

REGISTERED COMPANY NUMBER: 04376721 (England and Wales)
REGISTERED CHARITY NUMBER: 01095215

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
ACTIVE LIFE LIMITED
A COMPANY LIMITED BY GUARANTEE

ACTIVE LIFE LIMITED
A COMPANY LIMITED BY GUARANTEE

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FOR THE YEAR ENDED 31 DECEMBER 2020

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ACTIVE LIFE LIMITED
A COMPANY LIMITED BY GUARANTEE

CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

2020 was dominated by the Covid pandemic and has been a very tough year for staff and customers alike. We have been able to offer our customers normal services for only 11 weeks of the year. For the rest of the year our facilities have either being closed entirely during national lockdowns or operating under Covid restrictions. Even when we have been permitted to open our capacities have been reduced significantly and our normal range of services reduced.

For much of the year our staff have been on furlough and unable to work and have had to cope with return to work subsequently being reversed by new lockdowns. In spite of the disruption and uncertainty both of which continue into 2021 I am pleased with the way the company has coped. We have made many changes to the way we operate to ensure that we survive the lockdown and can operate safely and profitably as we are permitted to reopen. During 2020 we have increased on-line activity and have sought to maintain customer engagement through on-line classes for which the feedback has been very positive.

The company has had plenty of time to plan its remobilisation and these plans have been adapted following the publication of the government's Road Map in February 2021. It is likely that national restrictions will not permit significant sport and fitness activity in our sites in the first half of 2021. Where restrictions permit and we believe it is safe we will open activities to reengage with as many of our customers and users as possible ahead of the full end to the lockdown scheduled for the end of June.

Once restriction are lifted we believe the need for the charity's services will be greater than ever. With the support from Canterbury City Council, the Fusion group and the National Leisure Recovery Fund I am confident Active Life will be well placed to meet this need.

I would like to put on record my gratitude to the whole team who have enabled the company to come through the most challenging year in its history and who continue to help us face the challenges of 2021; in spite of these challenges I am looking forward to the charity delivering significant health and wellbeing benefits to our local communities in the year ahead.

Christine Longmire
Chairman

ACTIVE LIFE LIMITED
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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees, who are also directors of the Charitable Company for the purposes of the Companies Act 2006, present their report with the financial statements of the Charitable Company for the year ended 31 December 2020. 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 DETAILS

Registered Company number
04376721 (England and Wales)

Registered Charity number
1095215

Trustees

G S Knox
S P Jones
C Longmire
N E Wells
R Thomas
R Barley
E Taylor
J Connelly

Resigned 29 September 2020

Company Secretary
N McGregor

Resigned 7 September 2020

Chief executive officer
Anthony Cawley

Registered office
Amphenol Complex
Thanet Way
Whitstable
Kent
CT5 3JF

Auditors

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

Solicitors

Winckworth Sherwood
Minerva House
5 Montague Close
London
SE1 9BB

Bankers

National Westminster Bank
City Centre Branch
11 The Parade
Canterbury
Kent
CT1 2SQ

ACTIVE LIFE LIMITED
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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

OBJECTIVES AND ACTIVITIES

Policies and Objectives

The objects of the Charitable Company are:

- to provide or assist in the provision of facilities and services for recreation and other leisure time occupation primarily in the District of Canterbury in the interest of social welfare, such facilities being provided to the public at large save that special care facilities may be provided for persons who by reason of their youth, age, infirmity or disability may have need of special facilities and/or
- to promote, maintain, improve and advance education primarily in the District of Canterbury for the benefit of the public, particularly dramatic education and to foster the public interest in arts.

Public benefit statement

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees regularly consider how planned activities contribute to the charitable aims and objectives they have set.

The Trustees confirm that they have complied with the duties in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissions general guidance on public benefit.

The trustees acknowledge that the Charitable Company charges a fee for many of the services it provides. It is the opinion of the trustees however that the Charitable Company's pricing strategy, which enables increased access to sports facilities for a wide range of disadvantaged persons, including those on low incomes, coupled with the range of services that it provides for young people, the elderly and the disabled are such that the Charitable Company can demonstrate that it operates for the public benefit of the community that it serves.

There have been no changes in the objectives since the last annual report.

Strategies for achieving objectives

- To increase admissions
- To increase the health promotion programme
- To increase turnover
- To reduce energy consumption
- To improve customer satisfaction

ACHIEVEMENT AND PERFORMANCE

Statement of the Chief Executive

2020 had an encouraging start with new member sign ups, but by early March the onset of the pandemic and consumer fears about infection were already suppressing customer numbers ahead of the government imposed shutdown. The effect of the national lockdowns was to reduce normal customer revenues to zero for 5 months of the year. The company took drastic and rapid action to protect itself including the development of alternative on-line revenues and the shutdown of all non-essential operational and workforce costs.

When the Company was permitted to reopen it faced 2 major challenges:

- new operating restrictions which significantly reduced capacity and types of services that could be offered
- consumer fears about the risk of infection with a resultant drop in demand.

