and Wellbeing

The more opportunities created for people to be physically active increases the positive impact TCL has on Thurrock's 'health and social issues'. Many of these issues have been proven to be improved by exercise. Indeed, Central Government and Public Health England (Physical Activity Framework – Everyone Active Everyday), supported by UK Active, have been consistently raising the profile of the benefits of physical activity, versus the associated costs of inactivity on the National Health Service (NHS). There are potential opportunities within the NHS 10-year plan, some of which focusses on prevention of ill health, part of which includes physical activity in promoting physical and mental health. TCL will work with local health commissioners, social prescribers, and others to develop new programmes to improve community health.

These programmes may also include social and cultural related activities. TCL will consider providing these services without the benefit of external support funding. TCL have committed 2 days a week to support the developments of the Sport England Place Partnership working with stakeholders, the Local Authority, Public Health and Active Essex.

TCL operate a multitude of successful health programmes that improve health as well as quality of life with many moving case studies of life changing impacts. In line with Government and Sport England Strategy on increasing physical activity levels, we will expand our programmes to deliver increased physical activity opportunities to more of the community including children and hard to reach groups. We will continue and to grow our FREE online home-based classes including chair based and beginners to enable the housebound and hard to reach access to our services.

At present TCL are commissioned from Thurrock Council regarding health referrals and Health Checks for another year. Through work with Active Thurrock, we would hope to expand this work along with a number of other potential community health and wellbeing improvement schemes. As a minimum continue to successfully deliver the existing schemes outlined above.

TCL will look to work with Thurrock Council with links to the new Integrated Medical Centres (IMC) in providing support physical activity sessions to improve and sustain physical and mental health for those attending these facilities.

TCL will continue the work on the location master plans for the leisure stock in Thurrock. We hope these Leisure Strategies will be integrated into decision making in future, including establishing our place as the operator of choice within that strategy. Bringing solutions and funding options to the table is a line being pursued at present.

We are actively promoting with partners our concession schemes to increase the reach of those in the target group on low income or asylum seeking. We would expect to see a subsequent increase in numbers by 10% over existing numbers noted at the end of March 2025.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

STRATEGIC REPORT

Plans for the future – continued

Main facility related works will centre around the following improvements or investigations including:

Blackshots

The Local Authority will be investing into the following areas as part of their landlord responsibilities.

- Replacement of the main pool air handling unit. (Phase 2 SPSF)
- Replacement Main Pool – Pool Cover (Phase 2 SPSF)
- Replacement of the hot water clarifier

TCL will be:

- Replacement Turnstile
- Replacing Gym equipment and refurbishment of the Gym environment Internal decoration of the gym
- Reception desk refresh

Belhus Park

- Work with Thurrock Council and others to deliver a Master plan for the site including 2 x 3G full size football pitch and Cricket facilities.

The Local Authority will be investing into the following areas as part of their landlord responsibilities:

- Replacement of identified roofs and external repairs.

TCL will be;

- Replacing some gym equipment;
- Improvements to the foot golf provision.

Civic Hall

- Repair the main entrance garden retaining wall.

Corringham

The Local Authority will be investing into the following areas as part of their landlord responsibilities.

TCL will be;

- Replacing some gym equipment
- Installation of energy saving sockets
- Investigate Air handling improvements to circulation areas and reception.

General

- Develop remaining viable LED lighting schemes into a project and seek external funding contributions to the costs. If external funding achieved, implement the schemes.
- Explore the implementation of Government funding for sustainable products to reduce the consumption of Local Authority Leisure.
- Seek alternative supplier for the payroll system Expand the Airius Fans schemes to Blackshots and Belhus Park
- CRM systems upgrade to Gladstone Go

Customer satisfaction scores and QUEST will be maintained at all applicable sites. In addition, as an internationally recognised measure of customer satisfaction we will assess the Net Promoter Score (NPS) on all feedback surveys.

Health and safety management will continue to be a priority, constantly reviewing and developing new policy and procedures making at least 10 safety improvements during the year.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

STRATEGIC REPORT

Plans for the future – continued

The viability of local expansion, other smaller trusts and other business opportunities will continue to be assessed on a case-by-case basis. Through on-going networking and industry knowledge, TCL will continue to identify business opportunities, or other trusts or organisations that might benefit from collaborative working. In addition, TCL will continue to seek to expand operations in the Southeast keeping in contact with those businesses / authorities / organisations / schools that are changing the way they operate.

This benefits TCL as overhead costs are reduced, as they are contributed to by additional group members.

TCL will expand the Swimming teacher recruitment programme to continue its work on creating a sustainable teacher infrastructure. This new infrastructure will enable both expansion, support and development of our swim teachers creating an exciting career pathway.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

TCL is controlled by its governing document, a Memorandum and Articles of Association and is constituted as a limited company, limited by guarantee as defined by the Companies Act 2006. TCL is a registered charity.

Appointment of trustees

TCL is governed by a board of up to 11 trustees. The board of trustees (volunteers) are drawn from all sections of the local community. Once appointed, trustees act in their personal capacity in the best interests of TCL and do not act as representatives of the body that nominated them.

The board is made up of the following categories of trustees, which are fixed in the articles:

- Independent trustees x (up to) 8
- Local Authority elected trustees x 2
- Employee elected trustees x 1

Thurrock Council nominates two trustees to the board annually, although for continuity Thurrock Council has in the past proposed that the same councillors continue to be trustees of TCL whenever possible.

Should there be a need to attract new trustees to the board, adverts are placed at the sites and in appropriate social media, CVS, and various partner websites.

The trustees co-opt new members to the board once agreed and they are officially appointed at the next Annual General Meeting. Trustees are selected to provide a broad range of skills to support the business and management. Specific attention and targeting will be focused on underrepresented areas of the board. This under representation can be in the form of skills, knowledge, gender, ethnic background, or disability.

All trustees will hold office for a maximum of three years before retiring. Upon retirement, the other trustees may re-appoint them or another person. At each Annual General Meeting (AGM), the greater of three and 33% of the longest serving trustees shall retire but may be re-appointed unless the vacancy is filled.

Each trustee guarantees to contribute an amount not exceeding £1 to the assets of TCL in the event of winding up. The total number of such guarantees at 31 March 2024 was 9 (2023 – 8, 2022-8, 2021 - 7).

The trustees have no beneficial interest in TCL. As a charity, TCL is a non-profit distributing organisation. Therefore, trustees do not receive any dividend, as 100% of surpluses must be invested to pursue the charitable objectives of the company.

THURROCK COMMUNITY LEISURE LIMITED

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Appointment of trustees – continued

TCL is a community organisation working with Thurrock Council (TC) and other organisations, to provide leisure and cultural opportunities within the Thurrock area and its neighbourhood. TCL came into existence when Thurrock Council transferred leisure and cultural services to TCL on 10 January 2000.

The trustees have overall responsibility for the organisation and its efficient operation. However, as volunteers the trustees appoint a Managing Director (MD, Karl Hayes), to whom they delegate responsibility for undertaking the work that is required to ensure that the organisation is operated efficiently, and in accordance with its objects. The trustees have agreed a delegated authority framework, which sets out the responsibilities of the trustees and management. In addition, the trustees are aware that they have expert advice available to them from their auditors, legal advisors, bank and health and safety advisors. The trustees use the 'Charity Governance Code' as a framework to govern TCL in line with best practice principles.

Trustee induction and training

The trustees have agreed a Governance Manual, which provides information about TCL, including its history, structure, governance, legal standing, agreements with related parties, procedures at meetings, shared contact information, information about being a trustee (Charity Commission) and other sources of information.

Once appointed new trustees are inducted by the Managing Director and Company Secretary using the governance manual as a guide. The updated manual is available to Trustees on an ongoing basis in an electronic format, using a dedicated Share Point drive accessed by an Impulse leisure appointed email.

Occasionally training is provided to the trustees as a group, in the past this has included governance, risk analysis and financial responsibility training. In addition, individual trustees are encouraged to attend training provided by auditors and legal advisors on a range of subjects. The Management team also provide guidance, training and support on Leisure specific understanding.

The trustees carry out 'spot checks' using internal control procedures and audits developed to cover the main financial and employment risks identified by the organisation. The trustees aim to carry out all of these checks on an annual basis.

Related parties and relationships with other organisations

TCL has a wholly owned subsidiary company known as TCL Trading (TCLT). TCLT operates a golf shop, grounds maintenance function, bar, and catering operation at Belhus Park. Directors of TCLT are appointed by TCL. The directors have no beneficial interest in TCLT, or TCL. All surpluses generated by TCLT are gift aided back to TCL and this arrangement is governed by a deed of covenant.

Remuneration policy for key management personnel

TCL has a Remuneration Policy which is a TCL & TCLT Group policy. This policy is posted on the website no more than two clicks away from the home page.

TCL is committed to ensuring a proper balance between paying staff and others who work for it so that only the best people are recruited and retained.

Whilst TCL remuneration is generally competitive within the leisure industry, it does not compete on pay with other industries. Leisure remains a low pay industry.

When determining the salary for a post, TCL will collect information about comparable roles where possible, preferably within the Leisure sector. This information will be used to benchmark TCL salaries, normally aiming to set them at a level that appears to represent the market / local area. TCL will also seek advice from peers within other organisations where they employ people in similar roles. To this end TCL benchmark with other southeast Community Leisure operators (CLUK) and Community Leisure UK (CLUK) the sport and recreation trust association. CLUK represent charitable organisations who provide leisure and cultural services.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Remuneration policy for key management personnel - continued

All posts meet the minimum requirements in respect of the National Minimum Wage, which is reviewed and amended where required in April each year. All employees (except apprentices) working for TCL will be paid. £11.44 with effect from 1st April 2024 an increase of 9.7%, this is regardless of age. This created a companywide salary squeeze which was addressed in April 24 pay awards agreed by Trustees.

Salaries for the majority of posts will comprise a band made up of a series of salary points. Other posts have a flat rate salary. All salaries are openly stated in job adverts.

Post-holders can progress up to the next salary point within their band around the beginning of each new financial year, subject to having received a satisfactory annual appraisal (Development and Review Time (DART) and performance assessment) and having achieved their key performance indicators for the year. Following the annual appraisal (DART), an employee's manager will make a recommendation to the Managing Director as to whether a progression up to the next band has been merited.

'Annual' Pay Award and Adjustments - During the budget setting process (in around November/December) each year, for implementation in the following new financial year (April), the management team will consider whether the salary points for all staff should be adjusted for the forthcoming financial year beginning 1st April, to reflect changes in the market conditions and reflecting cost of living impacts.

The considerations will begin with an assumption that salaries should be adjusted to match inflation (specifically the Consumer Price Index) over the preceding 12-months. Further consideration will then determine whether this is appropriate in the context of: -

- i. TCL's financial situation – can it afford the CPI linked increase and is it sustainable?
- ii. TCL's performance – have KPIs been met?
- iii. Previous pay awards made in recent years
- iv. Pay reviews elsewhere – how might a failure to follow wider trends be perceived amongst staff, within peer organisations
- v. Overall affordability and sustainability – can TCL realistically afford it now and can it sustain it moving forwards?
- vi. TCL's ability to attract and retain suitable staff in sufficient numbers to deliver a consistent service level.

Based on the above, the management team will make a recommendation to the trustees to approve any annual pay award/budget. If approved, annual pay awards will normally be applied in April of the new financial year.

The Managing Director has the responsibility to make any ad hoc decisions regarding salary changes for any position/post holder. Any decision/s regarding the salary of the Managing Director and senior managers are made by the TCL trustees. The Senior Management Team does not have delegated authority in matters relating to their own remuneration, and any recommendations or decisions must be ratified by the trustees prior to implementation.

By nature of previous arrangements (TUPE transfers), some staff have previously opted to join the Local Government Pension Scheme (LGPS) in accordance with the respective Admission Agreement with Essex County Council. The TCL LGPS scheme is currently closed to new members as dictated by the Admission Agreement.

For those staff who are not members of the LGPS, TCL complies with its statutory auto-enrolment duties in accordance with Part 1 of the Pensions Act 2008, where employees will be automatically enrolled into a defined contribution pension scheme from the date required by the Pensions Act 2008. Details are notified to each individual separately, including what they would need to do should they wish to opt out of membership. In this regard, TCL uses NEST to fulfil auto-enrolment obligations.

All staff, regardless of whether entitled/not, entitled/eligible have the opportunity to join NEST on request. Furthermore, TCL (and the employee) pay contributions on total earnings, irrespective of age or earnings level. Employees can only be a member of one pension scheme.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Remuneration policy for key management personnel - continued

Private Health Care – is a company and employee benefit for senior management and key personnel, to ensure that any ill-health is treated promptly, enabling the individual to continue/return to work with minimum absence. All private health care is declared on a P11D and subject to tax in accordance with HMRC guidelines.

Use of Facilities by Employees - In order to promote health, fitness and wellbeing, employees may use the facilities free of charge, provided a paying member of the public is not prohibited from use because of an employee taking up space.

TCL apply a long service recognition scheme within which staff are rewarded for continuous service at 5, 10, 20, 30 and 40 years. The scheme is designed to reward long service and is for gifts at various values depending on the milestone reached. The scheme follows the guidance issued by HMRC on the values of the awards.

TCL/TCLT trustees are not paid for their work as a trustee.

Trustees can be reimbursed for reasonable out of pocket expenses. They may also be paid for undertaking special work for the charity, provided that this meets with the Charity Commission guidance 'Payments to Charity Trustees – What the Rules Are'. However, TCL will generally avoid engaging its trustees for work and will only do so where there is no suitable alternative supplier of that work.

Diversity

The board's approach to diversity supports its effectiveness and leadership, as such TCL wholeheartedly supports the principle of equal opportunities and diversity in employment and service provision and opposes all forms of unlawful or unfair discrimination on the grounds of colour, race, nationality, ethnic or national origin, religion/belief, unrelated criminal convictions, gender, gender re-assignment, sexual orientation, marital status/civil partnership, age, or disability.

It is in TCL's best interests, and those of all who represent or work within it, to ensure the human resources, talents, and skills available throughout the organisation and community are considered when employment and or training opportunities arise or when the service-based decisions are made.

Statistical reports are compiled once a whole recruitment and selection process is complete, these show the ethnic/national background, gender, age, religion/religious belief, and disability (if any) of all applications; those short-listed, and those offered employment. TCL monitor the declared diversity of its workforce.

TCL aims to have trustees and staff from different backgrounds, abilities, cultures, and genders as the inherent diversity of life experience is more likely to encourage debate, resulting in better decision making. The aim is that the workforce and Board reflect the community it serves.

The Board and staff undertake equal opportunity and diversity training.

Policy for employment of disabled persons

TCL is 'positive about disability' and operates a Guaranteed Interview Scheme (GIS).

TCL recognises that during employment a person's capability to carry out their duties may deteriorate. This can be for several reasons, the most common ones being that either the job changes over a period, or because of health changes (including developing a disability). Should this be the case, TCL will make every effort to ensure staff receive adequate training and supervision to reduce any impact. Informal meetings are used in the first instance with a view to resolving any issues. TCL will also consider the possibility of a transfer to more suitable work if this is possible. If issues persist TCL will normally seek a medical diagnosis and prognosis and with the benefit of this professional medical advice, consult with the employee to enable a decision to be made about the future, either in the current role or, where circumstances permit, in a more suitable role. Where concerns about work arise due to the nature of a disability as defined under the Act, TCL will endeavour to make reasonable adjustments to work and/or working pattern wherever possible.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Employee information

Employees are provided with information in a number of ways including, general electronic communication to personal email addresses, staff notice boards, staff newsletters, staff forums (2 times per annum per site), team briefings, staff satisfaction survey (once per annum) and one to one meetings where appropriate. These communications are used to provide employees with relevant information on matters of concern to them, common awareness of the financial and economic factors affecting TCL's performance and seek the employees' views about the business and how it might be improved.

TCL recognise the trade union Unite and staff can seek their advice and support where applicable. TCL consult with Unite in line with the recognition agreement in place.

Modern Slavery Act 2015

By virtue of its size TCL is not required to comply with all of the duties within the Act. However, TCL takes steps to prevent modern slavery and human trafficking in its business in accordance with the Act. TCL publishes its policy regarding modern slavery on its website.

FUNDRAISING

The TCL Group do not use professional fundraisers to raise funds. All of the income is derived from the main functions including, sales for facility use/hire, secondary spending, and grants for specified programmes. Occasionally TCL receive donations through online fundraising platforms, although at presents this a very minor source of income.

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and 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 business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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

THURROCK COMMUNITY LEISURE LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

STATEMENT OF TRUSTEES RESPONSIBILITIES - continued

In so far as the trustees are aware:

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

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 24.9.24, and signed on the board's behalf by:



.....
Tunde Ojetola (Chair)

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THURROCK COMMUNITY LEISURE LIMITED

Opinion

We have audited the financial statements of Thurrock Community Leisure Limited Group for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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.

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 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Opinion 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THURROCK COMMUNITY LEISURE LIMITED

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the group and 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 and 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the Charitable Company through discussions with trustees and our experience of the sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Group and Charitable Company, including, but not limited to, the Companies Act (2006), UK tax legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THURROCK COMMUNITY LEISURE LIMITED

We assessed the susceptibility of the Group's and Charitable Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations in each section.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the relevant regulator where relevant.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees' and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of Our Report

This report is made solely to the group and charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group and charitable company's members those matters we are required to state to them in an auditors' 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 group and charitable company and the group and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Clair Rayner FCA DChA (Senior Statutory Auditor)
for and on behalf of McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Building 1063 Cornforth Drive
Kent Science Park
Sittingbourne
Kent
ME9 8PX
Date: 24/09/24

THURROCK COMMUNITY LEISURE LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2024

		31.03.24			31.03.23		
	Notes	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
INCOME							
Donation Income	2	-	-	-	-	-	-
Charitable activities							
Leisure Centres	3	5,161,125	386,008	5,547,133	4,492,494	180,497	4,672,991
Civic Hall	3	434,892	-	434,892	393,028	-	393,028
Office and Cottage Rent	3	27,436	-	27,436	25,740	-	25,740
Other trading activities	4	213,356	-	213,356	152,358	-	152,358
Investments	5	59,106	-	59,106	12,116	-	12,116
Total income		5,895,915	386,008	6,281,923	5,075,736	180,497	5,256,233
EXPENDITURE							
Raising funds	7	9,106	-	9,106	8,671	-	8,671
Charitable activities							
Leisure Centres	7	4,669,269	386,008	5,055,277	4,598,583	183,995	4,782,578
Civic Hall	7	448,792	-	448,792	362,738	-	362,738
Office and Cottage Rent	7	9,106	-	9,106	8,671	-	8,671
Trading activities	6	387,049	-	387,049	351,656	-	351,656
Total resources expended		5,523,322	386,008	5,909,330	5,330,319	183,995	5,514,314
Net income/(expenditure) for the year before other recognised gains and losses		372,593	-	372,593	(254,583)	(3,498)	(258,081)
Transfers between funds	22	-	-	-	-	-	-
Actuarial gains/(losses) on defined benefit pension scheme	23	(2,803,000)	-	(2,803,000)	2,871,000	-	2,871,000
Net movement in funds		(2,430,407)	-	(2,430,407)	2,616,417	(3,498)	2,612,919
RECONCILIATION OF FUNDS							
Total funds brought forward	22	4,673,027	-	4,673,027	2,056,610	3,498	2,060,108
TOTAL FUNDS CARRIED FORWARD	22	2,242,620	-	2,242,620	4,673,027	-	4,673,027

CONTINUING OPERATIONS

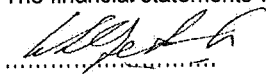
All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

BALANCE SHEETS
AT 31 MARCH 2024

	Note	The Group		The Charitable Company	
		31.03.24	31.03.23	31.03.24	31.03.23
		£	£	£	£
FIXED ASSETS					
Tangible assets	12	1,801,682	1,889,869	1,793,807	1,874,825
Investments	13	-	-	10,000	10,000
		<u>1,801,682</u>	<u>1,889,869</u>	<u>1,803,807</u>	<u>1,884,825</u>
CURRENT ASSETS					
Stocks	15	59,093	54,831	50,096	48,994
Debtors	16	176,410	140,430	229,555	170,935
Investments	17	1,085,795	560,752	1,085,795	560,752
Short term deposits		-	200,000	-	200,000
Cash at bank and in hand		<u>379,215</u>	<u>221,939</u>	<u>281,961</u>	<u>200,618</u>
		<u>1,700,513</u>	<u>1,177,952</u>	<u>1,647,407</u>	<u>1,181,299</u>
CREDITORS					
Amounts due <1 year	18	<u>(981,873)</u>	<u>(730,175)</u>	<u>(932,145)</u>	<u>(732,283)</u>
NET CURRENT ASSETS		<u>718,640</u>	<u>447,777</u>	<u>715,262</u>	<u>449,016</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,520,322</u>	<u>2,337,646</u>	<u>2,519,069</u>	<u>2,333,841</u>
CREDITORS					
Amounts due >1 year	19	(276,449)	(322,619)	(276,449)	(320,884)
PROVISIONS FOR LIABILITIES	20	(1,253)	-	-	-
NET ASSETS EXCLUDING PENSION LIABILITY		<u>2,242,620</u>	<u>2,015,027</u>	<u>2,242,620</u>	<u>2,012,957</u>
PENSION ASSET / (LIABILITY)	23	-	2,658,000	-	2,658,000
TOTAL NET ASSETS		<u><u>2,242,620</u></u>	<u><u>4,673,027</u></u>	<u><u>2,242,620</u></u>	<u><u>4,670,957</u></u>
FUNDS	22				
Restricted funds		-	-	-	-
Unrestricted funds:					
Designated funds		-	-	-	-
General funds		2,242,620	2,015,027	2,242,620	2,012,957
Non charitable trading funds		-	-	-	-
Pension reserve		<u>-</u>	<u>2,658,000</u>	<u>-</u>	<u>2,658,000</u>
Total unrestricted funds		<u>2,242,620</u>	<u>4,673,027</u>	<u>2,242,620</u>	<u>4,670,957</u>
TOTAL FUNDS		<u><u>2,242,620</u></u>	<u><u>4,673,027</u></u>	<u><u>2,242,620</u></u>	<u><u>4,670,957</u></u>

The financial statements were approved by the Board of Trustees on 21/11/24 and were signed on its behalf by:


Tunde Ojetola (Chair)

The notes form part of these financial statements

THURROCK COMMUNITY LEISURE LIMITED**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	31.03.24 £	31.03.23 £
Cash flows from operating activities			
Net cash inflow from operating activities	1	648,192	(87,823)
Tax paid		-	-
Net cash/(cost) from operating activities		648,192	(87,823)
Cash flows from investing activities			
Dividends, interest and rent from investments		59,106	12,116
Purchase of investment		(1,085,795)	(400,752)
Current investment maturing		560,752	
Purchase of tangible fixed assets (Including HP)		(103,615)	-
Cash used on investing activities		(569,552)	(388,636)
Cash flows from financing activities			
Repayment of borrowing including HP		(121,364)	(98,296)
Repayment of loan		-	-
Cash used in financing activities		(121,364)	(98,296)
Increase / (decrease) in cash and cash equivalents in the year		(42,724)	(574,755)
Cash and cash equivalents at the beginning of the year	2	421,939	996,694
Total cash and cash equivalents at the end of the year	2	379,215	421,939

The notes form part of these financial statements

THURROCK COMMUNITY LEISURE LIMITED**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024****1. RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	31.03.24	31.03.23
	£	£
Net incoming resources before other recognised gains and losses	372,593	(258,081)
Depreciation charges	191,802	213,158
Actuarial pension scheme charges	(145,000)	81,000
Dividends, interest and rent from investments	(59,106)	(12,116)
(Increase) / decrease in stocks	(4,262)	(272)
(Increase) / decrease in debtors	(35,980)	(52,926)
Increase / (decrease) in creditors	326,892	(58,586)
Increase / (decrease) in provisions	1,253	-
Net cash inflow from operating activities	648,192	(87,823)

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31.03.24	31.03.23
	£	£
Short term deposits	-	200,000
Cash at bank and in hand	379,215	221,939
Total cash and cash equivalents	379,215	421,939

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.23	Cash Flow	At 31.3.24
Net Cash			
Cash at bank	421,939	(42,724)	379,215
Debt			
Finance Leases	(27,330)	(80,455)	(107,785)
Debts falling due within one year	(121,359)	(16,591)	(137,950)
Debts falling due after one year	(320,884)	137,955	(182,929)
Total	(47,634)	(1,815)	(49,449)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the group and charitable company, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary TCL Trading Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes to the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of Companies Act 2006.

The presentational currency of the financial statements is the Pound Sterling (£). Amounts included in the financial statements are rounded to the nearest Pound Sterling (£). The charity is an incorporated private company limited by guarantee without share capital and is registered with Companies House and Charity Commission. The charitable company's registered office and place of business are listed on Reference and Administrative Details page.

Going concern

The UK Economy is still feeling the effects of the Pandemic and the war in Ukraine impacting on utility pricing and supply chains. These challenges have increased inflation and created a cost-of-living crisis affecting the population of the UK. The Leisure sector particularly those operating swimming pools have been significantly impacted by the huge rises in utility and supply costs. As we progress into the future we aim to achieve our targets, by mitigate these impacts by continuing to use our energy brokers expertise in obtaining the best utility contract available, demonstrated by our Shell contract which started in April 2024. We continue to negotiate and procure the best value rates for all other services.

As such, we as a Charitable Company with our subsidiary like many businesses face double impact on energy prices and the potential decline of consumer spending as energy-related household expenses rise. This impacted our membership growth trajectory but with inflation rate expected at 2.2% we expected trading financial result to be in line with forecasted result.

Thurrock Community Leisure Limited and its Subsidiary (TCL Trading Limited) impacts on the cost of living and utilities crisis are:

- Higher utility costs
- Consumers less disposal income impacting membership up-take and secondary spend income
- Supply chain issues delaying development work and maintenance, resulting in high costs
- Rising wage costs – adhering to Minimum wage increases ~ 9.7% in the last 2 years and 28.4% from 21/22 tax year creating a squeeze effect on the whole company. To mitigate the squeeze impact and competition from competitors in the employment market such as Amazon, we increased all pay for all staff with a minimum of 5% to reward and retain.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES – continued

Going concern - continued

As a group we have taken and continue to work on our sustainability as follows:

Thurrock Community Leisure

- Continue to work with energy brokers to secure best price contracts for utilities, whilst entered reviewing and improving processes to help reduce consumption.
- Monitor, review and implement utility reductions through improved housekeeping and energy interventions. We have secured Pool cover funding from Swim England for Blackshots and planned Pool covers investment by the company for our other sites.
- For further cost saving, we focus on staff/customer education in addition to reduced timetables, reduced temperatures.
- Work closely with agencies to promote benefits both in physical health and mental wellbeing to secure health funding.
- Seeking additional income streams such as extending our health check to all sites.
- Attract capital-funding pots to improve or create new activities, services.
- Funding continues to monitor the industry Government lobbying success by UK Active and Community Leisure UK.
- Look at IT resources to help with processes to help staff concentrate on income growth.
- Promote staff through additional support and training.
- Seek alternative suppliers and work with purchasing groups via Community Leisure UK.

TCL Trading Limited

- Seek additional income streams.
- Monitor, review and implement utility reductions in consumption through improved housekeeping, energy interventions, reduced timetables, reduced temperatures and staff/customer education.
- Promote health benefits.
- Find suppliers who provide good service and best value.

The board are confident that despite the business challenges the management Team are focused on not only managing the current situation but planning sustainability of the organisation.

The issues surrounding utilities are a global one as such the Government support via the Energy Bill Relief Scheme which continued to 31 March 2024 as Energy Bills Discount Scheme to limit the financial risk to some extent.

As consumer finances recovers and with Bank of England predicting inflation rate being 2.2% in 2024 and IMF predicting UK being the "third fastest cumulative growth in the G7 over the 2024-2028 period"; the future trajectory for TCL Group is a positive one.

We continue to see an uplift in membership and the demand for swimming and swimming lessons. We see other areas of the business demonstrating strong performance which is encouraging.

It must be noted that this is a gradual increase trend, as we know physical activity is essential even during tough times. Our members sent us this message loud and clear during the Pandemic as they maintained levels of membership to support us.

Our pre-pandemic reserves policy was £750,000, we have now reviewed this in-line with market cost with the aim to achieve or retain £1M for operational reserves and £300,000 for capital expenditure reserve. As you can see, we held £1.3M in the bank and investment deposits as at 31 March 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES – continued

Going concern - continued

We are positioned as a lead provider of health interventions and the decline in community health due to long NHS waiting times creates funding opportunities which we expect to meet and deliver. In addition, we have trained further employees to deliver funded health checks and expect this part of the business to grow at a pace.

We continue to work with the Local authority on capital asset improvements around the mechanical and electrical plant and building fabric, which will continue to improve business and energy efficiency, reduce downtime and improve the customer experience.

We will also explore and implement a series of funding bids to create new and innovative activity and income streams to meet demands in customer expectations

The industry focus on funded training, retraining support will enable us to qualify more Swim teachers this year, which will result in our ability to meet and sustain swimming lessons demands.

Our Partnership with Swim Academy to take on New Swim Instructors shows our commitment to investment in continue services provision.

Software enhancements will significantly improve the efficiency of business processes creating time for key personnel to focus on these opportunities without the need of further resource.

Management and staff structure review will also create greater focus in the new areas of the business that need the attention for growth to happen and again this is expected to be achieved with the current financial budget.

For the reasons above the Board are assured that TCL and TCL Trading Limited are a going concern for the foreseeable future and are positive about the role that Leisure will play in supporting the improvement of public health.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether capital grants or revenue grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Interest receivable

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

Grants receivable

Grants receivable in respect of a specified period relating to the general activities of the charitable company are recognised in the Statement of Financial Activities in the period in which they become receivable. Where related expenditure has not been incurred the grant is deferred only when the donor has imposed restrictions on the expenditure of resources which amount to pre-conditions for use

Government grants

Government grants are recognised when it is reasonably certain that the conditions attached to the grant are met. Income from grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES – continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to the activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following bases which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives, and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

- Cost of raising funds	1%
- Leisure centres	90%
- Civic Hall	8%
- Office and cottage rental	1%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £30,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Leasehold improvements	10-40 years
Assets on finance lease	over the length of the lease

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES – continued

Investment in subsidiary

Investment in the subsidiary is stated at cost.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. In general, cost is determined on a first in first out basis and includes transport and handling costs.

Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Hire purchase and leasing commitments

Assets purchased under finance leases are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charge. Finance charges are written off to the SOFA over the period of the lease so as to produce a constant periodic rate of charge.

Operating lease rental charges are charged on a straight line basis over the term of the lease.

Pension costs and other post-retirement benefits

The Charitable Company accounts for the pension scheme in accordance with the Financial Reporting Standard 102. The Charitable Company operates a defined benefit pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2019.

The Charitable Company provides pension benefits for eligible staff through an Essex County Council administered pension scheme. The Essex County Council administered scheme is a multi-employer scheme which provides benefits based upon final pensionable pay. For defined benefit schemes the amounts charged to resources expended on charitable activities are the current service costs and any gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately if the benefits are vested. If the benefits have not vested, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the Statement of Financial Activities.

The defined benefit scheme is funded, and the assets of the scheme are held separately from those of the charity in a trustee administered fund. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on long dated high quality corporate bonds of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

Contributions made by the Charitable Company to defined contribution pension schemes are charged to the Statement of Financial Activities as they are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES – continued

Financial instruments

The company enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

a) Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

b) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

c) Impairment of financial assets

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

d) Trade and other creditors

Debt instruments like loans and other accounts payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable within one year, typically trade payables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES – continued

Taxation

The charity is exempt from corporation tax on its charitable activities. The trading subsidiary is liable to pay corporation tax on its trading profits.

Taxation is recognised in the Statement of Financial Position under expenditure on trading activities.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred Tax

Deferred tax is recognised in response of all timing differences that have originated but not reversed at the statement of financial position date.

Deferred tax is recognised at the amount of tax that would be payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

The deferred tax expense is recognised in the Statement of Financial Position under expenditure on trading activities.

Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value, like plant and equipment, are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets, which is the higher of value in use and the fair value less cost to sell, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit and loss.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the group's accounting policies management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from the 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 March 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

2. DONATION INCOME

	Unrestricted £	Restricted £	31.03.24 Total £	31.03.23 Total £
Donation Income	-	-	-	-

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	31.03.24 Total £	31.03.23 Total £
Funding income	-	-	-	-
Leisure centres income	5,161,125	386,008	5,547,133	4,672,991
Sub-total for leisure centres	5,161,125	386,008	5,547,133	4,672,991
Civic Hall income	434,892	-	434,892	393,028
Sub-total for Civic Hall	434,892	-	434,892	393,028
Office and cottage rent	27,436	-	27,436	25,740
Total income from charitable activities	5,623,453	386,008	6,009,461	5,091,759

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted £	Restricted £	31.03.24 Total £	31.03.23 Total £
Golf club, shop and bar	213,356	-	213,356	152,358
	213,356	-	213,356	152,358

5. INCOME FROM INVESTMENTS

	Unrestricted £	Restricted £	31.03.24 Total £	31.03.23 Total £
Interest receivable	59,106	-	59,106	12,116
	59,106	-	59,106	12,116

THURROCK COMMUNITY LEISURE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED **FOR THE YEAR ENDED 31 MARCH 2024**

6. TRADING ACTIVITY COSTS

			31.03.24	31.03.23
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Staff costs	194,735	-	194,735	183,820
Other trading costs	192,314	-	192,314	167,836
	<u>387,049</u>	<u>-</u>	<u>387,049</u>	<u>351,656</u>

7. ANALYSIS OF EXPENDITURE

		Charitable activities					31.03.24	31.03.23
	Cost of raising funds	Leisure centres	Civic hall	Office and cottage rent	Governance costs	Support Costs	Total	Total
	£	£	£	£	£	£	£	£
Staff costs	-	1,827,038	127,092	-	-	568,517	2,522,647	2,506,185
Promotion and publicity	-	115,468	89,866	-	-	-	205,334	137,464
Premises costs	-	1,437,466	55,386	-	-	184,635	1,677,487	1,439,883
Purchases for resale	-	135,064	60,032	-	-	-	195,096	219,343
Office administration costs	-	152,172	15,782	-	-	696,980	864,934	801,519
Audit and accountancy	-	-	-	-	47,952	-	47,952	21,944
Legal and professional	-	-	-	-	-	8,831	8,831	36,320
	-	<u>3,667,208</u>	<u>348,158</u>	<u>-</u>	<u>47,952</u>	<u>1,458,963</u>	<u>5,522,281</u>	<u>5,162,658</u>
Support costs	8,626	1,344,913	96,798	8,626	-	(1,458,963)		
Governance costs	480	43,156	3,836	480	(47,952)			
Total expenditure 2024	<u>9,106</u>	<u>5,055,277</u>	<u>448,792</u>	<u>9,106</u>	<u>-</u>	<u>-</u>	<u>5,522,281</u>	
Total expenditure 2023	<u>8,671</u>	<u>4,782,578</u>	<u>362,738</u>	<u>8,671</u>	<u>-</u>	<u>-</u>		<u>5,162,658</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

8. NET INCOME/(EXPENDITURE)

Net income / (expenditure) is stated after charging/ (crediting):

	31.03.24	31.03.23
	£	£
Depreciation	191,802	213,158
Interest payable	24,278	38,014
Operating lease rentals	16,304	21,019
Auditors' remuneration		
- Audit fee (parent)	12,580	11,085
- Other services (parent)	735	615
- Audit fee (subsidiary)	5,185	4,320
- Other services	360	300
	<u>18,860</u>	<u>16,320</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

Trustees only receive remuneration in respect of the services they provide undertaking the roles of staff and not in respect of their services as Trustees. The value of Trustees' remuneration was £49,533 (2023: £35,591).

Juan Rangel was an employee trustee, as allowed under the charity's articles of association. He received total remuneration (Gross pay, employer pension contributions and employer national insurance contributions) of £11,183 for his role as a site manager. Of this, £822 relates to pension contributions paid by the charity.

Juan Rangel resigned from his position on 8 August 2023.

Mark Couldridge, an employee of the trust, was appointed as a staff trustee on 26 September 2023.

He received total remuneration (Gross pay, employer pension contributions and employer national insurance contributions) of £38,350 for his role as a site manager. Of this, £2,541 relates to pension contributions paid by the charity.

Trustees' expenses

There were no payments or reimbursements of travel and subsistence costs paid in the year ended 2024 or 2023.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

10. STAFF COSTS

	31.03.24	31.03.23
	£	£
Wages and salaries	2,527,278	2,287,945
Social security costs	156,166	152,458
Employer's contribution to defined contribution pension schemes	50,938	143,602
Employer's contribution to defined benefit pension schemes	108,000	99,000
Operating cost of defined benefit pension schemes	(125,000)	7,000
	<u>2,717,382</u>	<u>2,690,005</u>

The average monthly number of employees during the year was as follows:

	31.03.24	31.03.23
Leisure centres	130	133
Civic hall	13	12
Other trading activities	9	9
SMT	4	4
Support	6	6
	<u>162</u>	<u>164</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.03.24	31.03.23
£60,001 - £70,000	1	2
£70,001 - £80,000	1	-
£80,001 - £90,000	1	1
£90,001 - £100,000	-	-
£100,000 - £110,000	-	-
£110,000 - £120,000	-	-
	<u>3</u>	<u>3</u>

The total employee benefits including pension contributions of the key management personnel was £363,977 (2023: £325,014).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

11. TAXATION

The Charitable Company paid no corporation tax during the year. Provisions for £nil (2023: £nil) have been made at 31 March 2024 for corporation tax due in respect of the surplus from trading activities recorded in the year ended 31 March 2024. During the year ended 31 March 2024 all trading activities were conducted by the wholly owned subsidiary, TCL Trading Limited.

