

LORDSWOOD LEISURE CENTRE LIMITED

England & Wales · Charity number 1099125

Details

Status Registered

Legal form Charitable company

Company number [04492639](#)

Registered 2003-08-22

Register [View on the Charity Commission register](#)

Contact

Address Lordswood Leisure Centre
North Dane Way
Chatham
ME5 8YE

Phone 01634682862

Email bernie.gould@lordswood-leisure.co.uk

Website www.lordswood-leisure.co.uk

Activities

Objects: TO PROVIDE, PREDOMINATELY FOR THE GENERAL PUBLIC IN THE BOROUGH OF MEDWAY COUNCIL, FACILITIES FOR RECREATION AND LEISURE TIME OCCUPATION IN THE INTERESTS OF SOCIAL WELFARE AND TO ADVANCE THE EDUCATION OF THE PUBLIC IN LEISURE TIME ACTIVITIES.

Activities: Various sports for all abilities and levels. Sports from age of 3-90 year olds.

Classification

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

Geography

- **Area of benefit:** BOROUGH OF MEDWAY COUNCIL
- Kent

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,425,460	£1,340,670	£713,633	41
2024-03-31	£1,425,460	£1,340,670	£713,633	41
2023-03-31	£1,417,963	£1,235,197	£634,878	42
2022-03-31	£1,102,177	£1,030,635	£466,970	47
2021-03-31	£495,936	£607,997	-	-

Trustees

Name	Role	Appointed
Anthony Delaney		2011-03-01
Edward Turcan		2011-03-01
RODNEY WILLIAM HILLS		
Rachel Vanessa Attwood		2015-02-10
SPENCER JOHN GRIMWADE		
Simon Laurence Mannering		2015-02-10

LORDSWOOD LEISURE CENTRE LIMITED

England & Wales - Charity number 1099125

Accounts

REGISTERED COMPANY NUMBER: 04492639 (England and Wales)
REGISTERED CHARITABLE COMPANY NUMBER: 1099125

**REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025
FOR
LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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FOR THE YEAR ENDED 31 MARCH 2025

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LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

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 group for the year ended 31 March 2025. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' effective 1 January 2019.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04492639 (England and Wales)

Registered Charity number

1099125

Registered office

North Dane Way
Lordswood
CHATHAM
ME5 8YE

Trustees

M G Rider	Resigned 10.09.2024
A Delaney	Chairman
S J Grimwade	Operations Director
R W Hills	
E P A Turcan	
R V Attwood	Finance Director
S L Mannering	

Senior Leadership Team

S J Grimwade
R V Attwood
M L Campbell-Carr

Auditors

Ashley Phillips FCCA (Senior Statutory Auditor)
Statutory Auditors and
Chartered Accountants
McCabe Ford Williams
Building 1063, Cornforth Drive,
Kent Science Park,
Sittingbourne,
Kent
ME9 8PX

Solicitors

D G B Solicitors
The Captains House
Central Avenue
Pembroke
CHATHAM MARITIME
ME4 4UF

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charitable company is controlled by its governing document, a deed of trust, and constitutes a company, limited by guarantee, as defined by the Companies Act 2006.

Appointment of Trustees

As set out in the Articles of Association the Board shall consist of at least three Trustees.

At the annual general meeting one third of the trustees who are subject to retirement by rotation or, if their numbers is not three or a multiple of three, the number nearest to the one third shall retire from office; but, if there is only one trustee who is subject to retirement by rotation, he shall retire.

Subject to the provisions of the Act, the trustees to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed trustees on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

If the Charity, at the meeting at which a trustee retires by rotation, does not fill the vacancy the retiring trustee shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the trustee is put to the meeting and lost.

Subject to the provisions of the Act and to Clause 5 of the memorandum, the trustees may appoint one or more of their number to the unremunerated office of managing director or to any other unremunerated executive office under the Charity. Any such appointment may be made upon such terms as the trustees determine. Any appointment of a trustee to an executive office shall terminate if he ceases to be a trustee. A managing director and a trustee holding any other executive office shall not be subject to retirement by rotation.

Induction and training of new trustees

New Trustees undergo an induction session to brief them of their legal requirements under charity and company law, the content of the Memorandum and Articles of Association, the board meetings and decision-making process, the business plan and recent financial performance of the Charity.

They will also meet key employees and other members of the Board and will be encouraged to attend any appropriate internal or external training where it will facilitate the undertaking of their role.

Arrangements for setting pay and remuneration of key management personnel

The Directors consider the Board of Directors, who are the Trustees of the charity, and the Senior Leadership Team which comprise of the key management personnel of the Charity in charge of directing and controlling, running and operating the centre on a day-to-day basis. The pay for senior staff is reviewed annually. The Board of Directors meets for a minimum of four times per annum, with subcommittee meetings as and when necessary. The Managing Director has delegated authority, set out by the board, to progress the implementation of the charity's strategy.

Related Parties

The Charity has an ongoing contractual relationship with Medway Council for the operation and maintenance of the leisure facility. The arrangement is conducted on a commercial basis and is fully maintained. Medway Council does not provide grant funding to the Charity.

Medway Council is the freeholder of the property occupied by the Charity under the terms of the contractual agreement. The Trustees confirm that all transactions with Medway Council during the year were conducted at arm's length, in the ordinary course of business, and in accordance with the Charity's governing document and applicable regulatory requirements.

Risk management

The trustees have a duty to identify and review the risks to which the charitable company is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The board together with the employed management of the charitable company carry out an annual risk assessment. They are satisfied that the principal risks associated with the operation of the charitable company's activities have been properly assessed and appropriate measures introduced to deal with these.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charity's objectives are to provide, predominantly for the general public in the Borough of Medway and surrounding areas, facilities for recreation and leisure-time occupation in the interests of social welfare, with the aim of improving quality of life and advancing participation in leisure activities.

The Charity manages a multifunctional leisure facility to a high standard, providing a welcoming sporting and community venue for organisations including schools, voluntary clubs, community groups and individuals. Activities are delivered at affordable and inclusive pricing levels to encourage participation across all age groups. This approach aligns with local strategic priorities by promoting physical activity, health and wellbeing, and social inclusion.

The Charity places particular emphasis on reducing barriers to participation for individuals and groups who may experience inequality of access, including people on low incomes, people with disabilities and those with additional needs.

A structured quality management approach is embedded across the organisation to support the consistent delivery of services. This includes the development of shared values centred on continuous improvement, teamwork, integrity, transparency and accountability. These principles underpin the Charity's operational effectiveness and ensure efficient use of resources in pursuit of its charitable objectives.

Public Benefit

In setting its aims and planning its activities, the Trustees have had due regard to the Charity Commission's general guidance on public benefit. The Trustees regularly review how the Charity's activities contribute to its stated charitable purposes and deliver clear benefit to the public.

The Trustees confirm that the Charity has complied with its duty under Section 17(5) of the Charities Act 2011 to have due regard to public benefit guidance issued by the Charity Commission.

The Charity provides leisure, sport and community services primarily to residents of Medway, but its services are not restricted solely to this geographical area.

Who Benefited from the Charity's Activities

The Charity exists to provide leisure and recreational opportunities for the community, by the community. Its facilities and services are used by a broad cross-section of the local population, including children, young people, families, older adults and individuals with additional needs.

The Charity operates a diverse range of activities and services, reflecting its role as a multifunctional community facility. These range from indoor sports and fitness provision to structured out-of-school and holiday activity programmes.

The Charity's purpose is reflected in its commitment to improving health, wellbeing and social connection through accessible leisure provision, supporting the overall objective of enhancing quality of life within the community it serves.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Charity is subject to regular external oversight and monitoring to ensure compliance with statutory and sector standards. Inspections are carried out by Ofsted, where applicable, to ensure that relevant services meet required national standards.

The Charity continues to perform strongly in these inspections, achieving positive outcomes that reflect the quality of provision, safeguarding practices and management arrangements in place.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

ACHIEVEMENT AND PERFORMANCE – continued

FUTURE PLANS AND STRATEGIC DIRECTION

The Trustees continue to focus on the long-term sustainability of the Charity and the enhancement of facilities and services to meet the evolving needs of the community.

During the year, the Charity secured a long-term contractual arrangement which provides increased security of tenure for the facility. This has strengthened the Charity's ability to plan responsibly for the future and supports continued investment in facilities, infrastructure and services for public benefit. The Charity's strategic priorities include investing in modern, accessible leisure facilities, expanding health and wellbeing provision, and developing new opportunities for community engagement. These plans are intended to increase participation, improve user experience and ensure that the Charity remains financially resilient while continuing to deliver strong social value.

The Trustees will continue to review risks, funding opportunities and partnership arrangements to ensure that future developments are delivered in a prudent and sustainable manner, consistent with the Charity's objects and public benefit obligations.

Achievement

The group and the charitable company provide sporting and leisure opportunities at affordable prices and deliver a broad and inclusive programme of activities to encourage participation across all sections of the community. In carrying out these activities, the charity seeks to ensure that its facilities and services are accessible, inclusive, and responsive to local need.

A range of pricing structures and concessionary rates are offered to support accessibility, including reduced charges for disabled users, senior citizens, students, young people, and local schools. The charity continues to work with Medway Council and other local stakeholders to support participation among individuals who may otherwise experience barriers to engagement in physical activity.

The charity operates a flexible approach to gym membership, including contract and non-contract options and pay-as-you-go access. This approach is intended to support affordability, promote sustained participation, and enable individuals to engage with physical activity in a manner appropriate to their circumstances.

During the year, the trustees have continued to plan for the future development of the charity's facilities in response to anticipated increases in local demand. The Lordswood area continues to experience residential growth through new housing developments, which is expected to result in increased use of community leisure facilities. In anticipation of this increased demand, the charity has invested in supporting infrastructure, including the completion of a new overflow car parking area providing capacity for approximately 80 additional vehicles. This improvement is intended to enhance accessibility, manage peak-time usage, and ensure the site remains safe and welcoming for users as participation levels increase.

The trustees are also progressing proposals for a significantly enhanced gym facility, which will increase the total fitness provision to approximately 1,200 square metres, including a new purpose-built functional gym of approximately 400 square metres. A new dedicated entrance is planned to support extended opening hours and improved accessibility.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

ACHIEVEMENT AND PERFORMANCE – continued

As part of the enhanced gym provision, the charity intends to introduce a Wellness Membership aimed at supporting wider health and wellbeing needs in addition to physical activity. This is expected to include provision relating to mental wellbeing, sleep awareness, nutritional guidance, and one-to-one support delivered by appropriately qualified staff. These services are intended to support individuals in developing sustainable healthy lifestyle habits and to reduce barriers to participation.

The enhanced gym will also support the delivery of an expanded programme of functional fitness classes designed to be accessible to individuals of different ages and abilities. These activities are intended to support improvements in strength, mobility, balance, confidence, and rehabilitation outcomes, while remaining affordable and inclusive.

In addition, the charity is developing a multipurpose community hub, which is scheduled to open in 2026. The hub has been designed to provide flexible, accessible accommodation for a range of community uses, including community groups, health and wellbeing activities, educational sessions, social events, voluntary sector activity, and outreach initiatives. This facility will enable the charity to respond to changing community needs and further advance its charitable objectives.

The charity also supports other charitable organisations and community groups by providing reduced hire rates and practical assistance for activities that align with shared community and wellbeing objectives. This support assists smaller organisations to operate sustainably and contributes to collaboration and capacity-building within the local voluntary sector.