In response to these challenges the company has effected comprehensive improvements to its operations. The customer journey has been overhauled with radical changes to booking and admissions systems which place greater emphasis on pre-booking and on-line transactions. Opening hours and activity programmes have been modified and aligned closely with customer demand with agile response built-in to fluctuations in that demand. The physical journey through sites has been modified to ensure safe distancing and

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

ACHIEVEMENT AND PERFORMANCE - CONTINUED

Statement of the Chief Executive- continued

cleaning and hygiene regimes have been totally overhauled. Customer feedback on the new protocols is positive both in terms of safety and quality of experience.

The events of 2020 have culminated in the company making an accounting loss of £383K. The company had only 11 weeks of normal trading and suffered a 33% drop in revenues compared to 2019 and in this context the scale of the loss could have been worse.

The Company has not traded in the first 3 months of 2021. The government Road Map published in February 2021 indicates a full reopening of services should not be expected before the end of June 2021, however there will be trading opportunities before then. The company will make sure it capitalises on the staged loosening of restrictions ahead of the final end of lockdown and is refining its recovery plan accordingly based on the latest information.

The recovery plan is supported by external funding; £13M has already been provided to the Group through the Coronavirus Large Business Interruption Loan Scheme (CLBILS); additionally Active Life has applied for £350K of grant funding from the National Leisure Recovery Fund which was launched by the government in December 2020 in partnership with Sport England.

The company continues to face uncertainty and challenges in 2021. The progress of the pandemic, the speed and effectiveness of vaccination programmes and government imposed measures remain difficult to forecast. That said, the assessment of Management and the Trustees is that it is correct to prepare the 2020 financial statements on a going concern basis. This assessment is based on:

- 2020 actual experience and results to date
- the changes that have already been implemented during 2020, including revised operating model, rationalisation and funding.

The above actions support the company's business plans and financial projections, in which the business is cash generative, able to service fixed charges with a suitable safety margin, and returns to an accounting surplus during 2021.

It is clear that the wider economy and consumer spending will remain suppressed in 2021; the company's cashflow has been planned on this basis including downside scenarios on a slow lifting of lockdown restrictions. Leisure spending has fared well in previous downturns and Active Life has seen no evidence that the long term trends on participation in fitness and physical activities will be adversely affected by the pandemic; the challenge to operators is to supply this demand in a way that makes sense economically and reassures consumers that they are safe. Active Life has already made good progress on these fronts in 2020 and will continue to adapt its offer to meet consumer and public health needs.

In spite of the challenging outlook the Trustees and Management remain confident about the long term viability of the business and its future development prospects.

Public Benefit

Active Life's vision is for everyone in the district to have an equal opportunity to be as physically and mentally healthy as possible by participating in active recreation. In normal years Active Life undertakes a significant amount of work internally and with local partners to promote and deliver its health and wellbeing objectives. This normal work has been severely disrupted in 2020, but the infrastructure including Group support remains in place to ramp up activity to previous levels as restrictions are lifted.

Affordability and Equity of Access

Active Life's pricing policy is to maximise revenue whilst ensuring that no one is precluded from accessing the service on the grounds of price. Whatever price paid we want every customer to perceive the service provides them with excellent value. Market rates are

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

ACHIEVEMENT AND PERFORMANCE – CONTINUED

charged for the majority with concessionary rates available for those on low incomes and to youngsters, students, clients with health issues, the retired, school groups and to families.

Membership schemes are available that benefit and encourage regular use but membership is not a requirement to access the facilities, an important differentiator to the private sector. The targeting of families included the flat discount of 20% for each individual thereby benefitting any family grouping, including single parents, not just the typical discount only to 2 adults and 3/4 children offered by many other organisations. This principle also extends to couples where any pairing can take advantage of the discounted price and research demonstrates that people that use the facilities with friends or family are more likely to maintain their participation.

Sports Development

The Sports Development function, which was integrated into Active Life from Canterbury City Council a few years ago, focuses on supporting the sector, advocacy and improving access for sport and physical activity. The programme is a mixture of proactive and reactive support to the local community focusing on sport for good outcomes.

Health Promotion

Active Life's Health Promotion Programme aims to provide support to those with special medical conditions who may benefit from expertise and supervision to help improve their current health status and their health outcomes. The programme also aims to improve skill level, knowledge, sense of awareness, and social interaction through participating in regular physical activity. The sessions also target reductions in blood pressure, cholesterol, obesity and stress.

Unlike most Exercise referral programmes nationally, Active Life provides an extensive weekly programme of classes in the halls, studios, and pools, to both support the 12-week Exercise Referral courses and also provide ongoing classes to help clients maintain exercise and eventually graduate to mainstream activities if capable. Active 4 Life, (A4L) is the umbrella name for all our exercise classes directly targeting exercise referral members, the over 55's and the very unfit. The water fitness sessions are branded 'Aqua 4 Life'.