TCL Trading Limited has provisions included of £1,253 (2023: £nil) in respect of deferred taxation and a corporation tax creditor of £1,425 (2023: £nil) in respect of corporation tax payable on profits relating to trading income. The analysis of the tax charge on the profit for the year was as follows:

	31.3.24	31.3.23
	£	£
Current tax:		
UK corporation tax	1,425	-
Deferred taxation movement	1,253	-
Tax on trading profit	<u>2,678</u>	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

12. TANGIBLE FIXED ASSETS

The Group	Improvements to leasehold property £	Plant and machinery £	Totals £
COST			
At 1 April 2023	4,780,003	988,280	5,768,283
Additions	-	103,615	103,615
Disposals	-	-	-
At 31 March 2024	<u>4,780,003</u>	<u>1,091,895</u>	<u>5,871,898</u>
DEPRECIATION			
At 1 April 2023	2,908,087	970,327	3,878,414
Charge for year	174,468	17,334	191,802
Disposal	-	-	-
At 31 March 2024	<u>3,082,555</u>	<u>987,661</u>	<u>4,070,216</u>
NET BOOK VALUE			
At 31 March 2024	<u>1,697,448</u>	<u>104,234</u>	<u>1,801,682</u>
At 31 March 2023	<u>1,871,916</u>	<u>17,953</u>	<u>1,889,869</u>

Fixed assets, included in the above, which are held under hire purchase contracts or finance leases are as follows:

The Group	Plant and machinery £
COST	
At 1 April 2023	181,940
Additions	103,615
Transfer to ownership	(163,322)
At 31 March 2024	<u>122,233</u>
DEPRECIATION	
At 1 April 2023	163,987
Charge for year	17,334
Transfer to ownership	(163,322)
At 31 March 2024	<u>17,999</u>
NET BOOK VALUE	
At 31 March 2024	<u>104,234</u>
At 31 March 2023	<u>17,953</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

12. TANGIBLE FIXED ASSETS – continued

The Charitable Company	Improvements to leasehold property £	Plant and Machinery £	Totals £
COST			
At 1 April 2023	4,633,886	860,189	5,494,075
Additions	-	103,615	103,615
Disposals	-	-	-
At 31 March 2024	<u>4,633,886</u>	<u>963,804</u>	<u>5,597,690</u>
DEPRECIATION			
At 1 April 2023	2,772,671	846,579	3,619,250
Charge for year	171,023	13,610	184,633
Disposals	-	-	-
At 31 March 2024	<u>2,943,694</u>	<u>860,189</u>	<u>3,803,883</u>
NET BOOK VALUE			
At 31 March 2024	<u>1,690,192</u>	<u>103,615</u>	<u>1,793,807</u>
At 31 March 2023	<u>1,861,215</u>	<u>13,610</u>	<u>1,874,825</u>

Fixed assets, included in the above, which are held under hire purchase contracts or finance leases are as follows:

The Charitable Company	Plant and machinery £
COST	
At 1 April 2023	163,323
Additions	103,615
Transfer to ownership	(163,322)
At 31 March 2024	<u>103,616</u>
DEPRECIATION	
At 1 April 2023	149,712
Charge for year	13,610
Transfer to ownership	(163,322)
At 31 March 2024	<u>-</u>
NET BOOK VALUE	
At 31 March 2024	<u>103,616</u>
At 31 March 2023	<u>13,610</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

13. FIXED ASSET INVESTMENTS

The Charitable Company

	Shares in group undertakings £	Totals £
COST		
At 1 April 2023	10,000	10,000
Disposals	<u>-</u>	<u>-</u>
At 31 March 2024	<u>10,000</u>	<u>10,000</u>
AMORTISATION		
At 1 April 2023	-	-
Eliminated on disposal	<u>-</u>	<u>-</u>
At 31 March 2024	<u>-</u>	<u>-</u>
NET BOOK VALUE		
At 31 March 2024	<u>10,000</u>	<u>10,000</u>
At 31 March 2023	<u>10,000</u>	<u>10,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

13. FIXED ASSET INVESTMENTS – continued

The company's investments at the balance sheet date in the share capital of companies include the following:

Subsidiary

TCL Trading Limited

Nature of business: Golf shop, bar, catering, maintenance services

	%
Class of share:	holding
Ordinary share capital	100

The charitable company owns the whole of the issued shares of TCL Trading Limited, a company registered in England which became operable from 1 October 2003. The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line bases in the statement of financial activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

	31.03.24	31.03.23
	£	£
Turnover	476,698	402,626
Cost of sales	<u>(116,831)</u>	<u>(107,304)</u>
Gross profit	359,867	295,322
Administrative expenses	<u>(310,688)</u>	<u>(262,607)</u>
Operating profit / (loss)	49,179	32,715
Other income	-	-
Tax on profit	<u>(2,678)</u>	<u>-</u>
Profit / (loss) on ordinary activities	46,501	32,715
Deed of covenant to parent undertaking	<u>(48,568)</u>	<u>(32,715)</u>
Profit / (loss) for the financial year	<u><u>(2,067)</u></u>	<u><u>-</u></u>

The aggregate of the assets, liabilities and funds was:

Assets	117,040	44,806
Liabilities	(107,040)	(32,739)
Share Capital	<u>(10,000)</u>	<u>(10,000)</u>
Funds	<u><u>-</u></u>	<u><u>2,067</u></u>

14. PARENT CHARITABLE COMPANY

The parent charitable company's gross income and the results for the year are disclosed as follows:

	31.03.24	31.03.23
	£	£
Gross income	6,087,322	5,103,475
Net result for the year	<u><u>324,025</u></u>	<u><u>209,797</u></u>

THURROCK COMMUNITY LEISURE LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**
FOR THE YEAR ENDED 31 MARCH 2024**15. STOCKS**

	The group		The charitable company	
	31.03.24	31.03.23	31.03.24	31.03.23
	£	£	£	£
Stocks	<u>59,093</u>	<u>54,831</u>	<u>50,096</u>	<u>48,994</u>

16. DEBTORS

	The group		The charitable company	
	31.03.24	31.03.23	31.03.24	31.03.23
	£	£	£	£
<i>Amounts falling due within one year:</i>				
Trade debtors	66,396	73,742	63,970	73,740
Other debtors	31,549	3,528	31,549	1,530
Amounts due from other group members	-	-	55,715	32,715
Prepayments and accrued income	78,465	63,160	78,321	62,950
Taxation	-	-	-	-
	<u>176,410</u>	<u>140,430</u>	<u>229,555</u>	<u>170,935</u>

17. CURRENT ASSET INVESTMENTS

	The group		The charitable company	
	31.03.24	31.03.23	31.03.24	31.03.23
	£	£	£	£
<i>Analysis of current asset investments:</i>				
Cash or cash equivalents	<u>1,085,795</u>	<u>560,752</u>	<u>1,085,795</u>	<u>560,752</u>
	<u>1,085,795</u>	<u>560,752</u>	<u>1,085,795</u>	<u>560,752</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	The group		The charitable company	
	31.03.24	31.03.23	31.03.24	31.03.23
	£	£	£	£
Trade creditors	292,195	215,181	282,839	199,893
Loans	137,950	121,359	137,950	121,359
Accruals and deferred income	434,493	303,171	411,243	291,558
VAT payable	14,282	9,375	14,626	9,243
Lease liability	14,265	25,595	12,530	21,623
Social Security and other taxes	42,702	33,116	42,702	33,116
Other creditors	44,561	22,378	30,255	22,378
Other taxes	1,425	-	-	-
Amounts due to other group members	-	-	-	33,113
	<u>981,873</u>	<u>730,175</u>	<u>932,145</u>	<u>732,283</u>

THURROCK COMMUNITY LEISURE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	The group		The charitable company	
	31.03.24	31.03.23	31.03.24	31.03.23
	£	£	£	£
Lease liabilities due 2 – 5 years	70,726	1,735	70,726	-
Lease liabilities due after 5 years	22,794	-	22,794	-
Loan liabilities due 2 – 5 years	182,929	320,884	182,929	320,884
	<u>276,449</u>	<u>322,619</u>	<u>276,449</u>	<u>320,884</u>

The charity have a charge with National Westminster Bank PLC which is secured on the charity's assets and commenced in June 2002. The charge is specifically for the Direct Debit membership collections, in the eventuality members request money back.

The charity also have a second charge in respect of a loan with Social Investment Business FM Limited which is secured on the charity's assets and commenced in March 2021. The loan is repayable over 5 years in instalments. Interest is chargeable at 9% in year 1, and 7% in subsequent years.

20. PROVISIONS FOR LIABILITIES

	Group		Company	
	31.12.24	31.12.23	31.12.24	31.12.23
	£	£	£	£
Deferred taxation	<u>1,253</u>	-	-	-
	<u>1,253</u>	-	-	-

21. OPERATING LEASE COMMITMENTS

The group's minimum lease payments under non-cancellable operating leases fall due as follows:

Equipment		
	31.03.24	31.03.23
	£	£
Within one year	4,320	7,581
Between one and five years	<u>4,040</u>	<u>8,360</u>
	<u>8,360</u>	<u>15,941</u>
Rent		
	31.03.24	31.03.23
	£	£
Within one year	54,250	54,250
Between one and five years	<u>262,208</u>	<u>316,458</u>
	<u>316,458</u>	<u>370,708</u>

THURROCK COMMUNITY LEISURE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

21. OPERATING LEASE COMMITMENTS – continued

The charitable company's minimum lease payments under non-cancellable operating leases fall due as follows:

Equipment

	31.03.24	31.03.23
	£	£
Within one year	3,746	7,581
Between one and five years	<u>4,040</u>	<u>8,360</u>
	<u>7,786</u>	<u>15,941</u>

Rent

	31.03.24	31.03.23
	£	£
Within one year	54,250	54,250
Between one and five years	<u>262,208</u>	<u>316,458</u>
	<u>316,458</u>	<u>370,708</u>

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	31.03.24 Total funds	31.03.23 Total funds
	£	£	£	£
Fixed assets	1,801,682	-	1,801,682	1,889,869
Investments	1,085,795	-	1,085,795	560,752
Current assets	614,718	-	614,718	617,200
Current liabilities	(981,873)	-	(981,873)	(730,175)
Long term liabilities	(276,449)	-	(276,449)	(322,619)
Provisions for liabilities	(1,253)	-	(1,253)	-
Pension asset / (liability)	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,658,000</u>
	<u>2,242,620</u>	<u>-</u>	<u>2,242,620</u>	<u>4,673,027</u>

Analysis of net assets between funds – previous year

	Unrestricted funds	Restricted funds	31.03.23 Total funds	31.03.22 Total funds
	£	£	£	£
Fixed assets	1,889,869	-	1,889,869	2,103,027
Investments	560,752	-	560,752	160,000
Current assets	617,200	-	617,200	1,138,757
Current liabilities	(730,175)	-	(730,175)	(773,199)
Long term liabilities	(322,619)	-	(322,619)	(436,477)
Pension asset / (liability)	<u>2,658,000</u>	<u>-</u>	<u>2,658,000</u>	<u>(132,000)</u>
	<u>4,673,027</u>	<u>-</u>	<u>4,673,027</u>	<u>2,060,108</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

23. MOVEMENT IN FUNDS

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers and gains £	At the end of the year £
Restricted funds:					
Leisure Centre	-	386,008	(386,008)	-	-
Total restricted funds	-	386,008	(386,008)	-	-
Unrestricted funds:					
Designated funds	-	-	-	-	-
General funds of TCL	2,012,959	5,682,559	(5,281,273)	(171,625)	2,242,620
General funds of TCL Trading	2,068	213,356	(387,049)	171,625	-
Total general funds	2,015,027	5,895,915	(5,668,322)	-	2,242,620
Pension fund	2,658,000	-	145,000	(2,803,000)	-
Total unrestricted funds	4,673,027	5,895,915	(5,523,322)	(2,803,000)	2,242,620
Total funds including pension fund	4,673,027	6,281,923	(5,909,330)	(2,803,000)	2,242,620

Purposes of designated funds

The pension fund covers the actuarial valuation of the pension scheme

Movement in Funds – Previous year

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers and gains £	At the end of the year £
Restricted funds:					
Leisure Centre	3,498	180,497	(183,995)	-	-
Total restricted funds	3,498	180,497	(183,995)	-	-
Unrestricted funds:					
Designated funds	-	-	-	-	-
General funds of TCL	2,186,542	4,922,978	(4,931,492)	(165,069)	2,012,959
General funds of TCL Trading	2,068	184,838	(349,907)	165,069	2,068
Total general funds	2,188,610	5,107,816	(5,281,399)	-	2,015,027
Pension fund	(132,000)	-	(81,000)	2,871,000	2,658,000
Total unrestricted funds	2,056,610	5,107,816	(5,362,399)	2,871,000	4,673,027
Total funds including pension fund	2,060,108	5,288,313	(5,546,394)	2,871,000	4,673,027

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

23. MOVEMENT IN FUNDS – continued

Transfer of funds

A transfer of £nil has been made from restricted to unrestricted funds for the reallocation of assets purchased via restricted funds which are being used in the unrestricted element of the trade.

Purposes of restricted funds

Restricted funds of £nil have been carried forward this year.

Purposes of designated funds

The pension fund covers the actuarial valuation of the pension scheme.

Swimming pool support fund

The charity received £240,544 (2023: £nil) of swimming pool support funding from Sport England. All of this funding was spent in the year, with funds of £nil being carried forward.

24. EMPLOYEE BENEFIT OBLIGATIONS

Employees of Thurrock Community Leisure are admitted to the Essex County Council Pension Fund, a defined benefit scheme which is administered by Essex County Council under the regulations governing the Local Government Pension Scheme. The figures disclosed below have been derived by approximate methods from the last full actuarial valuation of the fund carried out by Mercer Human Resource Consulting Ltd as at 31 March 2016.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	31.03.24	31.03.23
	£	£
Present value of funded obligations	(4,028,000)	(4,056,000)
Fair value of plan assets	7,542,000	6,714,000
Impact of asset ceiling	<u>(3,514,000)</u>	<u>-</u>
	<u>-</u>	<u>2,658,000</u>
Surplus / (Deficit)	<u>-</u>	<u>2,658,000</u>
Asset / (Liability)	<u><u>-</u></u>	<u><u>2,658,000</u></u>

The amounts recognised in the statement of financial activities are as follows:

	Defined benefit pension plans	
	31.03.24	31.03.23
	£	£
Current service cost	88,000	173,000
Net interest from net defined benefit asset/liability	(130,000)	2,000
	<u>5,000</u>	<u>5,000</u>
Total loss / (profit)	<u><u>(37,000)</u></u>	<u><u>180,000</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

24. EMPLOYEE BENEFIT OBLIGATIONS – continued

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31.03.24	31.03.23
	£	£
Opening defined benefit obligation	4,056,000	8,758,000
Current service cost	88,000	173,000
Past service cost	-	-
Contributions by scheme participants	33,000	31,000
Interest cost	192,000	226,000
Change in financial assumptions	(165,000)	-
Actuarial losses/(gains)	11,000	(4,845,000)
Change in demographic assumptions	(52,000)	(147,000)
Benefits paid	<u>(135,000)</u>	<u>(140,000)</u>
	<u>4,028,000</u>	<u>4,056,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31.03.24	31.03.23
	£	£
Opening fair value of scheme assets	6,714,000	8,626,000
Interest on assets	322,000	224,000
Administration expenses	(5,000)	(5,000)
Contributions by employer	108,000	99,000
Contributions by scheme participants	33,000	31,000
Expected return	505,000	(194,000)
Other actuarial gains/(losses)	-	(1,927,000)
Benefits paid	<u>(135,000)</u>	<u>(140,000)</u>
	<u>7,542,000</u>	<u>6,714,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	31.03.24	31.03.23
	£	£
Actuarial gains/(losses) from changes in demographic assumptions	52,000	147,000
Actuarial gains/(losses)	<u>154,000</u>	<u>4,845,000</u>
	<u>206,000</u>	<u>4,992,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

24. EMPLOYEE BENEFIT OBLIGATIONS – continued

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	31.03.24	31.03.23
Equities	55%	58%
Gilts	2%	1%
Other bonds	0%	0%
Property	7%	8%
Cash	2%	3%
Other managed funds	18%	14%
Alternative assets	16%	16%
 Asset breakdown	 31.03.24	 31.03.23
	£000s	£000s
Equities	4,177	3,868
Gilts	135	98
Other bonds	-	-
Property	521	550
Cash	186	216
Other managed funds	1,376	919
Alternative assets	1,147	1,063
	7,452	6,714

Projected employer contributions for the year ending 31 March 2025 are £118,000.

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	31.3.24	31.3.23
Discount rate	4.95%	4.80%
Future salary increases	3.85%	4.00%
Future pension increases	2.85%	2.90%

The following table sets out the impact of a small change in the discount rates on the defined benefit obligation and projected service cost along with a +/- 1 year age rating adjustment to the mortality assumption:

	£	£	£
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	3,954	4,028	4,104
Projected service cost	84	86	89
	+0.1%	0.0%	-0.1%
Adjustment to long term salary increase			
Present value of total obligation	4,037	4,028	4,019
Projected service cost	86	86	86
	+0.1%	0.0%	-0.1%
Adjustment to pension increases and deferred revaluation			
Present value of total obligation	4,096	4,028	3,692
Projected service cost	88	88	84
	+1 year	None	-1 year
Adjustment to life expectancy assumptions			
Present value of total obligation	4,155	4,028	3,905
Projected service cost	89	86	83

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

25. CAPITAL COMMITMENTS

At 31 March 2024 there was capital expenditure totalling £77,841 (2023: £nil) relating to gym refurbishment at Blackshots leisure centre.

26. ULTIMATE PARENT COMPANY

The ultimate parent company as at 31 March 2024 is Thurrock Community Leisure Limited, company registration number 03782811. The parent exercised control through its right to appoint or remove a majority of the board of trustees of the charitable company.

27. RELATED PARTY TRANSACTIONS

Thurrock Community Leisure Limited (TCL) owns 100% shares of TCL Trading Ltd (TCLT). During the year following transactions occurred between the group companies:

TCLT:

During the year, TCL paid commission of £37,309 (2023: £32,080) and management charges of £244,788 (2023: £217,788) to TCLT for management of the golf club and shop. TCL charged a management fee of £42,726 to TCLT (2023: £20,004).

TCLT gift aided £48,568 (2023: £32,715) to TCL.

At the year end, TCLT owed £55,715 (2023: £32,715) to TCL. TCL owed £nil (2023: £33,113) to TCLT.

Trustees' remuneration and expenses are disclosed in note 9.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

28. LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

THURROCK COMMUNITY LEISURE LIMITED

England & Wales - Charity number 1080186

Accounts

REGISTERED COMPANY NUMBER: 03782811 (England and Wales)
REGISTERED CHARITY NUMBER: 1080186

REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 MARCH 2023
FOR
THURROCK COMMUNITY LEISURE LIMITED GROUP

McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Bank Chambers
1 Central Avenue
Sittingbourne
Kent
ME10 4AE

THURROCK COMMUNITY LEISURE LIMITED GROUP

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 20
Report of the Independent Auditors	21 to 23
Consolidated Statement of Financial Activities	24
Balance Sheet	25
Consolidated Cash Flow Statement	26
Notes to the Consolidated Cash Flow Statement	27
Notes to The Consolidated Financial Statements	28 to 50

THURROCK COMMUNITY LEISURE LIMITED GROUP

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2023

TRUSTEES	Tunde Ojetola (Chair) Wayne Warner (Resigned 22/12/2022) Jatinder Nahal (Vice Chair) Barry Norrington Dr James Watson Juan Rangel (Resigned 08/08/2023) Kameel Mohammed Lynn Worrall (Resigned 12/08/2022) Mark Coxshall (Appointed 14/03/2023 – Resigned 26/05/2023) Andrew Jefferies (Appointed 27/09/2022 – Resigned 13/07/2023) Patrick Cole (Appointed 13/07/2023) Joanne Wintour (Appointed 30/01/2023) James Thandi (Appointed 13/06/2023) Joy Redsell (Appointed 13/07/2023) Daphine Zameziza Longe (Appointed 01/08/2023)
COMPANY SECRETARY	Kay Volk
MANAGING DIRECTOR	Karl Hayes
REGISTERED OFFICE AND OPERATIONAL ADDRESS	Blackshots Leisure Centre Blackshots Lane GRAYS Essex RM16 2JU
TRADING AS	Impulse Leisure
REGISTERED COMPANY NUMBER	03782811 (England and Wales)
REGISTERED CHARITY NUMBER	1080186
AUDITORS	McCabe Ford Williams Statutory Auditors and Chartered Accountants Kent Science Park, Building 1063 Cornforth Drive, Sittingbourne, Kent ME9 8PX
BANKERS	National Westminster Bank PLC 17 High Street, Grays Essex, RM17 6NP
SOLICITORS	Winckworth Sherwood Minerva House, 5 Montague Close LONDON, SE1 9BB

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2023**

The trustees who are also directors of the group and charity for the purposes of the Companies Act 2006, present their report with the financial statements of the group and charity for the year ended 31 March 2023. The trustees have adopted the provisions of 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). Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

OBJECTIVES AND ACTIVITIES

Purposes and aims

The objectives of Thurrock Community Leisure (TCL), as set out in its memorandum of association, are to run leisure facilities and services primarily for the benefit of the general public. TCL operates in a manner that does not discriminate against any person by virtue of their age, colour, race, nationality, ethnic or national origin, religion/belief, unrelated criminal convictions, gender, gender re-assignment, sexual orientation, marital status / civil partnership, or socio-economic status.

The strategy of TCL is the pursuit of its mission, which continues to be ever more important to the community needs. The mission is 'Creating active & healthy communities'.

TCL's priorities include -

- Instilling pride in communities through training, education, improving the quality of life, youth engagement and increasing opportunities
- Contributing towards achieving safer communities
- Developing prosperous communities through the attraction of inward investment
- Promoting inclusive and diverse communities
- Promoting community regeneration through environmental and cultural improvements
- Delivering healthier, more active communities.

In order to fulfil its objects TCL manages four leisure centres at Belhus Park (plus the Golf Course), Blackshots (plus the Civic Hall), The Gym Hub (Wickford) and Corringham. TCL operates under an Impulse Leisure and Gym Hub brand. The main source of income is from the sale of, health and fitness (gym and exercise classes) membership, golf, swimming and swimming lessons, a varied programme of events and entertainment at the Civic Hall.

The facilities are managed to maximise financial efficiency and generate surplus wherever possible. When surpluses are generated, 100% of the surpluses are used to maintain, improve, and extend the facilities and services provided for the benefit of the local community. Service improvements are used to generate improved efficiency, increase income and to improve the health and wellbeing of the community.

In shaping objectives and planning activities, the trustees considered the Charity Commission's guidance on public benefit, including the guidance on fee charging. TCL relies on external programme funding, but mainly the income from fees and charges to cover its operating costs. In setting the level of fees, charges and concessions, the trustees give careful consideration to the accessibility of the services for those on low incomes and those from other disadvantaged groups. As a result, significant pricing discounts are available to concessionary groups. In addition, special programmes and sessions are planned and delivered to help disadvantaged members of the community improve their health and wellbeing, through participating in relevant activities. Specific examples of work undertaken to target public benefit, sometimes at the expense of financial efficiency include employment of apprentices where possible, delivery of numerous health and mental wellbeing improvement programmes (often in partnership with others), offering free taster sessions, attending community events and provision of memberships to community groups working with disadvantaged communities.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT

Achievement and performance

As the global pandemic entered a phase of control, led by the high levels of immunisation that provided a sufficient decline in severe cases that enabled daily restrictions to return to normality.

Consumer confidence started to return with many preferring to exercise in clubs rather than at home or outdoors. We have continued our mission to promote the benefits of physical activity and maintained some of the Covid protection measures to continue to grow this level of confidence. However, the majority of Leisure Trusts in the UK reported a sustained loss of approximately 10% of customers causing a shortfall in income from the March 20 pre-covid baseline. We mirrored these figures but have worked extremely hard to encourage more users and Members.

The National shortage of Leisure professionals continued which consistently affected our ability to grow due to a lack of Swim Teachers to meet the rising demand for Swimming Lessons. This demand was generated from a two-year backlog of children that were unable to have swimming lessons during the Covid lockdowns and restrictions.

Following a partial summer of management at the Splash Park at Grays Beach, it was agreed to train and return control back to the Lightship Café CIC to ensure its ongoing sustainability.

Russia invaded Ukraine which had a global effect on utilities around the world and in particular Europe. The impact of huge price increases during the winter months affected business growth as consumers struggled to pay energy bills along with our own difficulties in securing affordable rates. Other issues affected by the war include large shortages of supplies such as pool chemicals, IT chips, and many incidental goods. These shortages also push prices to rise above CPI norms.

We took advantage of the Government temporary support for utility capping, however in doing so we had to commit to a 6 month increase in contract price of over 4 times the normal rates. This increase was mitigated by reductions in consumption, capital repayment break on the SIB loans and utilisation of reserves.

We managed in the early part of the year to settle many of the legacy bills, whilst maintaining a good cash position

Costs throughout the year have been constantly monitored and controlled but with increases in prices for most goods and services this has been a challenge. All facilities remained fully open and met customer expectations in ensuring value for money within their membership fees including access to hot water for showers reducing their own costs and a warm space during the cold months.

Total attendance levels in service continue to rise and we are seeing that the patterns of behaviour have now returned to pre covid trends.

Swimming lessons (I-swim) numbers have continued to be the star of the show with class numbers at capacities and large waiting lists. Unfortunately, closures at Corringham due to Plant replacement stunted this growth and Belhus struggled with gaining sufficient teachers to deliver to the latent demand. This remains extremely frustrating, and we make every effort to train and retrain new teachers but this takes time.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT

Achievement and performance – continued

Management and staff continue to do a terrific job in maintaining the service and facilities during periods of low resource. Despite these challenges TCL continued to improve and extend the services provided. In addition to normal essential planned and preventative maintenance there has been several refurbishment and upgrade projects and general service improvements most notably –

Blackshots

- Upgraded the Poseidon drowning detection systems with new cameras and software.
- Repair and replacement of the front entrance steps
- External signage replacement
- Upgrade of the rebounder class trampettes

Belhus Park

- Upgraded the Poseidon drowning detection systems with new cameras and software.
- Upgrade of the rebounder class trampettes
- Foot golf course improvements
- Replacement of the football goals

Corringham

- Upgraded the Poseidon drowning detection systems with new cameras and software.
- Pool village partial locker lock conversion to a padlock system
- Health Suite air handling improvements and repairs
- Council Works in pool plant replacement
- Council Works in flat roof replacement

The Gym Hub

- Relocation and repair of the Air conditioning external units
- Sealing and re-lining of roof gullies.

The Civic Hall

- New till and booking software.
- Improvements to the WIFI connectivity for events and staff use.
- Replacement of 400 function chairs

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2023**

STRATEGIC REPORT

Achievement and performance – continued

General

- Continued IT hardware replacement and upgrades.
- Branded, targeted, and themed campaigns have been used across all marketing collateral and socials continuing the promotion of our unique selling points, differentiating TCL from the increasing competition at key reopening points throughout the year.
- Cyber Essentials registration was maintained.
- Continued customer and staff communications have maintained a constant level of support
- The activity registration scheme launched last year continues to assist with tracking who is in the buildings from a security perspective and allows online booking for non-members. We extended the booking privilege for non-members from 5 days in advance to 7 days to encourage more participation. We have registered a further; 8,770 residents this year.
- The Impulse Leisure App continues to be a popular resource for customers which has had over 44,500 downloads enabling customers to easily book and pay for activities conveniently online as well as access other important tools including their Mywellness portal, swimming lesson portal, Mental Health advice, Online classes, @home activities and workouts as well as general updates on the service we provide.
- Our website and logo underwent a subtle refresh to ensure our brand remains current and user friendly.

The Leisure industry as a whole has been massively affected by the unprecedented increases in utility pricing. Those most effected are operators of swimming pools which we operate 7 throughout the borough. Many local Authority leisure facilities have closed swimming pools and buildings due to them being unaffordable. Our gas prices for the last 6 months of the year increased by over ten times from the previous year, this has been offset by a level of Government support, payment breaks on loans and use of reserves.

In addition, to reduce our consumption levels we took the following action;

- Reduced pool water temperatures.
- Reduced pool hall air temperatures.
- Provided localised heating of offices and lowered the heating around the buildings.
- Reduced opening times of the health suites.
- Switched off every other piece of duplicated cardiovascular equipment in the gym during quiet times.
- Increased awareness of housekeeping measures such as turning off of lights, turning off PC plugs overnight and opening of windows rather than air con.

This year we focused our capital energy projects on replacing old inefficient lighting to LED alternatives.

- Blackshots - main swimming pool lighting replaced.
- Corringham – Swimming pool lighting replaced.
- The Gym Hub - Gym lighting replaced.

A new Gas contract was secured at considerably lower rates than this year for the next 12 months.

The above improvements demonstrate TCL's commitment to continuous improvement throughout a period of recovery with limited reserves. These improvements make the facilities and services more attractive to new customers and obviously increase the value for money existing customers receive. Increasing value for money and more attractive facilities improve the likelihood that more of the community will seek to improve their health and wellbeing by using the services. As such TCL succeeds in its mission of 'Creating Active & Healthy Communities'.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2023**

STRATEGIC REPORT - continued

Achievement and performance – continued

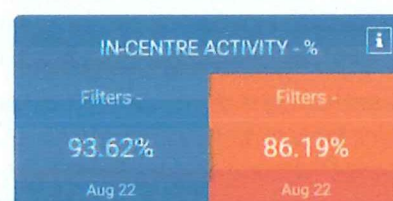
With the work recently completed at the facilities, we are very proud that TCL has now been able to reinvest more than £8m in leasehold improvements and services (this figure excludes the significant investment in gym equipment replacements), all of which have been a great advantage to improving the accessibility and appeal for the community to live a healthy lifestyle. This demonstration of continued reinvestment highlights the tangible benefit for all by operating the 'charity model' to deliver local leisure services. Alternative solutions or service delivery models are unlikely to be able to reinvest these kind of sums, as there would have been potentially other priorities for the money, i.e., shareholder/owner profit, other council services (general fund), or investment in facilities outside of the Borough.

In addition, all services provided by TCL are available to all, including spectators, casual pay and play users as well as members. All prices remain competitive and reflect the community needs. We also offer significant concessions to those most in need, including heavily discounted or free membership, with at least 50% discount on most activity prices.

All the facilities operate quality management systems to ensure the level of service provision is delivered consistently. Our systems are externally audited and endorsed by the leisure industry quality standard (QUEST). The sites have had their reassessment maintaining QUEST registration in the Very Good (Belhus Park and Corringham) and Good (Blackshots) categories following maintenance and unannounced visits and or full 2-day audits. The Gym Hub in Wickford only has a 1-day assessment and is registered with QUEST.

Customer safety is our primary objective and one we take very seriously.

We have continued to run our Customer Satisfaction surveys through the moving communities platform for consistency and transparency. In addition, we offer customer support and feedback via social media and direct feedback remains in the large positive. Our moving communities customer satisfaction results are;



The blue filter are The Thurrock Community Leisure facilities results compared to the red, which is National Averages. The satisfaction results are disappointing this year, but not unexpected following a prolonged period of swimming pools closure at Corringham. The Corringham swim customers were then moved to the other two sites which at times created difficulties in customers being able to secure a swimming slot.

Although the overall scores are lower, the averages still remain around the 7-8 which we hope to move to 9- 10 next year with a level of normality. The results for in-centre activity rather than home use increased this year which confirms the demand for indoor facilities. Thurrock's results sit above national averages.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2023**

STRATEGIC REPORT

Achievement and performance – continued

The health of the community is always at the forefront of everything we do. The initiatives we have led and been part of this year include:

- **Lung Screening** in the Blackshots car park
- **CHAPS** men's health check day
- **COPD** hospital rehabilitation was relocated from the hospital to the Civic Hall to create space for the additional Covid wards.
- **Thurrock MIND** memberships to provide a gateway of physical activity support to help those struggling with mental health issues.
- Expansion of the **Cancer Prehab and Rehabilitation** program with multiple partners in Essex.
- **Exercise on Referral** continues to support people with comorbidities affecting their daily lives. Our 12- week exercise support programme provides rehabilitation and health maintenance to enhance their quality of life. The programmes specialise on
 - Weight Management
 - Stroke
 - Mental Health
 - Parkinson's
 - Cardiac
 - Back care
 - Cancer
 - Diabetes
 - COPD
- **Football v Fat** targets people helping with weight management

Most of the above programmes aim to increase physical activity levels, targeting health improvement in the community. This all fits perfectly with TCL's mission 'creating active and healthy communities'. The staff who deliver these schemes and programmes are highly qualified and often praised by the customers for their results.

Health and safety improvements continued throughout the year through the constant reviewing and developing of policy and procedures monitored by the Health and Safety Management Committee. Accident numbers for the year were again low but reflective of lower attendances with no major accidents or incidents to note. All accidents and incidents are still recorded via STITCH which also compares our average with the National rate.

We continue to recognise and reward those long serving loyal team members. This year we acknowledged:

- 2 x 30-year service awards
- 1 x 20-year service award
- 1 x 10-year service award

The staff benefits scheme remains more valuable than ever with increasing costs to most employees personal bills, these all-year-round benefits provide discounts and promotions at high profile national retailers, restaurants, and other popular organisations, and has continued to be used well by employees.

General short term Sickness absence has not been a major issue this year, however we have managed extended periods of sickness absence at a senior level which has been challenging at times.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2023**

STRATEGIC REPORT

Achievement and performance – continued

We continue to be an Employer Partner of CIMSPA with a commitment to ensure relevant staff are members of the industries professional institute. Relevant staff who are members have access to over 2000 hours of online training suitable for undertaking the required CPD relevant to their membership category.

A number of HR policies have been refreshed/updated and introduced to ensure our managers and employees have the latest guidance and understanding to manage their teams fairly and consistently.

Recruiting qualified personnel has been a major challenge this year as we strive to meet the demands of the business. To tackle this, we have adopted a number of different strategies including Re-train opportunities for local people to qualify as Lifeguards and swim teachers, with each course part funded by Thurrock Community Leisure to ensure the course fees are not a barrier to a change in career. We also increased the number of Leisure Apprenticeships placing opportunities at all sites, these apprenticeships cover all the industry essential technical qualifications and soft skills giving the learner a flavour for each department providing a development pathway for their chosen career. We also partnered with the local College to provide work placements for Sports students. This year saw the launch of our Volunteering programme at Belhus Park Golf Course.

Our apprenticeship programme is delivered in partnership with an industry leading training provider (Creative Sports and Leisure (CSL)) forging great links with CIMSPA.

We are very grateful that there has been another good year of progress by Thurrock Council against their landlord property responsibilities despite their own financial challenges. Some urgent and essential works have been completed, and a programme of works to meet the forthcoming priorities is well underway.

Thurrock Council undertook:

- Replacement of the Corringham swimming pool plant.
- Replacement of the flat roof covering throughout the buildings at all three sites TCL Investments mentioned above.

Financial review

The budget in 2022/23 was set and approved by the Board as a next stage in our recovery with income still aiming to achieve full recovery of the March 20 figure. The processing and production of the financial management and reporting was outsourced to McCabe Ford Williams (MFW) during the prolonged period of absence of the Group Finance Manager.

Tight financial controls continued to be in place with cash flow management remaining our focus and priority.

Most payment plans previously negotiated to assist our recovery through the Pandemic have been concluded. However, an extension to the SIB loan with capital payment break was needed to help through the worst of the Utility crisis.

The Management team continued to proactively source and apply for available funding sources that the organisation was eligible for.

The Government continued to provide Rates support for Leisure through the Local Authority this year helping reduce costs.

In 21/22 we introduced more reallocation of site costs such as IT, telephone and irrecoverable vat from Management and Admin to help demonstrate true site costs. However, this became very time consuming each month and amends to the reallocation was adjusted during the budgeting for next year.

Xero accounting software was implemented from 1st April providing a refined system to help manage Management accounting, Cash Flow, Reporting, Sales ledgers, and Purchase ordering (via a linked approved app Approval Max). The system implementation has also helped with compliance to making tax digital.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2023**

STRATEGIC REPORT

Achievement and performance – continued

Financial review – continued

Despite the pool closure at Corringham, lower membership numbers at Belhus Park and overall consumer spending challenges, income overachieved on budget by £54,169. As mentioned before the costs this year have been unprecedented and a challenge to control. However, the staffing challenges has seen savings which have helped support the additional costs. The team have performed extremely well under the circumstances and managed to improve the Bottom line performance, before LGPS adjustment, better by £34,827 leaving deficit before LGPS adjustment of £177,081 (£258,081 deficit after LGPS adjustment).

Loan Capital break of 6 months equating to £63,571 was agreed by SIB to help reduce the impact of increased utility costs on bottom line and cash holding.

The 5-year corporate plan remained a challenge with the immediate focus firmly on business recovery. The forthcoming year will require a review the organisations future plans, whilst working closely with the Local Authority to link with their aspirational strategies around the delivery of Health and Leisure within the Borough.

Leisure Centres –

The Membership numbers at Blackshots has seen increased growth over the year with a number of successful membership marketing campaigns, however the growth at Corringham was limited due to an extended closure of both swimming pools whilst the Local Authority undertook a full plant replacement. Belhus Park has also struggled to make significant growth in membership due to constant staff shortages and cancel sessions as a result. Swimming lessons is a growth area and has seen increased demand. Minimal Swimming instructors due to an industry shortage and pool closures has affected our ability to meet this demand.

Office and Cottage Rent –

Cottage rental was maintained as both properties were occupied throughout the year.

Golf Shop and Bar –

Pitch hires income remained strong this year. Income and Membership for the year was down by £32,806 against budget. This was partly as a result of the reduced opening times of the Catering service, inability to recruit a golf pro and increase lessons, and the reduction in bar takes from function hires and closures due to inclement weather. This was mainly compensated by the reduction in wages and cost of sales.

Civic Hall –

The Civic Hall has had a strong year in rebuilding its profile as an events destination and not solely reliant on hirers. The bar income also reflected the increase in bookings and events. Gas costs during the winter months impacted on the cost of Premises. A replacement of event chairs will assist in the presentation of the venue especially at theatre style events. All other costs have been well managed to generate a surplus for the year.

Investments

Following recent level of business stability, we have been able to establish a minimum base line cash requirement in the short term. This has provided a level of comfort to enable us to invest the remaining cash reserves to higher rate accounts to maximise interest returns particularly with recent interest rate increases. We have minimised the risk of locking up all cash by varying duration of investments and taking advantage of the protection offered by FSCS. We currently also have some of the cash investment in Charity Bank ethical 1 year and 40 day accounts to help spread risk and have some deposits with a bank supporting charity values.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

STRATEGIC REPORT

Financial review - continued

Principal risks and uncertainties

The trustees and senior management undertake an annual risk assessment process and reported on this to the full board. The overarching issue to the future, still remains the medium- and long-term impact of the Covid 19 virus, the financial impact to the Country and the possibility of its resurgence in different variants resulting in further possible restrictions and closures. The Board have reviewed the reserves policy to ensure the previous calculations remain relevant for such a situation and are confident the current policy is fit for purpose.

The other main risks identified include building failures, cost of living and utility crisis, increase in utility costs the LGPS deficit including admission agreement issues, health and safety, staff and Trustee shortages and increasing staff costs, ongoing economy uncertainty (utility and cost of living) denting consumer confidence, local politics and increasing competition. Ongoing negotiations with Thurrock Council and our own improved maintenance and servicing contracts are used to ensure that buildings and or plant are less likely to fail in such a way as to cause unplanned service disruption. Business interruption insurance is also in place. The potential for major health and safety issues to arise is taken seriously and as such TCL have a comprehensive policy and manual covering health and safety, monitored at the highest level, with Trustee involvement at bi-monthly bespoke meetings and again reported at Board meetings. Staff are also involved in the risk assessment process and everyone in the organisation is aware of the health and safety mission of 'everyone safe, every day'. Constant improvements to service and increasing value for money is the main strategy in use for dealing with competition. Marketing and promoting our unique selling points and differentiating our service from the competition has been an increased focus.