The trustees have had due regard to the Charity Commission's guidance on public benefit and consider that the activities undertaken during the year demonstrate clear public benefit and are consistent with the charity's aims and objectives as set out in its governing document.

FINANCIAL REVIEW

Results for the year

The financial results for the year are presented in the accompanying Statement of Financial Activities. Total income for the period amounted to £1,403,783, representing a modest reduction from £1,425,460 recorded in the previous financial year. The variance reflects a stable level of trading across the Centre's principal activities, with gym membership and room hire income remaining broadly consistent.

Reserves have been maintained at a prudent level throughout the year, providing an appropriate buffer against ongoing inflationary pressures. As in previous periods, the Trustees have continued to monitor utility cost increases, changes to National Insurance and employment legislation, and other external regulatory considerations that may affect the charity's cost base. The maintenance of positive reserves has allowed the charity to operate without exposure to undue financial risk.

The Centre has continued to achieve steady utilisation across its services, with revenues from leisure, fitness, and events programmes demonstrating consistent public demand. The Trustees remain satisfied that activity during the year has furthered the organisation's charitable objects by enabling access to health, wellbeing, and community leisure participation.

Forward Planning and Capital Investment

During the reporting period the Trustees approved a number of strategic capital projects, scheduled to commence in the next financial year, designed to support long-term sustainability and enhance public benefit. These include:

- The expansion of the gym by approximately 400 sqm, increasing operational capacity and enabling a broader fitness and wellbeing offer.
- The introduction of an improved entrance and extended access model, supporting the future transition towards longer and more flexible public opening hours.
- The creation of a multi-purpose community hub, intended to provide accessible accommodation for local groups, educational use, community sport, and wider social programmes.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

FINANCIAL REVIEW – continued

These investments are aligned to the charity's objective of improving community facilities and increasing participation opportunities. The projects are being phased to ensure appropriate financial governance, with cashflow forecasts, management accounts and procurement decisions subject to Trustee review.

Financial Management and Governance

The Trustees continue to adopt a cautious approach to financial planning. Monthly management accounts and updated forecasts are prepared and reviewed to ensure that decisions are informed by current performance and predicted liquidity. This process enables the Board to assess the financial viability of capital schemes and ensure that commitments are entered into only where sustainable.

The Trustees are satisfied that, notwithstanding a small reduction in income against the prior year, the charity remains financially sound and able to meet its obligations as they fall due. The organisation retains sufficient reserves to manage external financial pressures and is well positioned to deliver the planned programme of improvements in the year ahead.

The Trustees consider that the developments scheduled for the forthcoming period will strengthen the Centre's operational base, diversify income streams and support the continued delivery of demonstrable public benefit for the local community.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

Reserves Policy

On March 31st the group's reserves stood at £764,761 (2024: £713,633) which is all unrestricted, of this amount £486,113 (2024: £337,050) is tied up with tangible assets. Therefore, the group's available free reserves are £278,648 as of 31st March 2025.

As per the financial review, the policy of trustees is to have sufficient reserves, at all times, to match our obligations. The balance of the reserves is reviewed regularly and has historically been used for facility improvements and updates. The Trustees consider that free reserves of at least £250,000 are required to be maintained.

FUNDRAISING

Lordswood Leisure Centre Limited and the group as a whole is continually looking at ways to generate additional income.

The charity uses its assets to generate income in many ways, but mainly from the hire of facilities, for example, the sports hall and meeting rooms.

The Trustees are responsible for ensuring that the charity operates within a responsible, sustainable financial framework and that it has adequate resources to carry out its role in educating residents, in leisure activities, in the local community. While the Trustees may delegate many of the operations of fundraising to other parts of the organisation, they retain the responsibility for inspiring other fundraisers, demonstrating the perceived importance of fundraising to the organisation, and demonstrating their leadership in this area.

In carrying out fundraising, the charity adheres to the following standards:

- The Trustees will have regard to the Charity Commissions publication 'Charity Fundraising' (CC20).
- Fundraising activities carried out by the charity will comply with all relevant laws.
- Any communications to the public made in the course of carrying out a fundraising activity shall be truthful and non-deceptive.
- All monies raised via fundraising activities will be for the stated purpose of the appeal and will comply with the charity's purpose.
- The charity will comply with GDPR Legislation in relation to all personal data collected.
- Nobody directly or indirectly employed by or volunteering for the charity shall accept commissions, bonuses or payments for fundraising activities.
- No general solicitations shall be undertaken by telephone or door-to-door.
- Fundraising activities should not be undertaken if they may be detrimental to the good name or community standing of the charity.
- All Trustees, casual, permanent and contract staff and volunteers are responsible for adhering to these procedures.
- Fundraising activities should not be undertaken if they will expose the charity to significant financial risk.
- Complaints will be dealt with in accordance with the Charity Commissions guide CC20.

GOING CONCERN

The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. During the year, the charity secured a new twenty-year lease agreement with Medway Council, providing long-term security of tenure for the site. This significantly strengthens the charity's financial sustainability and enables the Trustees to plan and invest with confidence over the medium to long term. The Trustees have reviewed financial performance, cash flow forecasts, reserves and committed income streams. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

PLANS FOR THE FUTURE

Following the successful securing of a new twenty-year lease with Medway Council, the Trustees are now in a position to progress the charity's long-term development plans. The charity will proceed with an exciting programme of investment designed to improve facilities, increase capacity and enhance community benefit. Planned developments include the construction of a new purpose-built functional fitness gym of approximately 400 square metres, increasing total indoor activity space to around 1,200 square metres; the creation of a new dedicated entrance to support extended opening hours; and the development of a new multipurpose community hub to support a wide range of community, health and wellbeing activities. These developments will enable the charity to expand participation, improve accessibility and generate sustainable income to be reinvested into the facilities and services.

Strategic Review

The Trustees have continued to focus on ensuring the long-term sustainability of Lordswood Leisure Centre Limited while delivering meaningful health, wellbeing and community benefits. The securing of a new twenty-year lease with Medway Council represents a significant milestone for the charity, reducing long-term operational risk and providing a stable platform for future investment. During the year, the Trustees have reviewed operational performance, community usage, financial resilience and emerging local demand for health and leisure provision. This strategic review has informed the Trustees' decision to proceed with a phased programme of development, ensuring growth is aligned with charitable objectives, financial capacity and community need.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees (who are also the directors of Lordswood Leisure Centre 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 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 group and charitable company and of the incoming resources and application of resources, including the income and expenditure, of the group and 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 Charities 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 group and 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 group and 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 group and charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the group and charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the group and charitable company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

Spencer Grimwade

S Grimwade – Trustee

Date: 22 December 2025

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

Opinion

We have audited the consolidated financial statements of Lordswood Leisure Centre Limited for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, and the Company 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), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the group and charitable company's affairs as at 31 March 2025, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities SORP 2019.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 the provisions available for small entities, in the circumstances set out in Note 28, 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

Matters on which we are required to report by exception

In the light of our 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 strategic report and the trustees' report.

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 trustees' responsibilities statement set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and 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.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. 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 and group through discussions with management 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 charitable company and group, including, but not limited to, the Companies Act 2006 and 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
LORDSWOOD LEISURE CENTRE LIMITED
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We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- 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;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and Companies House records.

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 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 auditor's report.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

AP

Ashley Phillips FCCA (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: 22 December 2025

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds £	Restricted funds £	31.3.25 Total funds £	31.3.24 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	58	-	58	4,235
Charitable activities					
Leisure activities	4	601,121	-	601,121	584,350
Other trading activities					
Commercial trading operations	5	791,605	-	791,605	825,068
Investing activities					
Bank interest	6	10,999	-	10,999	11,807
Total		<u>1,403,783</u>	<u>-</u>	<u>1,403,783</u>	<u>1,425,460</u>
EXPENDITURE ON					
Charitable activities					
Leisure activities	7	592,015	-	592,015	557,859
Raising funds					
Commercial trading operations	5	<u>713,335</u>	<u>-</u>	<u>713,335</u>	<u>782,811</u>
Total		<u>1,305,350</u>	<u>-</u>	<u>1,305,350</u>	<u>1,340,670</u>
NET INCOME BEFORE TAX		98,433	-	98,433	84,791
TAXATION					
Taxation on trading activities		47,305	-	47,305	6,029
NET INCOME		51,128	-	51,128	78,761
RECONCILIATION OF FUNDS					
Total funds brought forward	25	<u>713,633</u>	<u>-</u>	<u>713,633</u>	<u>634,871</u>
TOTAL FUNDS CARRIED FORWARD	25	<u><u>764,761</u></u>	<u><u>-</u></u>	<u><u>764,761</u></u>	<u><u>713,633</u></u>

All incoming resources and resources expended derive from continuing activities.

The notes form part of these financial statements

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED COMPANY NUMBER: 04492639 (England and Wales)
REGISTERED CHARITABLE COMPANY NUMBER: 1099125

CONSOLIDATED BALANCE SHEET
AT 31 MARCH 2025

	Notes	Unrestricted funds £	Restricted funds £	31.3.25 Total funds £	31.3.24 Total funds £
FIXED ASSETS					
Tangible assets	15	486,113	-	486,113	337,050
Investments	16	-	-	-	-
		<u>486,113</u>	<u>-</u>	<u>486,113</u>	<u>337,050</u>
CURRENT ASSETS					
Stocks	17	13,897	-	13,897	14,566
Debtors	18	43,624	-	43,624	65,141
Investment		-	-	-	208,524
Cash at bank and in hand		<u>489,648</u>	<u>-</u>	<u>489,648</u>	<u>382,078</u>
		<u>547,169</u>	<u>-</u>	<u>547,169</u>	<u>670,309</u>
LIABILITIES					
Creditors: amounts falling due within one year	19	(214,753)	-	(214,753)	(252,402)
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>332,416</u>	<u>-</u>	<u>332,416</u>	<u>417,907</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		818,529	-	818,529	754,957
Creditors: amounts falling due after more than one year	20	(10,574)	-	(10,574)	(31,324)
PROVISIONS FOR LIABILITIES	22	(43,194)	-	(43,194)	(10,000)
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL NET ASSETS		<u>764,761</u>	<u>-</u>	<u>764,761</u>	<u>713,633</u>
FUNDS					
Unrestricted funds	25	764,761	-	764,761	713,633
Restricted funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS		<u>764,761</u>	<u>-</u>	<u>764,761</u>	<u>713,633</u>

The financial statements were approved by the Board of Trustees on 22 December 2025 and were signed on its behalf by:

Spencer Grimwade

S Grimwade – Trustee

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED COMPANY NUMBER: 04492639 (England and Wales)
REGISTERED CHARITABLE COMPANY NUMBER: 1099125

COMPANY BALANCE SHEET
AT 31 MARCH 2025

	Notes	Unrestricted funds £	Restricted funds £	31.3.25 Total funds £	31.3.24 Total funds £
FIXED ASSETS					
Tangible assets	14	-	-	-	-
Investments	15	<u>352,477</u>	-	<u>352,477</u>	<u>315,613</u>
		352,477	-	352,477	315,613
CURRENT ASSETS					
Debtors: amounts falling due within one year	17	367,437	-	367,437	358,839
Cash at bank and in hand		<u>164,276</u>	-	<u>164,276</u>	<u>161,689</u>
		531,713	-	531,713	520,528
LIABILITIES					
Creditors: amounts falling due within one year	18	(113,267)	-	(113,267)	(105,991)
		<u>418,446</u>	-	<u>418,446</u>	<u>414,537</u>
NET CURRENT ASSETS					
		770,923	-	770,923	730,150
TOTAL ASSETS LESS CURRENT LIABILITIES					
Creditors: amounts falling due after more than one year	19	(6,162)	-	(6,162)	(16,517)
		<u>764,761</u>	-	<u>764,761</u>	<u>713,633</u>
TOTAL NET ASSETS					
FUNDS					
Unrestricted funds	25			764,761	713,633
Restricted funds				-	-
TOTAL FUNDS					
				<u>764,761</u>	<u>713,633</u>

