

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**

<b>TRUSTEES</b>	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)
<b>COMPANY SECRETARY</b>	Kay Volk (Resigned – 18/01/2024) Nora Obeng-Tuudah (Appointed – 18/01/2024)
<b>MANAGING DIRECTOR</b>	Karl Hayes
<b>REGISTERED OFFICE AND OPERATIONAL ADDRESS</b>	Blackshots Leisure Centre Blackshots Lane GRAYS Essex RM16 2JU
<b>TRADING AS</b>	Impulse Leisure
<b>REGISTERED COMPANY NUMBER</b>	03782811 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	1080186
<b>AUDITORS</b>	McCabe Ford Williams Statutory Auditors and Chartered Accountants Cornforth Drive, Building 1063 Kent Science Park, Sittingbourne, Kent ME9 8PX
<b>BANKERS</b>	National Westminster Bank PLC 17 High Street, Grays Essex, RM17 6NP
<b>SOLICITORS</b>	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**

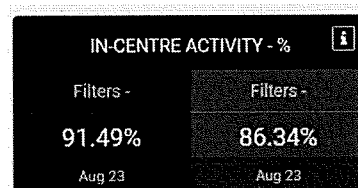
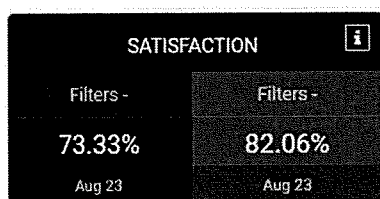
**Achievement and performance – continued**

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.

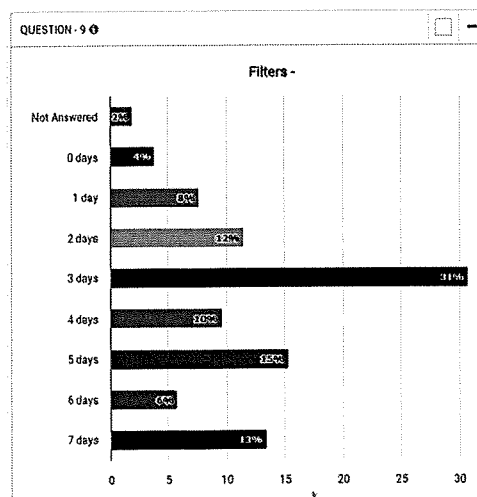
In addition, all services provided by TCL are available to all, including spectators, casual pay and play users as well as members. All prices remain competitive and reflect the community's needs. We also offer significant concessions to those most in need, including heavily discounted or free membership, 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](http://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 £
<b>INCOME</b>							
Donation Income	2	-	-	-	-	-	-
<b>Charitable activities</b>							
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
<b>Total income</b>		<b>5,895,915</b>	<b>386,008</b>	<b>6,281,923</b>	<b>5,075,736</b>	<b>180,497</b>	<b>5,256,233</b>
<b>EXPENDITURE</b>							
Raising funds	7	9,106	-	9,106	8,671	-	8,671
<b>Charitable activities</b>							
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
<b>Total resources expended</b>		<b>5,523,322</b>	<b>386,008</b>	<b>5,909,330</b>	<b>5,330,319</b>	<b>183,995</b>	<b>5,514,314</b>
<b>Net income/(expenditure) for the year before other recognised gains and losses</b>		<b>372,593</b>	<b>-</b>	<b>372,593</b>	<b>(254,583)</b>	<b>(3,498)</b>	<b>(258,081)</b>
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
<b>Net movement in funds</b>		<b>(2,430,407)</b>	<b>-</b>	<b>(2,430,407)</b>	<b>2,616,417</b>	<b>(3,498)</b>	<b>2,612,919</b>
<b>RECONCILIATION OF FUNDS</b>							
<b>Total funds brought forward</b>	22	<b>4,673,027</b>	<b>-</b>	<b>4,673,027</b>	<b>2,056,610</b>	<b>3,498</b>	<b>2,060,108</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	22	<b>2,242,620</b>	<b>-</b>	<b>2,242,620</b>	<b>4,673,027</b>	<b>-</b>	<b>4,673,027</b>

### CONTINUING OPERATIONS

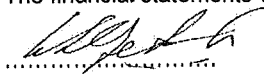
All income and expenditure has arisen from continuing activities.

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
		£	£	£	£
<b>FIXED ASSETS</b>					
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>
<b>CURRENT ASSETS</b>					
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>
<b>CREDITORS</b>					
Amounts due <1 year	18	<u>(981,873)</u>	<u>(730,175)</u>	<u>(932,145)</u>	<u>(732,283)</u>
<b>NET CURRENT ASSETS</b>		<u>718,640</u>	<u>447,777</u>	<u>715,262</u>	<u>449,016</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,520,322</u>	<u>2,337,646</u>	<u>2,519,069</u>	<u>2,333,841</u>
<b>CREDITORS</b>					
Amounts due >1 year	19	(276,449)	(322,619)	(276,449)	(320,884)
<b>PROVISIONS FOR LIABILITIES</b>	20	(1,253)	-	-	-
<b>NET ASSETS EXCLUDING PENSION LIABILITY</b>		<u>2,242,620</u>	<u>2,015,027</u>	<u>2,242,620</u>	<u>2,012,957</u>
<b>PENSION ASSET / (LIABILITY)</b>	23	-	2,658,000	-	2,658,000
<b>TOTAL NET ASSETS</b>		<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>
<b>FUNDS</b>	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>
<b>TOTAL FUNDS</b>		<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 £
<b>Cash flows from operating activities</b>			
Net cash inflow from operating activities	1	648,192	(87,823)
Tax paid		-	-
<b>Net cash/(cost) from operating activities</b>		<b>648,192</b>	<b>(87,823)</b>
<b>Cash flows from investing activities</b>			
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)	-
<b>Cash used on investing activities</b>		<b>(569,552)</b>	<b>(388,636)</b>
<b>Cash flows from financing activities</b>			
Repayment of borrowing including HP		(121,364)	(98,296)
Repayment of loan		-	-
<b>Cash used in financing activities</b>		<b>(121,364)</b>	<b>(98,296)</b>
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
<b>Total cash and cash equivalents at the end of the year</b>	<b>2</b>	<b>379,215</b>	<b>421,939</b>