Local politics always have the potential to change, so developing good relationships with senior staff at Thurrock Council and working with them to add value to the whole range of council services raises the profile of TCL and its importance to the community. There has been a number of initiatives listed elsewhere regarding staff recruitment and retention.

The trustees are satisfied that adequate processes are in place to mitigate the key risks faced by the charity.

Funds

The group has returned a deficit of £258,081 (2022:£85,125). The accumulated reserves for the group amounted to £4,673,027 (2022:£2,060,108), including restricted funds of £nil (2022:£3,498) and unrestricted funds of £4,673,027 (2022:£2,056,610).

Reserves policy and going concern

The Reserves policy for TCL is formulated to ensure the continuation and improvement of its services, for the benefit of the community and as a safety net in the event of short-term income shortfall. The services are run from various centres, which need to be regularly maintained and updated to continue to provide excellent standards of service. Therefore, reserves required are allocated into two types:

Operational Reserves

Are held to ensure TCL can meet expenditure commitments in the short term, whilst actions are put into place to overcome income shortfall.

Management risk strategies, insurance and contingency plans are in place to mitigate risks. As centres are all in different locations, it is unlikely that problems in one centre will have a direct impact on the remaining centres, although in the light of the unprecedented UK response to Covid 19 this assumption has been tested to retain a short closure at all sites in advance of Government support streams.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2023**

STRATEGIC REPORT

Reserves policy and going concern – continued

Operational Reserves – continued

The global pandemic was the most unusual of circumstances, and risk strategies cannot take into account every known and unknown eventuality. With the global pandemic, the government stepped in and provided resources such as furlough, lockdown and restart grants. During the period of lockdown, with all sites shut, the cost base was also reduced. The results of the past year showed TCL requirement to cover overheads whilst centres closed was £100k monthly, as government furlough support was available.

The reserves policy should therefore include overhead expenditure for all sites, whilst centres are closed, along with staff costs previously supported by furlough scheme, as this may not be available in future.

The reserve policy of TCL should provide resilience to keep going till support is available and/or give time to put alternative action in place.

Facility improvement and unexpected opportunity reserve -

The day-to-day operational budget does not set aside any reserve for improvement, or major capital commitment. As such reserves are required to ensure funding is available to continually improve the service (property, equipment, and technology) in this very competitive industry, to enable compliance with ever-changing legislation and to take advantage of other unexpected opportunities that may arise during a year. Improvements to Blackshots changing rooms is a previous example of using these reserves to update and improve efficiency/service. To expand the services, we can offer to more beneficiaries, TCL may wish to acquire new business either through partnership, tender, acquisition or development of new premises and the purchase and refurbishment of another Gym Hub is a good example of this. This is made possible when reserves are in place to support the exploitation of such opportunities as they arise.

Therefore, TCL will continue to build up to £750k, reserves to 3 months running costs for all sites when closed, and then work towards an additional £250k for Facility improvement/opportunity reserves. The £250k reflects amounts required for recent large projects such as Belhus refurbishment and Blackshots changing room works.

TCL have been able to maintain adequate cash levels to meet day to day liabilities whilst maintaining operational reserves and settling outstanding legacy liabilities. TCL is therefore meeting going concern requirements.

TCL has been working hard to get business and income back as quickly as possible, whilst remaining understanding and sympathetic to our client's readiness to return. Expenditure will continue to be closely monitored whilst income is rebuilt. TCL actively seek new opportunities, funding, and income streams to help diversify income in order to facilitate financial robustness and take up opportunities to further its objects.

Considering, the current reserves position, together with the existing financial performance, forecasts for the future, cash flow forecasts, the main risks facing the organisation and ongoing negotiations with Thurrock Council, the trustees are confident that TCL will continue as a going concern.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2023**

STRATEGIC REPORT

Plans for the future

As we continue to dovetail with the Local Authorities 'Active Place' and 'Playing Pitch' strategies. Thurrock Community Leisure will continue to collaborate with Officers and Councillors to help in the delivery of such plans.

The Local Authority are facing huge challenges to cope and adapt to their financial difficulties and as such their attention is focused on their ability to provide statutory services. The working relationship we now have with the Local Authority has significantly improved as a result of the Pandemic which brought both organisations to a common goal. It is pivotal for the benefit of the whole community that this stronger partnership continues to enable Thurrock Community Leisure to support the Council in delivering Leisure and health improvement in a cost-effective manner. The regular Officer meetings with a variety of departments within the Authority will, provide clear two-way communication into the successes and challenges faced by both organisations with a view of working collaboratively to meet the changing physical activity and health inequality demands of the Borough.

Thurrock Community Leisure will continue to review its corporate plan to assess and react to the effects of the cost of living and energy crisis is having on the whole Country this year. This review will seek to identify opportunities and risk that will enhance or hinder business growth.

Forecast Budgets take into consideration the huge national increases in costs for supplies, services, utilities and wages. Leisure activity and attendance trends have started to return to pre-pandemic peaks and troughs enabling historical data to be used for patterns of behaviour. Customer feedback and surveys provide a deep understanding of the business. The forthcoming year is reliant on all sites remaining open which may not to be the case and reforecasting will be undertaken regularly to reflect the current position if this happens. The cash position is sufficiently strong to cope with short closures should they arise without immediate Government support. The industry has mixed reports of return rates to the 2020 operational figures with some budget operators reporting higher than 2020 figures. These rates are not being seen so widespread at Local Authority facilities without investment. Whilst we compare our standing to the pre covid position we must look forward to the challenges and opportunities ahead. We will continue to maximise income streams whilst controlling expenditure closely which is monitored on a daily basis.

The Annual Plan continues to focus heavily on reshaping our digital landscape to mitigate the resourcing challenges and improve the customer experience whilst providing increased consumer knowledge and data. Our strategic alignment with the Local Authority strategies continues in the coming year. The opportunity for partnership working with the voluntary sector and local club and groups has never been more prevalent which again we plan to align common goals with a series of pilots, support and links. Examples include the community garden project, club partnerships with Thurrock Swimming Club and Thurrock Rugby Club, as well as social services support with events like the easter egg and Christmas gift for underprivileged children.. There is still a level of long-term uncertainty that cannot be ignored and therefore the 5-year corporate plan will need to be reviewed in line with the current recovery progress.

TCL's positioning in the marketplace remains strong, despite the increased competition over the recent years. This increase in competition has resulted in difficulty in achieving the remaining 17% of the pre covid figures. The positives from having a sustained period of opening are that exercise habits have returned to normal.

The financial growth is now anticipated to come from both Membership and Swimming Lessons where we continue to see a high demand. Whilst we make inroads to improving our income position, we are still having to cover off the unprecedented increases in staff costs due to NMW increases and salary squeeze affect, utility and supplies cost base increases. As such the budgets for 2023/24 show a negative bottom-line with a clear indication of recovery before year end. We will continue to ensure a tight ship approach to all costs and remain conservative in income growth.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2023**

STRATEGIC REPORT

Plans for the future - continued

Although closures have been major factor affecting income in the previous three years, the recovery of income and projections post Covid 19 have had to be tempered by the continued uncertain nature of the economy, mainly related to Covid, Utility crisis, cost of living crisis, increase costs to supplies and services and Brexit resulting in a lack of consumer confidence, increasing public sector austerity (arising from Covid 19). We will implement the membership review with increased prices across the board. We will also introduce a few new memberships targeting students and young children. Customers continue to be supportive of the impacts we have endured and believe these changes are understood and will not affect retention to the detriment of the income projections. Activity prices will also increase to assist in the cost of operating the facilities.

In response to the continued difficulties in recruiting staff we will continue to use and attract Apprentices and train unskilled potential employees improving and extending the associated career development learning programmes to as many staff and local people as possible. This together with the CIMSPA membership and ongoing training will enable more staff to complete the requisite amount of CPD as well as relevant qualifications appropriate to their roles and future progression. This ensures more staff are undertaking relevant training to their career aspirations and the business need, which in turn should improve staff retention and customer service. We also plan to expand the Volunteering opportunities this year with the introduction of the community garden at Belhus Park.

Community Health and Wellbeing

The more opportunity created for people to be physically active increases the positive impact TCL has on Thurrock's 'health and social issues'. Many of these issues have been proven to be improved by exercise. Indeed, Central Government and Public Health England (Physical Activity Framework – Everyone Active Everyday), supported by UK Active, have been consistently raising the profile of the benefits of physical activity, versus the associated costs of inactivity on the National Health Service (NHS). There are potential opportunities within the NHS 10-year plan, some of which focusses on prevention of ill health, part of which includes physical activity in promoting physical and mental health. TCL will work with local health commissioners, social prescribers, and others to develop new programmes to improve community health. These programmes may also include social and cultural related activities. TCL will consider providing these services without the benefit of external support funding.

TCL operate several successful health programmes. In line with Government and Sport England Strategy on increasing physical activity levels, we will expand our programmes to deliver increased physical activity opportunities to more of the community including children and hard to reach groups.

At present TCL are contracted to receive funding from Thurrock Council regarding health referrals for another year. Through work with Active Thurrock, we would hope to expand this work along with a number of other potential community health and wellbeing improvement schemes. As a minimum continue to successfully deliver the existing schemes outlined above.

TCL will look to work with Thurrock Council with links to the new Integrated Medical Centres (IMC) in providing support physical activity sessions to improve and sustain physical and mental health for those attending these facilities.

TCL will work to establish some agreement about how the new Leisure Strategy will be integrated into decision making in future, including establishing our place as the operator of choice within that strategy. Bringing solutions and funding options to the table is a line being pursued at present.

We are actively promoting with partners our concession schemes to increase the reach of those in the target group on low income or asylum seeking. We would expect to see a subsequent increase in numbers by 10% over existing numbers noted at the end of March 2024.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2023**

STRATEGIC REPORT

Plans for the future – continued

Main facility related works will centre around the following improvements or investigations including:

Blackshots

The Local Authority will be investing into the following areas as part of their landlord responsibilities.

Replacement of the teaching pool air handling unit

TCL will be:

Completing the replacement of the remaining section of the entrance steps. Replace entrance signage to the building and car parks.

Investigating external signage to the side of the building Turnstile upgrades

Replacing Gym equipment Internal decoration of the gym

Belhus Park

Work with Thurrock Council and others to deliver a 3G full size football pitch and Cricket facilities.

The Local Authority will be investing into the following areas as part of their landlord responsibilities:

Replacement of identified roofs and external repairs

TCL will be;

Replacing some gym equipment

Improvements to the foot golf provision

Civic Hall

Implement the final stage of chair replacement.

Kitchen

Floor replacement costing

Investigate disabled access provision to Green Rooms and stage.

Corringham

The Local Authority will be investing into the following areas as part of their landlord responsibilities.

Replacement of identified roofs and external repairs

TCL will be;

Replacing some gym equipment

Investigating hire handling improvements to circulation areas and reception. Studio graphics and decoration

General

Develop remaining viable LED lighting schemes into a project and seek external funding contributions to the costs. If external funding achieved, implement the schemes.

Explore the implementation of Government funding for sustainable products to reduce the consumption of Local Authority Leisure.

Seek alternative supplier for the payroll system Launch the staff app -Plan Day

CRM systems review due to a number of software product planned to be unsupported

Customer satisfaction scores and QUEST will be maintained at all applicable sites. In addition, as an internationally recognised measure of customer satisfaction we will assess the Net Promoter Score (NPS) on all feedback surveys.

Health and safety management will continue to be a priority, constantly reviewing and developing new policy and procedures making at least 10 safety improvements during the year.

The viability of local expansion, other smaller trusts and other business opportunities will continue to be assessed on a case-by-case basis. Through on-going networking and industry knowledge, TCL will continue to identify business opportunities, or other trusts or organisations that might benefit from collaborative working. In addition, TCL will continue to seek to expand operations in the Southeast keeping in contact with those businesses / authorities / organisations / schools that are changing the way they operate.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2023**

STRATEGIC REPORT

Plans for the future – continued

This benefits TCL as overhead costs are reduced, as they are contributed to by additional group members.

TCL will expand the Swimming teacher tuition programme to continue its work on creating a sustainable teacher replacement programme that enable both expansion and continuity to a current oversubscribed holding list for swim lessons.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

TCL is controlled by its governing document, a Memorandum and Articles of Association and is constituted as a limited company, limited by guarantee as defined by the Companies Act 2006. TCL is a registered charity.

Appointment of trustees

TCL is governed by a board of up to 11 trustees. The board of trustees (volunteers) are drawn from all sections of the local community. Once appointed, trustees act in their personal capacity in the best interests of TCL and do not act as representatives of the body that nominated them.

The board is made up of the following categories of trustees, which are fixed in the articles:

- Independent trustees x (up to) 8
- Local Authority elected trustees x 2
- Employee elected trustees x 1

Thurrock Council nominates two trustees to the board annually, although for continuity Thurrock Council has in the past proposed that the same councillors continue to be trustees of TCL whenever possible.

Should there be a need to attract new trustees to the board, adverts are placed at the sites and in appropriate social media, CVS, and various partner websites.

The trustees co-opt new members to the board once agreed and they are officially appointed at the next Annual General Meeting. Trustees are selected to provide a broad range of skills to support the business and management. Specific attention and targeting will be focused on underrepresented areas of the board. This under representation can be in the form of skills, knowledge, gender, ethnic background, or disability.

All trustees will hold office for a maximum of three years before retiring. Upon retirement, the other trustees may re-appoint them or another person. At each Annual General Meeting (AGM), the greater of three and 33% of the longest serving trustees shall retire but may be re-appointed unless the vacancy is filled.

Each trustee guarantees to contribute an amount not exceeding £1 to the assets of TCL in the event of winding up. The total number of such guarantees at 31 March 2023 was 8 (2022 - 8).

The trustees have no beneficial interest in TCL. As a charity, TCL is a non-profit distributing organisation. Therefore, trustees do not receive any dividend, as 100% of surpluses must be invested to pursue the charitable objectives of the company.

TCL is a community organisation working with Thurrock Council (TC) and other organisations, to provide leisure and cultural opportunities within the Thurrock area and its neighbourhood. TCL came into existence when Thurrock Council transferred leisure and cultural services to TCL on 10 January 2000.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Appointment of trustees – continued

The trustees have overall responsibility for the organisation and its efficient operation. However, as volunteers the trustees appoint a Managing Director (MD, Karl Hayes), to whom they delegate responsibility for undertaking the work that is required to ensure that the organisation is operated efficiently, and in accordance with its objects. The trustees have agreed a delegated authority framework, which sets out the responsibilities of the trustees and management. In addition, the trustees are aware that they have expert advice available to them from their auditors, legal advisors, bank and health and safety advisors. The trustees use the 'Charity Governance Code' as a framework to govern TCL in line with best practice principles.

Trustee induction and training

The trustees have agreed a Governance Manual, which provides information about TCL, including its history, structure, governance, legal standing, agreements with related parties, procedures at meetings, shared contact information, information about being a trustee (Charity Commission) and other sources of information.

Once appointed new trustees are inducted by the Managing Director and Company Secretary using the governance manual as a guide. The updated manual is available to Trustees on an ongoing basis in an electronic format, using a shared protected file.

Occasionally training is provided to the trustees as a group, in the past this has included governance, risk analysis and financial responsibility training. In addition, individual trustees are encouraged to attend training provided by auditors and legal advisors on a range of subjects.

The trustees carry out 'spot checks' using internal control procedures and audits developed to cover the main financial and employment risks identified by the organisation. The trustees aim to carry out all of these checks on an annual basis.

Related parties and relationships with other organisations

TCL has a wholly owned subsidiary company known as TCL Trading (TCLT). TCLT operates a golf shop, grounds maintenance function, bar, and catering operation at Belhus Park. Directors of TCLT are appointed by TCL. The directors have no beneficial interest in TCLT, or TCL. All surpluses generated by TCLT are gift aided back to TCL and this arrangement is governed by a deed of covenant.

Remuneration policy for key management personnel

TCL has a Remuneration Policy which is a TCL & TCLT Group policy. This policy is posted on the website no more than two clicks away from the home page.

TCL is committed to ensuring a proper balance between paying staff and others who work for it so that only the best people are recruited and retained.

Whilst TCL remuneration is generally competitive within the leisure industry, it does not compete on pay with other industries. Leisure remains a low pay industry

When determining the salary for a post, TCL will collect information about comparable roles where possible, preferably within the Leisure sector. This information will be used to benchmark TCL salaries, normally aiming to set them at a level that appears to represent the market / local area. TCL will also seek advice from peers within other organisations where they employ people in similar roles. To this end TCL benchmark with other southeast leisure centre operators (SELCO) and Community Leisure UK (CLUK) the sport and recreation trust association. CLUK represent charitable organisations who provide leisure and cultural services.

All posts meet the minimum requirements in respect of the National Minimum Wage, which is reviewed and amended where required in April each year. All employees (except apprentices) working for TCL will be paid £9.50 with effect from 1st April 2022 an increase of 6.6%, this is regardless of age. This created a salary squeeze which was addressed in April 22 increases a number of affected pay grades.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Remuneration policy for key management personnel - continued

Salaries for the majority of posts will comprise a band made up of a series of salary points. Other posts have a flat rate salary. All salaries are openly stated in job adverts.

Post-holders can progress up to the next salary point within their band around the beginning of each new financial year, subject to having received a satisfactory annual appraisal (Development and Review Time (DART) and performance assessment) and having achieved their key performance indicators for the year. Following the annual appraisal (DART), an employee's manager will make a recommendation to the Managing Director as to whether a progression up to the next band has been merited.

'Annual' Pay Award and Adjustments - During the budget setting process (in around November/December) each year, for implementation in the following new financial year (April), the management team will consider whether the salary points for all staff should be adjusted for the forthcoming financial year beginning 1st April, to reflect changes in the cost of living.

The considerations will begin with an assumption that salaries should be adjusted to match inflation (specifically the Consumer Price Index) over the preceding 12-months. Further consideration will then determine whether this is appropriate in the context of: -

- i. TCL's financial situation – can it afford the CPI linked increase and is it sustainable?
- ii. TCL's performance – have KPIs been met?
- iii. Previous pay awards made in recent years
- iv. Pay reviews elsewhere – how might a failure to follow wider trends be perceived amongst staff, within peer organisations
- v. Overall affordability and sustainability – can TCL realistically afford it now and can it sustain it moving forwards?
- vi. TCL's ability to attract and retain suitable staff in sufficient numbers to deliver a consistent service level.

Based on the above, the management team will make a recommendation to the trustees to approve any annual pay award/budget. If approved, annual pay awards will normally be applied in April of the new financial year.

The Managing Director has the responsibility to make any ad hoc decisions regarding salary changes for any position/post holder. Any decision/s regarding the salary of the Managing Director and senior managers will in future be made by the TCL trustees. The Senior Management Team does not have delegated authority in matters relating to their own remuneration, and any recommendations or decisions must be ratified by the trustees prior to implementation

By nature of previous arrangements (TUPE transfers), some staff have previously opted to join the Local Government Pension Scheme (LGPS) in accordance with the respective Admission Agreement with Essex County Council. The TCL LGPS scheme is currently closed to new members as dictated by the Admission Agreement.

For those staff who are not members of the LGPS, TCL complies with its statutory auto-enrolment duties in accordance with Part 1 of the Pensions Act 2008, where employees will be automatically enrolled into a defined contribution pension scheme from the date required by the Pensions Act 2008. Details are notified to each individual separately, including what they would need to do should they wish to opt out of membership. In this regard, TCL uses NEST to fulfil auto-enrolment obligations.

All staff, regardless of whether entitled/not, entitled/eligible have the opportunity to join NEST on request. Furthermore, TCL (and the employee) pay contributions on total earnings, irrespective of age or earnings level. Employees can only be a member of one pension scheme.

Private Health Care – is a company and employee benefit for senior management and key personnel, to ensure that any ill-health is treated promptly, enabling the individual to continue/return to work with minimum absence. All private health care is declared on a P11D and subject to tax in accordance with HMRC guidelines.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Remuneration policy for key management personnel - continued

Use of Facilities by Employees - In order to promote health, fitness and wellbeing, employees may use the facilities free of charge, provided a paying member of the public is not prohibited from use because of an employee taking up space. TCL apply a long service recognition scheme within which staff are rewarded for continuous service at 5, 10, 20, 30 and 40 years. The scheme is designed to reward long service and is for gifts at various values depending on the milestone reached. The scheme follows the guidance issued by HMRC on the values of the awards.

TCL/TCLT trustees are not paid for their work as a trustee.

Trustees can be reimbursed for reasonable out of pocket expenses. They may also be paid for undertaking special work for the charity, provided that this meets with the Charity Commission guidance 'Payments to Charity Trustees – What the Rules Are'. However, TCL will generally avoid engaging its trustees for work and will only do so where there is no suitable alternative supplier of

Diversity

The board's approach to diversity supports its effectiveness and leadership, as such TCL wholeheartedly supports the principle of equal opportunities and diversity in employment and service provision and opposes all forms of unlawful or unfair discrimination on the grounds of colour, race, nationality, ethnic or national origin, religion/belief, unrelated criminal convictions, gender, gender re-assignment, sexual orientation, marital status/civil partnership, age, or disability.

It is in TCL's best interests, and those of all who represent or work within it, to ensure the human resources, talents, and skills available throughout the organisation and community are considered when employment and or training opportunities arise or when the service-based decisions are made.

Statistical reports are compiled once a whole recruitment and selection process is complete, these show the ethnic/national background, gender, age, religion/religious belief, and disability (if any) of all applications; those short-listed, and those offered employment. TCL monitor the declared diversity of its workforce.

TCL aims to have trustees and staff from different backgrounds, abilities, cultures, and genders as the inherent diversity of life experience is more likely to encourage debate, resulting in better decision making. The aim is that the workforce and Board reflect the community it serves.

The Board and staff undertake equal opportunity and diversity training.

Policy for employment of disabled persons

TCL is 'positive about disability' and operates a Guaranteed Interview Scheme (GIS).

TCL recognises that during employment a person's capability to carry out their duties may deteriorate. This can be for several reasons, the most common ones being that either the job changes over a period, or because of health changes (including developing a disability). Should this be the case, TCL will make every effort to ensure staff receive adequate training and supervision to reduce any impact. Informal meetings are used in the first instance with a view to resolving any issues. TCL will also consider the possibility of a transfer to more suitable work if this is possible. If issues persist TCL will normally seek a medical diagnosis and prognosis and with the benefit of this professional medical advice, consult with the employee to enable a decision to be made about the future, either in the current role or, where circumstances permit, in a more suitable role.

Where concerns about work arise due to the nature of a disability as defined under the Act, TCL will endeavour to make reasonable adjustments to work and/or working pattern wherever possible

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Employee information

Employees are provided with information in a number of ways including, general electronic communication to personal email addresses, staff notice boards, staff newsletters, staff forums (2 times per annum per site), team briefings, staff satisfaction survey (once per annum) and one to one meetings where appropriate. These communications are used to provide employees with relevant information on matters of concern to them, common awareness of the financial and economic factors affecting TCL's performance and seek the employees' views about the business and how it might be improved.

TCL recognise the trade union Unite and staff can seek their advice and support where applicable. TCL consult with Unite in line with the recognition agreement in place.

Modern Slavery Act 2015

By virtue of its size TCL is not required to comply with all of the duties within the Act. However, TCL takes steps to prevent modern slavery and human trafficking in its business in accordance with the Act. TCL publishes its policy regarding modern slavery on its website.

FUNDRAISING

The TCL Group do not use professional fundraisers to raise funds. All of the income is derived from the main functions including, sales for facility use/hire, secondary spending, and grants for specified programmes. Occasionally TCL receive donations through online fundraising platforms, although at presents this a very minor source of income.

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and 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 business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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

THURROCK COMMUNITY LEISURE LIMITED GROUP

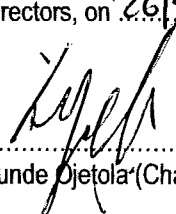
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

STATEMENT OF TRUSTEES RESPONSIBILITIES - continued

In so far as the trustees are aware:

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

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 26/1/23 and signed on the board's behalf by:


.....
Tunde Ojetola (Chair)

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THURROCK COMMUNITY LEISURE LIMITED GROUP

Opinion

We have audited the financial statements of Thurrock Community Leisure Limited Group for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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.

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 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Opinion 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THURROCK COMMUNITY LEISURE LIMITED GROUP

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the group and 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 and 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the Charitable Company through discussions with trustees and our experience of the sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Group and Charitable Company, including, but not limited to, the Companies Act (2006), UK tax legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THURROCK COMMUNITY LEISURE LIMITED GROUP**

We assessed the susceptibility of the Group's and Charitable Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations in each section.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

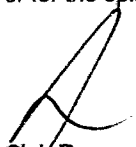
- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the relevant regulator where relevant.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees' and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of Our Report

This report is made solely to the group and charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group and charitable company's members those matters we are required to state to them in an auditors' 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 group and charitable company and the group and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Clair Rayner FCA DChA (Senior Statutory Auditor)

for and on behalf of McCabe Ford Williams

Statutory Auditors and Chartered Accountants

Bank Chambers

1 Central Avenue

Sittingbourne

Kent

ME10 4AE

Date: ... 06.19.23.

THURROCK COMMUNITY LEISURE LIMITED GROUP
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023**

		31.03.23			31.03.22		
	Notes	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
INCOME							
Donation Income	2	-	-	-	-	51,429	51,429
Charitable activities							
Leisure Centres	3	4,492,494	180,497	4,672,991	3,785,541	426,185	4,211,726
Civic Hall	3	393,028	-	393,028	79,098	-	79,098
Office and Cottage Rent	3	25,740	-	25,740	26,090	-	26,090
Other trading activities	4	152,358	-	152,358	131,777	-	131,777
Investments	5	12,116	-	12,116	302	-	302
Total income		5,075,736	180,497	5,256,233	4,022,808	477,614	4,500,422
EXPENDITURE							
Raising funds	7	8,671	-	8,671	80,460	-	80,460
Charitable activities							
Leisure Centres	7	4,598,583	183,995	4,782,578	2,966,281	966,525	3,932,806
Civic Hall	7	362,738	-	362,738	263,182	-	263,182
Office and Cottage Rent	7	8,671	-	8,671	12,156	-	12,156
Trading activities	6	351,656	-	351,656	296,943	-	296,943
Total resources expended		5,330,319	183,995	5,514,314	3,619,022	966,525	4,585,547
Net income/(expenditure) for the year before other recognised gains and losses		(254,583)	(3,498)	(258,081)	403,786	(488,911)	(85,125)
Transfers between funds	20			-	68,461	(68,461)	-
Actuarial gains/(losses) on defined benefit pension scheme	21	2,871,000	-	2,871,000	1,056,000	-	1,056,000
Net movement in funds		2,616,417	(3,498)	2,612,919	1,528,247	(557,372)	970,875
RECONCILIATION OF FUNDS							
Total funds brought forward	20	2,056,610	3,498	2,060,108	528,363	560,870	1,089,233
TOTAL FUNDS CARRIED FORWARD	20	4,673,027	-	4,673,027	2,056,610	3,498	2,060,108

CONTINUING OPERATIONS

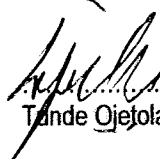
All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

BALANCE SHEETS
AT 31 MARCH 2023

	Note	The Group		The Charitable Company	
		31.03.23	31.03.22	31.03.23	31.03.22
		£	£	£	£
FIXED ASSETS					
Tangible assets	11	1,889,869	2,103,027	1,874,825	2,077,495
Investments	12	-	-	10,000	10,000
		<u>1,889,869</u>	<u>2,103,027</u>	<u>1,884,825</u>	<u>2,087,495</u>
CURRENT ASSETS					
Stocks	14	54,831	54,559	48,994	49,839
Debtors	15	140,430	87,504	170,935	175,086
Investments	16	560,752	160,000	560,752	160,000
Short term deposits		200,000	732,766	200,000	732,766
Cash at bank and in hand		<u>221,939</u>	<u>263,928</u>	<u>200,618</u>	<u>161,848</u>
		1,177,952	1,298,757	1,181,299	1,279,539
CREDITORS					
Amounts due <1 year	17	<u>(730,175)</u>	<u>(773,199)</u>	<u>(732,283)</u>	<u>(746,384)</u>
NET CURRENT ASSETS		<u>447,777</u>	<u>525,558</u>	<u>449,016</u>	<u>533,155</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,337,646	2,628,585	2,333,841	2,620,650
CREDITORS					
Amounts due >1 year	18	<u>(332,619)</u>	<u>(436,477)</u>	<u>(320,884)</u>	<u>(430,610)</u>
NET ASSETS EXCLUDING PENSION LIABILITY		<u>2,015,027</u>	<u>2,192,108</u>	<u>2,012,957</u>	<u>2,190,040</u>
PENSION ASSET / (LIABILITY)	22	2,658,000	(132,000)	2,658,000	(132,000)
TOTAL NET ASSETS		<u>4,673,027</u>	<u>2,060,108</u>	<u>4,670,957</u>	<u>2,058,040</u>
FUNDS	21				
Restricted funds		-	3,498	-	3,498
Unrestricted funds:					
Designated funds		-	-	-	-
General funds		2,015,027	2,188,610	2,012,957	2,186,542
Non charitable trading funds		-	-	-	-
Pension reserve		<u>2,658,000</u>	<u>(132,000)</u>	<u>2,658,000</u>	<u>(132,000)</u>
Total unrestricted funds		<u>4,673,027</u>	<u>2,056,610</u>	<u>4,670,957</u>	<u>2,054,542</u>
TOTAL FUNDS		<u>4,673,027</u>	<u>2,060,108</u>	<u>4,670,957</u>	<u>2,058,040</u>

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:


Tunde Ojetola (Chair)

The notes form part of these financial statements

THURROCK COMMUNITY LEISURE LIMITED GROUP**CONSOLIDATED CASH FLOW STATEMENT**
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	31.03.23 £	31.03.22 £
Cash flows from operating activities	1	<u>(87,823)</u>	<u>723,594</u>
Cash flows from investing activities			
Dividends, interest and rent from investments		12,116	302
Purchase of investment		(400,752)	(160,000)
Purchase of tangible fixed assets (Including HP)		-	(86,523)
Cash used on investing activities		<u>(388,636)</u>	<u>(246,221)</u>
Cash flows from financing activities			
Repayment of borrowing including HP		(98,296)	(87,194)
Cash used in financing activities		<u>(98,296)</u>	<u>(87,194)</u>
Increase / (decrease) in cash and cash equivalents in the year		(574,755)	390,179
Cash and cash equivalents at the beginning of the year	2	996,694	606,515
Total cash and cash equivalents at the end of the year	2	<u>421,939</u>	<u>996,694</u>

The notes form part of these financial statements

THURROCK COMMUNITY LEISURE LIMITED GROUP**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023****1. RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	31.03.23	31.03.22
	£	£
Net incoming resources before other recognised gains and losses	(258,081)	(85,125)
Depreciation charges	213,158	226,291
Actuarial pension scheme charges	81,000	123,000
Dividends, interest and rent from investments	(12,116)	(302)
(Increase) / decrease in stocks	(272)	(13,188)
(Increase) / decrease in debtors	(52,926)	647,343
Increase / (decrease) in creditors	(58,586)	(174,425)
Net cash inflow from operating activities	(87,823)	723,594

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31.03.23	31.03.22
	£	£
Short term deposits	200,000	732,766
Cash at bank and in hand	221,939	263,928
Total cash and cash equivalents	421,939	996,694

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22	Cash Flow	At 31.3.23
Net Cash			
Cash at bank	996,694	(574,755)	421,939
Debt			
Finance Leases	(61,591)	35,996	(25,595)
Debts falling due within one year	(119,007)	(2,352)	(121,359)
Debts falling due after one year	(387,271)	64,652	(322,619)
Total	428,825	(476,459)	(47,634)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the group and charitable company, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary TCL Trading Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes to the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of Companies Act 2006.

The presentational currency of the financial statements is the Pound Sterling (£). Amounts included in the financial statements are rounded to the nearest Pound Sterling (£). The charity is an incorporated private company limited by guarantee without share capital and is registered with Companies House and Charity Commission. The charitable company's registered office and place of business are listed on Reference and Administrative Details page.

Going concern

The outbreak of war in Ukraine at the beginning of 2022 has resulted in a global cost of living crisis with prices increasing around the world. The resulting impact of this crisis on the operations of the Charitable Company and its subsidiary will likely have a negative effect on the results in the next few financial years. Utility costs are rising at extremely high rates and as a business that consumes significant amounts of energy this may have an impact upon trading results. The expected increase in utility costs are likely to continue increasing into 2024.

The currently known impacts of the cost of living and utilities crisis on the Charitable Company and subsidiary are:

Thurrock Community Leisure

- Higher utility costs
- Less disposable income impacting membership and secondary spend income
- Supply chain issues leading to increased maintenance costs
- Rising wage costs with competition from companies such as Amazon

TCL Trading Limited

- Less disposable income impacting sales
- Supply chain issues leading to increased maintenance costs
- Rising wage costs with competition from companies such as Amazon

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED **FOR THE YEAR ENDED 31 MARCH 2023**

1. ACCOUNTING POLICIES – continued

Going concern - continued

As a group we have taken and continue to work on our sustainability as follows:

Thurrock Community Leisure

- Work with energy brokers to secure best price contracts for utilities, whilst reviewing and improving processes to help reduce consumption.
- Monitor, review and implement utility reductions in consumption through improved housekeeping, energy interventions, reduced timetables, reduced temperatures and staff/customer education.
- Work closely with agencies to promote benefits both in physical health and mental wellbeing to secure health funding.
- Seek additional income streams.
- Attract capital-funding pots to improve or create new activities, services and energy interventions.
- Funding continue to monitor the industry Government lobbying success by UK Active and Community Leisure UK.
- Look at IT resources to help with processes to help staff concentrate on income growth.
- Promote staff through additional support and training.
- Seek alternative supplier and work with purchasing groups via Community Leisure UK.

TCL Trading Limited

- Seek additional income streams.
- Monitor, review and implement utility reductions in consumption through improved housekeeping, energy interventions, reduced timetables, reduced temperatures and staff/customer education.
- Promote health benefits.
- Find suppliers who provide good service and best value.

The board are confident that despite the challenges being faced at the back end of last year and through this year that the management Team are focused on not only managing the current situation but planning for the future sustainability of the organisation.

The immediate issues surrounding utilities are a global issue and not localised to just TCL and thus Government support via the Energy Bill Relief Scheme has been announced that will limit the financial risk. The forthcoming budgets have managed to absorb a significant increase and therefore the Board believe with the control measures in place and proposes to limit and in some cases reduce the consumption and usage this will further help the Bottom line.

Consumer spending will inevitably be affected despite the Government support, but we continue to position physical activity not as a desirable but as an essential which cannot be reduced/removed during tough times. This message was loud and clear during the Pandemic and the maintained levels of membership support this.

We are positioned as a lead provider of health interventions and as such expect the decline in community health due to long NHS waiting times will create funding opportunities which we expect to meet and deliver. In addition, we have trained further employees to deliver funded health checks and expect this part of the business to grow at a pace.

We continue to work with the Local authority on capital asset improvements around the mechanical and electrical plant and building fabric, which will continue to improve business and energy efficiency, reduce downtime and improve the customer experience. We will also explore and implement a series of funding bids to create new activity and income streams to meet demands in football, over 50's activity and toddler sessions.

The industry focus on funded training, retraining support will enable us to qualify more Swim teachers this year, which will result in our ability to meet a significant latent demand for swimming lessons.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES – continued

Going concern - continued

Software enhancements will significantly improve the efficiency of business processes creating time for key personnel to focus on this opportunities without the need of further resource.

A Management and staff structure review will also create greater focus in the new areas of the business that need the attention for growth to happen and again this is expected to be achieved with the current financial budget.

For the reasons above the Board are assured that TCL are a going concern for the foreseeable future and are positive about the role Leisure will play in supporting the improvement in public health.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether capital grants or revenue grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Interest receivable

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

Grants receivable

Grants receivable in respect of a specified period relating to the general activities of the charitable company are recognised in the Statement of Financial Activities in the period in which they become receivable. Where related expenditure has not been incurred the grant is deferred only when the donor has imposed restrictions on the expenditure of resources which amount to pre-conditions for use

Government grants

Government grants are recognised when it is reasonably certain that the conditions attached to the grant are met. Income from grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED **FOR THE YEAR ENDED 31 MARCH 2023**

1. ACCOUNTING POLICIES – continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to the activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following bases which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives, and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

- Cost of raising funds	1%
- Leisure centres	90%
- Civic Hall	8%
- Office and cottage rental	1%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £30,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Leasehold improvements	10-40 years
Assets on finance lease	over the length of the lease

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES – continued

Investment in subsidiary

Investment in the subsidiary is stated at cost.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. In general, cost is determined on a first in first out basis and includes transport and handling costs.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Hire purchase and leasing commitments

Assets purchased under finance leases are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charge. Finance charges are written off to the SOFA over the period of the lease so as to produce a constant periodic rate of charge.

Operating lease rental charges are charged on a straight line basis over the term of the lease.

Pension costs and other post-retirement benefits

The Charitable Company accounts for the pension scheme in accordance with the Financial Reporting Standard 102. The Charitable Company operates a defined benefit pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2016.

The Charitable Company provides pension benefits for eligible staff through an Essex County Council administered pension scheme. The Essex County Council administered scheme is a multi-employer scheme which provides benefits based upon final pensionable pay. For defined benefit schemes the amounts charged to resources expended on charitable activities are the current service costs and any gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately if the benefits are vested. If the benefits have not vested, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the Statement of Financial Activities.

The defined benefit scheme is funded, and the assets of the scheme are held separately from those of the charity in a trustee administered fund. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on long dated high quality corporate bonds of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

Contributions made by the Charitable Company to defined contribution pension schemes are charged to the Statement of Financial Activities as they are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES – continued

Financial instruments

The company enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

a) Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

b) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

c) Impairment of financial assets

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

d) Trade and other creditors

Debt instruments like loans and other accounts payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable within one year, typically trade payables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES – continued

Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value, like plant and equipment, are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets, which is the higher of value in use and the fair value less cost to sell, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit and loss.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the group's accounting policies management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from the 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 March 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

THURROCK COMMUNITY LEISURE LIMITED GROUP**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023****2. DONATION INCOME**

	Unrestricted	Restricted	31.03.23 Total	31.03.22 Total
	£	£	£	£
Donation Income	-	-	-	51,429

The Group received £nil (2022: £51,429) of grant funding from the government's Coronavirus Job Retention Scheme (CJRS).