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REPORT OF THE TRUSTEES
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FINANCIAL REVIEW

The accounting loss in 2020 has halved the unrestricted funds brought forward; whilst this is obviously unwelcome the short to medium term focus is on cash holding and operating cashflow. The Trustees are confident the company can return to a net profit once it is permitted to trade normally. Similarly they are confident that the company and the group of which it is a subsidiary can maintain positive operating cashflow during the shutdown and therefore whilst there is significant uncertainty about the future economic environment they are satisfied that it is correct to prepare the Financial Statements on a Going Concern basis.

Reserves policy

The trustees have considered the risks and opportunities facing the company and identified a level of cash reserves, £100,000 that it would be prudent to maintain. Cash reserves held at 31st December 2020 were £656K (2019: £165K).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Charitable Company is registered as a member's limited liability company and was set up by a Memorandum of Association on 19 February 2002.

The Charitable Company is constituted under a Memorandum of Association dated 28 November 2002 and is a registered charity, number 1095215.

Method of appointment or election of Trustees

The management of the Charitable Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

Induction and training of new trustees

New Trustees are provided with key documents relating to the work of Active Life and setting out their duties as Trustees, including the background to Active Life with centre profiles and staff structure, board structure, and other Trustee thumbnails; the governing document, last 2 years minutes of board meetings, annual reports and accounts, Active Life's recent strategic reviews, current business plan, and various guidance papers from the Charity Commission such as 'The Essential Trustee', 'The Hallmarks of an Effective Charity', and 'Charities and Risk Management'. Job Descriptions and Person Specifications are provided at the recruitment stage.

The Induction process includes a tour of all the facilities and Head Office by the Chief Executive meeting key members of the senior management team and staff. Opportunities for on-going training are made available if appropriate to enhancing the role of individual Trustees.

Remuneration policy for key management personnel

The pay and remuneration of key management personnel, and indeed all other staff, is set with reference to:

- A predefined pay structure containing incremental scales, based on the complexity and impact of the role.
- Benchmarking against similar organisations operating within the same sector.

Annual pay reviews take account of the following

- The cost of living
- A desire to maintain pay differentials whilst complying with legislation
- Market comparators
- The charity's development
- The charity's performance against objectives.

Organisational structure and decision making

The board of trustees of up to 12 members meet a minimum of 4 times a year to administer the Charitable Company. There is also a subcommittee to cover Finance and General Purposes. A Chief Executive is appointed by the trustees to manage the day to day operations of the Charitable Company.

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT - CONTINUED

Risk management

The trustees have assessed the major risks to which the Charitable Company is exposed, in particular those related to the operations and finances of the Charitable Company, and are satisfied that systems and procedures are in place to mitigate the exposure to the major risks.

EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF THE DISABLED

Employees are consulted on issues of concern to them by means of a regular consultative committee and staff meetings and are kept informed on specific matters directly by management.

The Charitable Company has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities
- Volunteers
- Health and safety

In accordance with the Charities equal opportunities policy, the Charitable Company has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Active Life 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 2015 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

DISCLOSURE OF INFORMATION TO THE AUDITORS

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.

Approved by order of the board of trustees on 27 May 2021

2021 and signed on its behalf by:



C Longmire - Chairman

ACTIVE LIFE LIMITED
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REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ACTIVE LIFE LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2020

Opinion

We have audited the financial statements of Active Life Limited (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to Going Concern

We draw attention to note 1 in the financial statements which indicates that the effects of the COVID-19 pandemic has had a detrimental impact on the trading results of the charitable company. As stated in note 1 these events or conditions, along with other matters as set forth in note 1 indicate that a material uncertainty exists which may cast significant doubt on the charitable company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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.

ACTIVE LIFE LIMITED
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REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ACTIVE LIFE LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2020

Matters on which we are required to report by exception.

In the light of the knowledge and understanding of the 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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

We assessed the susceptibility of the 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.

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REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ACTIVE LIFE LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2020

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.

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 directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

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



Clair Rayner FCA DChA (Senior Statutory Auditor)
for and on behalf of McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Bank Chambers
1 Central Avenue
Sittingbourne
Kent
ME10 4AE

Date:27 MAY 2021

ACTIVE LIFE LIMITED
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STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an Income & Expenditure account
And Statement of Other Comprehensive Income)
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted Funds	Restricted Funds	31.12.20 Total Funds	31.12.19 Total Funds
		£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	-	1,306,624	1,306,624	-
Charitable activities					
Operation of leisure sites	5	2,056,862	-	2,056,862	5,020,195
Investment income	3	1,252	-	1,252	3,786
Other income	4	-	-	-	-
Total		<u>2,058,114</u>	<u>1,306,624</u>	<u>3,364,738</u>	<u>5,023,981</u>
EXPENDITURE ON					
Charitable activities					
Operation of leisure sites	6	<u>2,403,076</u>	<u>1,344,784</u>	<u>3,747,860</u>	<u>3,035,350</u>
Total		<u>2,403,076</u>	<u>1,344,784</u>	<u>3,747,860</u>	<u>3,035,350</u>
NET INCOME/(EXPENDITURE)		(344,962)	(38,160)	(383,122)	1,988,631
Transfers between funds	24	-	-		
		(344,962)	(38,160)	(383,122)	1,988,631
Other comprehensive income /					
(expenditure):					
Remeasurement gain on defined benefit scheme	25	-	-	-	-
Net movement in funds		(344,962)	(38,160)	(383,122)	1,988,631
RECONCILIATION OF FUNDS					
TOTAL FUNDS BROUGHT FORWARD		<u>715,375</u>	<u>38,160</u>	<u>753,535</u>	<u>(1,235,096)</u>
TOTAL FUNDS CARRIED FORWARD		<u>370,413</u>	<u>-</u>	<u>370,413</u>	<u>753,535</u>