The financial statements were approved by the Board of Trustees on 22 December 2025 and were signed on its behalf by:

Spencer Grimwade

S Grimwade – Trustee

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	31.3.25 £	31.3.24 £
Cash flows from operating activities	1		
Cash generated from operations		<u>159,539</u>	<u>194,545</u>
Net cash from operating activities		<u>159,539</u>	<u>194,545</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(250,850)	(126,871)
Sale of tangible fixed assets		108	4,051
Interest received		10,999	11,807
Investment account		-	(8,524)
Cash transferred from current asset investments		<u>208,524</u>	<u>-</u>
Net cash from investing activities		<u>(31,219)</u>	<u>(119,537)</u>
Cash flows from financing activities			
Interest paid		-	(3,173)
Loan repayments made	3	<u>(20,750)</u>	<u>(32,289)</u>
Net cash from financing activities		<u>(20,750)</u>	<u>(35,462)</u>
		<u>107,570</u>	<u>39,546</u>
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period	2	<u>382,078</u>	<u>342,532</u>
Cash and cash equivalents at the end of the reporting period	2	<u>489,648</u>	<u>382,078</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

1. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31.3.25	31.3.24
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	98,433	84,791
Adjustments for:		
Interest received	(10,999)	(11,807)
Depreciation charges	95,445	91,958
(Profit)/loss on disposal	6,234	397
Decrease/(increase) in stocks	669	(1,655)
(Increase/decrease) in debtors	7,406	(21,133)
(Decrease)/increase in creditors	(37,649)	56,217
Grant released to income and expenditure account	-	(7,397)
Interest element of hire purchase and finance lease rental payments	-	3,174
	<u>159,539</u>	<u>194,545</u>
Net cash inflow from operating activities	<u>159,539</u>	<u>194,545</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31.3.25	31.3.24
	£	£
Cash in hand	7,088	8,539
Cash at bank	<u>482,560</u>	<u>373,539</u>
Total cash and cash equivalents	<u>489,648</u>	<u>382,078</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.24	Cash flow	At 31.3.25
	£	£	£
Net cash			
Cash at bank and in hand	<u>382,078</u>	<u>107,570</u>	<u>489,648</u>
	<u>382,078</u>	<u>107,570</u>	<u>489,648</u>
Debt			
Debts falling due within 1 year	(31,745)	10,995	(20,750)
Debts falling due after 1 year	<u>(31,324)</u>	<u>20,750</u>	<u>(10,574)</u>
	<u>(63,069)</u>	<u>31,745</u>	<u>(31,324)</u>
Total	<u>319,009</u>	<u>139,315</u>	<u>458,324</u>

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the 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. There were no material departures from that standard.

The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling, which is the functional and presentational currency of the group.

Group financial statements

The financial statements consolidate the results of the charitable company and its wholly owned subsidiary Grove Leisure Environmental Limited on a line by line basis. A separate Statement of Financial Activities is not presented for the charitable company itself in accordance with the exemptions afforded by paragraph 408 of the SORP.

Statutory information

Lordswood Leisure Centre Limited is a registered charity and a company limited by guarantee, registered in England and Wales. The charitable company's registered number and registered office address can be found under reference and administrative details in the report of the trustees.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charitable company is legally entitled to the income, it is probable that the income will be received, and the amount can be quantified with reasonable accuracy. Income represents net sales of goods and services and management fees excluding value added tax, to customers during the year. Certain income is received in advance of provision of the relevant service and as such is deferred until the service commences. Income for annual memberships is accounted for over the membership year.

Income from commercial trading activities is recognised as earned (as the related goods and services are provided).

Grants receivable

Grants receivable in respect of a specified period relating to the general activities of the charitable company are recognised in the trading profit and loss account in which they become receivable. Capital grants receivable are treated as deferred income and are credited to the trading profit and loss account by instalments over the expected useful life of the related asset on a basis consistent with the depreciation policy.

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

1. ACCOUNTING POLICIES - continued

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.

Resources expended

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 costs 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 which meets these criteria is charged to the funds.

Allocation and apportionment of costs

Support costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly. Where support costs can not be attributed directly they are apportioned using income as the basis.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- over remaining term of lease
Plant and machinery	- straight line over 5 years
Fixtures and fittings	- straight line over 5 years
Gym equipment	- straight line over 5 years
Computer equipment	- straight line over 3 years

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.

Financial instruments

The charitable 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.

a) Trade and other debtors

Trade and other debtors are initially recognised at fair value and there after 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.

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

1. ACCOUNTING POLICIES - continued

Financial instruments – continued

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 impairment is found, an impairment loss is recognised in profit or loss.

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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to the statement of financial activities over the relevant period. The capital element of the future payments is treated as a liability.

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

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charitable company'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.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

2. DONATIONS AND LEGACIES

	Group		Company	
	31.3.25	31.3.24	31.3.25	31.3.24
	£	£	£	£
Other donations	<u>58</u>	<u>4,235</u>	<u>58</u>	<u>4,235</u>
	<u>58</u>	<u>4,235</u>	<u>58</u>	<u>4,235</u>

3. FINANCIAL ACTIVITIES OF THE CHARITABLE COMPANY

The financial activities shown in the consolidated statement of financial activities include those of the charitable company's wholly owned subsidiary Grove Leisure Environmental Limited.

A summary of the financial activities undertaken by the charitable company excluding transactions with Grove Leisure Environmental Limited is set out below:

	31.3.25	31.3.24
	£	£
Gross incoming resources	601,179	588,585
Total expenditure on charitable activities	<u>(592,014)</u>	<u>(528,049)</u>
Net incoming resources for the year	<u>9,165</u>	<u>60,536</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

Group	31.3.25	31.3.24
	Leisure activities	Leisure activities
	£	£
Leisure centre income (including grants)	<u>601,121</u>	<u>584,350</u>

This includes government grants of £5,000 (2024: £nil).

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

5. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

A summary of the trading results of the wholly owned subsidiary Grove Leisure Environmental Limited excluding transactions with Lordswood Leisure Centre Limited is shown below:

	31.3.25	31.3.24
	£	£
Trading income	788,715	797,671
Costs of sales and administration costs	(713,336)	(782,811)
Interest receivable	10,999	11,807
Other income	<u>2,890</u>	<u>27,397</u>
Net profit/(loss) before taxation	<u><u>89,268</u></u>	<u><u>54,064</u></u>

6. INVESTMENT INCOME

Group

	31.3.25	31.3.24
	£	£
Deposit account interest	<u>10,999</u>	<u>11,807</u>
	<u><u>10,999</u></u>	<u><u>11,807</u></u>

7. CHARITABLE ACTIVITIES COSTS

Group

	Staff costs	Direct costs	Support costs (note 8)	Total funds	Total funds
	31.3.25	31.3.25	31.3.25	31.3.25	31.3.24
	£	£	£	£	£
Summary by expenditure type					
Operation of leisure centres	<u>519,948</u>	<u>27,208</u>	<u>44,858</u>	<u>592,014</u>	<u>557,859</u>
Total	<u><u>519,948</u></u>	<u><u>27,208</u></u>	<u><u>44,858</u></u>	<u><u>592,014</u></u>	<u><u>557,859</u></u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

8. SUPPORT COSTS

	31.3.25	31.3.24
	£	£
Finance charges, including irrecoverable VAT	25,853	24,157
Interest payable and similar charges	549	801
Other costs	3,297	2,979
Governance Costs (note 9)	<u>15,159</u>	<u>14,216</u>
	<u>44,858</u>	<u>42,153</u>

9. GOVERNANCE COSTS

	Group		Company	
	31.3.25	31.3.24	31.3.25	31.3.24
	£	£	£	£
Auditors' remuneration				
Audit of the financial statements	16,087	12,520	10,697	8,840
Non audit services	7,250	6,155	5,253	3,660
(Over)/under provision in prior year	<u>2,412</u>	<u>2,495</u>	<u>(791)</u>	<u>1,716</u>
	<u>25,749</u>	<u>21,170</u>	<u>15,159</u>	<u>14,216</u>

10. NET INCOMING RESOURCES

Group

Net resources are stated after charging:

	31.3.25	31.3.24
	£	£
Auditors' remuneration of the trading subsidiary	7,387	6,954
Depreciation - owned assets	<u>95,445</u>	<u>91,958</u>

11. AUDITORS REMUNERATION

The auditor's remuneration for the group amounts to an audit fee of £25,749 (2024: £21,170).

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

12. STAFF COSTS

	31.3.25 £	31.3.24 £
Wages and salaries (incl Trustees' remuneration)	659,873	650,130
Social security costs	37,109	35,367
Pension costs	<u>10,100</u>	<u>8,888</u>
	<u>707,082</u>	<u>694,385</u>

During the year, there were no staff paid in excess of £60,000.

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

	31.3.25	31.3.24
	<u>42</u>	<u>41</u>
	<u>42</u>	<u>41</u>

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

	31.3.25	31.3.24
£60,001 - £65,000	1	-

13. TRUSTEES' AND KEY MANAGEMENT PERSONNEL REMUNERATION AND EXPENSES

	31.3.25	31.3.24
Trustees' remuneration and other benefits etc	<u>102,034</u>	<u>109,337</u>

Trustees' remuneration is paid as a result of their employment within the charitable company or the trading subsidiary.

Mr S Grimwade (Operations Director and trustee):

Remuneration £60,000 - £65,000 (2024: £55,000 - £60,000)

Employer's pension contributions £1,000 - £2,000 (2024: £1,000 - £2,000)

Ms R Attwood (Finance Director and trustee):

Remuneration £35,000 - £40,000 (2024: £35,000 - £40,000)

Employer's pension contributions £500 - £1,000 (2024: £500 - £1,000)

The total amount of employee benefits received by key management personnel is £167,045 (2024: £162,242). The trust considers its key management personnel comprise the trustees and senior leadership team as detailed on page 1.

The trustees had expenses totalling £38 reimbursed during the year (2024: £1,499).