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted	Restricted	31.03.23 Total	31.03.22 Total
	£	£	£	£
Funding income	-	-	-	236,368
Leisure centres income	4,492,494	180,497	4,672,991	3,975,358
Sub-total for leisure centres	4,492,494	180,497	4,672,991	4,211,726
Civic Hall income	393,028	-	393,028	79,098
Sub-total for Civic Hall	393,028	-	393,028	79,098
Office and cottage rent	25,740	-	25,740	26,090
Total income from charitable activities	4,911,262	180,497	5,091,759	4,316,914

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted	Restricted	31.03.23 Total	31.03.22 Total
	£	£	£	£
Golf club, shop and bar	152,358	-	152,358	131,777
	152,358	-	152,358	131,777

5. INCOME FROM INVESTMENTS

	Unrestricted	Restricted	31.03.23 Total	31.03.22 Total
	£	£	£	£
Solar panel investment income	-	-	-	-
Interest receivable	12,116	-	12,116	302
	12,116	-	12,116	302

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

6. TRADING ACTIVITY COSTS

	Unrestricted	Restricted	31.03.23 Total	31.03.22 Total
	£	£	£	£
Staff costs	183,820	-	183,820	160,369
Other trading costs	167,836	-	167,836	136,574
	<u>351,656</u>	<u>-</u>	<u>351,656</u>	<u>296,943</u>

7. ANALYSIS OF EXPENDITURE

	Cost of raising funds	Charitable activities			Governance costs	Support Costs	31.03.23 Total	31.03.22 Total
	£	Leisure centres £	Civic hall £	Office and cottage rent £	£	£	£	£
Staff costs	-	1,891,952	102,247	-	-	511,986	2,506,185	2,255,282
Promotion and publicity	-	92,310	45,154	-	-	-	137,464	68,304
Premises costs	-	1,192,567	44,646	-	-	202,670	1,439,883	1,054,085
Purchases for resale	-	162,352	56,991	-	-	-	219,343	226,912
Office administration costs	-	151,003	17,922	-	-	632,594	801,519	657,056
Audit and accountancy	-	-	-	-	21,944	-	21,944	8,814
Legal and professional	-	-	-	-	-	36,320	36,320	18,151
	-	3,490,184	266,960	-	21,944	1,383,570	5,162,658	4,288,604
Support costs	8,452	1,272,644	94,022	8,452	-	(1,383,570)		
Governance costs	219	19,750	1,756	219	(21,944)	-		
Total expenditure 2023	<u>8,671</u>	<u>4,782,578</u>	<u>362,738</u>	<u>8,671</u>	<u>-</u>	<u>-</u>	<u>5,194,738</u>	
Total expenditure 2022	<u>80,460</u>	<u>3,932,806</u>	<u>263,182</u>	<u>12,156</u>	<u>-</u>	<u>-</u>		<u>4,288,604</u>

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

8. NET INCOME/(EXPENDITURE)

Net income / (expenditure) is stated after charging/ (crediting):

	31.03.23	31.03.22
	£	£
Depreciation	213,158	226,291
Interest payable	38,014	989
Operating lease rentals	21,019	5,519
Auditors' remuneration		
- Audit fee (parent)	11,085	8,314
- Other services (parent)	615	500
- Audit fee (subsidiary)	4,320	3,592
- Other services	300	250
	<u>16,320</u>	<u>12,656</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

Trustees only receive remuneration in respect of the services they provide undertaking the roles of staff and not in respect of their services as Trustees. The value of Trustees' remuneration was £35,591 (2022: £nil).

Juan Rangel is an employee trustee, as allowed under the charity's articles of association. He received total remuneration (Gross pay, employer pension contributions and employer national insurance contributions) of £35,591 for his role as a site manager. Of this, £940 relates to pension contributions paid by the charity.

Trustees' expenses

There were no payments or reimbursements of travel and subsistence costs paid in the year ended 2023 or 2022.

THURROCK COMMUNITY LEISURE LIMITED GROUP**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**
FOR THE YEAR ENDED 31 MARCH 2023**10. STAFF COSTS**

	31.03.23	31.03.22
	£	£
Wages and salaries	2,287,945	2,018,072
Social security costs	152,458	130,103
Employer's contribution to defined contribution pension schemes	143,602	144,476
Employer's contribution to defined benefit pension schemes	99,000	98,000
Operating cost of defined benefit pension schemes	7,000	25,000
	<u>2,690,005</u>	<u>2,415,651</u>

The average monthly number of employees during the year was as follows:

	31.03.23	31.03.22
Leisure centres	133	130
Civic hall	12	2
Other trading activities	9	5
SMT	4	4
Support	6	6
	<u>164</u>	<u>147</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.03.23	31.03.22
£60,001 - £70,000	2	3
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
£90,001 - £100,000	-	-
£100,000 - £110,000	-	-
£110,000 - £120,000	-	-
	<u>3</u>	<u>4</u>

The total employee benefits including pension contributions of the key management personnel was £325,014 (2022: £303,210).

A tribunal complaint made during the year was settled after the year end under a compromise agreement. The value of the compromise agreement was £9,000. An accrual has not been recognised for this.

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

11. TANGIBLE FIXED ASSETS

The Group	Improvements to leasehold property £	Plant and machinery £	Totals £
COST			
At 1 April 2022	4,780,003	988,280	5,768,283
Additions	-	-	-
Disposals	-	-	-
At 31 March 2023	<u>4,780,003</u>	<u>988,280</u>	<u>5,768,283</u>
DEPRECIATION			
At 1 April 2022	2,733,619	931,637	3,665,256
Charge for year	174,468	38,690	213,158
Disposal	-	-	-
At 31 March 2023	<u>2,908,087</u>	<u>970,327</u>	<u>3,878,414</u>
NET BOOK VALUE			
At 31 March 2023	<u>1,871,916</u>	<u>17,953</u>	<u>1,889,869</u>
At 31 March 2022	<u>2,046,384</u>	<u>56,643</u>	<u>2,103,027</u>

Fixed assets, included in the above, which are held under hire purchase contracts or finance leases are as follows:

The Group	Plant and machinery £
COST	
At 1 April 2022	189,020
Additions	-
Transfer to ownership	<u>(7,080)</u>
At 31 March 2023	<u>181,940</u>
DEPRECIATION	
At 1 April 2022	132,377
Charge for year	38,690
Transfer to ownership	<u>(7,080)</u>
At 31 March 2023	<u>163,987</u>
NET BOOK VALUE	
At 31 March 2023	<u>17,953</u>
At 31 March 2022	<u>56,643</u>

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

11. TANGIBLE FIXED ASSETS – continued

The Charitable Company	Improvements to leasehold property £	Plant and Machinery £	Totals £
COST			
At 1 April 2022	4,633,886	860,189	5,494,075
Additions	-	-	-
Disposals	-	-	-
At 31 March 2023	<u>4,633,886</u>	<u>860,189</u>	<u>5,494,075</u>
DEPRECIATION			
At 1 April 2022	2,601,648	814,932	3,416,580
Charge for year	171,023	31,647	202,670
Disposals	-	-	-
At 31 March 2023	<u>2,772,671</u>	<u>846,579</u>	<u>3,619,250</u>
NET BOOK VALUE			
At 31 March 2023	<u>1,861,215</u>	<u>13,610</u>	<u>1,874,825</u>
At 31 March 2022	<u>2,032,238</u>	<u>45,257</u>	<u>2,077,495</u>

Fixed assets, included in the above, which are held under hire purchase contracts or finance leases are as follows:

The Charitable Company	Plant and machinery £
COST	
At 1 April 2022	163,323
Additions	-
Transfer to ownership	-
At 31 March 2023	<u>163,323</u>
DEPRECIATION	
At 1 April 2022	118,066
Charge for year	31,647
Transfer to ownership	-
At 31 March 2023	<u>149,712</u>
NET BOOK VALUE	
At 31 March 2023	<u>13,610</u>
At 31 March 2022	<u>45,257</u>

THURROCK COMMUNITY LEISURE LIMITED GROUP**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**
FOR THE YEAR ENDED 31 MARCH 2023**12. FIXED ASSET INVESTMENTS – continued**

The Charitable Company	Shares in group undertakings £	Totals £
COST		
At 1 April 2022	10,000	10,000
Disposals	-	-
At 31 March 2023	10,000	10,000
AMORTISATION		
At 1 April 2022	-	-
Eliminated on disposal	-	-
At 31 March 2023	-	-
NET BOOK VALUE		
At 31 March 2023	10,000	10,000
At 31 March 2022	10,000	10,000

THURROCK COMMUNITY LEISURE LIMITED GROUP**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023****12. FIXED ASSET INVESTMENTS – continued**

The company's investments at the balance sheet date in the share capital of companies include the following:

Subsidiary**TCL Trading Limited**

Nature of business: Golf shop, bar, catering, maintenance services

	%
Class of share:	holding
Ordinary share capital	100

The charitable company owns the whole of the issued shares of TCL Trading Limited, a company registered in England which became operable from 1 October 2003. The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line bases in the statement of financial activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

	31.03.23	31.03.22
	£	£
Turnover	402,626	379,646
Cost of sales	(107,304)	(84,633)
Gross profit	295,322	295,013
Administrative expenses	(262,607)	(222,310)
Operating profit / (loss)	32,715	72,703
Other income	-	-
Interest payable	-	-
Profit / (loss) on ordinary activities	32,715	72,703
Deed of covenant to parent undertaking	(32,715)	(72,703)
Profit / (loss) for the financial year	-	-

The aggregate of the assets, liabilities and funds was:

Assets	44,806	135,986
Liabilities	(32,739)	(123,919)
Share Capital	(10,000)	(10,000)
Funds	2,067	2,067

13. PARENT CHARITABLE COMPANY

The parent charitable company's gross income and the results for the year are disclosed as follows:

	31.03.23	31.03.22
	£	£
Gross income	5,103,475	4,451,348
Net result for the year	209,797	970,875

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

14. STOCKS

	The group		The charitable company	
	31.03.23	31.03.22	31.03.23	31.03.22
	£	£	£	£
Stocks	<u>54,831</u>	<u>54,559</u>	<u>48,994</u>	<u>49,839</u>

15. DEBTORS

	The group		The charitable company	
	31.03.23	31.03.22	31.03.23	31.03.22
	£	£	£	£
<i>Amounts falling due within one year:</i>				
Other debtors	3,528	-	1,530	-
Trade debtors	73,742	47,671	73,740	47,200
Amounts due from other group members	-	-	32,715	88,328
Prepayments and accrued income	63,160	39,833	62,950	39,558
Taxation	-	-	-	-
	<u>140,430</u>	<u>87,504</u>	<u>170,935</u>	<u>175,086</u>

16. CURRENT ASSET INVESTMENTS

	The group		The charitable company	
	31.03.23	31.03.22	31.03.23	31.03.22
	£	£	£	£
<i>Analysis of current asset investments:</i>				
Cash or cash equivalents	<u>560,752</u>	<u>160,000</u>	<u>560,752</u>	<u>160,000</u>
	<u>560,752</u>	<u>160,000</u>	<u>560,752</u>	<u>160,000</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	The group		The charitable company	
	31.03.23	31.03.22	31.03.23	31.03.22
	£	£	£	£
Trade creditors	215,181	258,801	199,893	258,511
Loans	121,359	92,418	121,359	92,418
Accruals and deferred income	303,171	287,536	291,558	266,744
VAT payable	9,375	8,531	9,243	9,628
Lease liability	25,595	38,974	21,623	32,644
Social Security and other taxes	33,116	66,054	33,116	66,054
Other creditors	22,378	20,885	22,378	20,385
Amounts due to other group members	-	-	33,113	-
	<u>730,175</u>	<u>773,199</u>	<u>732,283</u>	<u>746,384</u>

THURROCK COMMUNITY LEISURE LIMITED GROUP**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**
FOR THE YEAR ENDED 31 MARCH 2023**18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	The group		The charitable company	
	31.03.23	31.03.22	31.03.23	31.03.22
	£	£	£	£
Lease liabilities due 2 – 5 years	1,735	22,617	-	16,750
Loan liabilities due 2 – 5 years	<u>320,884</u>	<u>413,860</u>	<u>320,884</u>	<u>413,860</u>
	<u>322,619</u>	<u>436,477</u>	<u>320,884</u>	<u>430,610</u>

The charity have a charge with National Westminster Bank PLC which is secured on the charity's assets and commenced in June 2002. The charge is specifically for the Direct Debit membership collections, in the eventuality members request money back.

The charity also have a second charge in respect of a loan with Social Investment Business FM Limited which is secured on the charity's assets and commenced in March 2021. The loan is repayable over 5 years in instalments. Interest is chargeable at 9% in year 1, and 7% in subsequent years.

19. OPERATING LEASE COMMITMENTS

The group's minimum lease payments under non-cancellable operating leases fall due as follows:

Equipment

	31.03.23	31.03.22
	£	£
Within one year	7,581	3,241
Between one and five years	<u>8,360</u>	<u>1,573</u>
	<u>15,941</u>	<u>4,814</u>

Rent

	31.03.23	31.03.22
	£	£
Within one year	54,250	-
Between one and five years	<u>316,458</u>	<u>-</u>
	<u>370,708</u>	<u>-</u>

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

19. OPERATING LEASE COMMITMENTS – continued

The charitable company's minimum lease payments under non-cancellable operating leases fall due as follows:

Equipment	31.03.23	31.03.22
	£	£
Within one year	7,581	3,241
Between one and five years	<u>8,360</u>	<u>1,573</u>
	<u>15,941</u>	<u>4,814</u>
Rent	31.03.23	31.03.22
	£	£
Within one year	54,250	-
Between one and five years	<u>316,458</u>	<u>-</u>
	<u>370,708</u>	<u>-</u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	31.03.23 Total funds	31.03.22 Total funds
	£	£	£	£
Fixed assets	1,889,869	-	1,889,869	2,103,027
Investments	560,752	-	560,752	160,000
Current assets	617,200	-	617,200	1,138,757
Current liabilities	(730,175)	-	(730,175)	(773,199)
Long term liabilities	(322,619)	-	(322,619)	(436,477)
Pension asset / (liability)	<u>2,658,000</u>	<u>-</u>	<u>2,658,000</u>	<u>(132,000)</u>
	<u>4,673,027</u>	<u>-</u>	<u>4,673,027</u>	<u>2,060,108</u>

Analysis of net assets between funds – previous year

	Unrestricted funds	Restricted funds	31.03.22 Total funds	31.03.21 Total funds
	£	£	£	£
Fixed assets	2,103,027	-	2,103,027	2,242,797
Investments	160,000	-	160,000	-
Current assets	1,135,259	3,498	1,138,757	1,382,733
Current liabilities	(773,199)	-	(773,199)	(901,390)
Long term liabilities	(436,477)	-	(436,477)	(569,906)
Pension asset / (liability)	<u>(132,000)</u>	<u>-</u>	<u>(132,000)</u>	<u>(1,065,000)</u>
	<u>2,056,610</u>	<u>3,498</u>	<u>2,060,108</u>	<u>1,089,234</u>

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

21. MOVEMENT IN FUNDS

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers and gains £	At the end of the year £
Restricted funds:					
Leisure Centre	3,498	180,497	(183,995)	-	-
Total restricted funds	3,498	180,497	(183,995)	-	-
Unrestricted funds:					
Designated funds	-	-	-	-	-
General funds of TCL	2,186,542	4,922,978	(4,931,492)	(165,069)	2,012,959
General funds of TCL Trading	2,068	184,838	(349,907)	165,069	2,068
Total general funds	2,188,610	5,107,816	(5,281,399)	-	2,015,027
Pension fund	(132,000)	-	(81,000)	2,871,000	2,658,000
Total unrestricted funds	2,056,610	5,107,816	(5,362,399)	2,871,000	4,673,027
Total funds including pension fund	2,060,108	5,288,313	(5,546,394)	2,871,000	4,673,027

Purposes of designated funds

The pension fund covers the actuarial valuation of the pension scheme

Movement in Funds – Previous year

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers and gains £	At the end of the year £
Restricted funds:					
Leisure Centre	560,870	477,614	(966,525)	(68,461)	3,498
Total restricted funds	560,870	477,614	(966,525)	(68,461)	3,498
Unrestricted funds:					
Designated funds	-	-	-	-	-
General funds of TCL	1,591,295	4,048,031	(3,356,079)	(96,705)	2,186,542
General funds of TCL Trading	2,068	131,777	(296,943)	165,166	2,068
Total general funds	1,593,363	4,179,808	(3,653,022)	68,461	2,188,610
Pension fund	(1,065,000)	-	(123,000)	1,056,000	(132,000)
Total unrestricted funds	528,363	4,179,808	(3,776,022)	1,124,461	2,056,610
Total funds including pension fund	1,089,233	4,657,422	(4,742,547)	1,056,000	2,060,108

THURROCK COMMUNITY LEISURE LIMITED GROUP**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023****21. MOVEMENT IN FUNDS – continued****Transfer of funds**

A transfer of £nil has been made from restricted to unrestricted funds for the reallocation of assets purchased via restricted funds which are being used in the unrestricted element of the trade.

Purposes of restricted funds

Restricted funds of £nil have been carried forward this year.

Purposes of designated funds

The pension fund covers the actuarial valuation of the pension scheme.

22. EMPLOYEE BENEFIT OBLIGATIONS

Employees of Thurrock Community Leisure are admitted to the Essex County Council Pension Fund, a defined benefit scheme which is administered by Essex County Council under the regulations governing the Local Government Pension Scheme. The deficit on the pension scheme does not represent a liability that will crystallise at any single point in time. The calculation can also be very sensitive to the actuarial assumptions used in valuing the scheme. The figures disclosed below have been derived by approximate methods from the last full actuarial valuation of the fund carried out by Mercer Human Resource Consulting Ltd as at 31 March 2016.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	31.03.23	31.03.22
	£	£
Present value of funded obligations	(4,056,000)	(8,758,000)
Fair value of plan assets	<u>6,714,000</u>	<u>8,626,000</u>
	<u>2,658,000</u>	<u>(132,000)</u>
Surplus / (Deficit)	<u>2,658,000</u>	<u>(132,000)</u>
Asset / (Liability)	<u>2,658,000</u>	<u>(132,000)</u>

The amounts recognised in the statement of financial activities are as follows:

	Defined benefit pension plans	
	31.03.23	31.03.22
	£	£
Current service cost	173,000	195,000
Net interest from net defined benefit asset/liability	2,000	21,000
Administration expenses	<u>5,000</u>	<u>4,000</u>
Actual return on plan assets	<u>180,000</u>	<u>220,000</u>

THURROCK COMMUNITY LEISURE LIMITED GROUP**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**
FOR THE YEAR ENDED 31 MARCH 2023**22. EMPLOYEE BENEFIT OBLIGATIONS – continued**

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31.03.23	31.03.22
	£	£
Opening defined benefit obligation	8,758,000	9,084,000
Current service cost	173,000	195,000
Past service cost	-	-
Contributions by scheme participants	31,000	30,000
Interest cost	226,000	184,000
Liabilities assumed (extinguished) on settlements	-	-
Actuarial losses/(gains)	(4,845,000)	(466,000)
Change in demographic assumptions	(147,000)	-
Benefits paid	<u>(140,000)</u>	<u>(269,000)</u>
	<u>4,056,000</u>	<u>8,758,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31.03.23	31.03.22
	£	£
Opening fair value of scheme assets	8,626,000	8,019,000
Interest on assets	224,000	163,000
Administration expenses	(5,000)	(4,000)
Contributions by employer	99,000	97,000
Contributions by scheme participants	31,000	30,000
Expected return	(194,000)	590,000
Other actuarial gains/(losses)	(1,927,000)	-
Benefits paid	<u>(140,000)</u>	<u>(269,000)</u>
	<u>6,714,000</u>	<u>8,626,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	31.03.23	31.03.22
	£	£
Actuarial gains/(losses) from changes in demographic assumptions	147,000	-
Actuarial gains/(losses)	<u>4,845,000</u>	<u>466,000</u>
	<u>4,992,000</u>	<u>466,000</u>

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

22. EMPLOYEE BENEFIT OBLIGATIONS – continued

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	31.03.23	31.03.22
Equities	58%	60%
Gilts	1%	2%
Other bonds	0%	4%
Property	8%	8%
Cash	3%	3%
Other managed funds	14%	10%
Alternative assets	16%	12%
Asset breakdown	31.03.23	31.03.22
	£000s	£000s
Equities	3,868	5,179
Gilts	98	206
Other bonds	-	378
Property	550	707
Cash	216	219
Other managed funds	919	871
Alternative assets	1,063	1,066
	6,714	8,626

Projected employer contributions for the year ending 31 March 2024 are £105,000.

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	31.3.23	31.3.22
Discount rate	4.80%	2.60%
Future salary increases	4.00%	2.00%
Future pension increases	2.90%	3.15%

The following table sets out the impact of a small change in the discount rates on the defined benefit obligation and projected service cost along with a +/- 1 year age rating adjustment to the mortality assumption:

	£	£	£
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	3,980,000	4,056,000	4,134,000
Projected service cost	83,000	85,000	87,000
	+0.1%	0.0%	-0.1%
Adjustment to long term salary increase			
Present value of total obligation	4,065,000	4,056,000	4,047,000
Projected service cost	85,000	85,000	85,000
	+0.1%	0.0%	-0.1%
Adjustment to pension increases and deferred revaluation			
Present value of total obligation	4,126,000	4,056,000	3,998,000
Projected service cost	87,000	85,000	83,000
Adjustment to life expectancy assumptions	+1 year	None	-1 year
Present value of total obligation	4,188,000	4,056,000	3,928,000
Projected service cost	88,000	85,000	82,000

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

23. ULTIMATE PARENT COMPANY

The ultimate parent company as at 31 March 2023 is Thurrock Community Leisure Limited, company registration number 03782811. The parent exercised control through its right to appoint or remove a majority of the board of trustees of the charitable company.

24. RELATED PARTY TRANSACTIONS

Thurrock Community Leisure Limited (TCL) owns 100% shares of TCL Trading Ltd (TCLT). During the year following transactions occurred between the group companies:

TCLT:

During the year, TCL paid commission of £32,080 (2022: £30,077) and management charges of £217,788 (2022: £217,792) to TCLT for management of the golf club and shop. TCL charged a management fee of £20,004 to TCLT (2022: £10,000).

TCLT gift aided £32,715 (2022: £72,703) to TCL.

At the year end, TCLT owed £32,715 (2022: £88,328) to TCL. TCL owed £33,113 (2022: £nil) to TCLT.

Trustees' remuneration and expenses are disclosed in note 9.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

25. LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

THURROCK COMMUNITY LEISURE LIMITED

England & Wales - Charity number 1080186

Accounts

REGISTERED COMPANY NUMBER: 03782811 (England and Wales)
REGISTERED CHARITY NUMBER: 1080186

REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 MARCH 2022
FOR
THURROCK COMMUNITY LEISURE LIMITED GROUP

McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Bank Chambers
1 Central Avenue
Sittingbourne
Kent
ME10 4AE

THURROCK COMMUNITY LEISURE LIMITED GROUP

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 20
Report of the Independent Auditors	21 to 23
Consolidated Statement of Financial Activities	24
Balance Sheet	25
Consolidated Cash Flow Statement	26
Notes to the Consolidated Cash Flow Statement	27
Notes to The Consolidated Financial Statements	28 to 50

THURROCK COMMUNITY LEISURE LIMITED GROUP

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES	Chris Seamark	Resigned 11/02/2022
	Tunde Ojetola (Chair) Wayne Warner (Previous Chair) Barry Norrington Kameel Mohammed Juan Rangel Dr James Watson Jatinder Nahal (Vice Chair) Lynn Worral	Appointed 26/05/2021
COMPANY SECRETARY	Kay Volk	
REGISTERED OFFICE AND OPERATIONAL ADDRESS	Blackshots Leisure Centre Blackshots Lane GRAYS Essex RM16 2JU	
TRADING AS	Thurrock Community Leisure Limited	
REGISTERED COMPANY NUMBER	03782811 (England and Wales)	
REGISTERED CHARITY NUMBER	1080186	
AUDITORS	McCabe Ford Williams Statutory Auditors and Chartered Accountants Bank Chambers 1 Central Avenue Sittingbourne Kent ME10 4AE	
BANKERS	National Westminster Bank PLC 17 High Street Grays Essex RM17 6NP	
SOLICITORS	Winckworth Sherwood Minerva House, 5 Montague Close LONDON, SE1 9BB	

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2022**

The trustees who are also directors of the group and charity for the purposes of the Companies Act 2006, present their report with the financial statements of the group and charity for the year ended 31 March 2022. The trustees have adopted the provisions of 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). Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

OBJECTIVES AND ACTIVITIES

Purposes and aims

The objectives of Thurrock Community Leisure (TCL), as set out in its memorandum of association, are to run leisure facilities and services primarily for the benefit of the general public. TCL operates in a manner that does not discriminate against any person by virtue of their age, colour, race, nationality, ethnic or national origin, religion/belief, unrelated criminal convictions, gender, gender re-assignment, sexual orientation, marital status / civil partnership, or socio-economic status.

During 2021/22 TCL reviewed its strategy to reflect the recovery from the Covid 19 pandemic, the pursuit of its mission was never more important to the community needs. The mission is 'Creating active & healthy communities'.

TCL's priorities include -

- Instilling pride in communities through training, education, improving the quality of life, youth engagement and increasing opportunities
- Contributing towards achieving safer communities
- Developing prosperous communities through the attraction of inward investment
- Promoting inclusive and diverse communities
- Promoting community regeneration through environmental and cultural improvements
- Delivering healthier, more active communities.

In order to fulfil its objects TCL manages four leisure centres at Belhus Park (plus the Golf Course), Blackshots (plus the Civic Hall), The Gym Hub (Wickford) and Corringham. TCL trades under an Impulse Leisure brand. The main source of income is from the sale of, health and fitness (gym and exercise classes) membership, golf, swimming and swimming lessons, a varied programme of events and entertainment at the Civic Hall.

The facilities are managed to maximise financial efficiency and generate surplus wherever possible. When surpluses are generated, 100% of the surpluses are used to maintain, improve, and extend the facilities and services provided for the benefit of the local community. Service improvements are used to generate improved efficiency, increase income and to improve the health and wellbeing of the community.

In shaping objectives and planning activities, the trustees considered the Charity Commission's guidance on public benefit, including the guidance on fee charging. TCL relies on external programme funding, but mainly the income from fees and charges to cover its operating costs. In setting the level of fees, charges and concessions, the trustees give careful consideration to the accessibility of the services for those on low incomes and those from other disadvantaged groups. As a result, significant pricing discounts are available to concessionary groups. In addition, special programmes and sessions are planned and delivered to help disadvantaged members of the community improve their health and wellbeing, through participating in relevant activities. Specific examples of work undertaken to target public benefit, sometimes at the expense of financial efficiency include employment of apprentices where possible, delivery of numerous health and mental wellbeing improvement programmes (often in partnership with others), offering free taster sessions, attending community events and provision of memberships to community groups working with disadvantaged communities

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

STRATEGIC REPORT

Achievement and performance

As the global pandemic continues, the start of the year saw a series of tighter restrictions following the winter lockdowns.

21/22 Covid easing of restrictions

29th March 21 Outdoor Leisure facilities to open – Golf

12th March 21 Open gym and Pools – no classes

17th March 21 Classes, some Civic, Café, Sauna, Steam rooms, can resume

8th Dec 21 Omicron variant Plan B restrictions – booster vaccines face coverings, working from home and Covid passes

27th Jan 21 Plan B restrictions lifted

These restrictions have significantly affected consumer confidence to return to exercise indoors. We have continued to promote the benefits of physical activity and reinforce the Covid protection measures we have in place that both meet the Government and Industry guidance but also in reaction to customer feedback. These additional restrictions have warped the recovery modelling completed by UK Active on which the budget was based.

Summer saw a level of normality returning to the business with all areas and facilities fully open. However, a national shortage of Leisure professionals created further restrictions to growth with an inability to resource certain activities such as Swimming Lessons where demand outstripped available teachers.

Business development was achieved through a partnership with The Lightship Café CIC (not for profit operators of Grays Beach Riverside Park) to operate the splash park at Grays Beach for the remainder of the summer. However, this added pressure to the already stretched lifeguard and Duty Manager resource

Moving into the winter a new variant of Covid 19 (Omicron) significantly increased infection rates and subsequent isolations. Although Government did not reintroduce closures or tighten restrictions the Plan B hysteria to save Christmas, coupled with the expectations of business closures in the New year again effected customer confidence causing attendance figures to plummet during December into early January and a high level of cancellations. The success of the booster vaccine campaign did however prevent the anticipated closures in January and accelerate Governments plans to remove all restrictions in England. This confidence from Government in the new year translated to a steady return in custom for the remainder of the financial year, however the usual January uplift was either missed or deferred.

Although social distancing and face covering restrictions have been removed, continued advice is to maintain 100% air flow at all times and increased cleaning regimes which come at an additional costs to the organisation.

Due to the restrictions and closures caused by the Covid 19 pandemic, income has been severely affected resulting in a stagnated Membership position of approximately 82% against March 20 figures. The budget planning predicted the lifting of restriction in September with direct debit income recovering to 100% of the March 20 figure by December. Due to the omicron variant this prevented the predicted growth as uncertainty in our peak period affected normal post-Christmas sales. This figure would have had a bigger impact had the Government Omicron support grants not been in place. These grants did not cover the complete loss but helped all the same

We were successful in claiming the Covid restart grant via Local Authority. Further rates relief of 100% April-Jun and 67% Jul-Apr 22 helped cost reduction. We also took advantage of the Government temporary reduced vat rate at catering venues. Furlough grant receipts reduced as operations started to get back to speed, with the last claim in September 21. We also made a large dent towards settling legacy bills, whilst maintaining a good cash position

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

STRATEGIC REPORT

Achievement and performance – continued

Costs throughout the year have been constantly monitored and controlled but with increases in prices for most goods and services this has been a challenge. Equally all facilities were fully open to meet customer expectations in ensuring value for money within their membership fees.

Total attendance levels despite the interruptions in service continue to rise however, we are seeing that the patterns of behaviour have not fully returned with the average weekly attendance around the 1.4 mark. The Government handling of Omicron to save Christmas severely affected customer confidence levels which reduced attendances during this period more than normal and halted a commitment to purchase membership in the uncertainty that facilities maybe closed again in the new year.

Swimming lessons (I-swim) numbers have been the star of the show with class numbers at capacities and large waiting lists. Unfortunately, the waiting lists cannot be fully utilised due to a national shortage of Swim Teachers. This is extremely frustrating, and we make every effort to train and retrain new teachers but this takes time

Management and staff continue to do a terrific job in maintaining the service and facilities during periods of low resource. Despite these challenges TCL continued to improve and extend the services provided. In addition to normal essential planned and preventative maintenance there has been several refurbishment and upgrade projects and general service improvements most notably –

Blackshots and Civic Hall

- Veolia funding which was co-funded by TCL enabled the merger of two studios to create an open and larger studio to assist with high demand for certain health and mainstream classes and sessions.
- CEDF funding also co-funded by TCL enabled the refurbishment of the village changing room toilets.
- Upgrading of all village changing room lighting to LED increased energy efficiency.
- The redundant office in Head office was refurbished to create a meeting space with virtual meeting facilities.
- IT connectivity improvements have improved WIFI and LAN connections
- Installation of car park entry and exit security systems reduce anti-social behaviour over night

Belhus Park

- Upgrade to the main electrical distribution board in the Capability Brown
- Conversion of the Golf shop and club rooms to a Creche
- Bunker improvements to the 8th and 12th Greens
- Lower limb tree felling

Corringham

- Poolside Lighting replacement converted the lighting to LED making significant savings in utilities.
- Thurrock Council upgraded the electrical supply to the pool and reception areas.
- Teaching pool liner replacement

The Gym Hub

- Full relocation and upgrade the air-conditioning units provided increased efficiency.

The Civic Hall

- CCTV upgrade and IDScan system to permit Boxing and Martial Art events
- Repairs to the Acoustic boarding in the hall.
- Toilet redecoration

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

STRATEGIC REPORT

Achievement and performance – continued

General

- Approval, appointment and implementation of a new finance system (XERO) has improved automated servicing, MTD compliance and reduced costs.
- An IT hardware review generated a major upgrade programme to replace hard drives to solid state drives for 10 PC's increasing life expediency by several years.
- A full review of payment portals has seen changes to provider, costs and a consolidation of supply chain.
- Branded, targeted, and themed campaigns have been used across all marketing collateral and socials continuing the promotion of our unique selling points, differentiating TCL from the increasing competition at key reopening points throughout the year.
- Cyber Essentials registration was maintained.
- Continued customer and staff communications have maintained a constant level of support
- The activity registration scheme launched last year continues to assist with track and trace and allows online booking for non-members. Since its launch we have registered
 - Leisure adults 10,083
 - Leisure junior 0-15 2,346
 - Golf adult 62
 - Golf junior 1
- The Impulse Leisure App continues to be a popular resources for customers which has had over 28,500 downloads enabling customers to easily book and pay for activities conveniently online as well as access other important tools including their Mywellness portal, swimming lesson portal, Mental Health advice, Online classes, @home activities and workouts as well as general updates on the services as guidance changed.

The above improvements demonstrate TCL's commitment to continuous improvement throughout a period of recovery with limited reserves. These improvements make the facilities and services more attractive to new customers and obviously increase the value for money existing customers receive. Increasing value for money and more attractive facilities improve the likelihood that more of the community will seek to improve their health and wellbeing by using the services. As such TCL succeeds in its mission of 'Creating Active & Healthy Communities'.

With the work recently completed at the facilities, we are very proud that TCL has now been able to reinvest more than £7.7m in leasehold improvements and services (this figures excludes the significant investment in gym equipment replacements), all of which have been a great advantage to improving the accessibility and appeal for the community to live a healthy lifestyle. This demonstration of continued reinvestment highlights the tangible benefit for all by operating the 'charity model' to deliver local leisure services. Alternative solutions or service delivery models are unlikely to be able to reinvest these kind of sums, as there would have been potentially other priorities for the money, i.e., shareholder/owner profit, other council services (general fund), or investment in facilities outside of the Borough.

In addition, all services provided by TCL are available to all, including spectators, casual pay and play users as well as members. All prices remain competitive and reflect the community needs. We also offer significant concessions to those most in need, including heavily discounted or free membership, with at least 50% discount on most activity prices.

All the facilities operate quality management systems to ensure the level of service provision is delivered consistently. Our systems are normally externally audited and endorsed by the leisure industry quality standard (QUEST). The sites have had their reassessment dates extended due to Covid 19 whilst still maintaining QUEST registration in the Very Good (Belhus Park and Corringham) and Good (Blackshots) categories following maintenance and unannounced visits and or full 2-day audits. The Gym Hub in Wickford only has a 1-day assessment and is registered with QUEST

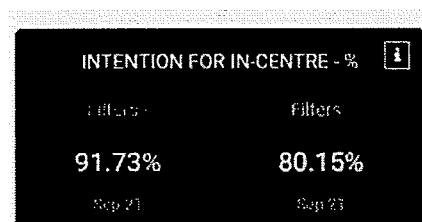
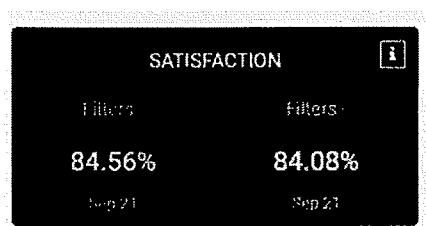
**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

STRATEGIC REPORT - continued

Achievement and performance – continued

Customer safety is our primary objective and one we take very seriously.

Due to the resourcing pressure, we have not run our Customer Satisfaction surveys this year. However, the customer support and feedback via social media and direct feedback remains in the large positive. Sport England as part of the National Leisure Recovery funding conducted a customer satisfaction and customer confidence survey in Sept 21 which was collated and benchmarked across the country.



The darker filter are The Thurrock Community Leisure facilities results compared to the red, which is National Averages. The results are very positive with satisfaction and intention to use indoor facilities moving forward better than National Averages. These results demonstrate the hard work undertaken by our teams in creating a covid safe environment whilst dealing with the huge volume of customer queries and demand for the services during restrictions and the move out of restrictions. Our teams have been fantastic in coping with staff shortages and challenging times and yet continued to make customers feel welcome and safe.

The health of the community is always at the forefront of everything we do. The initiatives we have led and been part of this year include:

- Lung Screening in the Blackshots car park
- CHAPS men's health check day
- COPD hospital rehabilitation was relocated from the hospital to the Civic Hall to create space for the additional Covid wards.
- 33 Thurrock MIND memberships to provide a gateway of physical activity support to help those struggling with mental health issues.
- Expansion of the Cancer Prehab and Rehabilitation programme with multiple partners in Essex saw 78 through prehab and 97 in rehab.
- Exercise on Referral continues to support 285 people with comorbidities affecting their daily lives. Our 12-week exercise support programme provides rehabilitation and health maintenance to enhance their quality of life.
 - 103 Weight Management
 - 22 Stroke
 - 35 Mental Health
 - 8 Parkinson's
 - 25 Cardiac
 - 32 Back care
 - 20 Cancer
 - 23 Diabetes
 - 17 COPD
- Expansion of the water-based exercise referrals has seen increased attendance and health improvements for over 172 patients.
- Football v Fat targeted 51 people helping with weight management

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2022**

STRATEGIC REPORT

Achievement and performance – continued

Most of the above programmes aim to increase physical activity levels, targeting health improvement in the community. This all fits perfectly with TCL's mission 'creating active and healthy communities'. The staff who deliver these schemes and programmes are highly qualified and often praised by the customers for their results.

Sport England have released the results of their latest Active Lives survey which measures the percentage of adults (16+) meeting the Chief Medical Officers recommendations for undertaking recommended amounts of physical activity. The data shows that between mid-May 2021 and Nov 21 the percentage of adults achieving the 150 minutes a week of exercise dropped from 52.7% in Thurrock to 50.2%. This falls in line with the reported drop off in attendances and new memberships due to the Omicron variant during the winter. Thurrock however remains below the average of both regional and national statistics.

Health and safety improvements continued throughout the year through the constant reviewing and developing of policy and procedures monitored by the Health and Safety Management Committee. Accident numbers for the year were again low but reflective of lower attendances with no major accidents or incidents to note. All accidents and incidents are still recorded via STITCH which also compares our average with the National rate.

We continue to recognise and reward those long serving loyal team members. This year we acknowledged

- 1 x 40-year service award
- 3 x 30-year service award
- 3 x 20-year service award
- 3 x 10-year service award

The staff benefits scheme remains more valuable than ever with increasing costs to most employees personal bills, these all-year-round benefits provide discounts and promotions at high profile national retailers, restaurants, and other popular organisations, and has continued to be used well by employees.