All income and expenditure derive from continuing activities.

The notes form part of these financial statements.

BALANCE SHEET AT 31 DECEMBER 2020

		31.12.20 Total Funds £	31.12.20 Total Funds £	31.12.19 Total Funds £	31.12.19 Total Funds £
	Notes				
FIXED ASSETS					
Tangible assets	15		403,755		355,273
			403,755		355,273
CURRENT ASSETS					
Stocks	16	-		27,088	
Debtors; amounts falling due within one year	17	-		680,108	
Cash at bank and in hand		646,862		165,381	
		646,862		872,577	
CREDITORS					
Amounts falling due within one year	18	(620,537)		(343,703)	
NET CURRENT ASSETS			26,325		528,874
TOTAL ASSETS LESS CURRENT ASSETS			430,080		884,147
CREDITORS	19				
Amounts falling due more than one year			(59,667)		(130,612)
NET ASSETS/(LIABILITIES) BEFORE PENSION LIABILITY			370,413		753,535
PENSION LIABILITY	25		-		-
CHARITY FUNDS					
Unrestricted funds		370,413		715,375	
Restricted funds		-		38,160	
TOTAL CHARITY FUNDS	24		370,413		753,535

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 27 MAY 2021 and were signed on its behalf by:



.....
C Longmire - Chairman

The notes on pages 13 to 27 form part of these financial statements.

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	31.12.20 £	31.12.19 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>790,791</u>	<u>(829,473)</u>
Net cash provided by operating activities		<u>790,791</u>	<u>(829,473)</u>
 Cash flows from investing activities:			
Purchase of tangible fixed assets		(225,698)	(25,675)
Sale of tangible fixed assets		-	-
Interest received		1,252	3,786
Interest Paid		<u>(8,590)</u>	<u>(9,840)</u>
Net cash provided (used in) investing activities		<u>(233,036)</u>	<u>(31,729)</u>
 Cash flows from financing activities:			
New HP agreements in year		-	-
Loan repayments in year		(37,500)	(50,000)
Capital repayments in year		<u>(38,774)</u>	<u>(55,587)</u>
Net cash provided (used in) financing activities		<u>(76,274)</u>	<u>(105,587)</u>
 Change in cash and cash equivalents in the reporting period		481,481	(966,789)
Cash and cash equivalents at the beginning of the reporting period	2	<u>165,381</u>	<u>1,132,170</u>
Cash and cash equivalents at the end of the reporting period	2	<u>646,862</u>	<u>165,381</u>

ACTIVE LIFE LIMITED
A COMPANY LIMITED BY GUARANTEE

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.20	31.12.19
	£	£
Net income for the reporting period (as per the statement of financial activities)	(383,122)	1,988,631
Adjustments for:		
Actuarial adjustments in relation to defined benefit pension scheme	-	(2,023,000)
Depreciation charges	177,215	183,077
(Profit)/loss on disposal of fixed assets	-	-
Interest received	(1,252)	(3,786)
Interest Paid	8,590	9,840
Decrease in stock	27,088	8,690
Decrease/(increase) in debtors	680,108	(490,481)
Increase in creditors	282,164	(502,444)
Difference between pension charge and cash contributions	-	-
Net cash provided by operating activities	<u>790,791</u>	<u>(829,473)</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31.12.20	31.12.19
	£	£
Cash in hand	646,862	165,381
Notice deposits (less than 3 months)	-	-
Overdrafts included in bank loans and overdrafts falling due within one year	-	-
Total cash and cash equivalents	<u>646,862</u>	<u>165,381</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	31.12.2019	Cash Flows	Non-Cash Changes		31.12.2020
			New Finance Leases	Other Non-Cash Changes	
Cash in hand	165,381	481,481	-	-	646,862
Debt due within one year	(109,776)	5,328	-	-	(104,448)
Debt due greater than one year	(130,612)	70,945	-	-	(59,667)
	<u>(75,007)</u>	<u>557,754</u>	<u>-</u>	<u>-</u>	<u>482,747</u>

ACTIVE LIFE LIMITED
A COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the 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 2015)', 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.

Statutory information

Active Life Limited is a registered charity and a company limited by guarantee. The charitable company's registered number and registered office address can be found under reference and administrative details in the report of the trustees.