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

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted fund £	Restricted funds £	Total funds at 31.3.24 £
INCOMING RESOURCES				
Donations and Legacies	2	-	4,235	4,235
Charitable activities				
Leisure activities	4	584,350	-	584,350
Other trading activities				
Commercial trading operations	5	825,068	-	825,068
Investing activities				
Bank interest	6	11,807	-	11,807
		<hr/>	<hr/>	<hr/>
Total		1,421,225	4,235	1,425,460
EXPENDITURE ON				
Charitable activities				
Leisure activities	7	553,624	4,235	557,859
Raising funds				
Commercial trading operations	5	<u>782,811</u>	<u>-</u>	<u>782,811</u>
		<hr/>	<hr/>	<hr/>
Total		1,336,4354	4,235	1,340,670
NET (EXPENDITURE)/INCOME BEFORE TAX				
		84,791	-	84,791
TAXATION				
Taxation on trading losses		6,029	-	6,029
NET INCOME				
		78,761	-	78,761
RECONCILIATION OF FUNDS				
TOTAL FUNDS BROUGHT FORWARD	26	<u>634,871</u>	<u>-</u>	<u>634,871</u>
		<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD	26	<u><u>713,633</u></u>	<u><u>-</u></u>	<u><u>713,633</u></u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

15. TANGIBLE FIXED ASSETS
Group

	Assets under construction	Improvements to Property £	Plant and Machinery £	Fixtures and Fittings £
COST				
At 1 April 2024	19,700	717,778	88,231	80,032
Additions	77,853	40,870	7,495	52,313
Disposals	-	(94,811)	-	(5,328)
Reclassification/transfer	<u>(97,553)</u>	<u>97,553</u>	<u>-</u>	<u>-</u>
At 31 March 2025	<u>-</u>	<u>761,390</u>	<u>88,231</u>	<u>127,017</u>
DEPRECIATION				
At 1 April 2024	-	544,763	52,643	60,155
Charge for year	-	45,731	13,920	8,440
Elimination on disposal	-	<u>(94,811)</u>	<u>-</u>	<u>(5,328)</u>
At 31 March 2025	<u>-</u>	<u>495,683</u>	<u>66,563</u>	<u>63,267</u>
NET BOOK VALUE				
At 31 March 2025	<u>-</u>	<u>265,707</u>	<u>29,163</u>	<u>63,750</u>
At 31 March 2024	<u>19,700</u>	<u>173,015</u>	<u>35,588</u>	<u>19,877</u>

	Gym Equipment £	Computer Equipment £	Totals £
COST			
At 1 April 2024	139,306	7,856	1,052,903
Additions	70,602	1,717	250,850
Disposals	(35,427)	(4,535)	(140,101)
Reclassifications/transfers	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2025	<u>174,481</u>	<u>5,038</u>	<u>1,163,652</u>
DEPRECIATION			
At 1 April 2024	50,674	7,618	715,853
Charge for year	26,525	829	95,445
Elimination on disposal	<u>(29,085)</u>	<u>(4,535)</u>	<u>(133,759)</u>
At 31 March 2025	<u>48,114</u>	<u>3,912</u>	<u>677,539</u>
NET BOOK VALUE			
At 31 March 2025	<u>126,367</u>	<u>1,126</u>	<u>486,113</u>
At 31 March 2024	<u>88,632</u>	<u>238</u>	<u>337,050</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

15. TANGIBLE FIXED ASSETS - continued

Company	Fixtures and Fittings £	Gym Equipment £	Totals £
COST			
At 1 April 2024	26,537	29,116	55,653
Additions	-	-	-
Disposals	-	(27,334)	(27,334)
At 31 March 2025	<u>26,537</u>	<u>1,782</u>	<u>28,319</u>
DEPRECIATION			
At 1 April 2024	26,537	29,116	55,653
Charge for year	-	-	-
Elimination on disposal	-	(27,334)	(27,334)
At 31 March 2025	<u>26,537</u>	<u>1,782</u>	<u>28,319</u>
NET BOOK VALUE			
At 31 March 2025	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2024	<u>-</u>	<u>-</u>	<u>-</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

16. FIXED ASSET INVESTMENTS

Company	Shares in group undertakings £
MARKET VALUE	
At 1 April 2024 and 31 March 2025	<u>491,100</u>
PROVISION	
At 1 April 2024	175,487
Reversal of impairment	<u>(36,864)</u>
At 31 March 2025	<u>138,623</u>
NET BOOK VALUE	
At 31 March 2025	<u>352,477</u>
At 31 March 2024	<u>315,613</u>

There were no investment assets outside the UK.

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

Grove Leisure Environmental Limited

Nature of business: Leisure centre operators

Class of share:	%		
Ordinary £1	holding		
	100	31.3.25	31.3.24
		£	£
Aggregate capital and reserves		352,477	315,613
Profit/(Loss) for the year		<u>36,864</u>	<u>42,935</u>

17. STOCKS

Group		
	31.3.25	31.3.24
	£	£
Stock	<u>13,897</u>	<u>14,566</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

18. DEBTORS

	Group		Company	
	31.3.25	31.3.24	31.3.25	31.3.24
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	8,737	16,641	3,756	5,930
Other debtors	18	-	18	-
Amounts owed by group undertakings	-	-	349,894	341,662
Deferred tax asset	-	14,111	-	-
Prepayments and accrued income	<u>34,869</u>	<u>34,388</u>	<u>13,769</u>	<u>11,246</u>
	<u>43,624</u>	<u>65,140</u>	<u>367,437</u>	<u>358,838</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.25	31.3.24	31.3.25	31.3.24
	£	£	£	£
Bank loans and overdrafts (see note 21)	20,750	31,745	10,353	21,605
Trade creditors	39,421	53,912	11,079	5,398
Social security and other taxes	10,116	24,121	8,090	6,375
Other creditors	7,529	6,662	2,068	2,347
Accruals and deferred income	<u>136,937</u>	<u>135,962</u>	<u>81,677</u>	<u>70,267</u>
	<u>214,753</u>	<u>252,402</u>	<u>113,267</u>	<u>105,991</u>

Deferred Income

	Group		Company	
	31.3.25	31.3.24	31.3.25	31.3.24
	£	£	£	£
Deferred income brought forward	66,545	43,876	19,204	19,160
Resources deferred in the year	122,539	66,545	24,260	19,204
Amounts released from previous years	<u>(66,545)</u>	<u>(43,876)</u>	<u>(19,204)</u>	<u>(19,160)</u>
Deferred income carried forward	<u>122,539</u>	<u>66,545</u>	<u>24,260</u>	<u>19,204</u>

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

	Group		Company	
	31.3.25	31.3.24	31.3.25	31.3.24
	£	£	£	£
Bank loans (see note 21)	<u>10,574</u>	<u>31,324</u>	<u>6,162</u>	<u>16,517</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

21. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	31.3.25 £	31.3.24 £	31.3.25 £	31.3.24 £
Amounts falling due within one year or on demand:				
Bank loans - less than 1 year	<u>20,750</u>	<u>31,745</u>	<u>10,353</u>	<u>21,605</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<u>10,574</u>	<u>25,160</u>	<u>6,162</u>	<u>10,353</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>-</u>	<u>6,164</u>	<u>-</u>	<u>6,164</u>

22. PROVISIONS FOR LIABILITIES

	Group		Company	
	31.3.25 £	31.3.24 £	31.3.25 £	31.3.24 £
Dilapidations provision	10,000	10,000	-	-
Deferred tax provision	<u>33,194</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>43,194</u>	<u>10,000</u>	<u>-</u>	<u>-</u>

23. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	31.3.25 £	31.3.24 £	31.3.25 £	31.3.24 £
Secured debts	<u>31,324</u>	<u>63,069</u>	<u>16,515</u>	<u>38,122</u>

A debenture dated 22 October 2004, was created by Lordswood Leisure Centre Limited for securing all monies due or to become due from the charitable company to HSBC Bank PLC, including a fixed charge over all present freehold and leasehold property; first fixed charge over book and other debts, chattels, goodwill and uncalled capital, both present and future; and first floating charge over all assets and undertakings both present and future. Composite company unlimited multilateral guarantees dated 11 October 2004 and 6 August 2012 exist jointly between the charitable company and Grove Leisure Environmental Limited.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

25. MOVEMENT IN FUNDS

Group

	At 1.4.24 £	Net movement in funds £	At 31.3.25 £
Unrestricted funds			
General fund	<u>713,633</u>	<u>51,128</u>	<u>764,761</u>
Restricted funds			
General restricted	-	-	-
TOTAL FUNDS	<u><u>713,633</u></u>	<u><u>51,128</u></u>	<u><u>764,761</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	<u>1,403,783</u>	<u>(1,352,655)</u>	<u>51,128</u>
Restricted funds			
General restricted	-	-	-
TOTAL FUNDS	<u><u>1,403,783</u></u>	<u><u>(1,352,655)</u></u>	<u><u>51,128</u></u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

25. MOVEMENT IN FUNDS - continued

Company

	At 1.4.24 £	Net movement in funds £	At 31.3.25 £
Unrestricted funds			
General fund	<u>713,633</u>	<u>51,128</u>	<u>764,761</u>
Restricted funds			
General restricted	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u><u>713,633</u></u>	<u><u>51,128</u></u>	<u><u>764,761</u></u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	<u>648,043</u>	<u>(633,779)</u>	<u>36,864</u>	<u>51,128</u>
Restricted funds				
General restricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u><u>648,043</u></u>	<u><u>(633,779)</u></u>	<u><u>36,864</u></u>	<u><u>51,128</u></u>

Unrestricted funds

Unrestricted funds can be used for any purpose at the discretion of the charitable company.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

25. **MOVEMENT IN FUNDS - continued**

Comparatives for movement in funds

Group

	At 1.4.23 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	<u>634,871</u>	<u>78,762</u>	<u>713,633</u>
Restricted funds			
KCC Together Fund	-	-	-
Kickstart Scheme	<u>-</u>	<u>-</u>	<u>-</u>
	-	-	-
TOTAL FUNDS	<u><u>634,871</u></u>	<u><u>78,762</u></u>	<u><u>713,633</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	<u>1,421,225</u>	<u>(1,342,464)</u>	<u>78,762</u>
Restricted funds			
KCC Together Fund	4,235	(4,235)	-
Kickstart Scheme	<u>-</u>	<u>-</u>	<u>-</u>
	4,235	(4,235)	-
TOTAL FUNDS	<u><u>1,425,460</u></u>	<u><u>(1,346,699)</u></u>	<u><u>78,762</u></u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

25. MOVEMENT IN FUNDS - continued

Company

	At 1.4.23 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	<u>634,871</u>	<u>78,762</u>	<u>713,633</u>
Restricted funds			
KCC Together Fund	-	-	-
Kickstart Scheme	-	-	-
	-	-	-
TOTAL FUNDS	<u>634,871</u>	<u>78,762</u>	<u>713,633</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	<u>594,350</u>	<u>(558,524)</u>	<u>42,935</u>	<u>78,762</u>
Restricted funds				
KCC Together Fund	4,235	(4,235)	-	-
Kickstart Scheme	-	-	-	-
	<u>4,235</u>	<u>(4,235)</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u>598,585</u>	<u>(562,759)</u>	<u>42,935</u>	<u>78,762</u>

26. CAPITAL COMMITMENTS

	Group		Company	
	31.3.25 £	31.3.24 £	31.3.25 £	31.3.24 £
Contracted but not provided for In the financial statements	<u>-</u>	<u>29,550</u>	<u>-</u>	<u>-</u>

The capital commitments in the prior year related to the health suite at the leisure centre. Works commenced in June 2024.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

27. RELATED PARTY DISCLOSURES

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102, not to disclose related party transactions with wholly owned subsidiaries within the group.

There were no related party transactions which took place during the year other than certain Trustees' remuneration, as employees of the charity, as disclosed in note 13.

28. FRC ETHICAL STANDARD – PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

LORDSWOOD LEISURE CENTRE LIMITED

England & Wales - Charity number 1099125

Accounts

REGISTERED COMPANY NUMBER: 04492639 (England and Wales)
REGISTERED CHARITABLE COMPANY NUMBER: 1099125

**REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024
FOR
LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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FOR THE YEAR ENDED 31 MARCH 2024

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LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

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 group for the year ended 31 March 2024. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' effective 1 January 2019.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04492639 (England and Wales)

Registered Charity number

1099125

Registered office

North Dane Way
Lordswood
CHATHAM
ME5 8YE

Trustees

M G Rider	Resigned 10.09.2024
A Delaney	Chairman
S J Grimwade	Operations Director
R W Hills	
E P A Turcan	
R V Attwood	Finance Director
S L Mannerling	

Senior Leadership Team

S J Grimwade
R V Attwood
M L Campbell-Carr

Auditors

Ashley Phillips FCCA (Senior Statutory Auditor)
Statutory Auditors and
Chartered Accountants
McCabe Ford Williams
Building 1063, Cornforth Drive,
Kent Science Park,
Sittingbourne,
Kent
ME9 8PX

Solicitors

D G B Solicitors
The Captains House
Central Avenue
Pembroke
CHATHAM MARITIME
ME4 4UF

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charitable company is controlled by its governing document, a deed of trust, and constitutes a company, limited by guarantee, as defined by the Companies Act 2006.