General Sickness absence has not been a major issue this year, however we have seen an increase in absence from work as a result of a positive covid result or notification to isolate. These duration of absences are dependent on the vaccine status of the individual or their reaction to the virus. We continue to meet our obligation to track and trace reporting all staff related absences as a result of a positive covid test.

We continue to be an Employer Partner of CIMSPA with a commitment to ensure relevant staff are members of the industries professional institute. Relevant staff who are members have access to over 2000 hours of online training suitable for undertaking the required CPD relevant to their membership category.

A number of HR policies have been refreshed/updated and introduced to ensure our managers and employees have the latest guidance and understanding to manage their teams fairly and consistently.

Recruiting qualified personnel has been a major challenge this year as we strive to meet the demands of the business. To tackle this, we have adopted a number of different strategies including re-train opportunities for local people to qualify as lifeguards and swim teachers, with each course part funded by Thurrock Community Leisure to ensure the course fees are not a barrier to a change in career

We also increased the number of Leisure Apprenticeships placing opportunities at all sites, these apprenticeships cover all the industry essential technical qualifications and soft skills giving the learner experience for each department providing a development pathway for their chosen career. We also partnered with the local college to provide work placements for sports students. This year saw the launch of our Volunteering programme at Belhus Park Golf Course.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2022**

STRATEGIC REPORT

Achievement and performance – continued

During the course of 2021/2022, 7 remaining learners and apprentices are approaching the end of their work-based learning programmes and will be retained in permanent employment, with a broad skill set covering the areas of lifeguarding, reception, fitness instruction, level 1 and level 2 swimming teaching, and improved and enhanced skills in the leisure duty management teams across all sites.

Our apprenticeship programme is delivered in partnership with an industry leading training provider (Creative Sports and Leisure (CSL)) forging great links with CIMSPA.

We are very grateful that there has been another good year of progress by Thurrock Council against their landlord property responsibilities despite their own financial challenges. Some urgent and essential works have been completed, and a programme of works to meet the forthcoming priorities is well underway.

Thurrock Council undertook:

Replacement of the electrical distribution board at the Capability Brown.

Belhus Park Pavilion boiler was replaced.

Replacement to the Corringham electrical intake and distribution board supplying the main building

Remedial works to the structural columns in the pool changing rooms at Corringham

Replacement of the defective pool liner in the Corringham teaching pool

Installation of dragon teeth and signage for car park access control at Blackshots

TCL Investments

Refurbishment of the wet toilet facilities in conjunction with match funding CDF funding through Thurrock Council

Refurbishment of the main studio at Blackshots to increase capacity match funded through Veolia Trust.

Thurrock Council's feasibility study on the replacement of Blackshots Leisure Centre and Civic Hall is still being finalised and currently not published.

Financial review

The budget in 2021/22 was set and approved by the Board as a recovery budget with income to achieve full recovery of the March 20 figure by the third quarter.

Tight financial controls continued to be in place with cash flow management remaining our focus and priority.

Further payment plans were negotiated and have been implemented.

The Management team continued to proactively source and apply for all available funding sources that the organisation was eligible for, with many of the applications being successful. This increased the level of income to assist in mitigating the fixed and unremovable costs.

In line with accounting protocols some major adjustments to the accounts took place midway through the year to account for the pre-payments of Membership which were reallocated to the current year and funding awarded, but not received was reverted to the previous year.

We were successful in claiming the Covid restart grant via Local Authority. Further rates relief of 100% April-Jun and 67% Jul-Apr 22 helped cost reduction. We also took advantage of the Government temporary reduced vat rate at catering venues.

Furlough grant receipts reduced as operations started to get back to speed, with the last claim in September 21. We also made a large dent towards settling legacy bills, whilst maintaining a good cash position

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2022**

STRATEGIC REPORT

Achievement and performance – continued

Financial review – continued

21/22 saw the start of reallocation of site costs such as IT, telephone and irrecoverable vat from Management and Admin to help demonstrate true site costs

Investigations and implementation into replacing the old finance system with a modern agile system, to provide full compliance with making tax digital requirements whilst making improvements to the processes.

Due to the challenges and the omicron effect as outlined above, income was down on budget by £108,893 (3%). Despite the affects to income mentioned, the tight control on costs coupled with the added successes with Grants returned a bottom line performance better than budget by £385,071 leaving a deficit of £85,125.

The effects of the Omicron scare tactics by Government to save Christmas, with fear of possible closure at our peak times severally effect customer confidence to buy new memberships at the start of our peak period. The accumulative effect of this had significant impact on our ability to achieve the strong conclusion to the year on the predicted income lines reflecting on the figures for the 22/23 budget.

Despite the lower levels of operational generated levels of income, the combination of grants and saving in costs returned a positive bottom line before depreciation. This negated the need to use the budgeted levels of reserves and improved our cash position.

The 5-year corporate plan remained a challenge with the immediate focus firmly on business recovery. The forthcoming year will need to review the organisations future plans, whilst working closely with the Local Authority to link with their aspirational strategies around the delivery of Health and Leisure within the Borough.

Leisure Centres –

The Membership numbers and growth was impacted by the omicron variant, however the demand for swimming lessons outreached our ability to deliver the number of classes required to meet the demand due to a national and industry shortage in swimming teachers. As a result of the unprecedented high demand caused by the backlog of the previous two covid years has enabled us to reach a record-breaking attendance capacity of 104% at Blackshots and higher than average at Corringham and Belhus. These high attendance rates will encourage fewer drop offs and improve the swim figures for the next year.

Office and Cottage Rent –

Cottage rental was maintained as both properties were occupied throughout the year.

Golf Shop and Bar –

Room hires income further increased at Capability Brown due to the expansion of the Nursery into the old Golf club room. Income for the year was down by £48,167 against budget. This was partly as a result of the reduced opening times of the Catering service and the reduction in function hires and subsequent bar takes. This was mainly compensated by the increase in room hire and the reduction in wages and cost of sales.

Civic Hall –

This was the last element of the business to start reopening as intended due to the government restrictions. Leisure Centre classes were delivered in the Hall as social distancing restricted the use of the Leisure Centres class studios due to their size. As aerobic and group exercise classes significantly support the Membership of the organisation, which equates to approximately 50% of the companies income, this took priority over one off bookings. This pushed the space hires into the latter part of the year which was much later than budgeted. Despite the slow start a few major events assisted in a stronger bottom-line position better than budgeted by £29,600.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

STRATEGIC REPORT

Financial review - continued

Principal risks and uncertainties

The trustees and senior management undertake an annual risk assessment process and report on this to the full board. The overarching issue to the future, still remains the medium- and long-term impact of the Covid 19 virus and the possibility of its resurgence in different variants resulting in further possible restrictions and closures. The Board have reviewed the reserves policy to ensure the previous calculations remain relevant for such a situation and are confident the current policy is fit for purpose.

The other main risks identified include building failures, the LGPS deficit including admission agreement issues (see above), health and safety, staff and Trustee shortages and increasing staff costs (see section below), ongoing economy uncertainty (Brexit) denting consumer confidence, local politics and increasing competition. Ongoing negotiations with Thurrock Council and our own improved maintenance and servicing contracts are used to ensure that buildings and or plant are less likely to fail in such a way as to cause unplanned service disruption. Business interruption insurance is also in place. The potential for major health and safety issues to arise is taken seriously and as such TCL have a comprehensive policy and manual covering health and safety, monitored at the highest level, with Trustee involvement at bi-monthly bespoke meetings and again reported at Board meetings. Staff are also involved in the risk assessment process and everyone in the organisation is aware of the health and safety mission of 'everyone safe every day'. Constant improvements to service and increasing value for money is the main strategy in use for dealing with competition. Marketing and promoting our unique selling points and differentiating our service from the competition has been an increased focus. Local politics always have the potential to change, so developing good relationships with senior staff at Thurrock Council and working with them to add value to the whole range of council services raises the profile of TCL and its importance to the community. There has been a number of initiatives listed elsewhere regarding staff recruitment and retention.

The increase in the cost of living led by utility increases and the impact of increasing utility costs for the organisation are key risks.

The trustees are satisfied that adequate processes are in place to mitigate the key risks faced by the charity.

Funds

The group has returned a deficit of £85,125 (2021:£1,271,475). The accumulated reserves for the group amounted to £2,060,108 (2021:£1,089,233), including restricted funds of £3,498 (2021:£560,870) and unrestricted funds of £2,056,610 (2021:£528,363).

Reserves policy and going concern

The Reserves policy for TCL is formulated to ensure the continuation and improvement of its services, for the benefit of the community and as a safety net in the event of short-term income shortfall. The services are run from various centres, which need to be regularly maintained and updated to continue to provide excellent standards of service. Therefore, reserves required are allocated into two types –

Operational Reserves –

Are held to ensure TCL can meet expenditure commitments in the short term, whilst actions are put into place to overcome income shortfall.

Management risk strategies, insurance and contingency plans are in place to mitigate risks. As centres are all in different locations, it is unlikely that problems in one centre will have a direct impact on the remaining centres, although in the light of the unprecedented UK response to Covid 19 this assumption has been tested to retain a short closure at all sites in advance of Government support streams.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

STRATEGIC REPORT

Reserves policy and going concern – continued

Operational Reserves – continued

The global pandemic was the most unusual of circumstances, and risk strategies cannot take into account every known and unknown eventuality. With the global pandemic, the government stepped in and provided resources such as furlough, lockdown and restart grants. During the period of lockdown, with all sites shut, the cost base was also reduced. The results of the past year showed TCL requirement to cover overheads whilst centres closed was £100k monthly, as government furlough support was available.

The reserves policy should therefore include overhead expenditure for all sites, whilst centres are closed, along with staff costs previously supported by furlough scheme, as this may not be available in future.

The reserve policy TCL should provide resilience to keep going till support is available and/or give time to put alternative action in place.

Facility improvement and unexpected opportunity reserve -

The day-to-day operational budget does not set aside any reserve for improvement, or major capital commitment. As such reserves are required to ensure funding is available to continually improve the service (property, equipment, and technology) in this very competitive industry, to enable compliance with ever-changing legislation and to take advantage of other unexpected opportunities that may arise during a year. Improvements to Blackshots changing rooms is a previous example of using these reserves to update and improve efficiency/service. To expand the services, we can offer to more beneficiaries, TCL may wish to acquire new business either through partnership, tender, acquisition or development of new premises and the purchase and refurbishment of another Gym Hub is a good example of this. This is made possible when reserves are in place to support the exploitation of such opportunities as they arise.

Therefore, TCL will continue to build up to £750k, reserves to 3 months running costs for all sites when closed, and then work towards an additional £250k for Facility improvement/opportunity reserves. The £250k reflects amounts required for recent large projects such as Belhus refurbishment and Blackshots changing room works.

TCL have been able to maintain adequate cash levels to meet day to day liabilities whilst maintaining operational reserves and settling outstanding legacy liabilities. TCL is therefore meeting going concern requirements.

TCL has been working hard to get business and income back as quickly as possible, whilst remaining understanding and sympathetic to our client's readiness to return. Expenditure will continue to be closely monitored whilst income is rebuilt. TCL actively seek new opportunities, funding, and income streams to help diversify income in order to facilitate financial robustness and take up opportunities to further its objects.

Considering, the current reserves position, together with the existing financial performance, forecasts for the future, cash flow forecasts, the main risks facing the organisation and ongoing negotiations with Thurrock Council, the trustees are confident that TCL will continue as a going concern and that its healthy reserves balance should be sufficient to navigate the uncertainties caused by the increase in the cost of living and the predicted instability in the cost of utilities and Bank of England actions to increase interest rates which will have an impact on households discretionary spend.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

STRATEGIC REPORT

Plans for the future

The immediate plans will be to continue our efforts to achieve full recovery of the business following the Covid 19 virus pandemic. Forecast Budgets take into consideration the huge national increases in costs for supplies, services, utilities and wages. Leisure activity and attendance trends have started to return to pre-pandemic peaks and troughs enabling historical data to be used for patterns of behaviour. Customer feedback and surveys provide a deep understanding of the business. The forthcoming year is reliant on remaining open which may not to be the case and reforecasting will be undertaken regularly to reflect the current position if this happens. The cash position is sufficiently strong to cope with short closures should they arise without immediate Government support. The industry has started to question if 2020 operational figures are realistic in the current economic climate and are focusing on the current trends and looking forward. We are adopting this approach but will also have a look over our shoulder at the 2020 position to understand the recovery status. This is also warped by price increases and should be considered when comparing like for like. We of course will be maximising income streams whilst controlling expenditure closely which is monitored on a daily basis

The Corporate Plan 2020/26 anticipated a surplus for 2021/22 of £3,000, due to the opening of a new Gym Hub during the previous year. However, at the time of the 2020/21 budget setting, due to the actual anticipated opening time of the new Gym Hub the losses were budgeted in the Annual Plan at £324,000. As mentioned the new Gym Hub project was cancelled, however the budgets do not reflect this decision. Management accounts show we are ahead of budget with a surplus reported up to 31 August 2022.

The Annual Plan focuses heavily on reshaping our digital landscape to mitigate the resourcing challenges and improve the customer experience whilst providing increased consumer knowledge and data. Our strategic alignment with the Local Authority strategies continues in the coming year. The opportunity for partnership working with the voluntary sector and local club and groups has never been more prevalent which again we plan to align common goals with a series of pilots, support and links. Examples include club partnerships with Thurrock Swimming Club and Thurrock Rugby Club, as well as Memberships sponsorships for Ukrainian refugees. There is still a level of long-term uncertainty that cannot be ignored and therefore the 5-year corporate plan will need to be reviewed in line with the current recovery progress.

TCL's positioning in the marketplace remains strong, despite the increased competition over the recent years. This increase in competition has resulted in difficulty in achieving the remaining 17% of the pre covid figures. The positives from having a sustained period of opening are that exercise habits have started to return to normal.

The financial recovery (income) is now anticipated to take up to a further 12 months due to the interruptions in business in the previous year. At the same time, we are covering off the increases in staffing costs due to NMW increases and salary squeeze. As such the budgets for 2022/23 show a negative bottom-line with a clear indication of recovery before year end. We will continue to ensure a tight ship approach to all costs and remain conservative in income growth.

Although closures have been major factor affecting income in the previous two years, the recovery of income and projections post Covid 19 have had to be tempered by the continued uncertain nature of the economy, mainly related to Covid, Utility crisis, increase costs to supplies and services and Brexit resulting in a lack of consumer confidence, increasing public sector austerity (arising from Covid 19). Headline membership prices. We have been forced after a prolonged period of price freezes to increase prices to cope with the affects mentioned above. Customers have been fantastic and understanding to our challenges. Consideration has also been towards a surcharge for certain activities such as swimming during the Utility crisis which can be removed when pricing returns to normal.

In response to the continued difficulties in recruiting staff we will continue to use and attract Apprentices and train unskilled potential employees improving and extending the associated career development learning programmes to as many staff and local people as possible. This together with the CIMSPA membership and ongoing training will enable more staff to complete the requisite amount of CPD as well as relevant qualifications appropriate to their roles and future progression. This ensures more staff are undertaking relevant training to their career aspirations and the business need, which in turn should improve staff retention and customer service. We also launched the volunteer scheme at Belhus Park golf last year and plan to expand these opportunities further to improve the customer experience and support staff.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

STRATEGIC REPORT

Plans for the future - continued

Community Health and Wellbeing

The more opportunity created for people to be physically active increases the positive impact TCL has on Thurrock's 'health and social issues'. Many of these issues have been proven to be improved by exercise. Indeed, Central Government and Public Health England (Physical Activity Framework – Everyone Active Everyday), supported by UK Active, have been consistently raising the profile of the benefits of physical activity, versus the associated costs of inactivity on the National Health Service (NHS). There are potential opportunities within the new NHS 10-year plan, some of which focusses on prevention of ill health, part of which includes physical activity in promoting physical and mental health. TCL will work with local health commissioners, social prescribers, and others to develop new programmes to improve community health. These programmes may also include social and cultural related activities. TCL will consider providing these services without the benefit of external support funding.

TCL operate several successful health programmes. In line with Government and Sport England Strategy on increasing physical activity levels, we will expand our programmes to deliver increased physical activity opportunities to more of the community including children and hard to reach groups.

At present TCL are contracted to receive funding from Thurrock Council regarding health referrals. Through work with Active Thurrock, we would hope to expand this work along with a number of other potential community health and wellbeing improvement schemes. As a minimum continue to successfully deliver the existing schemes outlined above

TCL will look to work with Thurrock Council with links to the new Integrated Medical Centres (IMC) in providing support physical activity sessions to improve and sustain physical and mental health for those attending these facilities.

TCL will work to establish some agreement about how the new Leisure Strategy will be integrated into decision making in future, including establishing our place as the operator of choice within that strategy. Bringing solutions and funding options to the table is a line being pursued at present. A costed option will be developed and presented to the Council during 2022.

We are actively promoting with partners our concession schemes to increase the reach of those in the target group on low income or asylum seeking. We would expect to see a subsequent increase in numbers by 10% over existing numbers noted at the end of March 2021.

Main facility related works will centre around the following improvements or investigations including –

Blackshots

The Local Authority will be investing into the following areas as part of their landlord responsibilities.

Replacement of identified roofs and external repairs

Teaching pool air handling replacement

TCL will be:

Lifting and relaying the entrance steps

New Café tills and PDQ replacement and upgrades

Belhus Park

Work with Thurrock Council and others to deliver a 3G full size football pitch and Cricket facilities.

The Local Authority will be investing into the following areas as part of their landlord responsibilities.

Replacement of identified roofs and external repairs

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2022**

STRATEGIC REPORT

Plans for the future – continued

Civic Hall

- Investigate chair refurbishment or replacement
- Kitchen Floor replacement costing
- Investigate disabled access provision to Green Rooms and stage.

Corringham

The Local Authority will be investing into the following areas as part of their landlord responsibilities.

- Replacement of identified roofs and external repairs
- Replacement the Pool Plant equipment

TCL will investigate refurbishment of internal doors and poolside lockers

General

- Develop remaining viable LED lighting schemes into a project and seek external funding contributions to the costs. If external funding achieved, implement the schemes.
- Making Tax Digital – continue work to ensure compliance
- Digital infrastructure upgrades including staff app, finance system enhancement, timesheets and communication

Customer satisfaction scores and QUEST will be maintained at all applicable sites. In addition, as an internationally recognised measure of customer satisfaction we will assess the costs of introducing a closed loop Net Promoter Score (NPS) system. If implemented in the introductory year we will set a benchmark score for each site which we will then set future targets for improvement from.

Health and safety management will continue to be a priority, constantly reviewing and developing new policy and procedures making at least 10 safety improvements during the year.

The viability of local expansion, other smaller trusts and other business opportunities will continue to be assessed on a case-by-case basis. Through on-going networking and industry knowledge, TCL will continue to identify business opportunities, or other trusts or organisations that might benefit from collaborative working. In addition, TCL will continue to seek to expand operations in the Southeast keeping in contact with those businesses / authorities / organisations / schools that are changing the way they operate.

This benefits TCL as overhead costs are reduced, as they are contributed to by additional group members

TCL will expand the Swimming teacher tuition programme to continue its work on creating a sustainable teacher replacement programme that enable both expansion and continuity to a current oversubscribed holding list for swim lessons.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2022**

STRATEGIC REPORT **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Governing document

TCL is controlled by its governing document, a Memorandum and Articles of Association and is constituted as a limited company, limited by guarantee as defined by the Companies Act 2006. TCL is a registered charity.

Appointment of trustees

TCL is governed by a board of up to 11 trustees. The board of trustees (volunteers) are drawn from all sections of the local community. Once appointed, trustees act in their personal capacity in the best interests of TCL and do not act as representatives of the body that nominated them.

The board is made up of the following categories of trustees, which are fixed in the articles:

- Independent trustees x (up to) 8
- Local Authority elected trustees x 2
- Employee elected trustees x 1

Thurrock Council nominates two trustees to the board annually, although for continuity Thurrock Council has in the past proposed that the same councillors continue to be trustees of TCL whenever possible.

Should there be a need to attract new trustees to the board, adverts are placed at the sites and in appropriate social media, CVS, and various partner websites.

The trustees appoint new members and trustees at board meetings and may appoint any person willing to be a trustee in seeking to provide a broad range of skills on the board.

The trustees co-opt new members to the board once agreed and they are official appointed at the next Annual General Meeting. Trustees are selected to provide a broad range of skills to support the business and management. Specific attention and targeting will be focused on underrepresented areas of the board. This under representation can be in the form of skills, knowledge, gender, ethnic background, or disability.

All trustees will hold office for a maximum of three years before retiring. Upon retirement, the other trustees may re-appoint them or another person. At each Annual General Meeting (AGM), the greater of three and 33% of the longest serving trustees shall retire but may be re-appointed unless the vacancy is filled.

Each trustee guarantees to contribute an amount not exceeding £1 to the assets of TCL in the event of winding up. The total number of such guarantees at 31 March 2022 was 8 (2021 - 7).

The trustees have no beneficial interest in the TCL. As a charity, TCL is a non-profit distributing organisation. Therefore, trustees do not receive any dividend, as 100% of surpluses must be invested to pursue the charitable objectives of the company.

TCL is a community organisation working with Thurrock Council (TC) and other organisations, to provide leisure and cultural opportunities within the Thurrock area and its neighbourhood. TCL came into existence when Thurrock Council transferred leisure and cultural services to TCL on 10 January 2000.

The trustees have overall responsibility for the organisation and its efficient operation. However, as volunteers the trustees appoint a Managing Director (MD, Karl Hayes), to whom they delegate responsibility for undertaking the work that is required to ensure that the organisation is operated efficiently, and in accordance with its objects. The trustees have agreed a delegated authority framework, which sets out the responsibilities of the trustees and management. In addition, the trustees are aware that they have expert advice available to them from their auditors, legal advisors, bank and health and safety advisors. The trustees use the 'Charity Governance Code' as a framework to govern TCL in line with best practice principles

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trustee induction and training

The trustees have agreed a Governance Manual, which provides information about TCL, including its history, structure, governance, legal standing, agreements with related parties, procedures at meetings, shared contact information, information about being a trustee (Charity Commission) and other sources of information.

Once appointed new trustees are inducted by the Managing Director and Company Secretary using the governance manual as a guide. The updated manual is available to Trustees on an ongoing basis in an electronic format, using a shared protected file.

Occasionally training is provided to the trustees as a group, in the past this has included governance, risk analysis and financial responsibility training. In addition, individual trustees are encouraged to attend training provided by auditors and legal advisors on a range of subjects.

The trustees carry out 'spot checks' using internal control procedures and audits developed to cover the main financial and employment risks identified by the organisation. The trustees aim to carry out all of these checks on an annual basis.

Related parties and relationships with other organisations

TCL has a wholly owned subsidiary company known as TCL Trading (TCLT). TCLT operates a golf shop, grounds maintenance function, bar, and catering operation at Belhus Park. Directors of TCLT are appointed by TCL. The directors have no beneficial interest in TCLT, or TCL. All surpluses generated by TCLT are gift aided back to TCL and this arrangement is governed by a deed of covenant.

Remuneration policy for key management personnel

TCL has a Remuneration Policy which is a TCL & TCLT Group policy. This policy is posted on the website no more than two clicks away from the home page.

TCL is committed to ensuring a proper balance between paying staff and others who work for it so that only the best people are recruited and retained.

Whilst TCL remuneration is generally competitive within the leisure industry, it does not compete on pay with other industries. Leisure remains a low pay industry

When determining the salary for a post, TCL will collect information about comparable roles where possible, preferably within the Leisure sector. This information will be used to benchmark TCL salaries, normally aiming to set them at a level that appears to represent the market / local area. TCL will also seek advice from peers within other organisations where they employ people in similar roles. To this end TCL benchmark with other southeast leisure centre operators (SELCO) and Community Leisure UK (CLUK) the sport and recreation trust association. CLUK represent charitable organisations who provide leisure and cultural services.

All posts meet the minimum requirements in respect of the National Minimum Wage, which is reviewed and amended where required in April each year. All employees (except apprentices) working for TCL will be paid £8.91 with effect from 1st April 2021, this is regardless of age.

Salaries for the majority of posts will comprise a band made up of a series of salary points. Other posts have a flat rate salary. All salaries are openly stated in job adverts.

Post-holders can progress up to the next salary point within their band around the beginning of each new financial year, subject to having received a satisfactory annual appraisal (Development and Review Time (DART) and performance assessment) and having achieved their key performance indicators for the year. Following the annual appraisal (DART), an employee's manager will make a recommendation to the Managing Director as to whether a progression up to the next band has been merited.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Remuneration policy for key management personnel

'Annual' Pay Award and Adjustments - During the budget setting process (in around November/December) each year, for implementation in the following new financial year (April), the management team will consider whether the salary points for all staff should be adjusted for the forthcoming financial year beginning 1st April, to reflect changes in the cost of living.

The considerations will begin with an assumption that salaries should be adjusted to match inflation (specifically the Consumer Price Index) over the preceding 12-months. Further consideration will then determine whether this is appropriate in the context of: -

- i. TCL's financial situation – can it afford the CPI linked increase and is it sustainable?
- ii. TCL's performance – have KPIs been met?
- iii. Previous pay awards made in recent years
- iv. Pay reviews elsewhere – how might a failure to follow wider trends be perceived amongst staff, within peer organisations
- v. Overall affordability and sustainability – can TCL realistically afford it now and can it sustain it moving forwards?
- vi. TCL's ability to attract and retain suitable staff in sufficient numbers to deliver a consistent service level.

Based on the above, the management team will make a recommendation to the trustees to approve any annual pay award/budget. If approved, annual pay awards will normally be applied in April of the new financial year.

The Managing Director has the responsibility to make any ad hoc decisions regarding salary changes for any position/post holder. Any decision/s regarding the salary of the Managing Director and senior managers will in future be made by the TCL trustees. The Senior Management Team does not have delegated authority in matters relating to their own remuneration, and any recommendations or decisions must be ratified by the trustees prior to implementation

By nature of previous arrangements (TUPE transfers), some staff have previously opted to join the Local Government Pension Scheme (LGPS) in accordance with the respective Admission Agreement with Essex County Council. The TCL LGPS scheme is currently closed to new members as dictated by the Admission Agreement.

For those staff who are not members of the LGPS, TCL complies with its statutory auto-enrolment duties in accordance with Part 1 of the Pensions Act 2008, where employees will be automatically enrolled into a defined contribution pension scheme from the date required by the Pensions Act 2008. Details are notified to each individual separately, including what they would need to do should they wish to opt out of membership. In this regard, TCL uses NEST to fulfil auto-enrolment obligations.

All staff, regardless of whether entitled/not, entitled/eligible have the opportunity to join NEST on request. Furthermore, TCL (and the employee) pay contributions on total earnings, irrespective of age or earnings level. Employees can only be a member of one pension scheme.

Private Health Care – is a company and employee benefit for senior management and key personnel, to ensure that any ill-health is treated promptly, enabling the individual to continue/return to work with minimum absence. All private health care is declared on a P11D and subject to tax in accordance with HMRC guidelines.

Use of Facilities by Employees - In order to promote health, fitness and wellbeing, employees may use the facilities free of charge, provided a paying member of the public is not prohibited from use because of an employee taking up space. TCL apply a long service recognition scheme within which staff are rewarded for continuous service at 5, 10, 20, 30 and 40 years. The scheme is designed to reward long service and is for gifts at various values depending on the milestone reached. The scheme follows the guidance issued by HMRC on the values of the awards.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Remuneration policy for key management personnel - continued

TCL/TCLT trustees are not paid for their work as a trustee.

Trustees can be reimbursed for reasonable out of pocket expenses. They may also be paid for undertaking special work for the charity, provided that this meets with the Charity Commission guidance 'Payments to Charity Trustees – What the Rules Are'. However, TCL will generally avoid engaging its trustees for work and will only do so where there is no suitable alternative supplier of

Diversity

The board's approach to diversity supports its effectiveness and leadership, as such TCL wholeheartedly supports the principle of equal opportunities and diversity in employment and service provision and opposes all forms of unlawful or unfair discrimination on the grounds of colour, race, nationality, ethnic or national origin, religion/belief, unrelated criminal convictions, gender, gender re-assignment, sexual orientation, marital status/civil partnership, age, or disability.

It is in TCL's best interests, and those of all who represent or work within it, to ensure the human resources, talents, and skills available throughout the organisation and community are considered when employment and or training opportunities arise or when the service-based decisions are made.

Statistical reports are compiled once a whole recruitment and selection process is complete, these show the ethnic/national background, gender, age, religion/religious belief, and disability (if any) of all applications; those short-listed, and those offered employment. TCL monitor the declared diversity of its workforce.

TCL aims to have trustees and staff from different backgrounds, abilities, cultures, and genders as the inherent diversity of life experience is more likely to encourage debate, resulting in better decision making. The aim is that the workforce and Board reflect the community it serves.

The Board and staff undertake equal opportunity and diversity training.

Policy for employment of disabled persons

TCL is 'positive about disability' and operates a Guaranteed Interview Scheme (GIS).

TCL recognises that during employment a person's capability to carry out their duties may deteriorate. This can be for several reasons, the most common ones being that either the job changes over a period, or because of health changes (including developing a disability). Should this be the case, TCL will make every effort to ensure staff receive adequate training and supervision to reduce any impact. Informal meetings are used in the first instance with a view to resolving any issues. TCL will also consider the possibility of a transfer to more suitable work if this is possible. If issues persist TCL will normally seek a medical diagnosis and prognosis and with the benefit of this professional medical advice, consult with the employee to enable a decision to be made about the future, either in the current role or, where circumstances permit, in a more suitable role.

Where concerns about work arise due to the nature of a disability as defined under the Act, TCL will endeavour to make reasonable adjustments to work and/or working pattern wherever possible

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Employee information

Employees are provided with information in a number of ways including, general electronic communication to personal email addresses, staff notice boards, staff newsletters, staff forums (2 times per annum per site), team briefings, staff satisfaction survey (once per annum) and one to one meetings where appropriate. These communications are used to provide employees with relevant information on matters of concern to them, common awareness of the financial and economic factors affecting TCL's performance and seek the employees' views about the business and how it might be improved.

TCL recognise the trade union Unite and staff can seek their advice and support where applicable. TCL consult with Unite in line with the recognition agreement in place.

Modern Slavery Act 2015

By virtue of its size TCL is not required to comply with all of the duties within the Act. However, TCL takes steps to prevent modern slavery and human trafficking in its business in accordance with the Act. TCL publishes its policy regarding modern slavery on its website.

FUNDRAISING

The TCL Group do not use professional fundraisers to raise funds. All of the income is derived from the main functions including, sales for facility use/hire, secondary spending, and grants for specified programmes. Occasionally TCL receive donations through online fundraising platforms, although at presents this a very minor source of income.

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and 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 business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

STATEMENT OF TRUSTEES RESPONSIBILITIES - continued

In so far as the trustees are aware:

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

AUDITORS

The auditors, McCabe Ford Williams, will be proposed for re-appointment at the forthcoming Annual General Meeting. Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 11 October 2022 and signed on the board's behalf by:



.....
Tunde Ojetola (Chair)

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THURROCK COMMUNITY LEISURE LIMITED GROUP

Opinion

We have audited the financial statements of Thurrock Community Leisure Limited Group for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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.

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 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Opinion 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF **THURROCK COMMUNITY LEISURE LIMITED GROUP**

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the group and 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 and 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Charitable Company through discussions with trustees and our experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Group and Charitable Company, including, but not limited to, the Companies Act (2006), UK tax legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THURROCK COMMUNITY LEISURE LIMITED GROUP

We assessed the susceptibility of the Group's and Charitable Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations in each section.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

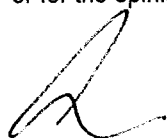
- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the relevant regulator where relevant.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees' and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of Our Report

This report is made solely to the group and charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group and charitable company's members those matters we are required to state to them in an auditors' 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 group and charitable company and the group and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Clair Rayner FCA DChA (Senior Statutory Auditor)
for and on behalf of McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Bank Chambers
1 Central Avenue
Sittingbourne
Kent
ME10 4AE
Date: 11 October 2022

THURROCK COMMUNITY LEISURE LIMITED GROUP

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

		31.03.22			31.03.21		
	Notes	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
INCOME							
Donation Income	2	-	51,429	51,429	-	1,015,276	1,015,276
Charitable activities							
Leisure Centres	3	3,785,541	426,185	4,211,726	1,012,875	592,353	1,605,228
Civic Hall	3	79,098	-	79,098	11,051	-	11,051
Office and Cottage Rent	3	26,090	-	26,090	25,365	-	25,365
Other trading activities	4	131,777	-	131,777	48,420	-	48,420
Investments	5	302	-	302	12,405	-	12,405
Total income		4,022,808	477,614	4,500,422	1,110,116	1,607,629	2,717,745
EXPENDITURE							
Raising funds	7	80,460	-	80,460	56,421	-	56,421
Charitable activities							
Leisure Centres	7	2,966,281	966,525	3,932,806	2,521,591	1,046,759	3,568,350
Civic Hall	7	263,182	-	263,182	120,524	-	120,524
Office and Cottage Rent	7	12,156	-	12,156	10,090	-	10,090
Trading activities	6	296,943	-	296,943	233,835	-	233,835
Total resources expended		3,619,022	966,525	4,585,547	2,942,461	1,046,759	3,989,220
Net income/(expenditure) for the year before other recognised gains and losses		403,786	(488,911)	(85,125)	(1,832,345)	560,870	(1,271,445)
Transfers between funds	20	68,461	(68,461)	-	-	-	-
Actuarial gains/(losses) on defined benefit pension scheme	21	1,056,000	-	1,056,000	(556,000)	-	(556,000)
Net movement in funds		1,528,247	(557,372)	970,875	(2,388,345)	560,870	(1,827,475)
RECONCILIATION OF FUNDS							
Total funds brought forward	20	528,363	560,870	1,089,233	2,916,708	-	2,916,708
TOTAL FUNDS CARRIED FORWARD	20	2,056,610	3,498	2,060,108	528,363	560,870	1,089,233

CONTINUING OPERATIONS

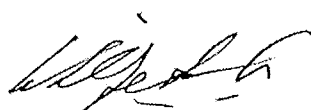
All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

BALANCE SHEETS
AT 31 MARCH 2022

	Note	The Group		The Charitable Company	
		31.03.22	31.03.21	31.03.22	31.03.21
		£	£	£	£
FIXED ASSETS					
Tangible assets	11	2,103,027	2,242,797	2,077,495	2,208,095
Investments	12	-	-	10,000	10,000
		<u>2,103,027</u>	<u>2,242,797</u>	<u>2,087,495</u>	<u>2,218,095</u>
CURRENT ASSETS					
Stocks	14	54,559	41,371	49,839	36,322
Debtors	15	87,504	734,847	175,086	731,783
Investments		160,000	-	160,000	-
Short term deposits		732,766	512,463	732,766	512,463
Cash at bank and in hand		<u>263,928</u>	<u>94,052</u>	<u>161,848</u>	<u>89,907</u>
		1,298,757	1,382,733	1,279,539	1,370,475
CREDITORS					
Amounts due <1 year	16	<u>(773,199)</u>	<u>(901,390)</u>	<u>(746,384)</u>	<u>(877,133)</u>
NET CURRENT ASSETS		<u>525,558</u>	<u>481,343</u>	<u>533,155</u>	<u>493,342</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,628,585	2,724,140	2,620,650	2,711,437
CREDITORS					
Amounts due >1 year	17	<u>(436,477)</u>	<u>(569,906)</u>	<u>(430,610)</u>	<u>(559,269)</u>
NET ASSETS EXCLUDING PENSION LIABILITY		2,192,108	2,154,234	2,190,040	2,152,168
PENSION ASSET / (LIABILITY)	21	<u>(132,000)</u>	<u>(1,065,000)</u>	<u>(132,000)</u>	<u>(1,065,000)</u>
TOTAL NET ASSETS		<u>2,060,108</u>	<u>1,089,234</u>	<u>2,058,040</u>	<u>1,087,168</u>
FUNDS	20				
Restricted funds		3,498	560,870	3,498	560,870
Unrestricted funds:					
Designated funds		-	-	-	-
General funds		2,188,610	1,593,363	2,186,542	1,591,298
Non charitable trading funds		-	-	-	-
Pension reserve		<u>(132,000)</u>	<u>(1,065,000)</u>	<u>(132,000)</u>	<u>(1,065,000)</u>
Total unrestricted funds		2,056,610	528,363	2,054,542	526,298
TOTAL FUNDS		<u>2,060,108</u>	<u>1,089,233</u>	<u>2,058,040</u>	<u>1,087,168</u>

The financial statements were approved by the Board of Trustees on 11 October 2022 and were signed on its behalf by:



.....
Tunde Ojetola (Chair)

The notes form part of these financial statements

The notes form part of these financial statements

THURROCK COMMUNITY LEISURE LIMITED GROUP**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	31.03.22 £	31.03.21 £
Cash flows from operating activities	1	<u>723,594</u>	<u>(402,022)</u>
Cash flows from investing activities			
Dividends, interest and rent from investments		302	12,405
Interest on 1 year bank accounts		-	-
Charity Bank account investment		(160,000)	-
Purchase of tangible fixed assets (Including HP)		<u>(86,523)</u>	<u>-</u>
Cash used on investing activities		<u>(246,221)</u>	<u>12,405</u>
Cash flows from financing activities			
Repayment of borrowing		(87,194)	(53,514)
Purchase of HP tangible fixed assets		-	-
New Loan		<u>-</u>	<u>343,000</u>
Cash used in financing activities		<u>(87,194)</u>	<u>289,486</u>
 Increase / (decrease) in cash and cash equivalents in the year		 390,179	 (100,131)
 Cash and cash equivalents at the beginning of the year		 606,515	 706,646
 Total cash and cash equivalents at the end of the year		 <u>996,694</u>	 <u>606,515</u>

The notes form part of these financial statements

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

1. RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31.03.22	31.03.21
	£	£
Net incoming resources before other recognised gains and losses	(85,125)	(1,271,475)
Depreciation charges	226,291	246,807
Disposal	-	6,900
Reclassification of Charity Bank Account	-	89,064
Actuarial pension scheme charges	123,000	34,000
Loan write off bad debt	-	-
Dividends, interest and rent from investments	(302)	(12,405)
(Increase) / decrease in stocks	(13,188)	6,524
(Increase) / decrease in debtors	647,343	(438,486)
Increase / (decrease) in creditors	(174,425)	340,049
Pension liability acquired	-	597,000
Net cash inflow from operating activities	723,594	(402,022)

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22	Cash Flow	At 31.3.22
Net Cash			
Cash at bank	606,515	390,179	996,694
Debt			
Finance Leases	(112,063)	50,472	(61,591)
Debts falling due within one year	(36,723)	(82,284)	(119,007)
Debts falling due after one year	(506,277)	119,006	(387,271)
Total	(48,548)	477,373	428,825

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the group and charitable company, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary TCL Trading Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes to the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of Companies Act 2006.