Statement of compliance

The financial statements have been prepared in accordance with the Financial Reporting Standard (FRS 102) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charitable entities preparing their accounts in accordance with the Financial Reporting Standard 102. The Charity constitutes a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Going Concern

Following the Coronavirus pandemic there are material uncertainties related to the events and conditions set out below that may cast significant doubt upon the group and charity's ability to continue as a going concern and therefore whether the group will realise its assets and settle its liabilities in the ordinary course of business at the amounts recorded in the financial statements. These uncertainties are inherent in the pandemic itself and how government bodies may choose to respond to the pandemic. Active Life to the best of its abilities has sought to mitigate the disruption that has already taken place as well as what it believes may happen in the future. The company now has extensive experience of operating a Covid-secure environment. It also has extensive experience of shutting down operations quickly, at minimal cost and then maintaining them in a safe closed state at minimal cost. The company has rationalised its cost base in the face of reduced revenue and a slow recovery that may take many months. Additionally the Group of which Active is a member has secured £13M of government backed funding (CLBILS) specifically for the purpose of supporting the group companies during their recovery from the coronavirus crisis. Importantly the Active Life business was financially viable pre-crisis and with the measures taken Management and the Trustees believe the company has the best possible prospects of remaining a going concern.

Functional currency and presentation currency

The Charitable Company's functional currency is British Pound Sterling (GBP), which is also the presentation currency for the Charitable Company. The financial statements are therefore presented in British Pound Sterling.

Funds

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

ACTIVE LIFE LIMITED
A COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES - continued

Income

All income is recognised in the Statement of Financial Activities once the charitable company has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income is recognised when net sales of goods and services and management fees excluding value added tax have been delivered to customers such that risks and rewards of ownership have transferred to them. Certain income is received in advance of the provision of the relevant service and as such is deferred until the service commences.

Grants Receivable and Management Fees

Grants receivable and management fees in respect of a specified period relating to the general activities of the charitable company are recognised in the income and expenditure account in the period in which they become receivable.

Government Grants

Government grants are recognised when the performance related conditions imposed upon the receipt of the grant have been met. Where these have not been satisfied, these grants are recognised as liabilities. If grants are not conditional on future performance related conditions, then income is recognised when the grant proceeds are receivable.

During the year, the Charity received the following grants:

Coronavirus Job Retention Scheme (CJRS) to cover a portion of employees' wages who were furloughed due to the coronavirus pandemic. The amount received totalled £1,306,624 and has been included in income (note 2).

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.

Support costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Irrecoverable VAT

Given the nature of the Charitable Company's activities it attracts exempt supplies, which results in the Charitable Company falling under the partial exemption scheme. Input VAT is fully recovered on taxable supplies, together with a proportion of non-attributable input VAT. Irrecoverable VAT is written off to the Statement of Financial Activities.

Tangible fixed assets

All assets costing more than £1,000 are capitalised.

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Improvements to property	- over the remaining life of the lease to the Charitable Company
Plant and equipment	- Between 20% and 50% straight line
Computer equipment	- 33% straight line

Stocks

Inventories have been valued at the lower of cost and estimated selling price less costs to sell, after making due allowance for obsolete and slow moving items.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES - continued

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Concessionary Loan

Concessionary loans include those payable to a third party which are interest free and are made to advance charitable purposes. In accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" effective 1 January 2015, concessionary loan are recognised at the amount received. The notional interest associated with a concessionary loan is recognised in the Statement of Financial Activities.

Service Concession Arrangements

The Charitable Company has a Service Contract with a Local Authority for the maintenance and operation of leisure centres owned by the Local Authority to which it has a lease and management service contract. The Authority has rights under the contract to specify the activities offered by the centres and have influence over the prices charged for them and also may have certain exclusive rights for the use of the centres at certain times. The contract specifies minimum standards for the services to be provided, with deductions from the service management fee payable being made if facilities are unavailable or performance is below the minimum standards.

Property, plant and equipment

The buildings and plant at the centres are leased to the Charitable Company as part of the overall contractual relationship with the Authority but the Authority maintains ultimate control of these assets. Accordingly the access which the Charitable Company has in the use of these assets is to enable it to operate the leisure centres, so that the Charitable Company can provide the public service it is contracted to provide, not to effectively own these public service assets. These assets are therefore not recognised on the Charitable Company's Balance Sheet.

Taxation

The Charitable Company is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Leasing and hire purchase

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

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

ACTIVE LIFE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

ACCOUNTING POLICIES- continued

Pension costs and other post-retirement benefits

The company has admitted body status and contributes on behalf of its employees to the Kent County Council local government pension scheme which provides defined benefits to its members. Following the merger with Fuslon lifestyle 28th February 2020 Canterbury City Council agreed to indemnify the company against changes in the employer contribution rate and any liability which may become payable as a result of the termination or expiry of the contract. This agreement extinguished the previously existing liability and means the company has no further liability to fund the scheme beyond its contributions paid in the year. The only amounts now charged to the statement of financial activities are the contributions payable to the scheme during the year in question.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the society'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 relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period to 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 key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are the depreciation charges that are calculated with reference to the useful economic life of fixed assets.