Appointment of Trustees

As set out in the Articles of Association the Board shall consist of at least three Trustees.

At the annual general meeting one third of the trustees who are subject to retirement by rotation or, if their numbers is not three or a multiple of three, the number nearest to the one third shall retire from office; but, if there is only one trustee who is subject to retirement by rotation, he shall retire.

Subject to the provisions of the Act, the trustees to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed trustees on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

If the Charity, at the meeting at which a trustee retires by rotation, does not fill the vacancy the retiring trustee shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the trustee is put to the meeting and lost.

Subject to the provisions of the Act and to Clause 5 of the memorandum, the trustees may appoint one or more of their number to the unremunerated office of managing director or to any other unremunerated executive office under the Charity. Any such appointment may be made upon such terms as the trustees determine. Any appointment of a trustee to an executive office shall terminate if he ceases to be a trustee. A managing director and a trustee holding any other executive office shall not be subject to retirement by rotation.

Induction and training of new trustees

New Trustees undergo an induction session to brief them of their legal requirements under charity and company law, the content of the Memorandum and Articles of Association, the board meetings and decision-making process, the business plan and recent financial performance of the Charity.

They will also meet key employees and other members of the Board and will be encouraged to attend any appropriate internal or external training where it will facilitate the undertaking of their role.

Arrangements for setting pay and remuneration of key management personnel

The Directors consider the Board of Directors, who are the Trustees of the charity, and the Senior Leadership Team which comprise of the key management personnel of the Charity in charge of directing and controlling, running and operating the centre on a day-to-day basis. The pay for senior staff is reviewed annually. The Board of Directors meets for a minimum of four times per annum, with subcommittee meetings as and when necessary. The Managing Director has delegated authority, set out by the board, to progress the implementation of the charity's strategy.

Related Parties

The Charity has a very close relationship with Medway Council, who provide funding in the form of a grant, albeit at their own discretion.

Risk management

The trustees have a duty to identify and review the risks to which the charitable company is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The board together with the employed management of the charitable company carry out an annual risk assessment. They are satisfied that the principal risks associated with the operation of the charitable company's activities have been properly assessed and appropriate measures introduced to deal with these.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charity's objectives are to provide, predominantly for the general public in the borough of Medway Council, facilities for recreation and leisure-time occupation in the interests of social welfare and to advance the education of the public in leisure activities.

To manage the facility to a high standard and by providing a sporting venue for organisations such as schools and voluntary clubs who wish to develop by providing access to sporting and recreational activities at an affordable rate. This philosophy links directly into Medway Council's sporting development strategy by encouraging a positive attitude to sport participation across all age groups. Helping to address the inequality balance to groups who may experience barriers to accessible leisure activities, for example, people with disability and people of low income.

A quality management system has been developed and implemented to achieve the standardisation of procedures. Every effort is made to establish shared values of continuous improvement, teamwork, honesty, trust and integrity. This all contributes towards developing the best value approach amongst staff encouraging effectiveness and efficiency of our service and procedures.

Public Benefit

The Charity has referred to the guidance in the Charity Commission general guidance on public benefit when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that they have set.

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

The Charity provides leisure services to the residents primarily, but not restricted to the area of the Medway Towns.

Who used and benefited from the charitable company's services

As part of the group and charitable company's mission statement, its primary objective is providing leisure for the community by the community. The group and charitable company is fully committed to providing a quality facility with affordable pricing to attract all sectors of the local area including special needs groups.

The group and charitable company is a multifunctional facility and therefore has many different products and services ranging from indoor sports to an out of school play scheme.

The Charities purpose is enshrined in the simple message of Leisure for the Community by the Community. The principled objective is to provide or assist in the provision of facilities or recreation for the general public with the overall objective of improving their condition of life.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Annual inspections are carried out by Ofsted and ISO Quality Assurance to ensure we comply with national standards. The charity scored highly in both assessments achieving an overall met_rating.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

ACHIEVEMENT AND PERFORMANCE – continued

Achievement

The group and the charitable company provide sporting opportunities at affordable prices and maintain a diverse sporting programme to encourage different user groups to use our facilities. We have strategically operated a price reduction on all sporting activities to promote accessibility to the community and encourage volume over price. We have improved sporting opportunities for younger members by introducing new activities in our play scheme. Discounted prices are available for disabled users, senior citizens, students and local schools.

A Passport to Leisure scheme operates in conjunction with Medway Council which actively targets people on social security benefits to encourage them to become more active with lower-priced activities in our daytime sessions.

The group and charities gym has a flexible approach to gym membership allowing users to join on a contract or non-contract basis, including pay-as-you-go. This provides an affordable way of accessing the gym in this current financial contract. The pay-as-you-go option allows adults to keep to a budget if the one-off payment scheme is not available. We have increased our opening hours to junior to encourage higher uptake and users have the option of an enhanced induction to demonstrate how to use our fixed-resistance equipment safely. It is hoped that by encouraging a younger audience they will stay with us for a longer period.

Due to the success of the Let Get Active programme, we have expanded our sessions and have secured additional funding to continue running this scheme for a further year.

There are several new price plans for young people including a 'pay as u go' rate and different tailored packages designed for different ages and different abilities. We continue to support the G.P referral market in partnership with Medway Primary Care Trust and the N.H.S. This runs in conjunction with the charities own scheme 'Evergreen', helping people that are 'signed off from the N.H.S scheme but want to continue in their personal fitness programme. The Leisure Centre has now introduced flexible rolling contracts enabling users to have the option to cancel at any time.

The group and charitable company's direct debits for the gym and aerobics sessions are still among the lowest in the area.

The fun time scheme continues to develop with a variation of activities including days out being offered to children during the school holidays. This dovetails very well with the fitness aims of the charity. Children are encouraged to pursue an active lifestyle and increase their range of social skills.

The group and charitable company continue to develop partnerships with local schools and voluntary groups to complement and extend their physical education programmes.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

FINANCIAL REVIEW

Results for the year

The results of the financial year have been laid out as per the financial statement on page 11. Income has amounted to £1,425,460 compared to £1,417,963 in 2023.

The group has performed steadily over the financial period. Reserves have been maintained at a high level and trading has been positive in all areas. Income improved on the previous year with gym numbers remaining strong and bookings being constant throughout.

The Centre has shown a resilience since Covid 19, but the outlook going forward is not as positive as maybe expected. With the change in Government there will be new financial challenges to face. These pressures, the continual rise in Utility costs, increases in both Employers National Insurance and the National Living Wage will put a further strain on the Centre's finances.

The focus for the business in the next 12 months is to maintain reserves and ride the storm of new Government legislation. These reserves have historically been set aside for updating and improving the Centre to offer a continued quality range of services to all customers. With this in mind there are plans to renovate both the Health Suite and Spin Studio in the future.

The trustees continue to regularly update cash forecasts and prepare management accounts to keep an accurate representation of the current financial position. This allows the Board to make decisions on future projects and assessed their viability.

The Business continues to be resilient although there are some dark clouds on the horizon and we may have to weather a storm before the Centre see brighter days.

Reserves Policy

On March 31st the group's reserves stood at £713,633 (2023: £634,871) which is all unrestricted, of this amount £337,050 (2023: £306,584) is tied up with tangible assets. Therefore, the group available reserves are £406,392 as of 31st March 2024.

As per the financial review, the policy of trustees is to have sufficient reserves, at all times, to match our obligations. The balance of the reserves is reviewed regularly and has historically been used for facility improvements and updates.

GOING CONCERN

The trustees have a reasonable expectation that the charity has adequate resources to continue its operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis for preparing financial statements. It is based on that level of optimism that the centre should be viewed as a going concern basis.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

PLANS FOR THE FUTURE

Long term plans are currently on hold. The lease of the premises from Medway Council expires in 2024, investment is therefore on a short term basis. A revised plan to take the Charity forward beyond 2024 is currently being formulated.

We are very close to securing a new twenty-year lease with Medway Council that will enable us to look at long-term investment for the leisure centre.

FUNDRAISING

Lordswood Leisure Centre Limited and the group as a whole is continually looking at ways to generate additional income.

The charity uses its assets to generate income in many ways, but mainly from the hire of facilities, for example, the sports hall and meeting rooms.

The Trustees are responsible for ensuring that the charity operates within a responsible, sustainable financial framework and that it has adequate resources to carry out its role in educating residents, in leisure activities, in the local community. While the Trustees may delegate many of the operations of fundraising to other parts of the organisation, they retain the responsibility for inspiring other fundraisers, demonstrating the perceived importance of fundraising to the organisation, and demonstrating their leadership in this area.

In carrying out fundraising, the charity adheres to the following standards:

- The Trustees will have regard to the Charity Commissions publication 'Charity Fundraising' (CC20).
- Fundraising activities carried out by the charity will comply with all relevant laws.
- Any communications to the public made in the course of carrying out a fundraising activity shall be truthful and non-deceptive.
- All monies raised via fundraising activities will be for the stated purpose of the appeal and will comply with the charity's purpose.
- The charity will comply with GDPR Legislation in relation to all personal data collected.
- Nobody directly or indirectly employed by or volunteering for the charity shall accept commissions, bonuses or payments for fundraising activities.
- No general solicitations shall be undertaken by telephone or door-to-door.
- Fundraising activities should not be undertaken if they may be detrimental to the good name or community standing of the charity.
- All Trustees, casual, permanent and contract staff and volunteers are responsible for adhering to these procedures.
- Fundraising activities should not be undertaken if they will expose the charity to significant financial risk.
- Complaints will be dealt with in accordance with the Charity Commissions guide CC20.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees (who are also the directors of Lordswood Leisure Centre 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 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 group and charitable company and of the incoming resources and application of resources, including the income and expenditure, of the group and 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 Charities 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 group and charitable company will continue in business.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the group and 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 group and charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the group and charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the group and charitable company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'S. Grimwade', written in a cursive style.

S Grimwade – Trustee

Date: 10 December 2024

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

Opinion

We have audited the financial statements of Lordswood Leisure Centre Limited for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, and the Company 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), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP 2019.

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 and the Charities SORP 2019.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 the provisions available for small entities, in the circumstances set out in Note 28, 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

Matters on which we are required to report by exception

In the light of our 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 strategic report and the trustees' report.

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 trustees' responsibilities statement set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and 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.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. 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 management 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 and 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
LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- 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;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and Companies House records.