The presentational currency of the financial statements is the Pound Sterling (£). Amounts included in the financial statements are rounded to the nearest Pound Sterling (£). The charity is an incorporated private company limited by guarantee without share capital and is registered with Companies House and Charity Commission. The charitable company's registered office and place of business are listed on Reference and Administrative Details page.

Going concern

The outbreak of war in Ukraine at the beginning of 2022 has resulted in a global cost of living crisis with prices increasing around the world. The resulting impact of this crisis on the operations of the Charitable Company and its subsidiary will likely have a negative effect on the results in the next few financial years. Utility costs are rising at extremely high rates and as a business that consumes significant amounts of energy this may have an impact upon trading results. The expected increase in utility costs are likely to continue increasing into 2023.

The currently known impacts of the cost of living and utilities crisis on the Charitable Company and subsidiary are:

Thurrock Community Leisure

- Higher utility costs
- Less disposable income impacting membership and secondary spend income
- Supply chain issues leading to increased maintenance costs
- Rising wage costs with competition from companies such as Amazon

TCL Trading Limited

- Less disposable income impacting sales
- Supply chain issues leading to increased maintenance costs
- Rising wage costs with competition from companies such as Amazon

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES – continued

Going concern - continued

As a group we have taken and continue to work on our sustainability as follows:

Thurrock Community Leisure

- Work with energy brokers to secure best price contracts for utilities, whilst reviewing and improving processes to help reduce consumption.
- Monitor, review and implement utility reductions in consumption through improved housekeeping, energy interventions, reduced timetables, reduced temperatures and staff/customer education.
- Work closely with agencies to promote benefits both in physical health and mental wellbeing to secure health funding.
- Seek additional income streams.
- Attract capital-funding pots to improve or create new activities, services and energy interventions.
- Funding continue to monitor the industry Government lobbying success by UK Active and Community Leisure UK.
- Look at IT resources to help with processes to help staff concentrate on income growth.
- Promote staff through additional support and training.
- Seek alternative supplier and work with purchasing groups via Community Leisure UK.

TCL Trading Limited

- Seek additional income streams.
- Monitor, review and implement utility reductions in consumption through improved housekeeping, energy interventions, reduced timetables, reduced temperatures and staff/customer education.
- Promote health benefits.
- Find suppliers who provide good service and best value.

The board are confident that despite the challenges being faced at the back end of last year and through this year that the management Team are focused on not only managing the current situation but planning for the future sustainability of the organisation.

The immediate issues surrounding utilities are a global issue and not localised to just TCL and thus Government support via the Energy Bill Relief Scheme has been announced that will limit the financial risk. The forthcoming budgets have managed to absorb a significant increase and therefore the Board believe with the control measures in place and proposes to limit and in some cases reduce the consumption and usage this will further help the Bottomline.

Consumer spending will inevitably be affected despite the Government support, but we continue to position physical activity not as a desirable but as an essential which can not be reduced/removed during tough times. This message was loud and clear during the Pandemic and the maintained levels of membership support this.

We are positioned as a lead provider of health interventions and as such expect the decline in community health due to long NHS waiting times will create funding opportunities which we expect to meet and deliver. In addition, we have trained further employees to deliver funded health checks and expect this part of the business to grow at a pace.

We continue to work with the Local authority on capital asset improvements around the mechanical and electrical plant and building fabric, which will continue to improve business and energy efficiency, reduce downtime and improve the customer experience. We will also explore and implement a series of funding bids to create new activity and income streams to meet demands in football, over 50's activity and toddler sessions.

The industry focus on funded training, retraining support will enable us to qualify more Swim teachers this year, which will result in our ability to meet a significant latent demand for swimming lessons.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES – continued

Going concern - continued

Software enhancements will significantly improve the efficiency of business processes creating time for key personnel to focus on this opportunities without the need of further resource.

A Management and staff structure review will also create greater focus in the new areas of the business that need the attention for growth to happen and again this is expected to be achieved with the current financial budget.

For the reasons above the Board are assured that TCL are a going concern for the foreseeable future and are positive about the role Leisure will play in supporting the improvement in public health.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether capital grants or revenue grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Interest receivable

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

Grants receivable

Grants receivable in respect of a specified period relating to the general activities of the charitable company are recognised in the Statement of Financial Activities in the period in which they become receivable. Where related expenditure has not been incurred the grant is deferred only when the donor has imposed restrictions on the expenditure of resources which amount to pre-conditions for use

Government grants

Government grants are recognised when it is reasonably certain that the conditions attached to the grant are met. Income from grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

During the year the Charitable Company received the following revenue based grants:

- Coronavirus Job Retention Scheme (CJRS) to cover a portion of employees' wages who were furloughed due to the coronavirus pandemic CJRS ceased on the 30 September 2021. The amount received has been included in donations (note 2).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES – continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to the activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following bases which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives, and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

- Cost of raising funds	1%
- Leisure centres	90%
- Civic Hall	8%
- Office and cottage rental	1%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £30,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Leasehold improvements	10-40 years
Assets on finance lease	over the length of the lease

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES – continued

Investment in subsidiary

Investment in the subsidiary is stated at cost.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. In general, cost is determined on a first in first out basis and includes transport and handling costs.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Hire purchase and leasing commitments

Assets purchased under finance leases are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charge. Finance charges are written off to the SOFA over the period of the lease so as to produce a constant periodic rate of charge.

Operating lease rental charges are charged on a straight line basis over the term of the lease.

Pension costs and other post-retirement benefits

The Charitable Company accounts for the pension scheme in accordance with the Financial Reporting Standard 102. The Charitable Company operates a defined benefit pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2016.

The Charitable Company provides pension benefits for eligible staff through an Essex County Council administered pension scheme. The Essex County Council administered scheme is a multi-employer scheme which provides benefits based upon final pensionable pay. For defined benefit schemes the amounts charged to resources expended on charitable activities are the current service costs and any gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately if the benefits are vested. If the benefits have not vested, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the Statement of Financial Activities.

The defined benefit scheme is funded, and the assets of the scheme are held separately from those of the charity in a trustee administered fund. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on long dated high quality corporate bonds of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

Contributions made by the Charitable Company to defined contribution pension schemes are charged to the Statement of Financial Activities as they are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES – continued

Financial instruments

The company enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

a) Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

b) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

c) Impairment of financial assets

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

d) Trade and other creditors

Debt instruments like loans and other accounts payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable within one year, typically trade payables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES – continued

Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value, like plant and equipment, are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets, which is the higher of value in use and the fair value less cost to sell, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit and loss.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the group's accounting policies management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from the 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 March 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

THURROCK COMMUNITY LEISURE LIMITED GROUP**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022****2. DONATION INCOME**

	Unrestricted £	Restricted £	Total £	Total £
Donation Income	-	51,429	51,429	1,015,276

The Group received £51,429 (2021: £1,015,276) of grant funding from the government's Coronavirus Job Retention Scheme (CJRS).

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	31.03.22 Total £	31.03.21 Total £
Funding income	-	236,368	236,368	705,226
Leisure centres income	3,785,541	189,817	3,975,358	900,002
Sub-total for leisure centres	3,785,541	426,185	4,211,726	1,65,228
Civic Hall income	79,098	-	79,098	11,051
Sub-total for Civic Hall	79,098	-	79,098	11,051
Office and cottage rent	26,090	-	26,090	25,365
Total income from charitable activities	3,890,729	426,185	4,316,914	1,641,644

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted £	Restricted £	31.03.22 Total £	31.03.21 Total £
Golf club, shop and bar	131,777	-	131,777	48,420
	131,777	-	131,777	48,420

5. INCOME FROM INVESTMENTS

	Unrestricted £	Restricted £	31.03.22 Total £	31.03.21 Total £
Solar panel investment income	-	-	-	5,562
Interest receivable	302	-	302	6,843
	302	-	302	12,405

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

6. TRADING ACTIVITY COSTS

	Unrestricted	Restricted	31.03.22 Total	31.03.21 Total
	£	£	£	£
Staff costs	160,369	-	160,369	160,937
Other trading costs	136,574	-	136,574	72,898
	<u>296,943</u>	<u>-</u>	<u>296,943</u>	<u>233,835</u>

7. ANALYSIS OF EXPENDITURE

	Cost of raising funds	Charitable activities			Governance costs	Support Costs	31.03.22 Total	31.03.21 Total
	£	Leisure centres £	Civic hall £	Office and cottage rent £	£	£	£	£
Staff costs	-	1,687,708	48,312	-	-	519,262	2,255,282	2,487,210
Promotion and publicity	68,304	-	-	-	-	-	68,304	46,331
Premises costs	-	796,058	35,401	-	-	222,626	1,054,085	736,040
Purchases for resale	-	170,046	56,866	-	-	-	226,912	50,882
Office administration costs	-	184,906	25,352	-	-	446,798	657,056	413,855
Audit and accountancy	-	-	-	-	8,814	-	8,814	11,450
Legal and professional	-	-	-	-	-	18,151	18,151	9,677
	<u>68,304</u>	<u>2,838,718</u>	<u>165,931</u>	<u>-</u>	<u>8,814</u>	<u>1,206,837</u>	<u>4,288,604</u>	<u>3,755,385</u>
Support costs	12,068	1,086,155	96,546	12,068	-	(1,206,837)	-	-
Governance costs	88	7,933	705	88	(8,814)	-	-	-
Total expenditure 2022	<u>80,460</u>	<u>3,932,806</u>	<u>263,182</u>	<u>12,156</u>	<u>-</u>	<u>-</u>	<u>4,288,604</u>	
Total expenditure 2021	<u>56,421</u>	<u>3,568,350</u>	<u>120,524</u>	<u>10,090</u>	<u>-</u>	<u>-</u>		<u>3,755,385</u>

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

8. NET INCOME/(EXPENDITURE)

Net income / (expenditure) is stated after charging/(crediting):

	31.03.22	31.03.21
	£	£
Depreciation	226,291	246,807
Interest payable	989	3,876
Operating lease rentals	5,519	2,312
Auditors' remuneration		
- Audit fee (parent)	8,314	7,718
- Other services (parent)	500	3,732
- Audit fee (subsidiary)	3,592	2,995
- Other services	<u>250</u>	<u>1,001</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

Trustees only receive remuneration in respect of the services they provide undertaking the roles of staff and not in respect of their services as Trustees. The value of Trustees' remuneration was as follows:

No charity trustee received payment in the year for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses

There were no payments or reimbursements of travel and subsistence costs paid in the year ended 2022 or 2021.

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

10. STAFF COSTS

	31.03.22	31.03.21
	£	£
Wages and salaries	2,018,072	1,799,670
Social security costs	130,103	102,950
Employer's contribution to defined contribution pension schemes	144,476	32,527
Employer's contribution to defined benefit pension schemes	98,000	680,000
Operating cost of defined benefit pension schemes	25,000	33,000
	<u>2,415,651</u>	<u>2,648,147</u>

The average monthly number of employees during the year was as follows:

	31.03.22	31.03.21
Leisure centres	130	134
Civic hall	2	7
Other trading activities	5	5
SMT	4	3
Support	6	7
	<u>147</u>	<u>155</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.03.22	31.03.21
£60,001 - £70,000	3	-
£70,001 - £80,000	1	-
£80,001 - £90,000	-	-
£90,001 - £100,000	-	-
£100,000 - £110,000	-	-
£110,000 - £120,000	-	-
	<u>4</u>	<u>-</u>

The total employee benefits including pension contributions of the key management personnel was £303,210 (2021: £193,211).

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

11. TANGIBLE FIXED ASSETS

The Group	Improvements to leasehold property £	Plant and machinery £	Totals £
COST			
At 1 April 2021	4,698,030	988,280	5,686,310
Additions	86,523	-	86,523
Disposals	(4,550)	-	(4,550)
At 31 March 2022	<u>4,780,003</u>	<u>988,280</u>	<u>5,768,283</u>
DEPRECIATION			
At 1 April 2021	2,563,561	879,954	3,443,515
Charge for year	174,608	51,683	226,291
Disposal	(4,550)	-	(4,550)
At 31 March 2022	<u>2,733,619</u>	<u>931,637</u>	<u>3,665,256</u>
NET BOOK VALUE			
At 31 March 2022	<u>2,046,384</u>	<u>56,643</u>	<u>2,103,027</u>
At 31 March 2021	<u>2,134,469</u>	<u>108,326</u>	<u>2,242,797</u>

Fixed assets, included in the above, which are held under hire purchase contracts or finance leases are as follows:

The Group	Plant and machinery £
COST	
At 1 April 2021	272,311
Additions	-
Transfer to ownership	(83,291)
At 31 March 2022	<u>189,020</u>
DEPRECIATION	
At 1 April 2021	163,985
Charge for year	51,683
Transfer to ownership	(83,291)
At 31 March 2022	<u>132,377</u>
NET BOOK VALUE	
At 31 March 2022	<u>56,643</u>
At 31 March 2021	<u>108,326</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

11. TANGIBLE FIXED ASSETS – continued

The Charitable Company	Improvements to leasehold property £	Plant and Machinery £	Totals £
COST			
At 1 April 2021	4,547,363	860,189	5,407,552
Additions	86,523	-	86,523
Disposals	-	-	-
At 31 March 2022	<u>4,633,886</u>	<u>860,189</u>	<u>5,494,075</u>
DEPRECIATION			
At 1 April 2021	2,430,485	768,974	3,199,459
Charge for year	171,163	45,958	217,121
Disposals	-	-	-
At 31 March 2022	<u>2,601,648</u>	<u>814,932</u>	<u>3,416,580</u>
NET BOOK VALUE			
At 31 March 2022	<u>2,032,238</u>	<u>45,257</u>	<u>2,077,495</u>
At 31 March 2021	<u>2,116,879</u>	<u>91,216</u>	<u>2,208,095</u>

Fixed assets, included in the above, which are held under hire purchase contracts or finance leases are as follows:

The Charitable Company	Plant and machinery £
COST	
At 1 April 2021	246,614
Additions	-
Transfer to ownership	<u>(83,291)</u>
At 31 March 2022	<u>163,323</u>
DEPRECIATION	
At 1 April 2021	155,399
Charge for year	45,958
Transfer to ownership	<u>(83,291)</u>
At 31 March 2022	<u>118,066</u>
NET BOOK VALUE	
At 31 March 2022	<u>45,257</u>
At 31 March 2021	<u>91,216</u>

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

12. FIXED ASSET INVESTMENTS – continued

The Charitable Company

	Shares in group undertakings £	Totals £
COST		
At 1 April 2021	10,000	10,000
Disposals	<u>-</u>	<u>-</u>
At 31 March 2022	<u>10,000</u>	<u>10,000</u>
AMORTISATION		
At 1 April 2021	-	-
Eliminated on disposal	<u>-</u>	<u>-</u>
At 31 March 2022	<u>-</u>	<u>-</u>
NET BOOK VALUE		
At 31 March 2022	<u>10,000</u>	<u>10,000</u>
At 31 March 2021	<u>10,000</u>	<u>10,000</u>

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2022

12. FIXED ASSET INVESTMENTS – continued

The company's investments at the balance sheet date in the share capital of companies include the following:

Subsidiary

TCL Trading Limited

Nature of business: Golf shop, bar, catering, maintenance services

	%
Class of share:	holding
Ordinary share capital	100

The charitable company owns the whole of the issued shares of TCL Trading Limited, a company registered in England which became operable from 1 October 2003. The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line bases in the statement of financial activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

	31.03.22	31.03.21
	£	£
Turnover	379,646	225,027
Cost of sales	<u>(84,633)</u>	<u>(73,417)</u>
Gross profit	295,013	151,610
Administrative expenses	<u>(222,310)</u>	<u>(160,419)</u>
Operating profit / (loss)	72,703	(8,809)
Other income	-	-
Interest payable	<u>-</u>	<u>-</u>
Profit / (loss) on ordinary activities	72,703	(8,809)
Deed of covenant to parent undertaking	<u>(72,703)</u>	<u>-</u>
Profit / (loss) for the financial year	<u><u>-</u></u>	<u><u>(8,809)</u></u>

The aggregate of the assets, liabilities and funds was:

Assets	135,986	58,340
Liabilities	(123,919)	(46,273)
Share Capital	<u>(10,000)</u>	<u>(10,000)</u>
Funds	2,067	2,067

13. PARENT CHARITABLE COMPANY

The parent charitable company's gross income and the results for the year are disclosed as follows:

	31.03.22	31.03.21
	£	£
Gross income	4,451,348	2,607,531
Net result for the year	<u><u>970,875</u></u>	<u><u>(1,818,663)</u></u>

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

14. STOCKS

	The group		The charitable company	
	31.03.22	31.03.21	31.03.22	31.03.21
	£	£	£	£
Stocks	<u>54,559</u>	<u>41,371</u>	<u>49,839</u>	<u>36,322</u>

15. DEBTORS

	The group		The charitable company	
	31.03.22	31.03.21	31.03.22	31.03.21
	£	£	£	£
<i>Amounts falling due within one year:</i>				
Other debtors	47,671	95,144	47,200	95,144
Amounts due from other group members	-	-	88,328	-
Prepayments and accrued income	39,833	637,625	39,558	636,639
Taxation	-	2,078	-	-
	<u>87,504</u>	<u>734,847</u>	<u>175,086</u>	<u>731,783</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	The group		The charitable company	
	31.03.22	31.03.21	31.03.22	31.03.21
	£	£	£	£
Trade creditors	258,801	270,382	258,511	260,667
Loans	119,007	36,723	119,007	36,723
Accruals and deferred income	287,536	372,758	266,744	355,173
VAT payable	8,531	-	9,628	5,279
Lease liability	38,974	48,434	32,644	42,362
Social Security and other taxes	66,054	58,130	66,054	58,130
Other creditors	20,885	114,963	20,385	112,699
Amounts due to other group members	-	-	-	6,100
	<u>799,788</u>	<u>901,390</u>	<u>772,973</u>	<u>877,133</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	The group		The charitable company	
	31.03.21	31.03.21	31.03.22	31.03.21
	£	£	£	£
Lease liabilities due 2 – 5 years	22,617	63,629	16,750	52,992
Loan liabilities due 2 – 5 years	387,271	506,277	387,271	506,277
	<u>409,888</u>	<u>569,906</u>	<u>404,021</u>	<u>559,269</u>

The charity have a charge with National Westminster Bank PLC which is secured on the charity's assets and commenced in June 2002. The charge is specifically for the Direct Debit membership collections, in the eventuality members request money back.

The charity also have a second charge in respect of a loan with Social Investment Business FM Limited which is secured on the charity's assets and commenced in March 2021. The loan is repayable over 5 years in instalments. Interest is chargeable at 9% in year 1, and 7% in subsequent years.

18. OPERATING LEASE COMMITMENTS

The group's minimum lease payments under non-cancellable operating leases fall due as follows:

Equipment	31.03.22	31.03.21
	£	£
Within one year	3,241	4,663
Between one and five years	<u>1,573</u>	<u>2,625</u>
	<u>4,814</u>	<u>7,288</u>

The charitable company's minimum lease payments under non-cancellable operating leases fall due as follows:

Equipment	31.03.22	31.03.21
	£	£
Within one year	2,311	3,733
Between one and five years	<u>1,573</u>	<u>2,595</u>
	<u>3,884</u>	<u>6,328</u>

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	31.03.22 Total funds £	31.03.21 Total funds £
Fixed assets	2,103,027	-	2,103,027	2,242,797
Investments	160,000	-	160,000	-
Current assets	1,135,259	3,498	1,138,757	1,382,733
Current liabilities	(773,199)	-	(773,199)	(901,390)
Long term liabilities	(436,477)	-	(436,477)	(569,906)
Pension asset / (liability)	(132,000)	-	(132,000)	(1,065,000)
	<u>2,056,610</u>	<u>3,498</u>	<u>2,060,108</u>	<u>1,089,234</u>

Analysis of net assets between funds – previous year

	Unrestricted funds £	Restricted funds £	31.03.21 Total funds £	31.03.20 Total funds £
Fixed assets	2,242,797	-	2,242,797	2,496,502
Investments	-	-	-	89,063
Current assets	821,863	560,870	1,382,733	850,902
Current liabilities	(901,390)	-	(901,390)	(528,464)
Long term liabilities	(569,906)	-	(569,906)	(113,295)
Pension asset / (liability)	(1,065,000)	-	(1,065,000)	122,000
	<u>528,364</u>	<u>560,870</u>	<u>1,089,234</u>	<u>2,916,708</u>

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

20. MOVEMENT IN FUNDS

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers and gains £	At the end of the year £
Restricted funds:					
Leisure Centre	560,870	477,614	(966,525)	(68,461)	3,498
Total restricted funds	560,870	477,614	(966,525)	(68,461)	3,498
Unrestricted funds:					
Designated funds	-	-	-	-	-
General funds of TCL	1,591,295	4,048,031	(3,356,079)	(96,705)	2,186,542
General funds of TCL Trading	2,068	131,777	(296,943)	165,166	2,068
Total general funds	1,593,363	4,179,808	(3,653,022)	68,461	2,188,610
Pension fund	(1,065,000)	-	(123,000)	1,056,000	(132,000)
Total unrestricted funds	528,363	4,179,808	(3,776,022)	1,124,461	2,056,610
Total funds including pension fund	1,089,233	4,657,422	(4,742,547)	1,056,000	2,060,108

Purposes of designated funds

The pension fund covers the actuarial valuation of the pension scheme

Movement in Funds – Previous year

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers and gains £	At the end of the year £
Restricted funds:					
Leisure Centre	-	1,607,629	(1,046,759)	-	560,870
Total restricted funds	-	1,607,629	(1,046,759)	-	560,870
Unrestricted funds:					
Designated funds	-	-	-	-	-
General funds of TCL	2,783,832	885,089	(2,077,626)	-	1,591,295
General funds of TCL Trading	10,876	225,027	(233,835)	-	2,068
Total general funds	2,794,708	1,110,116	(2,311,461)	-	1,593,363
Pension fund	122,000	-	(631,000)	(556,000)	(1,065,000)
Total unrestricted funds	2,916,708	1,110,116	(2,942,461)	(556,000)	528,363
Total funds including pension fund	2,916,708	2,717,745	(3,989,220)	(556,000)	1,089,233

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

20. MOVEMENT IN FUNDS – continued

Transfer of funds

A transfer of £68,461 has been made from restricted to unrestricted funds for the reallocation of assets purchased via restricted funds which are being used in the unrestricted element of the trade.

Purposes of restricted funds

Restricted funds of £3,498 have been carried forward this year. This balance relates to £3,498 CEDF funding via Thurrock Council.

Purposes of designated funds

The pension fund covers the actuarial valuation of the pension scheme.

21. EMPLOYEE BENEFIT OBLIGATIONS

Employees of Thurrock Community Leisure are admitted to the Essex County Council Pension Fund, a defined benefit scheme which is administered by Essex County Council under the regulations governing the Local Government Pension Scheme. The deficit on the pension scheme does not represent a liability that will crystallise at any single point in time. The calculation can also be very sensitive to the actuarial assumptions used in valuing the scheme. The figures disclosed below have been derived by approximate methods from the last full actuarial valuation of the fund carried out by Mercer Human Resource Consulting Ltd as at 31 March 2016.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	31.03.22	31.03.21
	£	£
Present value of funded obligations	(8,758,000)	(9,084,000)
Fair value of plan assets	<u>8,626,000</u>	<u>8,019,000</u>
	<u>(132,000)</u>	<u>(1,065,000)</u>
Surplus / (Deficit)	<u>(132,000)</u>	<u>(1,065,000)</u>
Asset / (Liability)	<u>(132,000)</u>	<u>(1,065,000)</u>

The amounts recognised in the statement of financial activities are as follows:

	Defined benefit pension plans	
	31.03.22	31.03.21
	£	£
Current service cost	195,000	706,000
Net interest from net defined benefit asset/liability	<u>21,000</u>	<u>5,000</u>
	<u>4,000</u>	<u>3,000</u>
Actual return on plan assets	<u>220,000</u>	<u>714,000</u>

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

21. EMPLOYEE BENEFIT OBLIGATIONS – continued

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31.03.22	31.03.21
	£	£
Opening defined benefit obligation	9,084,000	3,751,000
Current service cost	195,000	109,000
Past service cost	-	-
Contributions by scheme participants	30,000	25,000
Interest cost	184,000	142,000
Liabilities assumed (extinguished) on settlements	-	3,130,000
Actuarial losses/(gains)	(466,000)	2,056,000
Change in demographic assumptions	-	(75,000)
Benefits paid	<u>(269,000)</u>	<u>(54,000)</u>
	<u>8,758,000</u>	<u>9,084,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31.03.22	31.03.21
	£	£
Opening fair value of scheme assets	8,019,000	3,873,000
Interest on assets	163,000	137,000
Administration expenses	(4,000)	(3,000)
Contributions by employer	97,000	83,000
Contributions by scheme participants	30,000	25,000
Expected return	590,000	1,425,000
Settlement prices received (paid)	-	2,533,000
Benefits paid	<u>(269,000)</u>	<u>(54,000)</u>
	<u>8,626,000</u>	<u>8,019,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	31.03.22	31.03.21
	£	£
Actuarial (gains)/losses from changes in demographic assumptions	-	(75,000)
Actuarial gains/(losses)	<u>(466,000)</u>	<u>(2,056,000)</u>
	<u>(466,000)</u>	<u>(2,131,000)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

21. EMPLOYEE BENEFIT OBLIGATIONS – continued

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	31.03.22	31.03.21
Equities	60%	63%
Gilts	2%	3%
Other bonds	4%	5%
Property	8%	7%
Cash	3%	3%
Other managed funds	12%	8%
Alternative assets	10%	11%
 Asset breakdown	 31.03.22	 31.03.21
	£000s	£000s
Equities	5,179	5,073
Gilts	206	204
Other bonds	378	390
Property	707	565
Cash	219	202
Other managed funds	1,066	663
Alternative assets	871	922
	8,626	8,019

Projected employer contributions for the year ending 31 March 2023 are £99,000.

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	31.3.22	31.3.21
Discount rate	2.60%	2.05%
Future salary increases	2.00%	2.00%
Future pension increases	3.15%	2.80%

The following table sets out the impact of a small change in the discount rates on the defined benefit obligation and projected service cost along with a +/- 1 year age rating adjustment to the mortality assumption:

	£	£	£
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	8,550,000	8,758,000	8,971,000
Projected service cost	180,000	186,000	193,000
	+0.1%	0.0%	-0.1%
Adjustment to long term salary increase			
Present value of total obligation	8,772,000	8,758,000	8,744,000
Projected service cost	186,000	186,000	186,000
	+0.1%	0.0%	-0.1%
Adjustment to pension increases and deferred revaluation			
Present value of total obligation	8,956,000	8,758,000	8,565,000
Projected service cost	192,000	186,000	180,000
Adjustment to life expectancy assumptions	+1 year	None	-1 year
Present value of total obligation	9,112,000	8,758,000	8,418,000
Projected service cost	194,000	186,000	179,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

22. ULTIMATE PARENT COMPANY

The ultimate parent company as at 31 March 2022 is Thurrock Community Leisure Limited, company registration number 03782811. The parent exercised control through its right to appoint or remove a majority of the board of trustees of the charitable company.

23. RELATED PARTY TRANSACTIONS

Thurrock Community Leisure Limited (TCL) owns 100% shares of TCL Trading Ltd (TCLT). During the year following transactions occurred between the group companies:

TCLT:

During the year, TCL paid commission of £30,077 (2021: £19,924) and management charges of £217,792 (2021: £94,889) to TCLT for management of the golf club and shop. TCL charged a management fee of £10,000 to TCLT (2021: £Nil).

TCLT gift aided £72,703 (2021: £Nil) to TCL.

At the year end, TCLT owed £88,328 (2021: £6,100 were owed by TCL) to TCL.

Trustees' remuneration and expenses are disclosed in note 9.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

24. LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

THURROCK COMMUNITY LEISURE LIMITED

England & Wales - Charity number 1080186

Accounts

REGISTERED COMPANY NUMBER: 03782811 (England and Wales)
REGISTERED CHARITY NUMBER: 1080186

REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 MARCH 2021
FOR
THURROCK COMMUNITY LEISURE LIMITED GROUP

McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Bank Chambers
1 Central Avenue
Sittingbourne
Kent
ME10 4AE

THURROCK COMMUNITY LEISURE LIMITED GROUP

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 19
Report of the Independent Auditors	20 to 22
Consolidated Statement of Financial Activities	23
Balance Sheet	24
Consolidated Cash Flow Statement	25
Notes to the Consolidated Cash Flow Statement	26
Notes to The Consolidated Financial Statements	27 to 49

THURROCK COMMUNITY LEISURE LIMITED GROUP

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES	Chris Seamark Tunde Ojetola Wayne Warner (Chair) Garry Hague Barry Norrington Kameel Mohammed Juan Rangel Dr James Watson Jatinder Nahal	Resigned 22/09/2020 Appointed 17/12/2020
COMPANY SECRETARY	J N Tatchell Kay Volk	Resigned 28/09/2020 Appointed 28/09/2020
REGISTERED OFFICE AND OPERATIONAL ADDRESS	Blackshots Leisure Centre Blackshots Lane GRAYS Essex RM16 2JU	
TRADING AS	Impulse Leisure	
REGISTERED COMPANY NUMBER	03782811 (England and Wales)	
REGISTERED CHARITY NUMBER	1080186	
AUDITORS	McCabe Ford Williams Statutory Auditors and Chartered Accountants Bank Chambers 1 Central Avenue Sittingbourne Kent ME10 4AE	
BANKERS	National Westminster Bank PLC 17 High Street Grays Essex RM17 6NP	
SOLICITORS	Winckworth Sherwood Minerva House, 5 Montague Close LONDON, SE1 9BB	

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2021**

The trustees who are also directors of the group and charity for the purposes of the Companies Act 2006, present their report with the financial statements of the group and charity for the year ended 31 March 2021. The trustees have adopted the provisions of 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). Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

OBJECTIVES AND ACTIVITIES

Purposes and aims

The objectives of Thurrock Community Leisure (TCL), as set out in its memorandum of association, are to run leisure facilities and services primarily for the benefit of the general public. TCL operates in a manner that does not discriminate against any person by virtue of their age, colour, race, nationality, ethnic or national origin, religion/belief, unrelated criminal convictions, gender, gender re-assignment, sexual orientation, marital status / civil partnership, or socio-economic status.

During 2020/21 TCL reviewed its strategy to reflect the effects of the Covid-19 pandemic, the pursuit of its mission was never more important to the community needs. The mission is 'Creating active & healthy communities'.

TCL's priorities include -

- Instilling pride in communities through training, education, improving the quality of life, youth engagement and increasing opportunities
- Contributing towards achieving safer communities
- Developing prosperous communities through the attraction of inward investment
- Promoting inclusive and diverse communities
- Promoting community regeneration through environmental and cultural improvements
- Delivering healthier, more active communities.

In order to fulfil its objects TCL manages four leisure centres at Belhus Park (plus the Golf Course), Blackshots (plus the Civic Hall), The Gym Hub (Wickford) and Corringham. TCL trades under an Impulse Leisure brand. The main source of income is from the sale of, health and fitness (gym and exercise classes) membership, golf, swimming and swimming lessons, a varied programme of events and entertainment at the Civic Hall.

The facilities are managed to maximise financial efficiency and generate surplus wherever possible. When surpluses are generated, 100% of the surpluses are used to maintain, improve, and extend the facilities and services provided for the benefit of the local community. Service improvements are used to generate improved efficiency, increase income and to improve the health and wellbeing of the community.

In shaping objectives and planning activities, the trustees considered the Charity Commission's guidance on public benefit, including the guidance on fee charging. TCL relies on external programme funding, but mainly the income from fees and charges to cover its operating costs. In setting the level of fees, charges and concessions, the trustees give careful consideration to the accessibility of the services for those on low incomes and those from other disadvantaged groups. As a result, significant pricing discounts are available to concessionary groups. In addition, special programmes and sessions are planned and delivered to help disadvantaged members of the community improve their health and wellbeing, through participating in relevant activities. Specific examples of work undertaken to target public benefit, sometimes at the expense of financial efficiency include employment of apprentices where possible, delivery of numerous health and mental wellbeing improvement programmes (often in partnership with others), offering free taster sessions, attending community events and provision of memberships to community groups working with disadvantaged communities.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2021**

STRATEGIC REPORT

Achievement and performance

Due to the restrictions and closures caused by the Covid-19 pandemic, income has been severely affected with an overall reduction of 82% against budget. This would have been even worse less the Government support grants, which were very limited for Leisure Trusts to apply.

However, costs have been equally controlled to a minimum and still operate the business. The overall running costs were reduced to just 28% of the budget whilst Central management costs were reduced by 52% of the budgeted amount.

Total attendance levels are not comparable to any year due to government capacity restrictions and general customer confidence levels which on the whole have been very positive at each stage of reopening. The inability to host large events or group sessions at any one time has also hindered our ability to increase attendances this year.

Swimming lessons (1-swim) numbers were maintained or frozen for most of the year despite the disruption outlined above. However, restrictions and low levels of qualified staff has prevented some classes restarting which has had a detriment to our overall swim lesson pupils.

Management and staff continued to do terrific work to maintain the service during the impact of Covid-19 which began in March 20 and has been ongoing, with membership income doing well at this time. Since the facilities closed a small team of management and admin staff have been working at home to preserve the business continuity, facility maintenance and security to ensure as far as reasonably practicable the services were up and running quickly once allowed to reopen.

The Government allowed leisure centres to reopen on 25th July 2020. TCL opened a week later with a reduced service at this point with all sites offering limited capacity (social distancing) gym and group exercise classes only. This was with a view to maximise income with minimal cost. In October, the main pools at all sites were opened again with restricted capacities and opening times. Initial signs of recovery exceeded the UK Active recovery modelling which was reassuring. However, further tier restrictions, followed by another National Lockdown prohibited this recovery. The National Lockdown lasted until 29th March 2021 for outdoor activities and 12th April 2021 for indoor except group exercise classes which remained closed. The catering facilities and functions had limited opening due to the restrictions.

TCL continued to improve and extend the services provided. In addition to normal essential planned and preventative maintenance there has been several refurbishment and upgrade projects and general service improvements most notably –

Blackshots and Clivic Hall

- Introduction of Covid safety measures including signage, sanitisation stations, online bookings, online classes, and protection screens.
- Thurrock Council completed boiler replacement, asbestos removal, and gas works improvements.
- Village changing floor tiles were regouted and deep cleaned
- Refurbishment of the turnstile entry points.

Belhus Park

- Introduction of Covid safety measures including signage, sanitisation stations, online bookings, online classes, and protection screens.
- Significant tree surgery has continued.
- £4,465 investment from TCL with £44,650 of external funding from a landfill tax company has been secured to enhance the changing, disabled and toilet facilities at Capability Brown.
- Automatic drowning detection (Poseidon) has been installed at Belhus Park.
- Redecoration of the Golf Clubhouse Boardroom into an extension of the onsite Nursery
- Creation of a new Golf Club Boardroom inside the Capability Brown Bar

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2021**

STRATEGIC REPORT - continued

Achievement and performance – continued

Corringham

- Introduction of Covid safety measures including signage, sanitisation stations, online bookings, online classes, and protection screens.
- Refurbishment of the both the male and female dry side showers.

The Gym Hub

- Introduction of Covid safety measures including signage, sanitisation stations, online bookings, online classes, and protection screens

General

- Cyber Essentials registration was maintained.
- New connectivity solutions through a new provider were installed across all sites. This work has reduced costs whilst maintaining speed, service stability and security.
- Work to replace the main file server which was based in Manchester to our cloud-based SharePoint and One drive platform has reduced cost, improved functionality and flexibility.
- Work to comply with HMRC demands to 'Making Tax Digital' is ongoing, an extension to the deadline due to Covid and the delays in obtaining a new VAT registration has been requested. More detailed work is ongoing to meet the increasing technological demands, which require tax coding on expenditure and income to be correct at source and digitally sent to HMRC without manual completion of data.
- Extensive customer and staff communications have maintained a constant level of support and free flowing information during lockdowns and reopening.
- Branded, targeted, and themed campaigns have been used across all marketing collateral and socials continuing the promotion of our unique selling points, differentiating TCL from the increasing competition at key reopening points throughout the year.
- The track and trace and capacity restrictions has required all activities to be booked in advance including customer details. We therefore introduced a new activity registration scheme for all non-members, which in addition to the track and trace gave them access to our App for bookings. The Impulse Leisure App which has had over 27,000 downloads enabling customers to easily book and pay for activities conveniently online as well as access other important tools including their Mywellness portal, swimming lesson portal, Mental Health advice, Online classes, @home activities and workouts as well as general updates on the services as guidance changed.

The above improvements demonstrate TCL's commitment to continuous improvement despite forced closures and limited reserves. These improvements make the facilities and services more attractive to new customers and obviously increase the value for money existing customers receive. Increasing value for money and more attractive facilities improve the likelihood that more of the community will seek to improve their health and wellbeing by using the services. As such TCL succeeds in its mission of 'Creating Active & Healthy Communities'.

With the work recently completed at the facilities, we are very proud that TCL has now been able to reinvest more than £10m in leasehold improvements and services (this figure excludes the significant investment in gym equipment replacements), all of which have been a great advantage to improving the accessibility and appeal for the community to live a healthy lifestyle. This demonstration of continued reinvestment highlights the tangible benefit for all by operating the 'charity model' to deliver local leisure services. Alternative solutions or service delivery models are unlikely to be able to reinvest these kind of sums, as there would have been potentially other priorities for the money, i.e., shareholder/owner profit, other council services (general fund), or investment in facilities outside of the Borough.

In addition, all services provided by TCL are available to all, including spectators, casual pay and play users as well as members. All prices remain competitive and reflect the community needs. We also offer significant concessions to those most in need, including heavily discounted or free membership, with at least 50% discount on most activity prices.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2021**

STRATEGIC REPORT

Achievement and performance – continued

All the facilities operate quality management systems to ensure the level of service provision is delivered consistently. Our systems are normally externally audited and endorsed by the leisure industry quality standard (QUEST). The sites have had their reassessment dates extended due to Covid-19 whilst still maintaining QUEST registration in the Very Good (Belhus Park and Corringham) and Good (Blackshots) categories following maintenance and unannounced visits and or full 2-day audits. The Gym Hub in Wickford only has a 1-day assessment and is registered with QUEST.

Customer safety is our primary objective and one we take very seriously; this year saw the final installation of the Poseidon drowning detection system at Belhus Park. This completes our goal to make every deep-water pool in TCL among the safest pools in the Country with every main pool covered by these fail-safe systems.