2. DONATIONS AND LEGACIES

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total Funds 2020 £	Total funds 2019 £
Donations	-	1,306,624	1,306,624	-

In 2020 Active Life received £1.3M of grant funding from the government's Job Retention Scheme (JRS)

3. INVESTMENT INCOME

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total Funds 2020 £	Total funds 2019 £
Deposit account interest	1,252	-	1,252	3,786

ACTIVE LIFE LIMITED
A COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

4. OTHER INCOME

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total Funds 2020 £	Total funds 2019 £
Other income	-	-	-	-

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total Funds 2020 £	Total funds 2019 £
Operation of leisure centres	1,900,862	-	1,900,862	4,864,195
Management Fees	156,000	-	156,000	156,000
Grants	-	-	-	-
Total	2,056,862	-	2,056,862	5,020,195

£156,000 (2019: £156,000) was received from Canterbury City Council for the management of leisure centres.

6. RESOURCES EXPENDED ON CHARITABLE ACTIVITIES

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total Funds 2020 £	Total funds 2019 £
Summary by fund type				
Operation of leisure centres	2,403,076	1,344,784	3,747,860	3,035,350
Total	2,403,076	1,344,784	3,747,860	3,035,350

	Staff costs 2020 £	Direct costs 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Summary by expenditure type					
Operation of leisure centres	2,673,365	140,060	934,435	3,747,860	3,035,350
Total	2,673,365	140,060	934,435	3,747,860	3,035,350

ACTIVE LIFE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

7. SUPPORT COSTS

Included in support costs as stated in note 6 above:

	31.12.20	As Restated 31.12.19
	£	£
IT costs	87,441	116,174
Finance costs	22,836	50,015
Marketing Materials	17,577	72,889
Administration	129,713	149,769
Other staff related costs	16,866	48,627
Facilities management costs	473,787	717,746
Depreciation	177,215	185,582
Governance costs	9,000	8,607
	<u>934,435</u>	<u>1,349,409</u>

All support costs relate to the sole activity of the Charitable Company, being the provision of leisure, recreation and wellbeing services. Governance costs are made up of auditor's remuneration of £9,000 (2019: £8,607).

8. NET INCOME/(EXPENDITURE)

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

	31.12.20	31.12.19
	£	£
Auditors' remuneration	9,000	8,607
Depreciation - owned assets	133,254	134,765
Depreciation - assets on hire purchase contracts and finance leases	43,961	48,312
Hire of plant and machinery	<u>1,919</u>	<u>7,277</u>

9. AUDITORS REMUNERATION

The auditor's remuneration amounts to an audit fee of £9,000 (2019: £8,607).

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

11. STAFF COSTS

	31.12.20	31.12.19
	£	£
Wages and salaries	2,371,004	2,999,214
Social security costs	117,505	161,410
Other staff costs	-	38,909
Other pension costs	184,856	264,946
LGPS	-	<u>(2,023,000)</u>
	<u>2,673,365</u>	<u>1,441,479</u>

ACTIVE LIFE LIMITED
A COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

11. STAFF COSTS- continued

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

	31.12.20	31.12.19
Full time	37	38
Part time	293	321
	<u>330</u>	<u>359</u>

The average number of persons (including senior management team) employed by the Trust during the year expressed as full time equivalents was as follows:

	31.12.20	31.12.19
Management	15	16
Support	6	8
Direct	<u>77</u>	<u>98</u>
	<u>98</u>	<u>122</u>

No employee received remuneration in excess of £60,000 in 2020 (One between £70,000 and £80,000 in 2019).

12. TRUSTEES' AND KEY MANAGEMENT PERSONNEL REMUNERATION AND EXPENSES

The trustees neither received nor waived any remuneration during the year (2019: £Nil).

The total amount of employee benefits received by key management personnel is £192K (2019: £386K). In 2020 key management personnel comprised Neil Mason, Giles Seaford, Carol Giffatt and Laura Downes.

No ex gratia payments were made to employees in the year under review (2019: £40K).

The trustees did not have any expenses reimbursed during the year (2019: £Nil).

13. INTEREST PAYABLE AND SIMILAR CHARGES

	31.12.20	31.12.19
	£	£
Concessionary loans	-	-
Finance charges payable under finance leases	8,590	9,840
Interest on net defined benefit pension liability	-	-
Bank charges	<u>9,155</u>	<u>29,679</u>
	<u>17,745</u>	<u>41,724</u>