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 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 auditor's report.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ashley Phillips FCCA (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: 12 December 2024

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds £	Restricted funds £	31.3.24 Total funds £	31.3.23 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	-	4,235	4,235	13,053
Charitable activities					
Leisure activities	4	584,350	-	584,350	547,129
Other trading activities					
Commercial trading operations	5	825,068	-	825,068	854,264
Investing activities					
Bank interest	6	11,807	-	11,807	3,519
Total		<u>1,421,225</u>	<u>4,235</u>	<u>1,425,460</u>	<u>1,417,963</u>
EXPENDITURE ON					
Charitable activities					
Leisure activities	7	553,624	4,235	557,859	462,041
Raising funds					
Commercial trading operations	6	<u>782,811</u>	<u>-</u>	<u>782,811</u>	<u>773,156</u>
Total		<u>1,336,435</u>	<u>4,235</u>	<u>1,340,670</u>	<u>1,235,197</u>
NET INCOME BEFORE TAX		84,791	-	84,791	182,760
TAXATION					
Taxation on trading activities		6,029	-	6,029	14,858
NET INCOME		78,761	-	78,761	167,901
RECONCILIATION OF FUNDS					
Total funds brought forward	25	<u>634,871</u>	<u>-</u>	<u>634,871</u>	<u>466,970</u>
TOTAL FUNDS CARRIED FORWARD	25	<u><u>713,633</u></u>	<u><u>-</u></u>	<u><u>713,633</u></u>	<u><u>634,878</u></u>

All incoming resources and resources expended derive from continuing activities.

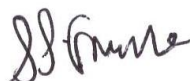
The notes form part of these financial statements

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED COMPANY NUMBER: 04492639 (England and Wales)
REGISTERED CHARITABLE COMPANY NUMBER: 1099125

CONSOLIDATED BALANCE SHEET
AT 31 MARCH 2024

	Notes	Unrestricted funds £	Restricted funds £	31.3.24 Total funds £	31.3.23 Total funds £
FIXED ASSETS					
Tangible assets	15	337,050	-	-	306,586
Investments	16	-	-	-	-
		<u>337,050</u>	-	-	<u>306,586</u>
CURRENT ASSETS					
Stocks	17	14,566	-	14,566	12,911
Debtors	18	65,140	-	65,141	50,030
Investment		208,524	-	208,524	200,000
Cash at bank and in hand		<u>382,078</u>	-	<u>382,078</u>	<u>342,533</u>
		<u>670,308</u>	-	<u>670,308</u>	<u>605,474</u>
LIABILITIES					
Creditors: amounts falling due within one year	19	(252,402)	-	(252,402)	(196,717)
		<u>417,907</u>	-	<u>417,907</u>	<u>408,757</u>
NET CURRENT ASSETS/(LIABILITIES)					
		<u>417,907</u>	-	<u>417,907</u>	<u>408,757</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>754,957</u>	-	<u>754,957</u>	<u>715,337</u>
Creditors: amounts falling due after more than one year	20	(31,324)	-	(31,324)	(63,068)
PROVISIONS FOR LIABILITIES	22	(10,000)	-	(10,000)	(10,000)
ACCRUALS AND DEFERRED INCOME	24	-	-	-	(7,397)
		<u>713,633</u>	-	<u>713,633</u>	<u>634,878</u>
TOTAL NET ASSETS					
		<u>713,633</u>	-	<u>713,633</u>	<u>634,878</u>
FUNDS					
Unrestricted funds	25			713,633	634,878
Restricted funds				-	-
TOTAL FUNDS					
				<u>713,633</u>	<u>634,878</u>

The financial statements were approved by the Board of Trustees on 10 December 2024 and were signed on its behalf by:



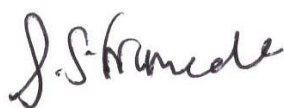
S Grimwade – Trustee

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED COMPANY NUMBER: 04492639 (England and Wales)
REGISTERED CHARITABLE COMPANY NUMBER: 1099125

COMPANY BALANCE SHEET
AT 31 MARCH 2024

	Notes	Unrestricted funds £	Restricted funds £	31.3.43 Total funds £	31.3.23 Total funds £
FIXED ASSETS					
Tangible assets	14	-	-	-	-
Investments	15	<u>315,613</u>	-	<u>315,613</u>	<u>272,678</u>
		315,613	-	315,613	272,678
CURRENT ASSETS					
Debtors: amounts falling due within one year	17	358,839	-	358,839	344,386
Cash at bank and in hand		<u>161,689</u>	-	<u>161,689</u>	<u>130,352</u>
		520,528	-	520,528	474,738
LIABILITIES					
Creditors: amounts falling due within one year	18	(105,991)	-	(105,991)	(74,417)
		<u>414,537</u>	-	<u>414,537</u>	<u>400,321</u>
NET CURRENT ASSETS					
		730,150	-	730,150	672,999
TOTAL ASSETS LESS CURRENT LIABILITIES					
Creditors: amounts falling due after more than one year	19	(16,517)	-	(16,517)	(38,121)
		<u>713,633</u>	-	<u>713,633</u>	<u>634,878</u>
TOTAL NET ASSETS					
FUNDS					
Unrestricted funds	23			713,633	634,878
Restricted funds				-	-
TOTAL FUNDS					
				<u>713,633</u>	<u>634,878</u>

The financial statements were approved by the Board of Trustees on 10 December 2024 and were signed on its behalf by:



S Grimwade – Trustee

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	31.3.24 £	31.3.23 £
Cash flows from operating activities	1		
Cash generated from operations		<u>194,545</u>	<u>226,822</u>
Net cash from operating activities		<u>194,545</u>	<u>226,822</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(126,871)	(102,030)
Sale of tangible fixed assets		4,051	-
Interest received		11,807	3,519
Investment account		<u>(8,524)</u>	<u>(200,000)</u>
Net cash from investing activities		<u>(119,537)</u>	<u>(298,511)</u>
Cash flows from financing activities			
Interest paid		(3,173)	(3,359)
Loan repayments made	3	<u>(32,289)</u>	<u>(31,803)</u>
Net cash from financing activities		<u>(35,462)</u>	<u>(35,162)</u>
Change in cash and cash equivalents in the reporting period		<u>39,546</u>	<u>(106,852)</u>
Cash and cash equivalents at the beginning of the reporting period	2	<u>342,532</u>	<u>449,384</u>
Cash and cash equivalents at the end of the reporting period	2	<u>382,078</u>	<u>342,533</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024

1. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31.3.24	31.3.23
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	84,791	167,908
Adjustments for:		
Interest received	(11,807)	(3,519)
Depreciation charges	91,958	83,011
(Profit)/loss on disposal	397	147
Decrease/(increase) in stocks	(1,655)	918
(Increase/decrease in debtors	(21,133)	(2,742)
(Decrease)/increase in creditors	56,217	(14,863)
Grant released to income and expenditure account	(7,397)	(7,397)
Interest element of hire purchase and finance lease rental payments	<u>3,174</u>	<u>3,359</u>
Net cash inflow from operating activities	<u>194,545</u>	<u>226,822</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31.3.24	31.3.23
	£	£
Cash in hand	8,539	8,675
Notice deposits (less than 3 months)	<u>373,539</u>	<u>333,858</u>
Total cash and cash equivalents	<u>382,078</u>	<u>342,533</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.23	Cash flow	At 31.3.24
	£	£	£
Net cash			
Cash at bank and in hand	<u>342,532</u>	<u>39,546</u>	<u>382,078</u>
	<u>342,532</u>	<u>39,546</u>	<u>382,078</u>
Debt			
Debts falling due within 1 year	(32,288)	543	(31,745)
Debts falling due after 1 year	<u>(63,069)</u>	<u>31,725</u>	<u>(31,324)</u>
	<u>(95,357)</u>	<u>32,288</u>	<u>(63,069)</u>
Total	<u>247,175</u>	<u>71,834</u>	<u>319,009</u>

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 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. There were no material departures from that standard.

The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling, which is the functional and presentational currency of the group.

Group financial statements

The financial statements consolidate the results of the charitable company and its wholly owned subsidiary Grove Leisure Environmental Limited on a line by line basis. A separate Statement of Financial Activities is not presented for the charitable company itself in accordance with the exemptions afforded by paragraph 408 of the SORP.

Statutory information

Lordswood Leisure Centre Limited is a registered charity and a company limited by guarantee, registered in England and Wales. The charitable company's registered number and registered office address can be found under reference and administrative details in the report of the trustees.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charitable company is legally entitled to the income, it is probable that the income will be received, and the amount can be quantified with reasonable accuracy. Income represents net sales of goods and services and management fees excluding value added tax, to customers during the year. Certain income is received in advance of provision of the relevant service and as such is deferred until the service commences. Income for annual memberships is accounted for over the membership year.

Income from commercial trading activities is recognised as earned (as the related goods and services are provided).

Grants receivable

Grants receivable in respect of a specified period relating to the general activities of the charitable company are recognised in the trading profit and loss account in which they become receivable. Capital grants receivable are treated as deferred income and are credited to the trading profit and loss account by instalments over the expected useful life of the related asset on a basis consistent with the depreciation policy.

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

1. ACCOUNTING POLICIES - continued

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.

Resources expended

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 costs 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 which meets these criteria is charged to the funds.

Allocation and apportionment of costs

Support costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly. Where support costs can not be attributed directly they are apportioned using income as the basis.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- over remaining term of lease
Plant and machinery	- straight line over 5 years
Fixtures and fittings	- straight line over 5 years
Gym equipment	- straight line over 5 years
Computer equipment	- straight line over 3 years

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.

Financial instruments

The charitable 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.

a) Trade and other debtors

Trade and other debtors are initially recognised at fair value and there after 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.

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

1. ACCOUNTING POLICIES - continued

Financial instruments – continued

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 impairment is found, an impairment loss is recognised in profit or loss.

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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to the statement of financial activities over the relevant period. The capital element of the future payments is treated as a liability.

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

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charitable company'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.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

2. DONATIONS AND LEGACIES

	Group		Company	
	31.3.24	31.3.23	31.3.24	31.3.23
	£	£	£	£
Other donations	<u>4,235</u>	<u>13,053</u>	<u>4,235</u>	<u>13,053</u>
	<u>4,235</u>	<u>13,053</u>	<u>4,235</u>	<u>13,053</u>

3. FINANCIAL ACTIVITIES OF THE CHARITABLE COMPANY

The financial activities shown in the consolidated statement of financial activities include those of the charitable company's wholly owned subsidiary Grove Leisure Environmental Limited.