Due to the number of closures, we have not run our usual Customer Satisfaction surveys. However, the customer support and feedback via social, direct feedback and support to our just giving page have been overwhelming. Our returning customer number have exceeded the UK active modelling on each reopening. On reflection we have seen significant positive comments on the new Covid safety measures put in place as well as the increased cleaning regimes and staff attitude and support. Sport England as part of the National Leisure Recovery funding conducted a customer satisfaction and customer confidence survey in April 21 which was collated and benchmarked across the country.

TCL continued to operate several successful health programmes where restrictions have allowed this year.

At present TCL are contracted to receive funding from Thurrock Council regarding health referrals (approx. £76,500). This work includes some of the **Community Health and Wellbeing Improvement programmes** outlined below –

- **Exercise On Referral (EOR)**

This Public Health commissioned project has been hindered this year by the Pandemic, but we managed to run throughout the last quarter receiving fantastic feedback from those who attended. The project covers a range of both preventative health interventions and rehabilitation for those suffering from long term health conditions. The health conditions included, Cancer, Parkinson's, Stroke, Muscular Skeletal, Coronary Obstructive Pulmonary Disorder (COPD), Cardiac rehab, Diabetes, Obesity with Co morbidity, Mental Health and Wellbeing. Referees were from multiple partners including the NHS and GP's using the Council's Healthy Lifestyles service as well as Social Prescribers.

Over 110 people were still referred during the limited opening to a twelve-week monitored and supervised physical activity and advice programme.

- **Tackling Holiday Hunger Provision**

This year has seen the introduction of the 'Grub Club' tackling holiday hunger and inactivity. This multi-agency project targeted families that would normally receive support via free school meals. The project consists of 1hr of physical activity followed by a healthy nutritious lunch during school holidays. Due to the pandemic the partners created a revamped approach bringing more partners and agencies together to provide donated food parcels, activity booklets, recipes as well as online activities and access to a local Chef. We hosted and physically delivered many of the parcels to these families that had transport issues or were shielding. We would like to thank all the partners involved in this co-ordinated project helping over 100 families in Thurrock. Any food parcels unallocated were donated to the homeless shelters, women's refuge, and children in transition out of care.

- **Cancer Pre/Rehab pilot**

The lockdown created an appetite for creative solutions to delivering health projects whilst patients remain at home shielding or self-isolating. Using the advancements in digital communications we created a pilot programme to deliver virtual prehab classes using our qualified delivery team to provide interactive movement classes direct to patients' homes across the whole of Mid and South Essex. These classes are aimed to improve their physical and mental capabilities in preparation of forthcoming treatments. This future pilot will run for a 3-month period with every diagnosed

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2021**

STRATEGIC REPORT

Achievement and performance – continued

Cancer patient being referred to the scheme for either prehab or rehabilitation. Together with the expertise of our instructor team we are also using the technology from MY Zone that monitors the heart rate of the participant and enable the instructor to control the effort levels of the class in real time. This ground-breaking pilot is one of the first on the Country.

Most of the above programmes aim to increase physical activity levels, targeting health improvement in the community. This all fits perfectly with TCL's mission 'creating active and healthy communities'. The staff who deliver these schemes and programmes are often highly praised by the customers.

Sport England have released the results of their latest Active Lives survey which measures the percentage of adults (16+) meeting the Chief Medical Officers recommendations for undertaking recommended amounts of physical activity. The data shows that between mid-May 2019 and mid-May 2020, just over six in 10 adults (28.6m) achieved 150+ minutes of activity a week. Thurrock specific result in 51.1% of the population that equated to a reduction of 5.2% for the same period last year. The effects of Lockdowns clearly demonstrated the reduction in being physically active within the Borough. This decline is yet further demonstrated by the increase of total inactivity (Less than 30 Minutes a week) rising from 30.7% to 36.4% against the previous year.

The Thurrock Sports and Physical Activity Awards were postponed this year due to restrictions but plans for a 2021 award ceremony are hopeful.

Health and safety improvements continued throughout the year through the constant reviewing and developing of policy and procedures monitored by the Health and Safety Management Committee. Accident numbers for the year were minimal due to the reduced opening days with no major accidents or incidents to note. All accidents and incidents are still recorded via STITCH which also compares our average with the National rate.

At 45.8%, staff turnover has remained above the target of 20%. This is in part as a direct result of the pandemic. TCL during the months April through to December 2020, had to make a number of compulsory reductions to the workforce due to uncertainties around future funding and predicted closures, which subsequently, particularly around the operations of the Civic Hall, have proven to be the right course of action. Several voluntary resignations and retirements have been as a result of the pandemic, including those who have moved out of the area to be closer to family who live across the country.

Generally, high staff turnover leads to staff shortages, service disruption and continuity issues. The areas hardest hit has been lifeguards, fitness instructors, with a general shortage of instructors (swimming, fitness, and classes). The ongoing recruitment and training of new staff takes up considerable management time.

During the course of 2020/2021, 12 remaining learners and apprentices are approaching the end of their work-based learning programmes and will be retained in permanent employment, with a broad skill set covering the areas of lifeguarding, reception, fitness instruction, level 1 and level 2 swimming teaching, and improved and enhanced skills in the leisure duty management teams across all sites.

Our apprenticeship programme is delivered in partnership with an industry leading training provider (Creative Sports and Leisure (CSL)) forging great links with the Chartered Institute for the Management of Sport and Physical Activity (CIMSPA).

Thurrock Community Leisure is an Employer Partner of CIMSPA with a commitment to ensure relevant staff are members of the professional institute in future. Generally, duty manager level and above and the majority of fitness instructor teams have been enrolled as CIMSPA members. Staff have access to over 2000 hours of online training, suitable for undertaking the required CPD relevant to their membership category and an identified career pathway, showing how career progression can be pursued.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2021**

STRATEGIC REPORT

Achievement and performance – continued

Sickness absence, during the course of 2020/2021 is exceptionally low at 0.4%. The only absences recorded are those who were expected to be working (not furloughed). This unprecedented low absence rate is again contributable to the majority of employees being furloughed for the majority of the financial year during several months of mandatory closures. Of the 0.4% absence rate, 0.2% of these absences were covid-related, including any requirement to self-isolate in line with Government guidelines.

We continue with the Staff benefits platform at the specially discounted rates through Westfield Health for all employees with regular/contracted hours. The platform provides direct access to a GP, and a range of mental health and well-being support to employees. In addition, there are all-year-round benefits through discounts and promotions at high profile national retailers, restaurants, and other popular organisations

There has been continued progress on Thurrock Council's capital expenditure programme both on identified and urgent work and in compiling a list of ongoing work developed from work carried out by property consultants assessing the priorities. Thurrock Council undertook replacement of the boiler plant at Blackshots during the enforced Covid closures.

Thurrock Council this year launched both the Playing Pitch Strategy and the Leisure Facilities Strategy, the new Strategies launched in July 2020 will be supplemented by work undertaken by KKP consultancy who are providing Thurrock Council with a feasibility study on the replacement of Blackshots Leisure Centre and Civic Hall. This work was due to be completed by June 2021.

Financial review

The budget in 2020/21 was set and agreed by the Board of Trustees before the Covid-19 Pandemic and therefore reflects the anticipated growth in income against the 19/20 results. The budget included the anticipated introduction of the new Rochford Gym Hub which contributed to the forecasted increase in costs across a number of headings which resulted in the predicted year end loss of £324,059.

This unprecedented year endured three forced Lockdowns which resulted in zero income for these periods. The reactionary result of turning off the Direct Debits mid-month created a series of credits which significantly affected the first few months of reopening. In addition, consumer confidence was weakened, and many remained frozen after the reopening of each stage. This damaged our return rate but increased the potential to retaining these members until they were comfortable to return.

The Management team proactively sourced and applied for all available funding sources that the organisation was eligible for, with many of the applications being successful. This increased the level of income to assist in mitigating the fixed and unremovable costs.

During each lockdown, the marketing team created a series of donation campaigns through the Just Giving platform, where members could donate their membership fees or whatever they could afford to help the sustainability of their local Leisure Centre. We were delighted with the response, with a large number of members sending positive comments and donations. The financial impact from these contributions were extremely helpful but unfortunately not significant in the reality of ongoing costs.

The decision early in the year to not progress the Rochford Gym Hub project assisted in reducing anticipated the costs by removal of all set up costs and early operational losses.

The collapse of both Impulse Leisure Holdings and Adur Community Leisure resulted in:

- The loss of £365,552 loan and associated interest from Adur Community Leisure
- The solar investment income loss of £6,000 from Chanctonbury (ACL)
- £30,000 Head Office loss of rental income from Impulse Leisure

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2021**

STRATEGIC REPORT

Financial review - continued

The direct result of the Holding Company collapse did however, enable significant reductions in Central Management and Administration costs.

Due to the challenges outlined above, income was down on budget by £4,901,658 (81.6%). Despite the challenges both Golf and The Gym Hub generated a small surplus.

The effects of the Covid-19 Pandemic and subsequent closures meant income generation was very difficult, it has therefore been a year of damage limitation through funding support via Grants and Loans and reserves. Despite the successes in customer retention, Grant and loan applications and restructuring, an operational loss of £1,271,445.

These losses were managed by use of company reserves, tight management control on cash flow and support from Government, Social Investment Bank (SIB) loans and grants and use of the Coronavirus job retention scheme.

Since 20th March 2020 all the Centres were closed due to Covid-19. They reopened with a limited service on 25th July 2020 as described above. Whilst closed there was effectively zero income, whilst ongoing costs were incurred to maintain the sites' security and keep the business running. Although 95% of all staff were 'furloughed' using the Governments Corona virus Job Retention Scheme, the ongoing costs amounted to circa £100,000 per month. Reserves were reduced through this period. Applications for SIB loans and Grants were both successful. National Leisure Recovery Fund application had also been submitted in conjunction with Thurrock Council support. Additional grants by way of Local restriction support grant were received from both Thurrock and Basildon Councils.

The 5-year corporate plan will need to be reviewed to reflect the impact of Covid-19 on the Business. Increased control on cash flow will ensure business continuity.

The above financial outturn was also affected by the backdrop of fluctuating confidence in the UK economy, much of which stemmed from ongoing negotiations in Europe regarding Brexit. Significant negative effect is also being experienced since March 2020 from the UK's response to the Covid-19 virus. However, unemployment (possibly disguised by the Furlough Job Retention Scheme) and interest rates remain low. The Leisure Industry expects to lose at least 60%-70% of its Membership base before recovery is implemented.

Leisure Centres –

Disruptions to service due to lockdowns and forced capacity restrictions have affected attendance numbers in all areas of the business. Nevertheless, there has been a positive return rate following each reopening which has performed above industry averages. Golf attendances have also been positive reflecting the limited options for people to undertake a sporting activity during lockdowns.

Office and Cottage Rent –

Cottage rental was maintained as both properties were occupied throughout the year. Room hire income increased at Capability Brown due to the old café and Golf shop areas being used by long term hirers.

Golf Shop and Bar –

Again, due to the closures, income from the shop was down significantly on previous years, The reduced income was also coupled with additional expenditure related to grounds maintenance, including extensive tree remedial works and pest treatment. Due to the reduced service specification during the lockdown periods the Board agreed to revise the Service Level Agreement. This resulted in a small loss for TCLT.

Civic Hall –

The Civic Hall has been closed as an event venue for the whole year, except a few hirers which were exempt from the restrictions. This included hospital rehabilitation treatments delivered by Hospital Physiotherapists and a local movie production which used the Hall as welfare facilities for the cast and crew.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2021**

STRATEGIC REPORT

Financial review - continued

Expert advice has been retained with a view to improving the current position with TCL's admission into the Essex County Council (ECC) Local Government Pension Scheme (LGPS). Negotiations have been delayed with Thurrock Council and ECC regarding changes to TCL's Admission Agreement into the LGPS, with the aim of reducing risks associated with the existing scheme due to Covid-19.

Principal risks and uncertainties

The trustees and senior management undertake an annual risk assessment process and report on this to the full board. The overarching issue to the future, is the short and medium term impact of the Covid-19 virus and the resultant closure of all leisure centres across the UK including TCL's. Although there is business interruption insurance in place to cover incidences that might restrict access to a site (fire, flood, etc), this does not, so we are informed by insurance brokers, cover pandemics like Covid-19. As such there is a major financial impact from the ongoing closure. TCL maximised the use of its reserves to deal with the immediate financial crisis, awareness and successful applications for all support funds coupled with tight cash flow measures ensured a positive bank balance throughout the year.

The other main risks identified include building failures, the LGPS deficit including admission agreement issues (see above), health and safety, staff and Trustee shortages and increasing staff costs (see section below), ongoing economy uncertainty (Brexit) denting consumer confidence, local politics and increasing competition. Ongoing negotiations with Thurrock Council and our own improved maintenance and servicing contracts are used to ensure that buildings and or plant are less likely to fail in such a way as to cause service disruption. Business interruption insurance is also in place. The potential for major health and safety issues to arise is taken seriously and as such TCL have a comprehensive policy and manual covering health and safety, monitored at the highest level, with Trustee involvement at bi-monthly bespoke meetings and again at Board meetings. Staff are also involved in the risk assessment process and everyone in the organisation is aware of the health and safety mission of 'everyone safe every day'. Constant improvements to service and increasing value for money is the main strategy in use for dealing with competition. Marketing and promoting our unique selling points and differentiating our service from the competition has been an increased focus. Local politics have the potential to change, so developing good relationships with senior staff at Thurrock Council and working with them to add value to the whole range of council services raises the profile of TCL and its importance to the community. There has been a number of initiatives listed elsewhere regarding staff recruitment and retention.

The trustees are satisfied that adequate processes are in place to mitigate the key risks faced by the charity.

Funds

The group has returned a deficit of £1,271,475 (2020:£289,830). The accumulated reserves for the group amounted to £1,089,234 (2020:£2,916,708), including restricted funds of £560,870 (2020:£Nil) and unrestricted funds of £528,364 (2020:£2,916,708).

Reserves policy and going concern

The Reserves policy for TCL is formulated to ensure the continuation and improvement of its services, for the benefit of the community and as a safety net in the event of short-term income shortfall. The services are run from various centres, which need to be regularly maintained and updated to continue to provide excellent standards of service. Therefore, reserves required are allocated into two types –

Operational Reserves –

Are held to ensure TCL can meet expenditure commitments in the short term, whilst actions are put into place to overcome any income shortfall.

We have risk strategies, insurance and contingency plans in place, to mitigate risks. However, the pandemic proved that not all risks can be identified or insured against.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2021**

STRATEGIC REPORT

Reserves policy and going concern – continued

Prior to recent pandemic, the thought was that, as centres are all in different locations, it was unlikely that problems in one centre will have a direct impact on the remaining centres. Therefore, the centre with the largest income and expenditure (Blackshots) was used to calculate the reserves required to meet commitments for half a year. However, the Covid 19, showed that we need to have reserves in place to take into account all centres being closed at once, for a short period of time.

The global pandemic is most unusual of circumstances, and risk strategies cannot take into account every known and unknown eventuality. With the global pandemic, the government stepped in and provided resources such as furlough, lockdown and restart grants. During the period of lockdown, with all sites shut, the cost base was also reduced. The results of the past year showed TCL requirement to cover overheads whilst centres closed was £100k monthly, as government furlough support was available.

The reserves policy should therefore account for all expenditure, including staff costs previously supported by furlough scheme, as this may not be available in future.

The reserve policy for TCL should provide resilience to keep going till support is available and/or give time to put alternative action in place.

Therefore, TCL will continue to build up, the now depleted reserves to 3 months costs for all sites when closed, with a further £250k facility improvement or contingency cover.

The Reserves policy requires 3 months total costs for all centres when closed which is £756k based on 21/22 budget. With reserves now depleted as a result of the pandemic restriction closures, TCL need to build up free reserves to cover 3 month expenditure, based on all centres being closed. The aim would then be to try and increase this by another £250k over a period of 5 years.

We continue work to improve our main source of income i.e. membership by continuous monitoring and strengthening customer base and customer journey. TCL are also building on our online platform, in order to provide some level of service if future restrictions close sites.

The team continue to seek new opportunities, funding and income streams to help diversify income in order to facilitate improvements and take up opportunities to further our objectives.

Facility Improvement and unexpected opportunity reserve -

The day-to-day operational budget does not set aside any reserve for improvement, or major capital commitment. As such reserves are required to ensure funding is available to continually improve the service (property, equipment, and technology) in this very competitive industry, to enable compliance with ever-changing legislation and to take advantage of other unexpected opportunities that may arise during a year. Improvements to Blackshots changing rooms is a current example of using these reserves to update and improve efficiency/service.

To expand the services, we can offer to more beneficiaries, TCL may wish to acquire new business either through tender, acquisition or development of new premises and the proposed purchase and refurbishment of Rochford Gym Hub was a good example of this that unfortunately did not happen. This is made possible when reserves are in place to support the exploitation of such opportunities as they arise.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2021**

STRATEGIC REPORT

Facility Improvement and unexpected opportunity reserve - continued

Since reopening TCL has been working hard to get business and income back as quickly as possible, whilst remaining understanding and sympathetic to our client's readiness to return. Expenditure will continue to be closely monitored whilst income is rebuilt. TCL actively seek new opportunities, funding, and income streams to help diversify income in order to facilitate financial robustness and take up opportunities to further its objects.

The board of trustees has taken into account the ongoing uncertainty caused by Covid-19, the current reserves position, together with the existing financial performance, forecasts for the future, cash flow forecasts, the main risks facing the organisation and ongoing negotiations with Thurrock Council. Assuming customer behaviour is in line with expectations, and there aren't any further spikes in Covid-19 which result in enforced lockdowns, then it will meet its liabilities as they fall due. Accordingly, whilst drawing the reader's attention to the underlying uncertainties that the Covid-19 pandemic has caused, the trustees are confident that TCL will continue as a going concern.

Plans for the future

The immediate plans have to be to deal with the recovery of the business following the Covid-19 virus pandemic. Forecast Budgets are based on industry predictions, history, customer feedback and surveys and a deep understanding of the business. They were however reliant on remaining open which may not to be the case and reforecasting will be undertaken regularly to reflect the current position if this happens. The cash position has been recovered sufficiently to cope with short closures should they arise without Government support. The aim will be to maximise the income from the reopened facilities as soon as possible measuring this against where we would have expected income to be on a month-by-month basis. When income reaches a monthly target within the original budget TCL will be able to assume that it has recovered. How soon this occurs is difficult to answer as the Government's current roadmap continues to change. Whilst income is recovering expenditure will have to be closely controlled and monitored on a daily basis.

There has been a phased reopening of facilities and services and lifting of restrictions to enable compliance with ongoing needs for social distancing measures and enhanced cleaning regimes, whilst minimising costs but maximising income.

To keep as many customers engaged during this recovery phase with limited capacity, alternative digital (at home) membership options are being offered.

The Corporate Plan 2020/26 anticipated a deficit for 2020/21 of £128,000, due to the opening of a new Gym Hub during the year. However, at the time of the 2020/21 budget setting, due to the actual anticipated opening time of the new Gym Hub the losses were budgeted in the Annual Plan at £324,000. As mentioned above the new Gym Hub project has been cancelled, however the budgets do not reflect this decision.

The Annual Plan focuses on key recovery areas as well as continuation of the development strategies previously in place. With all major crisis comes opportunity and TCL are planning to consider each new option as it arises. The long-term uncertainty cannot be ignored and therefore the 5-year corporate plan will need to be reviewed in line with the current recovery progress.

TCL's positioning in the new post Covid-19 marketplace will need to be reassessed during 2021-22. Over recent years the increased competition has resulted in difficulty in achieving increased income and in turn improved surplus. This may well continue to be an issue, along with changing exercise habits brought about by the growth in digital offerings, which TCL need to compete with as outlined above.

It is envisaged that financial recovery (income) may take up to 12 months. At the same time, it is envisaged that increasing staffing costs due to NLW increases will continue. As such the budgets for 2021/22 will continue to ensure a tight ship approach to all costs and remain conservative in income growth. A second round of National Leisure Recovery Fund is being discussed by Industry Leaders and Government, which would be additional to any budgeted figures. Negotiations around a new modern contract/agreement with Thurrock Council will continue as part of the agreement to receive the first round of National Leisure Recovery Fund.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2021**

STRATEGIC REPORT

Plans for the future - continued

The ACL loan amounts have been written off due to their Creditors Voluntary Liquidation caused by Covid-19. ACL unfortunately entered into insolvency in July 2020 and as such TCL was not successful in recovering any of this loan following the sale and disposal of ACL's assets.

Although closures have been the major factor affecting income, the recovery of income and projections post Covid-19 have had to be tempered by the continued uncertain nature of the economy, mainly related to Covid and Brexit resulting in a lack of consumer confidence, increasing public sector austerity (arising from Covid-19) and the perceived inability to increase prices. Headline membership prices have largely been frozen at existing rates for the last 6 years.

In response to the difficulties in recruiting staff we will continue to use and attract Apprentices and train unskilled potential employees improving and extending the associated career development learning programmes to as many staff and local people as possible. This together with the CIMSPA membership and ongoing training will enable more staff to complete the requisite amount of CPD as well as relevant qualifications appropriate to their roles and future progression. This ensures more staff are undertaking relevant training to their career aspirations and the business need, which in turn should improve staff retention and customer service.

Community Health and Wellbeing

The more opportunity created for people to be physically active increases the positive impact TCL has on Thurrock's 'health and social issues'. Many of these issues have been proven to be improved by exercise. Indeed, Central Government and Public Health England (Physical Activity Framework – Everyone Active Everyday), supported by UK Active, have been consistently raising the profile of the benefits of physical activity, versus the associated costs of inactivity on the National Health Service (NHS). There are potential opportunities within the new NHS 10-year plan, some of which focusses on prevention of ill health, part of which includes physical activity in promoting physical and mental health. TCL will work with local health commissioners, social prescribers, and others to develop new programmes to improve community health. These programmes may also include social and cultural related activities. TCL will consider providing these services without the benefit of external support funding.

TCL operate several successful health programmes. In line with Government and Sport England Strategy on increasing physical activity levels, we will expand our programmes to deliver increased physical activity opportunities to more of the community including children and hard to reach groups.

At present TCL are contracted to receive funding from Thurrock Council regarding health referrals. Through work with Active Thurrock, we would hope to expand this work along with a number of other potential community health and wellbeing improvement schemes. As a minimum continue to successfully deliver the existing schemes outlined above.

TCL will continue to work with Thurrock Council to implement a GP referral scheme for general populations, in addition to the targeted programmes for those referees with existing health conditions. TCL will fund this programme and seek endorsement from Public Health, so that the scheme can be promoted to all local GPs. The aim would be to increase referrals and increase revenue from retaining referees as future members. At worst, the scheme would be cost neutral in future but would be an additional method of attracting member prospects from groups unlikely to react to our existing marketing, increase opportunities for doing physical activity in the medium term, and improve community health and wellbeing in line with our mission of creating *Active & Healthy Communities*.

TCL will work to establish some agreement about how the new Leisure Strategy will be integrated into decision making in future, including establishing our place as the operator of choice within that strategy. Bringing solutions and funding options to the table is a line being pursued at present. A costed option is being developed and presented to the Council during 2021.

Review and relaunch our concession schemes targeting to increase the reach into the target group of those on low incomes, increasing numbers by 20% over existing numbers noted at the end of March 2021.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2021**

STRATEGIC REPORT

Plans for the future - continued

Main facility related works will centre around the following improvements or investigations including –

Blackshots

Refurbishment of the wet changing area in conjunction with Thurrock Council

Belhus Park

- Work with Thurrock Council and others to deliver a 3G full size football pitch, and where possible including enhanced or new –
- Bar and catering facilities (Capability Brown)
- Changing provision
- Cricket facilities.
- Progress the 'sale' of unused land to fund some of the above

Civic Hall

- Kitchen Floor replacement costing
- Investigate disabled access provision to Green Rooms and stage.

Corringham

- Continue to prioritise the Pool Plant renewal with the Local Authority

General

- Develop remaining viable LED lighting schemes into a project and seek external funding contributions to the costs. If external funding achieved, implement the schemes.
- Making Tax Digital – continue work to ensure compliance

Customer satisfaction scores and QUEST will be maintained at all applicable sites. In addition, as an internationally recognised measure of customer satisfaction we will assess the costs of introducing a closed loop Net Promoter Score (NPS) system. If implemented in the introductory year we will set a benchmark score for each site which we will then set future targets for improvement from.

As part of the National Leisure Recovery Fund monthly reporting through the Active Communities platform will create benchmarking both locally and nationally. User surveys undertaken will also be benchmarked with industry averages. These results are naturally shared with the Local Authority to improve transparency and demonstrate our impact within the community.

Health and safety management will continue to be a priority, constantly reviewing and developing new policy and procedures making at least 10 safety improvements during the year.

The viability of local expansion, other smaller trusts and other business opportunities will continue to be assessed on a case-by-case basis. Through on-going networking and industry knowledge, TCL will continue to identify business opportunities, or other trusts or organisations that might benefit from collaborative working. In addition, TCL will continue to seek to expand operations in the Southeast keeping in contact with those businesses / authorities / organisations / schools that are changing the way they operate. This would benefit TCL as overhead costs would be reduced, as they are contributed to by additional group members.

TCL will continue to work on its swimming development action plan with a view to recovering lesson and swimming attendance and income back to March 2020 figures.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2021**

STRATEGIC REPORT **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Governing document

TCL is controlled by its governing document, a Memorandum and Articles of Association and is constituted as a limited company, limited by guarantee as defined by the Companies Act 2006. TCL is a registered charity.

Appointment of trustees

TCL is governed by a board of up to 11 trustees. The board of trustees (volunteers) are drawn from all sections of the local community. Once appointed, trustees act in their personal capacity in the best interests of TCL and do not act as representatives of the body that nominated them.

The board is made up of the following categories of trustees, which are fixed in the articles:

- Independent trustees x (up to) 8
- Local Authority elected trustees x 2
- Employee elected trustees x 1

Thurrock Council nominates two trustees to the board annually, although for continuity Thurrock Council has in the past proposed that the same councillors continue to be trustees of TCL whenever possible.

Should there be a need to attract new trustees to the board, then the membership of TCL can be consulted to put prospective trustees forward, in addition adverts are placed at the sites and in appropriate media including various websites.

The trustees appoint new members and trustees at board meetings and may appoint any person willing to be a trustee in seeking to provide a broad range of skills on the board.

All trustees will hold office for a maximum of three years before retiring. Upon retirement, the other trustees may re-appoint him/her or another person. At each Annual General Meeting (AGM), the greater of three and 33% of the longest serving trustees shall retire but may be re-appointed unless the vacancy is filled.

Each trustee guarantees to contribute an amount not exceeding £1 to the assets of TCL in the event of winding up. The total number of such guarantees at 31 March 2021 was 7 (2020 - 10).

The trustees have no beneficial interest in the TCL. As a charity, TCL is a non-profit distributing organisation. Therefore, members or trustees do not receive any dividend, as 100% of surpluses must be invested to pursue the charitable objectives of the company.

TCL is a community organisation working with Thurrock Council (TC) and other organisations, to provide leisure and cultural opportunities within the Thurrock area and its neighbourhood. TCL came into existence when Thurrock Council transferred leisure and cultural services to TCL on 10 January 2000.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Appointment of trustees – continued

The trustees have overall responsibility for the organisation and its efficient operation. However, as volunteers the trustees appoint a Managing Director (MD, Karl Hayes), to whom they delegate responsibility for undertaking the work that is required to ensure that the organisation is operated efficiently, and in accordance with its objects. The trustees have agreed a delegated authority framework, which sets out the responsibilities of the trustees and management. In addition, the trustees are aware that they have expert advice available to them from their auditors, legal advisors, bank and health and safety advisors. The trustees use the 'Charity Governance Code' as a framework to govern TCL in line with best practice principles.

The effects of Covid-19 on Adur Community Leisure a Group subsidiary resulted in insolvency, consequently this reduction in Holding company contributions resulted in the demise and insolvency of the Holding Company. TCL absorbed under a TUPE transfer the key personnel required to offer a reduced Central service to operate a smaller organisation. This significantly reduced the central service costs in line with the business need.

Trustee induction and training

The trustees have agreed a Governance Manual, which provides information about TCL, including its history, structure, governance, legal standing, agreements with related parties, procedures at meetings, shared contact information, information about being a trustee (Charity Commission) and other sources of information.

Once appointed new trustees are inducted by the Managing Director and Company Secretary using the governance manual as a guide. The updated manual is available to Trustees on an ongoing basis in an electronic format, using a shared protected file.

Occasionally training is provided to the trustees as a group, in the past this has included governance, risk analysis and financial responsibility training. In addition, individual trustees are encouraged to attend training provided by auditors and legal advisors on a range of subjects.

The trustees carry out 'spot checks' using internal control procedures and audits developed to cover the main financial and employment risks identified by the organisation. The trustees aim to carry out all of these checks on an annual basis.

Related parties and relationships with other organisations

During 2020/21 TCL was a subsidiary of the Group Parent Impulse Leisure (IL); IL being a non-profit-distributing-organisation. TCL bought its senior management, administration, finance, human resources, support, marketing and development function from IL and an Intra-Group Agreement governed this arrangement. TCL appointed two of its own trustees to be trustees of IL. Trustees of IL have no beneficial interest in the Group, TCL or TCL Trading Limited (TCLT).

TCL has a wholly owned subsidiary company known as TCLT. TCLT operates a golf shop, grounds maintenance function, bar, and catering operation at Belhus Park. Directors of TCLT are appointed by TCL. The directors have no beneficial interest in TCLT, the Group or TCL. All surpluses generated by TCLT are gift aided back to TCL and this arrangement is governed by a deed of covenant.

Another charitable subsidiary, Adur Community Leisure was part of the IL Group during 2019/20. ACL entered Creditors Voluntary Liquidation on 27th July 2020 and as such the intercompany agreement between ACL and IL was terminated on that date.

As a consequence of the ACL liquidation IL was not in position to continue to provide services to TCL and by agreement the intercompany agreement between IL and TCL was terminated on 31st July 2020. As a result, TCL is no longer part of the Impulse Leisure Group. Some IL staff transferred to TCL to provide direct management and support services for TCL.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Remuneration policy for key management personnel

TCL has a Remuneration Policy which is a Group policy. This policy is posted on the website no more than two clicks away from the home page.

Whilst TCL remuneration is generally competitive within the leisure industry, it does not compete on pay with other industries. Leisure remains a low pay industry.

TCL is committed to ensuring a proper balance between paid staff and others who work for it so that only the best people are recruited and retained.

When determining the salary for a post, TCL will collect information about comparable roles where possible, preferably within the Leisure sector. This information will be used to benchmark TCL salaries, normally aiming to set them at a level that appears to represent the market / local area. TCL will also seek advice from peers within other organisations where they employ people in similar roles. To this end TCL benchmark with other southeast leisure centre operators (SELCO) and Community Leisure UK (CLUK) the sport and recreation trust association. CLUK represent charitable organisations who provide leisure and cultural services.

All posts meet the minimum requirements in respect of the National Minimum Wage, which is reviewed and amended where required in April each year. All employees (except apprentices) working for TCL will be paid above the National Living Wage (NLW) of £8.72 with effect from 1st April 2020, this is regardless of age. This action is designed to help improve, the current poor staff turnover, recruitment, and retention.

Salaries for the majority of posts will comprise a band made up of a series of salary points. Other posts have a flat rate salary. All salaries are openly stated in job adverts.

Post-holders can progress up to the next salary point within their band around the beginning of each new financial year, subject to having received a satisfactory annual appraisal (Development and Review Time (DART) and performance assessment) and having achieved their key performance indicators for the year. Following the annual appraisal (DART), an employee's manager will make a recommendation to the Managing Director as to whether a progression up to the next band has been merited.

Annual Pay Award and Adjustments - During the budget setting process (in around November/December) each year, for implementation in the following new financial year (April), the senior management team will consider whether the salary points for all staff should be adjusted for the forthcoming financial year beginning 1st April, to reflect changes in the cost of living.

The considerations will begin with an assumption that salaries should be adjusted to match inflation (specifically the Consumer Price Index) over the preceding 12-months. Further consideration will then determine whether this is appropriate in the context of: -

- i. TCL's financial situation – can it afford the CPI linked increase and is it sustainable?
- ii. TCL's performance – have KPIs been met?
- iii. Previous pay awards made in recent years
- iv. Pay reviews elsewhere – how might a failure to follow wider trends be perceived amongst staff, within peer organisations
- v. Overall affordability and sustainability – can TCL realistically afford it now and can it sustain it moving forwards?
- vi. TCL's ability to attract and retain suitable staff in sufficient numbers to deliver a consistent service level.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Remuneration policy for key management personnel - continued

Based on the above, the management team will make a recommendation to the trustees to approve any annual pay award/budget. If approved, annual pay awards will normally be applied equally to all staff including senior managers. In April 2020, most staff were to benefit from a minimum 2% pay increase however this was not applied due to the Covid-19 issues.

The Managing Director has the responsibility to make any ad hoc decisions regarding salary changes for any position/post holder. Any decision/s regarding the salary of the Managing Director and senior managers will in future be made by the TCL trustees. The Senior Management Team does not have delegated authority in matters relating to their own remuneration, and any recommendations or decisions must be ratified by the trustees prior to implementation.

By nature of previous arrangements (TUPE transfers), some staff have previously opted to join the Local Government Pension Scheme (LGPS) in accordance with the respective Admission Agreement with Essex County Council. The TCL LGPS scheme is currently closed to new members as dictated by the Admission Agreement.

For those staff who are not members of the LGPS, the Group complies with its statutory auto-enrolment duties in accordance with Part 1 of the Pensions Act 2008, where employees will be automatically enrolled into a defined contribution pension scheme from the date required by the Pensions Act 2008. Details are notified to each individual separately, including what he/she would need to do should they wish to opt out of membership. In this regard, the Group uses NEST to fulfil auto-enrolment obligations.

All staff, regardless of whether entitled/not entitled/eligible have the opportunity to join NEST on request. Furthermore, Thurrock Community Leisure (and the employee) pay contributions on total earnings, irrespective of age or earnings level. Employees can only be a member of one pension scheme.

Private Health Care - Historically, some of the senior management team have private health care arrangements, to ensure that any ill-health is treated promptly, enabling the individual to continue/return to work with minimum absence. All private health care is declared on a P11D and subject to tax in accordance with HMRC guidelines.

Use of Facilities by Employees - In order to promote health, fitness and wellbeing, employees may use the facilities free of charge, provided a paying member of the public is not prohibited from use because of an employee taking up space.

The Group apply a long service recognition scheme within which staff are recognised or rewarded for continuous service at 5, 10, 20, 30 and 40 years. The scheme is designed to reward long service and is for gifts at various values depending on the milestone reached. The scheme follows the guidance issued by HMRC on the values of the awards.

TCL/TCLT trustees are not paid for their work as a trustee.

Trustees can be reimbursed for reasonable out of pocket expenses. They may also be paid for undertaking special work for the charity, provided that this meets with the Charity Commission guidance 'Payments to Charity Trustees – What the Rules Are'. However, Thurrock Community Leisure will generally avoid engaging its trustees for work and will only do so where there is no suitable alternative supplier of that work.

Diversity

The board's approach to diversity supports its effectiveness and leadership, as such TCL wholeheartedly supports the principle of equal opportunities and diversity in employment and service provision and opposes all forms of unlawful or unfair discrimination on the grounds of colour, race, nationality, ethnic or national origin, religion/belief, unrelated criminal convictions, gender, gender re-assignment, sexual orientation, marital status/civil partnership, age, or disability.

It is in TCL's best interests, and those of all who represent or work within it, to ensure the human resources, talents, and skills available throughout the organisation and community are considered when employment and or training opportunities arise or when the service-based decisions are made.

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Diversity - continued

Statistical reports are compiled once a whole recruitment and selection process is complete, these show the ethnic/national background, gender, age, religion/religious belief, and disability (if any) of all applications; those short-listed, and those offered employment. TCL monitor the declared diversity of its workforce.

TCL aims to have trustees and staff from different backgrounds, abilities, cultures, and genders as the inherent diversity of life experience is more likely to encourage debate, resulting in better decision making. The aim is that the workforce and Board reflect the community it serves.

The Board and staff undertake equal opportunity and diversity training.

Policy for employment of disabled persons

TCL is 'positive about disability' and operates a Guaranteed Interview Scheme (GIS).

TCL recognises that during employment a person's capability to carry out their duties may deteriorate. This can be for several reasons, the most common ones being that either the job changes over a period, or because of health changes (including developing a disability). Should this be the case, TCL will make every effort to ensure staff receive adequate training and supervision to reduce any impact. Informal meetings are used in the first instance with a view to resolving any issues. TCL will also consider the possibility of a transfer to more suitable work if this is possible. If issues persist TCL will normally seek a medical diagnosis and prognosis and with the benefit of this professional medical advice, consult with the employee to enable a decision to be made about the future, either in the current role or, where circumstances permit, in a more suitable role.

Where concerns about work arise due to the nature of a disability as defined under the Act, TCL will endeavour to make reasonable adjustments to work and/or working pattern wherever possible.

Employee Information

Employees are provided with information in a number of ways including, general electronic communication to personal email addresses, staff notice boards, staff newsletters, staff forums (2 times per annum per site), team briefings, staff satisfaction survey (once per annum) and one to one meetings where appropriate. These communications are used to provide employees with relevant information on matters of concern to them, common awareness of the financial and economic factors affecting TCL's performance and seek the employees' views about the business and how it might be improved.

TCL recognise the trade union Unite and staff can seek their advice and support where applicable. TCL consult with Unite in line with the recognition agreement in place.

Modern Slavery Act 2015

By virtue of its size TCL is not required to comply with all of the duties within the Act. However, TCL takes steps to prevent modern slavery and human trafficking in its business in accordance with the Act. TCL publishes its policy regarding modern slavery on its website.

FUNDRAISING

The TCL Group do not use professional fundraisers to raise funds. All of the income is derived from the main functions including, sales for facility use/hire, secondary spending, and grants for specified programmes. Occasionally TCL receive donations through online fundraising platforms, although at presents this a very minor source of income.

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

THURROCK COMMUNITY LEISURE LIMITED GROUP

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2021**

STATEMENT OF TRUSTEES RESPONSIBILITIES - continued

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and 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 business.

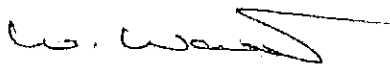
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

AUDITORS

The auditors, McCabe Ford Williams, will be proposed for re-appointment at the forthcoming Annual General Meeting. Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 28 September 2021 and signed on the board's behalf by:



.....
W Warner (Chair)

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THURROCK COMMUNITY LEISURE LIMITED GROUP

Opinion

We have audited the financial statements of Thurrock Community Leisure Limited Group for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its Income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the group and 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.