ACTIVE LIFE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £	Restricted Funds £	Pension Adjustment Unrestricted £	31.12.19 Total Funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	-	-	-	-
Charitable activities					
Operation of leisure sites	5	5,020,195	-	-	5,020,195
Investment income	3	3,786	-	-	3,786
Other Income	4	-	-	-	-
Total		5,023,971	-	-	5,023,981
EXPENDITURE ON					
Charitable activities					
Operation of leisure sites	6	5,043,325	15,025	(2,023,000)	3,035,350
Total		5,043,325	15,025	(2,023,000)	3,035,350
NET INCOME/(EXPENDITURE)		(19,344)	(15,025)	2,023,000	1,988,631
Transfers between funds	2 4	-	-	-	-
		(19,344)	(15,025)	2,023,000	1,988,631
Other comprehensive income (expenditure):	1				
Remeasurement gains/(losses) on defined benefit schemes	2 5	-	-	-	-
Net movement in funds		(19,344)	(15,025)	2,023,000	1,988,631
RECONCILIATION OF FUNDS					
TOTAL FUNDS BROUGHT FORWARD		734,719	53,185	(2,023,000)	(1,235,096)
TOTAL FUNDS CARRIED FORWARD		715,375	38,160	-	753,535

ACTIVE LIFE LIMITED
A COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

15. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Computer equipment £	Totals £
COST				
At 1 January 2020	1,184,103	1,172,344	120,817	2,477,264
Additions	-	225,698	-	225,698
Disposals	-	-	-	-
At 31 December 2020	<u>1,184,103</u>	<u>1,398,042</u>	<u>120,817</u>	<u>2,702,962</u>
DEPRECIATION				
At 1 January 2020	1,068,453	932,722	120,817	2,121,991
Charge for year	87,837	89,379	-	177,215
Eliminated on disposal	-	-	-	-
At 31 December 2020	<u>1,156,290</u>	<u>1,022,101</u>	<u>120,817</u>	<u>2,299,206</u>
NET BOOK VALUE				
At 31 December 2020	<u>27,814</u>	<u>375,942</u>	<u>-</u>	<u>403,755</u>
At 31 December 2019	<u>115,650</u>	<u>239,623</u>	<u>-</u>	<u>355,273</u>

Included in the tangible fixed assets are £211,650 of new assets acquired under HP agreement.

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

	Plant and machinery £	Totals £
COST		
At 1 January 2020	249,292	249,292
Additions	211,650	211,650
Reclassification	-	-
At 31 December 2020	<u>460,942</u>	<u>460,942</u>
DEPRECIATION		
At 1 January 2020	102,754	102,754
Charge for year	43,961	43,961
At 31 December 2020	<u>146,715</u>	<u>146,715</u>
NET BOOK VALUE		
At 31 December 2020	<u>314,227</u>	<u>314,227</u>
At 31 December 2019	<u>146,538</u>	<u>146,538</u>

16. STOCKS

	31.12.20 £	31.12.19 £
Stock	<u>-</u>	<u>27,088</u>

ACTIVE LIFE LIMITED
A COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Trade debtors	-	-
Other debtors	-	680,108
Prepayments and accrued income	-	-
	<u>-</u>	<u>680,108</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Bank loans and overdrafts (see note 20)	-	-
Other loans (see note 20)	50,000	50,000
Hire purchase (see note 21)	54,448	59,776
Trade creditors	-	38,160
Social security and other taxes	108,422	47,699
VAT	-	-
Other creditors	3,767	86,633
Accruals and deferred income	-	-
Amounts owed to Group undertakings	<u>403,900</u>	<u>61,435</u>
	<u>620,537</u>	<u>343,703</u>

Details of leasing arrangements are provided in note 21.

Deferred income

	31.12.20	31.12.19
	£	£
Deferred income brought forward	-	160,526
Resources deferred in the year	-	-
Amounts released from previous years	<u>-</u>	<u>(160,526)</u>
Deferred income carried forward	<u>-</u>	<u>-</u>

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

	31.12.20	31.12.19
	£	£
Other loans - 1-2 years	12,500	50,000
Other loans - 2-5 years	-	-
Hire purchase (see note 21)	<u>47,166</u>	<u>80,612</u>
	<u>59,667</u>	<u>130,612</u>

No interest is chargeable on the other loan outstanding at the year end. It is repayable by quarterly instalments of £12,500, and will be fully repaid by 2022.

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

20. LOANS

An analysis of the maturity of loans is given below:

	31.12.20 £	31.12.19 £
Amounts falling due within one year on demand: Other loans	<u>50,000</u>	<u>50,000</u>
	<u>50,000</u>	<u>50,000</u>
Amounts falling between one and two years: Other loans - 1-2 years	<u>12,500</u>	<u>50,000</u>
Amounts falling due between two and five years: Other loans - 2-5 years	<u>-</u>	<u>-</u>

21. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

Finance leases primarily relate to gym equipment.

	Hire purchase contracts	
	31.12.20 £	31.12.19 £
Net obligations repayable:		
Within one year	54,448	59,776
Between one and five years	<u>47,166</u>	<u>80,612</u>
	<u>101,614</u>	<u>140,388</u>

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.12.20 £	31.12.19 £
Within one year	-	-
Between one and five years	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

22. CONCESSIONARY LOANS PAYABLE

	31.12.20 £	31.12.19 £
Canterbury City Council	<u>62,500</u>	<u>100,000</u>

The Canterbury City Loan terms of repayment are quarterly payments of £12,500 and is interest free.