A summary of the financial activities undertaken by the charitable company excluding transactions with Grove Leisure Environmental Limited is set out below:

	31.3.24	31.3.23
	£	£
Gross incoming resources	825,068	854,264
Total expenditure on charitable activities	<u>(782,811)</u>	<u>(773,156)</u>
Net incoming resources for the year	<u>42,257</u>	<u>81,108</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

Group	31.3.24	31.3.23
	Leisure activities	Leisure activities
	£	£
Leisure centre income	<u>584,350</u>	<u>537,327</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

5. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

A summary of the trading results of the wholly owned subsidiary Grove Leisure Environmental Limited excluding transactions with Lordswood Leisure Centre Limited is shown below:

	31.3.24	31.3.23
	£	£
Trading income	825,068	854,264
Costs of sales and administration costs	(782,811)	(773,156)
Interest receivable	<u>11,807</u>	<u>3,519</u>
Net profit/(loss) before taxation	<u><u>54,064</u></u>	<u><u>84,627</u></u>

6. INVESTMENT INCOME

A summary of the trading results of the wholly owned subsidiary Grove Leisure Environmental Limited excluding transactions with Lordswood Leisure Centre Limited is shown below:

	31.3.24	31.3.23
	£	£
Deposit account interest	<u>11,807</u>	<u>3,519</u>
	<u><u>11,807</u></u>	<u><u>3,519</u></u>

7. CHARITABLE ACTIVITIES COSTS

Group	Staff costs	Direct costs	Support costs (note 9)	Total funds	Total funds
	31.3.24	31.3.24	31.3.24	31.3.24	31.3.23
	£	£	£	£	£
Summary by expenditure type					
Operation of leisure centres	<u>487,228</u>	<u>28,477</u>	<u>42,153</u>	<u>557,859</u>	<u>462,041</u>
Total	<u><u>487,228</u></u>	<u><u>28,477</u></u>	<u><u>42,153</u></u>	<u><u>557,859</u></u>	<u><u>462,041</u></u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

8. SUPPORT COSTS

	31.3.24	31.3.23
	£	£
Finance charges, including irrecoverable VAT	24,157	23,641
Interest payable and similar charges	801	1,046
Other costs	2,979	8,732
Governance Costs (note 10)	<u>14,216</u>	<u>12,073</u>
	<u>42,153</u>	<u>45,492</u>

9. GOVERNANCE COSTS

	Group		Company	
	31.3.24	31.3.23	31.3.24	31.3.23
	£	£	£	£
Auditors' remuneration				
Audit of the financial statements	12,520	9,640	8,840	6,800
Non audit services	6,155	4,730	3,660	2,820
(Over)/under provision in prior year	<u>2,495</u>	<u>3,663</u>	<u>1,716</u>	<u>2,453</u>
	<u>21,170</u>	<u>18,033</u>	<u>14,216</u>	<u>12,073</u>

10. NET INCOMING RESOURCES

Group

Net resources are stated after charging:

	31.3.24	31.3.23
	£	£
Auditors' remuneration of the trading subsidiary	6,954	5,960
Depreciation - owned assets	<u>91,958</u>	<u>83,011</u>

11. AUDITORS REMUNERATION

The auditor's remuneration for the group amounts to an audit fee of £21,170 (2023: £18,033).

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

12. STAFF COSTS

	31.3.24	31.3.23
	£	£
Wages and salaries (incl Trustees' remuneration)	650,130	515,336
Social security costs	35,367	26,628
Pension costs	8,888	8,097
	<u>694,385</u>	<u>550,061</u>

During the year, there were no staff paid in excess of £60,000.

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

31.3.24	31.3.23
<u>41</u>	<u>42</u>
<u>41</u>	<u>42</u>

13. TRUSTEES' AND KEY MANAGEMENT PERSONNEL REMUNERATION AND EXPENSES

	31.3.24	31.3.23
Trustees' remuneration and other benefits etc	<u>109,337</u>	<u>103,967</u>

Trustees' remuneration is paid as a result of their employment within the charitable company or the trading subsidiary.

Mr S Grimwade (Operations Director and trustee):

Remuneration £55,000 - £60,000 , (2023: £55,000 - £60,000)

Employer's pension contributions £1,000 - £2,000, (2023: £1,000 - £2,000)

Ms R Attwood (Finance Director and trustee):

Remuneration £35,000 - £40,000 (2023: £30,000 - £35,000)

Employer's pension contributions £500 – £1,000, (2023: £500 - £1,000)

The total amount of employee benefits received by key management personnel is £162,242 (2023: £153,071). The trust considers its key management personnel comprise the trustees and senior leadership team as detailed on page 1.

The trustees had expenses totalling £1,499 reimbursed during the year (2023: £1,306)

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

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted fund £	Restricted funds £	Total funds at 31.3.23 £
INCOMING RESOURCES				
Donations and Legacies	2	-	13,053	13,053
Charitable activities				
Leisure activities	4	547,129	-	547,129
Other trading activities				
Commercial trading operations	5	854,265	-	854,265
Investing activities				
Bank interest	6	3,519	-	3,519
		<hr/>	<hr/>	<hr/>
Total		1,404,913	13,053	1,417,966
EXPENDITURE ON				
Charitable activities				
Leisure activities	7	448,997	13,053	462,050
Raising funds				
Commercial trading operations	5	<u>773,157</u>	<u>-</u>	<u>773,157</u>
Total		<hr/> 1,222,154	<hr/> 13,053	<hr/> 1,235,207
NET (EXPENDITURE)/INCOME BEFORE TAX		182,759	-	182,759
TAXATION				
Taxation on trading losses		14,858	-	14,858
NET INCOME		167,901	-	167,901
RECONCILIATION OF FUNDS				
TOTAL FUNDS BROUGHT FORWARD	26	<hr/> 466,970	<hr/> -	<hr/> 466,970
TOTAL FUNDS CARRIED FORWARD	26	<u><hr/>634,871</u>	<u><hr/>-</u>	<u><hr/>634,871</u>

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

15. TANGIBLE FIXED ASSETS

Group

	Assets under construction	Improvements to Property £	Plant and Machinery £	Fixtures and Fittings £
COST				
At 1 April 2023	-	744,771	86,462	91,575
Additions	19,700	9,850	4,994	2,680
Disposals	-	(36,843)	(3,225)	(14,223)
At 31 March 2024	<u>19,700</u>	<u>717,778</u>	<u>88,231</u>	<u>80,032</u>
DEPRECIATION				
At 1 April 2023	-	524,732	42,258	68,341
Charge for year	-	56,367	13,610	6,037
Elimination on disposal	-	(36,336)	(3,225)	(14,223)
At 31 March 2024	<u>-</u>	<u>544,763</u>	<u>52,643</u>	<u>60,155</u>
NET BOOK VALUE				
At 31 March 2024	<u>19,700</u>	<u>173,015</u>	<u>35,588</u>	<u>19,877</u>
At 31 March 2023	<u>-</u>	<u>220,039</u>	<u>44,204</u>	<u>23,234</u>

Group

	Gym Equipment £	Computer Equipment £	Totals £
COST			
At 1 April 2023	289,132	7,856	1,219,796
Additions	89,647	-	126,871
Disposals	(239,473)	-	(293,764)
At 31 March 2024	<u>139,306</u>	<u>7,856</u>	<u>1,052,903</u>
DEPRECIATION			
At 1 April 2023	270,959	6,922	913,212
Charge for year	15,248	696	91,958
Elimination on disposal	(235,533)	-	(289,317)
At 31 March 2024	<u>50,674</u>	<u>7,618</u>	<u>715,853</u>
NET BOOK VALUE			
At 31 March 2024	<u>88,632</u>	<u>238</u>	<u>337,050</u>
At 31 March 2023	<u>18,173</u>	<u>934</u>	<u>306,584</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

15. TANGIBLE FIXED ASSETS - continued

Company	Fixtures and Fittings £	Gym Equipment £	Totals £
COST			
At 1 April 2023	40,760	111,671	152,431
Additions	-	-	-
Disposals	<u>(14,223)</u>	<u>(82,555)</u>	<u>(96,778)</u>
At 31 March 2024	<u>26,537</u>	<u>29,116</u>	<u>55,653</u>
DEPRECIATION			
At 1 April 2023	40,760	111,671	152,431
Charge for year	-	-	-
Elimination on disposal	<u>(14,233)</u>	<u>(82,555)</u>	<u>(96,778)</u>
At 31 March 2024	<u>26,537</u>	<u>29,116</u>	<u>55,653</u>
NET BOOK VALUE			
At 31 March 2024	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2023	<u>-</u>	<u>-</u>	<u>-</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

16. FIXED ASSET INVESTMENTS

Company	Shares in group undertakings £
MARKET VALUE	
At 1 April 2023 and 31 March 2024	<u>491,100</u>
PROVISION	
At 1 April 2023	218,422
Reversal of impairment	<u>(42,935)</u>
At 31 March 2024	<u>175,487</u>
NET BOOK VALUE	
At 31 March 2024	<u>315,613</u>
At 31 March 2023	<u>272,678</u>

There were no investment assets outside the UK.

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

Grove Leisure Environmental Limited

Nature of business: Leisure centre operators

Class of share:	%		
Ordinary £1	holding		
	100	31.3.24	31.3.23
		£	£
Aggregate capital and reserves		315,613	272,678
Profit/(Loss) for the year		<u>42,935</u>	<u>64,669</u>

17. STOCKS

Group

	31.3.24	31.3.23
	£	£
Stock	<u>14,566</u>	<u>12,911</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

18. DEBTORS

	Group		Company	
	31.3.24	31.3.23	31.3.24	31.3.23
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	16,641	21,505	5,930	2,865
Amounts owed by group undertakings	-	-	341,662	334,452
Deferred tax asset	14,111	20,140	-	-
Prepayments and accrued income	<u>34,388</u>	<u>8,393</u>	<u>11,246</u>	<u>7,077</u>
	<u>65,140</u>	<u>50,038</u>	<u>358,838</u>	<u>344,394</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.24	31.3.23	31.3.24	31.3.23
	£	£	£	£
Bank loans and overdrafts (see note 21)	31,745	32,288	21,605	22,400
Trade creditors	53,912	64,078	5,398	7,213
Social security and other taxes	24,121	21,943	6,375	6,663
Other creditors	6,662	2,917	2,347	1,662
Accruals and deferred income	<u>135,962</u>	<u>75,502</u>	<u>70,267</u>	<u>36,492</u>
	<u>252,402</u>	<u>196,728</u>	<u>105,991</u>	<u>74,430</u>

Deferred Income	Group		Company	
	31.3.24	31.3.23	31.3.24	31.3.23
	£	£	£	£
Deferred income brought forward	43,876	64,337	19,160	21,635
Resources deferred in the year	66,545	43,876	19,204	19,160
Amounts released from previous years	(43,876)	(65,337)	(19,160)	(21,635)
	<u>66,454</u>	<u>43,876</u>	<u>19,204</u>	<u>19,160</u>

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

	Group		Company	
	31.3.24	31.3.23	31.3.24	31.3.23
	£	£	£	£
Bank loans (see note 21)	<u>31,324</u>	<u>63,069</u>	<u>16,517</u>	<u>38,122</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

21. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	31.3.24 £	31.3.23 £	31.3.24 £	31.3.23 £
Amounts falling due within one year or on demand:				
Bank loans - less than 1 year	<u>31,745</u>	<u>32,288</u>	<u>21,605</u>	<u>22,400</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<u>25,160</u>	<u>32,599</u>	<u>10,353</u>	<u>22,459</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>6,164</u>	<u>30,470</u>	<u>6,164</u>	<u>15,663</u>

22. PROVISIONS FOR LIABILITIES

	Group		Company	
	31.3.24 £	31.3.23 £	31.3.24 £	31.3.23 £
Provisions	<u>10,000</u>	<u>10,000</u>	-	-
	<u>10,000</u>	<u>10,000</u>	-	-

23. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.24 £	31.3.23 £
Bank loans	<u>38,122</u>	<u>60,522</u>

A debenture dated 22 October 2004, was created by Lordswood Leisure Centre Limited for securing all monies due or to become due from the charitable company to HSBC Bank PLC, including a fixed charge over all present freehold and leasehold property; first fixed charge over book and other debts, chattels, goodwill and uncalled capital, both present and future; and first floating charge over all assets and undertakings both present and future. Composite company unlimited multilateral guarantees dated 11 October 2004 and 6 August 2012 exist jointly between the charitable company and Grove Leisure Environmental Limited.