Material uncertainty related to going concern

We draw attention to note 1 in the financial statements which indicates that the effects of the COVID-19 pandemic have had a detrimental impact on the trading results of the group and charitable company. As stated in note 1 these events or conditions, along with other matters as set forth in note 1 indicate that a material uncertainty exists which may cast significant doubt on the charitable company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Opinion 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THURROCK COMMUNITY LEISURE LIMITED GROUP

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the group and 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 and 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Charitable Company through discussions with trustees and our experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Group and Charitable Company, including, but not limited to, the Companies Act (2006), UK tax legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THURROCK COMMUNITY LEISURE LIMITED GROUP**

We assessed the susceptibility of the Group's and Charitable Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- reviewed management contracts where contract variations had arisen;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the relevant regulator.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees' and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of Our Report

This report is made solely to the group and charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group and charitable company's members those matters we are required to state to them in an auditors' 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 group and charitable company and the group and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Clair Rayner FCA DChA (Senior Statutory Auditor)
for and on behalf of McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Bank Chambers
1 Central Avenue
Sittingbourne
Kent
ME10 4AE
Date: 28 September 2021

THURROCK COMMUNITY LEISURE LIMITED GROUP

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds	Restricted funds	31.03.21 Total funds	Unrestricted funds	Restricted funds	31.03.20 Total funds
	Notes	£	£	£	£	£	£
INCOME							
Donation Income	2	-	1,015,276	1,015,276	-	-	-
Charitable activities							
Leisure Centres	3	1,012,875	592,353	1,605,228	5,234,257	73,063	5,307,320
Civic Hall	3	11,051	-	11,051	435,137	-	435,137
Office and Cottage Rent	3	25,365	-	25,365	55,840	-	55,840
Other trading activities	4	48,420	-	48,420	160,969	-	160,969
Investments	5	12,405	-	12,405	37,716	-	37,716
Total Income		1,110,116	1,607,629	2,717,745	5,932,919	73,063	5,996,982
EXPENDITURE							
Raising funds	7	56,421	-	56,421	144,084	-	144,084
Charitable activities							
Leisure Centres	7	2,521,591	1,046,759	3,568,350	5,059,352	95,356	5,154,708
Civic Hall	7	120,524	-	120,524	546,078	-	546,078
Office and Cottage Rent	7	10,090	-	10,090	20,394	-	20,394
Trading activities	6	233,835	-	233,835	421,548	-	421,548
Total resources expended		2,942,461	1,046,759	3,989,220	6,191,456	95,356	6,286,812
Net income/(expenditure) for the year before other recognised gains and losses		(1,832,345)	560,870	(1,271,445)	(267,537)	(22,293)	(289,830)
Transfers between funds	20	-	-	-	(11,692)	11,692	-
Actuarial gains/(losses) on defined benefit pension scheme	21	(556,000)	-	(556,000)	(161,000)	-	(161,000)
Net movement in funds		(2,388,345)	560,870	(1,827,475)	(440,220)	(10,601)	(450,830)
RECONCILIATION OF FUNDS							
Total funds brought forward	20	2,916,708	-	2,916,708	3,356,937	10,601	3,367,538
TOTAL FUNDS CARRIED FORWARD	20	528,363	560,870	1,089,233	2,916,708	-	2,916,708

CONTINUING OPERATIONS

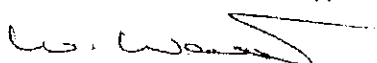
All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

BALANCE SHEETS
AT 31 MARCH 2021

	Note	The Group		The Charitable Company	
		31.03.21	31.03.20	31.03.21	31.03.20
		£	£	£	£
FIXED ASSETS					
Tangible assets	11	2,242,797	2,496,502	2,208,095	2,444,453
Investments	12	-	-	10,000	10,000
		<u>2,242,797</u>	<u>2,496,502</u>	<u>2,218,095</u>	<u>2,454,453</u>
CURRENT ASSETS					
Stocks	14	41,371	47,895	36,322	40,357
Debtors	15	734,847	96,361	731,783	117,145
Investments		-	89,063	-	89,063
Short term deposits		512,463	598,781	512,463	598,781
Cash at bank and in hand		<u>94,052</u>	<u>107,865</u>	<u>89,907</u>	<u>88,544</u>
		1,382,733	939,965	1,370,475	933,890
CREDITORS					
Amounts due <1 year	16	<u>(901,390)</u>	<u>(528,464)</u>	<u>(877,133)</u>	<u>(507,925)</u>
NET CURRENT ASSETS		<u>481,343</u>	<u>411,501</u>	<u>493,342</u>	<u>425,965</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,724,140	2,908,003	2,711,437	2,880,418
CREDITORS					
Amounts due >1 year	17	<u>(569,906)</u>	<u>(113,295)</u>	<u>(559,269)</u>	<u>(96,586)</u>
NET ASSETS EXCLUDING PENSION LIABILITY		2,154,234	2,794,708	2,152,168	2,783,832
PENSION ASSET / (LIABILITY)	21	<u>(1,065,000)</u>	<u>122,000</u>	<u>(1,065,000)</u>	<u>122,000</u>
TOTAL NET ASSETS		<u>1,089,234</u>	<u>2,916,708</u>	<u>1,087,168</u>	<u>2,905,832</u>
FUNDS	20				
Restricted funds		560,870	-	560,870	-
Unrestricted funds:					
Designated funds		-	-	-	-
General funds		1,593,363	2,783,832	1,591,298	2,783,832
Non charitable trading funds		-	10,876	-	-
Pension reserve		<u>(1,065,000)</u>	<u>122,000</u>	<u>(1,065,000)</u>	<u>122,000</u>
Total unrestricted funds		528,363	2,916,708	526,298	2,905,832
TOTAL FUNDS		<u>1,089,233</u>	<u>2,916,708</u>	<u>1,087,168</u>	<u>2,905,832</u>

The financial statements were approved by the Board of Trustees on 28 September 2021 and were signed on its behalf by:



.....
W Warner (Chair)

The notes form part of these financial statements

THURROCK COMMUNITY LEISURE LIMITED GROUP**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	31.03.21 £	31.03.20 £
Cash flows from operating activities	1	(402,022)	407,929
Cash flows from investing activities			
Dividends, interest and rent from investments		12,405	37,716
Interest on 1 year bank accounts		-	(1,142)
Charity Bank account investment		-	-
Purchase of tangible fixed assets (Including HP)		-	(277,644)
Cash used on investing activities		12,405	(241,070)
Cash flows from financing activities			
Repayment of borrowing		(53,514)	(253,607)
Purchase of HP tangible fixed assets		-	25,697
New Loan		343,000	-
Cash used in financing activities		289,486	(227,910)
Increase / (decrease) in cash and cash equivalents in the year		(100,131)	(61,051)
Cash and cash equivalents at the beginning of the year		706,646	767,697
Total cash and cash equivalents at the end of the year		606,515	706,646

The notes form part of these financial statements

THURROCK COMMUNITY LEISURE LIMITED GROUP**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021****1. RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	31.03.21	31.03.20
	£	£
Net incoming resources before other recognised gains and losses	(1,271,475)	(289,830)
Depreciation charges	246,807	343,973
Disposal	6,900	-
Reclassification of Charity Bank Account	89,064	-
Actuarial pension scheme charges	34,000	24,000
Loan write off bad debt	-	365,552
Dividends, interest and rent from investments	(12,405)	(37,716)
(Increase) / decrease in stocks	6,524	(3,119)
(Increase) / decrease in debtors	(438,486)	149,198
Increase / (decrease) in creditors	340,049	(144,129)
Pension liability acquired	597,000	-
Net cash Inflow from operating activities	(402,022)	407,929

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20	Cash Flow	At 31.3.21
Net Cash			
Cash at bank	706,646	(100,130)	606,515
Debt			
Finance Leases	(165,577)	53,514	(112,063)
Debts falling due within one year	-	(36,723)	(36,723)
Debts falling due after one year		(506,277)	(506,277)
Total	541,069	(589,616)	(48,548)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the group and charitable company, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary TCL Trading Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes to the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of Companies Act 2006.

The presentational currency of the financial statements is the Pound Sterling (£). Amounts included in the financial statements are rounded to the nearest Pound Sterling (£). The charity is an incorporated private company limited by guarantee without share capital and is registered with Companies House and Charity Commission. The charitable company's registered office and place of business are listed on Reference and Administrative Details page.

Going concern

Prior to the outbreak of Covid-19, the charitable company had adequate financial resources together with customers and strategic parties to continue trading at current levels. As a consequence, the Board of Trustees believed that the charitable company was well placed to manage its business risks successfully.

The outbreak of COVID-19, which commenced during the year ended 31 March 2020, has resulted in a pandemic causing extensive disruption across the globe. The COVID-19 pandemic developed rapidly in 2020 and continues in 2021. The resulting impact of the virus on the operations of the Group and charitable company and measures taken by the UK government to contain the virus have negatively affected the Group and charitable company's results in the current financial year. The currently known impacts of COVID-19 on the Group and charitable company are:

- A significant reduction in income throughout 2020 and 2021 as cases of COVID-19 began to rise in the United Kingdom.
- The closure of all leisure facilities in the United Kingdom by the UK government on 20 March 2020 which resulted in no income from primary purpose trading activities from 20 March 2020 through to the re-opening of leisure facilities, which was permitted in England from 25 July 2020.
- A reduction in income compared to previous years from re-opening due to the measures that are required to ensure our facilities are COVID secure. The required measures limit the services offered and capacity of leisure facilities.
- A further lockdown from 5 November 2020 to 2 December 2020.
- Restrictions continued on activities whilst Thurrock was in tier 4.
- A further nationwide lockdown from 5 January 2021 - 29 March 2021 forcing all facilities to close yet again.
- From April - June Government capacity, cleaning and social distancing restrictions remained in place.
- A full relaxation of forced legal covid restrictions were lifted in June 21 with the emphasis on Employers and individual taking appropriate precautions. However, the charitable company continued to operate with increased cleaning, ventilation and sanitising measures in response to customer feedback and to improve customer confidence. The Civic Hall and Café remained closed until later in the year.

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED **FOR THE YEAR ENDED 31 MARCH 2021**

1. ACCOUNTING POLICIES – continued

Going concern - continued

- Income generation was also hindered through low levels of qualified resource to deliver activities such as swimming lessons and extended pool opening times. This has been a UK wide industry issue.
- The continuation of the Covid impact has resulted in an operating loss for the period since the balance sheet date.

The full extent of the impact of COVID-19 on the charitable company are still unknown, including:

- The impact of changes in customers' behaviour and confidence levels as a result of the continued existence of the pandemic in our society is currently unknown, and if customers do not or are slow to return to sites as anticipated, this will have a significant impact on projected revenue generation.
- The government continues to measure the spread of the virus and may use a tier system in future which may limit our activities.

It is not anticipated, that a further nationwide lockdown will be imposed.

In response to these matters, the group and charitable company has taken the following mitigating actions:

- They have taken and continue to take advantage of the Coronavirus Job Retention Scheme (CJRS).
- A grant of £25k was secured via Basildon Council under the Retail, Hospitality and Leisure Grant (RHLG) funding available from the Government
- They have negotiated a number of instalment arrangements including with HM Revenue & Customs for the payment of PAYE liabilities
- They worked with their local authority partner to secure financial support packages across a large part of the business for the closure period.
- They have continued to have hygiene measures in place at their gyms, pools, and fitness classes in line with coronavirus regulations
- Capacity restrictions are mitigated by being able to use the Civic Centre to hold classes, and bookable slots at the Gym.
- All visits to the facilities must be pre-booked
- Facilities are cashless
- They have negotiated a Coronavirus Business Interruption Loan of £543,000
- They have been successful in securing CJRS support of £1,015,276
- They have been successful in receiving all Local Restrictions grants for both Thurrock and Basildon
- They have introduced online virtual exercise classes to mitigate restrictions on face to face or limited capacities.
- They took advantage of 100% rates relief for the whole of 20/21

Group and Charitable Company-wide forecasts have been produced and are based on the UK Active and Industry recovery models, pre-covid trading and forecast projections. Management have carried out an extensive review of the underlying cost base of the business and have factored in changes and restructuring that have been implemented as a result in the impact of COVID-19 on the business which have been reflected in the forecasts..

These forecasts indicate that, with the Loans and National Leisure Recovery support and with careful cash management the Group and Charitable Company will remain within its financing facilities for the foreseeable future and will be able to meet its financial obligations as they fall due. The recovery and customer confidence on reopening has seen a positive reaction which support the forecasting recovery.

The economic climate and pandemic situation remain unstable, however. The Board of Trustees are confident that with the actions taken to reduce expenditure, coupled with the current levels of reserves that it can mitigate the uncertainties and remain a going concern for at least the next 12 months.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES – continued

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether capital grants or revenue grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Interest receivable

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

Grants receivable

Grants receivable in respect of a specified period relating to the general activities of the charitable company are recognised in the Statement of Financial Activities in the period in which they become receivable. Where related expenditure has not been incurred the grant is deferred only when the donor has imposed restrictions on the expenditure of resources which amount to pre-conditions for use

Government grants

Government grants are recognised when it is reasonably certain that the conditions attached to the grant are met. Income from grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

During the year the Charitable Company received the following revenue based grants:

- Coronavirus Job Retention Scheme (CJRS) to cover a portion of employees' wages who were furloughed due to the coronavirus pandemic. The amount received has been included in donations (note 5).
- Local Restrictions Support Grant (LRSG) to support businesses during the lockdown from 5 January 2021. The amount received has been included in income (note 2).
- Social Investment Bank Grant (SIB) to contribute towards the recovery of businesses and to be spent on operating costs. The amount received has been included in income (note 2).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES – continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to the activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following bases which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives, and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

- Cost of raising funds	1%
- Leisure centres	90%
- Civic Hall	8%
- Office and cottage rental	1%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £30,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Leasehold improvements	10-40 years
Assets on finance lease	over the length of the lease

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES – continued

Investment in subsidiary

Investment in the subsidiary is stated at cost.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. In general, cost is determined on a first in first out basis and includes transport and handling costs.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Hire purchase and leasing commitments

Assets purchased under finance leases are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charge. Finance charges are written off to the SOFA over the period of the lease so as to produce a constant periodic rate of charge.

Operating lease rental charges are charged on a straight line basis over the term of the lease.

Pension costs and other post-retirement benefits

The Charitable Company accounts for the pension scheme in accordance with the Financial Reporting Standard 102. The Charitable Company operates a defined benefit pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2016.

The Charitable Company provides pension benefits for eligible staff through an Essex County Council administered pension scheme. The Essex County Council administered scheme is a multi-employer scheme which provides benefits based upon final pensionable pay. For defined benefit schemes the amounts charged to resources expended on charitable activities are the current service costs and any gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately if the benefits are vested. If the benefits have not vested, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the Statement of Financial Activities.

The defined benefit scheme is funded, and the assets of the scheme are held separately from those of the charity in a trustee administered fund. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on long dated high quality corporate bonds of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

Contributions made by the Charitable Company to defined contribution pension schemes are charged to the Statement of Financial Activities as they are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES – continued

Financial instruments

The company enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

a) Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

b) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

c) Impairment of financial assets

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

d) Trade and other creditors

Debt instruments like loans and other accounts payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable within one year, typically trade payables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES – continued

Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value, like plant and equipment, are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets, which is the higher of value in use and the fair value less cost to sell, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit and loss.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the group's accounting policies management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from the 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 March 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

2. DONATION INCOME

	Unrestricted £	Restricted £	Total £	Total £
Donation Income	-	1,015,276	1,015,276	-

The Group received £1,015,276 (2020: £Nil) of grant funding from the government's Coronavirus Job Retention Scheme (CJRS).

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	31.03.21 Total £	31.03.20 Total £
Funding income	112,873	592,353	705,226	73,063
Leisure centres income	900,002	-	900,002	5,234,257
Sub-total for leisure centres	1,012,875	592,353	1,605,228	5,307,320
Civic Hall income	11,051	-	11,051	435,137
Sub-total for Civic Hall	11,051	-	11,051	435,137
Office and cottage rent	25,365	-	25,365	55,840
Total income from charitable activities	1,049,291	592,353	1,641,644	5,798,297

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted £	Restricted £	31.03.21 Total £	31.03.20 Total £
Golf club, shop and bar	48,420	-	48,420	160,969
	48,420	-	48,420	160,969

5. INCOME FROM INVESTMENTS

	Unrestricted £	Restricted £	31.03.21 Total £	31.03.20 Total £
Solar panel investment income	5,562	-	5,562	6,801
Interest receivable	6,843	-	6,843	30,915
	12,405	-	12,405	37,716

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED **FOR THE YEAR ENDED 31 MARCH 2021**

6. TRADING ACTIVITY COSTS

			31.03.21	31.03.20
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Staff costs	160,937	-	160,937	211,134
Other trading costs	72,898	-	72,898	210,414
	<u>233,835</u>	<u>-</u>	<u>233,835</u>	<u>421,548</u>

7. ANALYSIS OF EXPENDITURE

		Charitable activities					31.03.21	31.03.20
	Cost of raising funds	Leisure centres	Civic hall	Office and cottage rent	Governance costs	Support Costs	Total	Total
	£	£	£	£	£	£	£	£
Staff costs	-	2,093,178	15,457	-	-	378,575	2,487,210	2,314,613
Promotion and publicity	46,331	-	-	-	-	-	46,331	123,690
Premises costs	-	422,228	16,950	-	-	296,862	736,040	1,393,706
Purchases for resale	-	50,267	555	-	-	-	50,882	336,272
Office administration costs	-	94,651	6,849	-	-	312,355	413,855	1,682,909
Audit and accountancy	-	-	-	-	11,450	-	11,450	9,139
Legal and professional	-	-	-	-	-	9,677	9,677	4,935
	<u>46,331</u>	<u>2,063,324</u>	<u>39,811</u>	<u>-</u>	<u>11,450</u>	<u>997,469</u>	<u>3,755,385</u>	<u>5,865,264</u>
Support costs	9,975	897,722	79,797	9,975	-	(997,469)	-	-
Governance costs	115	10,304	916	115	(11,450)	-	-	-
Total expenditure 2021	<u>56,421</u>	<u>3,568,350</u>	<u>120,524</u>	<u>10,090</u>	<u>-</u>	<u>-</u>	<u>3,755,385</u>	
Total expenditure 2020	<u>144,084</u>	<u>5,154,708</u>	<u>546,078</u>	<u>20,394</u>	<u>-</u>	<u>-</u>		<u>5,865,264</u>

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

8. NET INCOME/(EXPENDITURE)

Net income / (expenditure) is stated after charging/(crediting):

	31.03.21	31.03.20
	£	£
Depreciation	246,807	343,973
Interest payable	3,876	1,180
Operating lease rentals	2,312	13,509
Auditors' remuneration		
- Audit fee (parent)	7,718	7,570
- Other services (parent)	3,732	1,569
- Audit fee (subsidiary)	2,995	2,950
- Other services	<u>1,001</u>	<u>767</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

Trustees only receive remuneration in respect of the services they provide undertaking the roles of staff and not in respect of their services as Trustees. The value of Trustees' remuneration was as follows:

No charity trustee received payment in the year for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses

There were no payments or reimbursements of travel and subsistence costs paid in the year ended 2021 or 2020.

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

10. STAFF COSTS

	31.03.21	31.03.20
	£	£
Wages and salaries	1,799,670	2,254,761
Social security costs	102,950	125,701
Employer's contribution to defined contribution pension schemes	32,527	41,285
Employer's contribution to defined benefit pension schemes	680,000	80,000
Operating cost of defined benefit pension schemes	<u>33,000</u>	<u>24,000</u>
	<u>2,648,147</u>	<u>2,525,747</u>

The total employee benefits including pension contributions of the key management personnel was £193,211 (2020: £237,180).

The average monthly number of employees during the year was as follows:

	31.03.21	31.03.20
Leisure centres	134	160
Civic hall	7	16
Other trading activities	5	17
SMT	3	-
Support	<u>7</u>	<u>8</u>
	<u>155</u>	<u>201</u>

No employees received emoluments in excess of £60,000.

11. TANGIBLE FIXED ASSETS

The Group	Improvements to leasehold property £	Plant and machinery £	Totals £
COST			
At 1 April 2020	4,704,930	988,280	5,693,210
Additions	-	-	-
Disposals	<u>(6,900)</u>	<u>-</u>	<u>(6,900)</u>
At 31 March 2021	<u>4,698,030</u>	<u>988,280</u>	<u>5,686,310</u>
DEPRECIATION			
At 1 April 2020	2,389,813	806,895	3,196,708
Charge for year	173,748	73,059	246,807
Disposal	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2021	<u>2,563,561</u>	<u>879,954</u>	<u>3,443,515</u>
NET BOOK VALUE			
At 31 March 2021	<u>2,134,469</u>	<u>108,326</u>	<u>2,242,797</u>
At 31 March 2020	<u>2,315,117</u>	<u>181,385</u>	<u>2,496,502</u>

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

11. TANGIBLE FIXED ASSETS – continued

Fixed assets, included in the above, which are held under hire purchase contracts or finance leases are as follows:

The Group	Plant and machinery £
COST	
At 1 April 2020	525,764
Additions	-
Transfer to ownership	<u>(253,453)</u>
At 31 March 2021	<u>272,311</u>
DEPRECIATION	
At 1 April 2020	344,379
Charge for year	73,059
Transfer to ownership	<u>(253,453)</u>
At 31 March 2021	<u>163,985</u>
NET BOOK VALUE	
At 31 March 2021	<u>108,326</u>
At 31 March 2020	<u>181,385</u>

The Charitable Company	Improvements to leasehold property £	Plant and Machinery £	Totals £
COST			
At 1 April 2020	4,554,263	860,189	5,414,452
Additions	-	-	-
Disposals	<u>(6,900)</u>	<u>-</u>	<u>(6,900)</u>
At 31 March 2021	<u>4,547,363</u>	<u>860,189</u>	<u>5,407,552</u>
DEPRECIATION			
At 1 April 2020	2,260,182	709,817	2,969,999
Charge for year	170,303	59,157	229,460
Disposals	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2021	<u>2,430,485</u>	<u>768,974</u>	<u>3,199,459</u>
NET BOOK VALUE			
At 31 March 2021	<u>2,116,878</u>	<u>91,215</u>	<u>2,208,095</u>
At 31 March 2020	<u>2,294,081</u>	<u>150,372</u>	<u>2,444,453</u>

THURROCK COMMUNITY LEISURE LIMITED GROUP**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021****11. TANGIBLE FIXED ASSETS – continued**

Fixed assets, included in the above, which are held under hire purchase contracts or finance leases are as follows:

The Charitable Company	Plant and machinery £
COST	
At 1 April 2020	413,801
Additions	-
Transfer to ownership	(167,187)
At 31 March 2021	246,614
DEPRECIATION	
At 1 April 2020	263,429
Charge for year	59,157
Transfer to ownership	(167,187)
At 31 March 2021	155,399
NET BOOK VALUE	
At 31 March 2021	91,215
At 31 March 2020	150,372

12. FIXED ASSET INVESTMENTS

The Group	Solar Panels £	Totals £
COST		
At 1 April 2020	58,813	58,813
Disposals	(58,813)	(58,813)
	-	-
AMORTISATION		
At 1 April 2020	58,813	58,813
Eliminated on disposal	(58,813)	(58,813)
At 31 March 2021	-	-
NET BOOK VALUE		
At 31 March 2021	-	-
At 31 March 2020	-	-

TCL investments related to an investment by TCL in solar panels installed on the roof of WCRA, which was operated by Adur Community Leisure Limited, a subsidiary of TCL's parent company Impulse Leisure. Previously TCL have had the rights to the asset, and any future economic benefits in the form of electricity feed in tariffs. However, disposal of the solar panels has occurred in the year ended 31 March 2021 due to the dissolution of Adur Community Leisure and Impulse Leisure.

THURROCK COMMUNITY LEISURE LIMITED GROUP**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021****12. FIXED ASSET INVESTMENTS – continued**

The Charitable Company	Solar Panels	Shares in group undertakings £	Totals £
COST			
At 1 April 2020	58,813	10,000	68,813
Disposals	<u>(58,813)</u>	<u>-</u>	<u>(58,813)</u>
At 31 March 2021	<u>58,813</u>	<u>10,000</u>	<u>68,813</u>
AMORTISATION			
At 1 April 2020	58,813	-	58,813
Eliminated on disposal	<u>(58,813)</u>	<u>-</u>	<u>(58,813)</u>
At 31 March 2021	<u>-</u>	<u>-</u>	<u>-</u>
NET BOOK VALUE			
At 31 March 2021	<u>-</u>	<u>10,000</u>	<u>10,000</u>
At 31 March 2020	<u>-</u>	<u>10,000</u>	<u>10,000</u>

THURROCK COMMUNITY LEISURE LIMITED GROUP**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021****12. FIXED ASSET INVESTMENTS – continued**

The company's investments at the balance sheet date in the share capital of companies include the following:

Subsidiary**TCL Trading Limited**

Nature of business: Golf shop, bar, catering, maintenance services

	%
Class of share:	holding
Ordinary share capital	100

The charitable company owns the whole of the issued shares of TCL Trading Limited, a company registered in England which became operable from 1 October 2003. The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line bases in the statement of financial activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

	31.03.21 £	31.03.20 £
Turnover	225,027	434,216
Cost of sales	<u>(73,417)</u>	<u>(151,084)</u>
Gross profit	151,610	283,132
Administrative expenses	<u>(160,419)</u>	<u>(280,464)</u>
Operating profit / (loss)	(8,809)	2,668
Other income	-	-
Interest payable	<u>-</u>	<u>-</u>
Profit / (loss) on ordinary activities	(8,809)	2,668
Deed of covenant to parent undertaking	<u>-</u>	<u>-</u>
Profit / (loss) for the financial year	<u>(8,809)</u>	<u>2,668</u>

The aggregate of the assets, liabilities and funds was:

Assets	58,340	85,660
Liabilities	(46,273)	(64,784)
Share Capital	<u>(10,000)</u>	<u>(10,000)</u>
Funds	2,067	10,876

13. PARENT CHARITABLE COMPANY

The parent charitable company's gross income and the results for the year are disclosed as follows:

	31.03.201 £	31.03.20 £
Gross income	2,607,531	5,846,013
Net result for the year	<u>(1,818,663)</u>	<u>(453,499)</u>

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

14. STOCKS

	The group		The charitable company	
	31.03.21	31.03.20	31.03.21	31.03.20
	£	£	£	£
Stocks	<u>41,371</u>	<u>47,895</u>	<u>36,322</u>	<u>40,357</u>

15. DEBTORS

	The group		The charitable company	
	31.03.21	31.03.20	31.03.21	31.03.20
	£	£	£	£
<i>Amounts falling due within one year:</i>				
Other debtors	95,145	41,297	95,144	41,296
Amounts due from other group members	-	19,142	-	39,927
Prepayments and accrued income	637,625	35,922	636,639	35,922
Taxation	<u>2,077</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>734,847</u>	<u>96,361</u>	<u>731,783</u>	<u>117,145</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	The group		The charitable company	
	31.03.21	31.03.20	31.03.21	31.03.20
	£	£	£	£
Trade creditors	270,382	111,346	260,667	106,946
Loans	36,723	-	36,723	-
Accruals and deferred income	372,758	313,713	355,173	301,157
VAT payable	-	8,063	5,279	12,521
Lease liability	48,434	52,282	42,362	44,493
Social Security and other taxes	58,130	26,432	58,130	26,432
Other creditors	114,963	16,628	112,699	16,376
Amounts due to other group members	<u>-</u>	<u>-</u>	<u>6,100</u>	<u>-</u>
	<u>901,390</u>	<u>528,464</u>	<u>877,133</u>	<u>507,925</u>

THURROCK COMMUNITY LEISURE LIMITED GROUP**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021****17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	The group		The charitable company	
	31.03.21	31.03.20	31.03.21	31.03.20
	£	£	£	£
Lease liabilities due 2 – 5 years	63,629	113,295	52,992	96,586
Loan liabilities due 2 – 5 years	<u>506,277</u>	<u>-</u>	<u>506,277</u>	<u>-</u>
	<u>569,906</u>	<u>113,295</u>	<u>559,269</u>	<u>96,586</u>

The charity have a charge with National Westminster Bank PLC which is secured on charity's assets and commence in June 2002. The charge is specifically for the Direct Debit membership collections, in the case of members requesting money back.

The charity also have charge against a loan with Social Investment Business FM Limited which is secured on the charity's assets and commenced in March 2021. The loan was repayable over 5 years in Instalments. Interest was chargeable at 9% in year 1, and 7% in subsequent years.

18. OPERATING LEASE COMMITMENTS

The group's minimum lease payments under non-cancellable operating leases fall due as follows:

Equipment	31.03.21	31.03.20
	£	£
Within one year	4,663	4,011
Between one and five years	<u>2,625</u>	<u>6,388</u>
	<u>7,288</u>	<u>10,399</u>

The charitable company's minimum lease payments under non-cancellable operating leases fall due as follows:

Equipment	31.03.21	31.03.20
	£	£
Within one year	3,733	3,081
Between one and five years	<u>2,595</u>	<u>6,328</u>
	<u>6,328</u>	<u>9,409</u>

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

			31.03.21	31.03.20
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Fixed assets	2,242,797	-	2,242,797	2,496,502
Investments	-	-	-	89,063
Current assets	821,863	560,870	1,382,733	850,902
Current liabilities	(901,390)	-	(901,390)	(528,464)
Long term liabilities	(569,906)	-	(569,906)	(113,295)
Pension asset / (liability)	(1,065,000)	-	(1,065,000)	122,000
	<u>528,364</u>	<u>560,870</u>	<u>1,089,234</u>	<u>2,916,708</u>

Analysis of net assets between funds – previous year

			31.03.20	31.03.19
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Fixed assets	2,496,502	-	2,496,502	2,562,831
Investments	89,063	-	89,063	87,921
Current assets	850,902	-	850,902	1,423,584
Current liabilities	(528,464)	-	(528,464)	(870,076)
Long term liabilities	(113,295)	-	(113,295)	(143,722)
Pension asset / (liability)	122,000	-	122,000	307,000
	<u>2,916,708</u>	<u>-</u>	<u>2,916,708</u>	<u>3,367,538</u>

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

20. MOVEMENT IN FUNDS

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers and gains £	At the end of the year £
Restricted funds:					
Leisure Centre	-	1,607,629	(1,046,759)	-	560,870
Total restricted funds	-	1,607,629	(1,046,759)	-	560,870
Unrestricted funds:					
Designated funds	-	-	-	-	-
General funds of TCL	2,783,832	885,089	(2,077,626)	-	1,591,295
General funds of TCL Trading	10,876	225,027	(233,835)	-	2,068
Total general funds	2,794,708	1,110,116	(2,311,461)	-	1,593,363
Pension fund	122,000	-	(631,000)	(556,000)	(1,065,000)
Total unrestricted funds	2,916,708	1,110,116	(2,942,461)	(556,000)	528,363
Total funds including pension fund	2,916,708	2,717,745	(3,989,220)	(556,000)	1,089,233

Purposes of designated funds

The pension fund covers the actuarial valuation of the pension scheme

Movement in Funds – Previous year

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers and gains £	At the end of the year £
Restricted funds:					
Leisure Centre	10,601	73,063	(95,356)	11,692	-
Total restricted funds	10,601	73,063	(95,356)	11,692	-
Unrestricted funds:					
Designated pension fund	250,000	-	-	(250,000)	-
General funds of TCL	2,971,730	5,489,703	(5,735,909)	238,308	2,783,832
General funds of TCL Trading	8,207	434,216	(431,547)	-	10,876
Total general funds	3,049,937	5,923,919	(6,167,456)	(11,692)	2,794,708
Pension fund	307,000	-	(24,000)	(161,000)	122,000
Total unrestricted funds	3,356,937	5,923,919	(6,191,456)	(172,692)	2,916,708
Total funds including pension fund	3,367,538	5,996,982	(6,286,812)	(161,000)	2,916,708

THURROCK COMMUNITY LEISURE LIMITED GROUP**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021****20. MOVEMENT IN FUNDS – continued****Purposes of restricted funds**

Restricted funds of £560,870 have been carried forward this year. This balance consists of £9,720 National Lottery Community Funding, £4,150 Grub Club Income via Active Essex and £390,000 National Leisure Recovery Fund (NLRF) and £157,000 Social Invest Bank (SIB) Grants.

Purposes of designated funds

The pension fund covers the actuarial valuation of the pension scheme.

21. EMPLOYEE BENEFIT OBLIGATIONS

Employees of Thurrock Community Leisure are admitted to the Essex County Council Pension Fund, a defined benefit scheme which is administered by Essex County Council under the regulations governing the Local Government Pension Scheme. The deficit on the pension scheme does not represent a liability that will crystallise at any single point in time. The calculation can also be very sensitive to the actuarial assumptions used in valuing the scheme. The figures disclosed below have been derived by approximate methods from the last full actuarial valuation of the fund carried out by Mercer Human Resource Consulting Ltd as at 31 March 2016.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	31.03.21	31.03.20
	£	£
Present value of funded obligations	(9,084,000)	(3,751,000)
Fair value of plan assets	<u>8,019,000</u>	<u>3,873,000</u>
	<u>(1,065,000)</u>	<u>122,000</u>
Surplus / (Deficit)	<u>(1,065,000)</u>	<u>122,000</u>
Asset / (Liability)	<u>(1,065,000)</u>	<u>122,000</u>

The amounts recognised in the statement of financial activities are as follows:

	Defined benefit pension plans	
	31.03.21	31.03.20
	£	£
Current service cost	109,000	112,000
Net interest from net defined benefit asset/liability	<u>(246,000)</u>	<u>(216,000)</u>
	<u>(137,000)</u>	<u>(104,000)</u>
Actual return on plan assets	<u>1,425,000</u>	<u>(311,000)</u>

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

21. EMPLOYEE BENEFIT OBLIGATIONS – continued

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31.03.21	31.03.20
	£	£
Opening defined benefit obligation	3,751,000	3,701,000
Current service cost	109,000	108,000
Past service cost	-	4,000
Contributions by scheme participants	25,000	22,000
Interest cost	142,000	95,000
Liabilities assumed (extinguished) on settlements	3,130,000	-
Actuarial losses/(gains)	2,056,000	8,000
Change in demographic assumptions	(75,000)	(57,000)
Benefits paid	(54,000)	(130,000)
Actuarial (gains)/losses from changes in demographic assumptions	-	-
	<u>9,084,000</u>	<u>3,751,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31.03.21	31.03.20
	£	£
Opening fair value of scheme assets	3,873,000	4,008,000
Interest on assets	137,000	104,000
Administration expenses	(2,000)	(1,000)
Contributions by employer	83,000	80,000
Contributions by scheme participants	25,000	22,000
Expected return	1,425,000	(311,000)
Actuarial gains/(losses)	-	101,000
Settlement prices received (paid)	2,533,000	-
Benefits paid	(54,000)	(130,000)
	<u>8,019,000</u>	<u>3,873,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	31.03.21	31.03.20
	£	£
Actuarial (gains)/losses from changes in demographic assumptions	75,000	57,000
Actuarial gains/(losses)	<u>(631,000)</u>	<u>(218,000)</u>
	<u>(556,000)</u>	<u>(161,000)</u>

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

21. EMPLOYEE BENEFIT OBLIGATIONS – continued

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	31.03.21	31.03.20
Equities	63%	59%
Gilts	3%	4%
Other bonds	5%	6%
Property	7%	9%
Cash	3%	4%
Other managed funds	8%	6%
Alternative assets	11%	12%
Asset breakdown	31.03.21	31.03.20
	£000s	£000s
Equities	5,073	2,267
Gilts	204	167
Other bonds	390	235
Property	565	348
Cash	202	161
Other managed funds	663	249
Alternative assets	922	446
	8,019	3,873

Projected employer contributions for the year ending 31 March 2022 are £101,000.

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	31.3.21	31.3.20
Discount rate	2.05%	2.45%
Future salary increases	2.00%	2.00%
Future pension increases	2.80%	1.85%

The following table sets out the impact of a small change in the discount rates on the defined benefit obligation and projected service cost along with a +/- 1 year age rating adjustment to the mortality assumption:

	£	£	£
Adjustment to discount rate			
	+0.1%	0.0%	-0.1%
Present value of total obligation	8,867,000	9,084,000	9,306,000
Projected service cost	198,000	205,000	212,000
Adjustment to long term salary increase			
	+0.1%	0.0%	-0.1%
Present value of total obligation	9,100,000	9,084,000	9,068,000
Projected service cost	205,000	205,000	205,000
Adjustment to pension increases and deferred revaluation			
	+0.1%	0.0%	-0.1%
Present value of total obligation	9,289,000	9,084,000	8,884,000
Projected service cost	212,000	205,000	198,000
Adjustment to life expectancy assumptions			
	+1 year	None	-1 year
Present value of total obligation	9,494,000	9,084,000	8,692,000
Projected service cost	214,000	205,000	196,000

THURROCK COMMUNITY LEISURE LIMITED GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED **FOR THE YEAR ENDED 31 MARCH 2021**

21. EMPLOYEE BENEFIT OBLIGATIONS – continued

In addition to the projected employer contributions, the deficit reduction planned payments for 2020/21 are £5,225.

22. ULTIMATE PARENT COMPANY

The ultimate parent company in prior years was Impulse Leisure Limited, company registration number 05220291. However, due to the dissolution of the company on 17 August 2020, the company ceased to be the ultimate parent. The parent's principal purposes related to the management of its charitable subsidiaries. The parent exercised control through its right to appoint or remove a majority of the board of trustees of the charitable company.

23. RELATED PARTY TRANSACTIONS

Thurrock Community Leisure Limited (TCL) owns 100% shares of TCL Trading Ltd (TCLT). During the year following transactions occurred between the group companies:

TCLT:

During the year, TCL paid commission of £19,924 (2020: £35,458) and management charge of £94,889 (2020: £237,789) to TCLT for management of golf club and shop. TCL charged a management fee of £Nil to TCLT (2020: £10,000).

At the year end, TCLT were owed £6,100 (2020: £20,407 owed to TCL) by TCL.

Trustees' remuneration and expenses are disclosed in note 9.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

24. LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

25. POST BALANCE SHEET EVENTS

The worldwide outbreak of COVID-19 resulted in the UK Government requiring the British public to enter a number of national and regional lockdowns during the year. Following the year end the government have now permitted leisure centres, gyms and indoor pools to reopen on 12 April 2021. The number of people able to attend weddings, receptions and commemorative events rose to 15.

From 17 May 2021 further restrictions were lifted to allow indoor adult group sports and exercise classes. It has also allowed the number of people to attend weddings, receptions and commemorative events to rise to 30.

Finally, on 19 July 2021 all remaining restrictions that had been in place through the pandemic were lifted.

The continued existence of COVID-19 in our society, which may have an impact on the behaviours of the group's customers is as of yet unknown.