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	-
	<hr/>	<hr/>
<b>Net cash inflow from operating activities</b>	<b>648,192</b>	<b>(87,823)</b>
	<hr/>	<hr/>

### **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
	<hr/>	<hr/>
<b>Total cash and cash equivalents</b>	<b>379,215</b>	<b>421,939</b>
	<hr/>	<hr/>

### **3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.4.23	Cash Flow	At 31.3.24
<b>Net Cash</b>			
Cash at bank	421,939	(42,724)	379,215
<b>Debt</b>			
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)
	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>(47,634)</b>	<b>(1,815)</b>	<b>(49,449)</b>
	<hr/>	<hr/>	<hr/>

**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**

<b>The Group</b>	<b>Improvements to leasehold property £</b>	<b>Plant and machinery £</b>	<b>Totals £</b>
<b>COST</b>			
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>
<b>DEPRECIATION</b>			
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>
<b>NET BOOK VALUE</b>			
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:

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

<b>The Charitable Company</b>	<b>Improvements to leasehold property £</b>	<b>Plant and Machinery £</b>	<b>Totals £</b>
<b>COST</b>			
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>
<b>DEPRECIATION</b>			
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>
<b>NET BOOK VALUE</b>			
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:

<b>The Charitable Company</b>	<b>Plant and machinery £</b>
<b>COST</b>	
At 1 April 2023	163,323
Additions	103,615
Transfer to ownership	(163,322)
At 31 March 2024	<u>103,616</u>
<b>DEPRECIATION</b>	
At 1 April 2023	149,712
Charge for year	13,610
Transfer to ownership	(163,322)
At 31 March 2024	<u>-</u>
<b>NET BOOK VALUE</b>	
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 £
<b>COST</b>		
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>
<b>AMORTISATION</b>		
At 1 April 2023	-	-
Eliminated on disposal	<u>-</u>	<u>-</u>
At 31 March 2024	<u>-</u>	<u>-</u>
<b>NET BOOK VALUE</b>		
At 31 March 2024	<u>10,000</u>	<u>10,000</u>
At 31 March 2023	<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 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	(116,831)	(107,304)
Gross profit	359,867	295,322
Administrative expenses	(310,688)	(262,607)
Operating profit / (loss)	49,179	32,715
Other income	-	-
Tax on profit	(2,678)	-
Profit / (loss) on ordinary activities	46,501	32,715
Deed of covenant to parent undertaking	(48,568)	(32,715)
Profit / (loss) for the financial year	(2,067)	-

The aggregate of the assets, liabilities and funds was:

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

**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	324,025	209,797

**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 £
<b>Restricted funds:</b>					
Leisure Centre	-	386,008	(386,008)	-	-
<b>Total restricted funds</b>	<b>-</b>	<b>386,008</b>	<b>(386,008)</b>	<b>-</b>	<b>-</b>
<b>Unrestricted funds:</b>					
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	-
<b>Total general funds</b>	<b>2,015,027</b>	<b>5,895,915</b>	<b>(5,668,322)</b>	<b>-</b>	<b>2,242,620</b>
Pension fund	2,658,000	-	145,000	(2,803,000)	-
<b>Total unrestricted funds</b>	<b>4,673,027</b>	<b>5,895,915</b>	<b>(5,523,322)</b>	<b>(2,803,000)</b>	<b>2,242,620</b>
<b>Total funds including pension fund</b>	<b>4,673,027</b>	<b>6,281,923</b>	<b>(5,909,330)</b>	<b>(2,803,000)</b>	<b>2,242,620</b>

**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 £
<b>Restricted funds:</b>					
Leisure Centre	3,498	180,497	(183,995)	-	-
<b>Total restricted funds</b>	<b>3,498</b>	<b>180,497</b>	<b>(183,995)</b>	<b>-</b>	<b>-</b>
<b>Unrestricted funds:</b>					
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
<b>Total general funds</b>	<b>2,188,610</b>	<b>5,107,816</b>	<b>(5,281,399)</b>	<b>-</b>	<b>2,015,027</b>
Pension fund	(132,000)	-	(81,000)	2,871,000	2,658,000
<b>Total unrestricted funds</b>	<b>2,056,610</b>	<b>5,107,816</b>	<b>(5,362,399)</b>	<b>2,871,000</b>	<b>4,673,027</b>
<b>Total funds including pension fund</b>	<b>2,060,108</b>	<b>5,288,313</b>	<b>(5,546,394)</b>	<b>2,871,000</b>	<b>4,673,027</b>

**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.