ACTIVE LIFE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted funds	31.12.20 Total funds	31.12.19 Total funds
	£	£	£	£
Fixed assets	403,755	-	403,755	355,273
Current assets	646,862	-	646,862	872,577
Current liabilities	(620,537)	-	(620,537)	(343,703)
Long term liabilities	(59,667)	-	(59,667)	(130,612)
Pension liability	-	-	-	-
	<u>370,413</u>	<u>-</u>	<u>370,413</u>	<u>753,535</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - COMPARISON

	Unrestricted fund	Restricted funds	31.12.19 Total funds	31.12.18 Total funds
	£	£	£	£
Fixed assets	355,273	-	355,273	512,675
Current assets	834,417	38,160	872,577	1,357,575
Current liabilities	(343,703)	-	(343,703)	(843,653)
Long term liabilities	(130,612)	-	(130,612)	(238,693)
Pension liability	-	-	-	(2,023,000)
	<u>715,375</u>	<u>38,160</u>	<u>753,535</u>	<u>(1,235,096)</u>

24. MOVEMENT IN FUNDS

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted funds				
General fund	715,375	(344,962)	-	370,413
Restricted funds				
Henry Smith Fund	4,515	(4,515)	-	-
Active Kids 4 Life	22,860	(22,860)	-	-
Sportivate/Canoe Wild	-	-	-	-
Street Games Porchlight	6,273	(6,273)	-	-
Rounder's	-	-	-	-
Satellite Clubs	4,512	(4,512)	-	-
Make Your Move	-	-	-	-
Walking Football	-	-	-	-
Netball Group	-	-	-	-
	<u>38,160</u>	<u>(38,160)</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u>753,535</u>	<u>(383,122)</u>	<u>-</u>	<u>370,413</u>

ACTIVE LIFE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

24. MOVEMENT IN FUNDS- continued

The activities supported by the restricted funds which target young, disadvantaged and disabled users were disrupted in 2020 as a result of the Covid restrictions but are all expected to run again 2021 once the restrictions are lifted.

Net movement in funds, included in the above are as follows:

MOVEMENT IN FUNDS - COMPARISON

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.19 £
Unrestricted funds				
General fund	(1,288,281)	2,003,656	-	715,375
Restricted funds				
Henry Smith Fund	4,515	-	-	4,515
Active Kids 4 Life	22,860	-	-	22,860
Sportivate/Canoe Wild	2,156	(2,156)	-	-
Street Games Porchlight	6,273	-	-	6,273
Rounder's	3,075	(3,075)	-	-
Satellite Clubs	7,258	(2,746)	-	4,512
Make Your Move	4,967	(4,967)	-	-
Walking Football	1,950	(1,950)	-	-
Netball Group	131	(131)	-	-
	53,185	(15,025)	-	38,160
TOTAL FUNDS	(1,235,096)	2,018,681	-	753,535

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

25. EMPLOYEE BENEFIT OBLIGATIONS

The company has admitted body status and contributes on behalf of its employees to the Kent County Council local government pension scheme which provides defined benefits to its members. Following the merger with Fusion lifestyle 28th February 2020 Canterbury City Council agreed to indemnify the company against changes in the employer contribution rate and any liability which may become payable as a result of the termination or expiry of the contract. This agreement extinguished the previously existing liability and means the company has no further liability to fund the scheme beyond its contributions paid in the year. As the company no longer has any liabilities or assets in relation to its scheme membership, there is therefore no disclosure as in previous years which analyses scheme assets, liabilities and associated actuarial assumptions.

26. RELATED PARTY DISCLOSURES

D Barley and C Barley, family members of R Barley, a trustee, are employed by the trust. Both employee appointments were made in open competition and R Barley was not involved in the decision-making process regarding the appointment. Both employees are paid within the normal pay scale for her role and received no special treatment as a result of their relationship to a trustee. D Barley's salary during the year under review was £1,587 (2019: £1,587). C Barley's salary during the year under review was £1,526 (2019: £647).

27. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Fusion Lifestyle a registered charity (charity registration number: 1107737).

28. POST-BALANCE SHEET EVENT

The worldwide outbreak of COVID-19 resulted in the UK Government requiring the British public to enter a number of national and regional lockdowns during the year. Following the year end, there was a third national lockdown from 5 January 2021 to 11 April 2021 resulting in the temporary closure of all leisure establishments including gyms and leisure centres. The charitable company's activities, as with many businesses, have been impacted.

The respective governments of Northern Ireland and England have now permitted leisure centres, gyms and indoor pools to reopen on 12 April 2021. The impact of the new social distancing measures which limit a facility's capacity, and the continued existence of COVID-19 in our society, which may have an impact on the behaviour of the company's customers is as of yet unknown. There are also concerns that there might be a further spike in the pandemic and the need for / likelihood of another lockdown which would undoubtedly have a significant impact on the position of the charitable company.