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

24. ACCRUALS AND DEFERRED INCOME

	Group		Company	
	31.3.24 £	31.3.23 £	31.3.24 £	31.3.23 £
Balance at 1 April	(7,397)	(14,793)	-	-
Transferred to income and expenditure	7,397	7,396	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Balance at 31 March	<u> </u>	<u>(7,397)</u>	<u> </u>	<u> </u>

25. MOVEMENT IN FUNDS

Group

	At 1.4.23 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	<u>634,871</u>	<u>78,762</u>	<u>713,633</u>
Restricted funds			
KCC Together Fund	-	-	-
Kickstart Scheme	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u>634,871</u>	<u>78,762</u>	<u>713,633</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	<u>1,421,225</u>	<u>(1,342,464)</u>	<u>78,762</u>
Restricted funds			
KCC Together Fund	4,235	(4,235)	-
Kickstart Scheme	<u>-</u>	<u>-</u>	<u>-</u>
	4,235	(4,235)	-
TOTAL FUNDS	<u>1,425,460</u>	<u>(1,346,699)</u>	<u>78,762</u>

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

25. MOVEMENT IN FUNDS - continued

Company

	At 1.4.23 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	<u>634,871</u>	<u>78,762</u>	<u>713,633</u>
Restricted funds			
KCC Together Fund	-	-	-
Kickstart Scheme	-	-	-
	-	-	-
TOTAL FUNDS	<u><u>634,871</u></u>	<u><u>78,762</u></u>	<u><u>713,633</u></u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	594,350	(558,524)	42,935	78,762
	-	-	-	-
Restricted funds				
KCC Together Fund	4,235	(4,235)	-	-
Kickstart Scheme	-	-	-	-
	4,235	(4,235)	-	-
TOTAL FUNDS	<u><u>598,585</u></u>	<u><u>(562,759)</u></u>	<u><u>42,935</u></u>	<u><u>78,762</u></u>

Unrestricted funds

Unrestricted funds can be used for any purpose at the discretion of the charitable company.

KCC Together Fund

The Together Fund is designed to enable further recovery and growth of sport and physical activity opportunities for the following under-represented groups:

- Lower socio-economic groups
- Culturally Diverse Communities
- Disabled People
- People with a long-term health condition

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

25. MOVEMENT IN FUNDS - continued

Kickstart Scheme

The Kickstart Scheme provides funding to create new jobs for 16 to 24 year olds on Universal Credit who are at risk of long term unemployment.

Comparatives for movement in funds

Group

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	<u>466,970</u>	<u>167,908</u>	<u>634,878</u>
Restricted funds			
KCC Together Fund	-	-	-
Kickstart Scheme	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u><u>466,970</u></u>	<u><u>167,908</u></u>	<u><u>634,878</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	<u>1,404,910</u>	<u>(1,237,002)</u>	<u>167,908</u>
Restricted funds			
KCC Together Fund	7,701	(7,701)	-
Kickstart Scheme	<u>5,352</u>	<u>(5,352)</u>	<u>-</u>
	13,053	(13,053)	-
TOTAL FUNDS	<u><u>1,417,963</u></u>	<u><u>(1,250,055)</u></u>	<u><u>167,903</u></u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

25. MOVEMENT IN FUNDS - continued

Company

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	<u>466,970</u>	<u>167,908</u>	<u>634,878</u>
Restricted funds			
KCC Together Fund	-	-	-
Kickstart Scheme	-	-	-
	-	-	-
TOTAL FUNDS	<u>466,970</u>	<u>167,908</u>	<u>634,878</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	<u>547,327</u>	<u>(444,089)</u>	<u>64,670</u>	<u>167,908</u>
Restricted funds				
KCC Together Fund	7,701	(7,701)	-	-
Kickstart Scheme	<u>5,352</u>	<u>(5,352)</u>	-	-
	<u>13,053</u>	<u>(13,053)</u>	-	-
TOTAL FUNDS	<u>560,380</u>	<u>(457,142)</u>	<u>64,670</u>	<u>167,908</u>

26. CAPITAL COMMITMENTS

	Group		Company	
	31.3.24 £	31.3.23 £	31.3.24 £	31.3.23 £
Contracted but not provided for In the financial statements	<u>29,550</u>	<u>-</u>	<u>-</u>	<u>-</u>

The capital commitments relate to the health suite at the leisure centre. Works commenced in June 2024.

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

27. RELATED PARTY DISCLOSURES

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102, not to disclose related party transactions with wholly owned subsidiaries within the group.

There were no related party transactions which took place during the year other than certain Trustees' remuneration, as employees of the charity, as disclosed in note 13.

28. FRC ETHICAL STANDARD – PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

LORDSWOOD LEISURE CENTRE LIMITED

England & Wales - Charity number 1099125

Accounts

REGISTERED COMPANY NUMBER: 04492639 (England and Wales)
REGISTERED CHARITABLE COMPANY NUMBER: 1099125

REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
FOR
LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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FOR THE YEAR ENDED 31 MARCH 2023

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LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

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 group for the year ended 31 March 2023. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' effective 1 January 2019.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04492639 (England and Wales)

Registered Charity number

1099125

Registered office

North Dane Way
Lordswood
CHATHAM
ME5 8YE

Trustees

M G Rider	CEO
A Delaney	Chairman
S J Grimwade	Operations Director
R W Hills	
E P A Turcan	
R V Attwood	Finance Director
S L Mannerling	

Senior Leadership Team

M G Rider
S J Grimwade
R V Attwood
M L Campbell-Carr

Company Secretary

M G Rider

Auditors

Ashley Phillips FCCA (Senior Statutory Auditor)
Statutory Auditors and
Chartered Accountants
McCabe Ford Williams
Building 1063, Cornforth Drive,
Kent Science Park,
Sittingbourne,
Kent
ME9 8PX

Solicitors

D G B Solicitors
The Captains House
Central Avenue
Pembroke
CHATHAM MARITIME
ME4 4UF

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charitable company is controlled by its governing document, a deed of trust, and constitutes a company, limited by guarantee, as defined by the Companies Act 2006.

Appointment of Trustees

As set out in the Articles of Association the Board shall consist of at least three Trustees.

At the annual general meeting one third of the trustees who are subject to retirement by rotation or, if their numbers is not three or a multiple of three, the number nearest to the one third shall retire from office; but, if there is only one trustee who is subject to retirement by rotation, he shall retire.

Subject to the provisions of the Act, the trustees to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed trustees on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

If the Charity at the meeting at which a trustee retires by rotation, does not fill the vacancy the retiring trustee shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the trustee is put to the meeting and lost.

Subject to the provisions of the Act and to Clause 5 of the memorandum, the trustees may appoint one or more of their number to the unremunerated office of managing director or to any other unremunerated executive office under the Charity. Any such appointment may be made upon such terms as the trustees determine. Any appointment of a trustee to an executive office shall terminate if he ceases to be a trustee. A managing director and a trustee holding any other executive office shall not be subject to retirement by rotation.

Induction and training of new trustees

New Trustees undergo an induction session to brief them of their legal requirements under charity and company law, the content of the Memorandum and Articles of Association, the board meetings and decision-making process, the business plan and recent financial performance of the Charity.

They will also meet key employees and other members of the Board and will be encouraged to attend any appropriate internal or external training where it will facilitate the undertaking of their role.

Arrangements for setting pay and remuneration of key management personnel

The Directors consider the Board of Directors, who are the Trustees of the charity, and the Senior Leadership Team which comprise of the key management personnel of the Charity in charge of directing and controlling, running and operating the centre on a day-to-day basis. The pay for senior staff is reviewed annually. The Board of Directors meets for a minimum of four times per annum, with sub committee meetings as and when necessary. The Managing Director has delegated authority, set out by the board, to progress the implementation of the charity's strategy.

Related Parties

The Charity has a very close relationship with Medway Council, who provide funding in the form of a grant, albeit at their own discretion.

Risk management

The trustees have a duty to identify and review the risks to which the charitable company is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The board together with the employed management of the charitable company carry out an annual risk assessment. They are satisfied that the principal risks associated with the operation of the charitable company's activities have been properly assessed and appropriate measures introduced to deal with these.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charity's objectives are to provide, predominantly for the general public in the borough of Medway Council, facilities for recreation and leisure-time occupation in the interests of social welfare and to advance the education of the public in leisure activities.

To manage the facility to a high standard and by providing a sporting venue for organisations such as schools and voluntary clubs who wish to develop by providing access to sporting and recreational activities at an affordable rate. This philosophy links directly into Medway Council's sporting development strategy by encouraging a positive attitude to sport participation across all age groups. Helping to address the inequality balance to groups who may experience barriers to accessible leisure activities, for example, people with disability and people of low income.

A quality management system has been developed and implemented to achieve the standardisation of procedures. Every effort is made to establish shared values of continuous improvement, teamwork, honesty, trust and integrity. This all contributes towards developing the best value approach amongst staff encouraging effectiveness and efficiency of our service and procedures.

Public Benefit

The Charity has referred to the guidance in the Charity Commission general guidance on public benefit when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that they have set.

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

The Charity provides leisure services to the residents primarily, but not restricted to the area of the Medway Towns.

Who used and benefited from the charitable company's services

As part of the group and charitable company's mission statement, its primary objective is providing leisure for the community by the community. The group and charitable company is fully committed to providing a quality facility with affordable pricing to attract all sectors of the local area including special needs groups.

The group and charitable company is a multifunctional facility and therefore has many different products and services ranging from indoor sports to an out of school play scheme.

The Charities purpose is enshrined in the simple message of Leisure for the Community by the Community. The principled objective is to provide or assist in the provision of facilities or recreation for the general public with the overall objective of improving their condition of life.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Annual inspections are carried out by Ofsted and ISO Quality Assurance to ensure we comply with national standards. The charity scored highly in both assessments achieving an overall good rating.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

ACHIEVEMENT AND PERFORMANCE – continued

Achievement

The group and the charitable company provide sporting opportunities at affordable prices and maintain a diverse sporting programme to encourage different user groups to use our facilities. We have strategically operated a price reduction on all sporting activities to promote accessibility to the community and encourage volume over price. We have improved sporting opportunities for younger members by introducing new activities in our play scheme. Discounted prices are available for disabled users, senior citizens, students and local schools.

A Passport to Leisure scheme operates in conjunction with Medway Council which actively targets people on social security benefits to encourage them to become more active with lower-priced activities in our daytime sessions.

The group and charities gym has a flexible approach to gym membership allowing users to join on a contract or non-contract basis, including pay-as-you-go. This provides an affordable way of accessing the gym in this current financial contract. The pay-as-you-go option allows adults to keep to a budget if the one-off payment scheme is not available. We have increased our opening hours to junior to encourage higher uptake and users have the option of an enhanced induction to demonstrate how to use our fixed-resistance equipment safely. It is hoped that by encouraging a younger audience they will stay with us for a longer period.

A new gym retention app named Egym has been introduced to track members' performance and facilitate a range of templated fitness plans and training guides to enhance the user's experience.

Due to the success of the Let Get Active programme, we have expanded our sessions and have secured additional funding to continue running this scheme for a further year.

There are several new price plans for young people including a 'pay as u go' rate and different tailored packages designed for different ages and different abilities. We continue to support the G.P referral market in partnership with Medway Primary Care Trust and the N.H.S. This runs in conjunction with the charities own scheme 'Evergreen', helping people that are 'signed off from the N.H.S scheme but want to continue in their personal fitness programme. The Leisure Centre has now introduced flexible rolling contracts enabling users to have the option to cancel at any time.

The Leisure Centre was successful in obtaining grants for our new fitness classes named Escape Pain. These sessions are targeted to participants with long-term health conditions ranging from COPD, cardiac, mental health, diabetes and Covid. Most users feel that they have been socially isolated so the scheme provides users with a means to get healthy and socialise with like-minded people.

We have also introduced a booking with confidence guarantee for all our bookings giving customers the flexibility and assurances that if their booking is impacted by COVID-19, their money and booking are protected.

The group and charitable company's direct debits for the gym and aerobics sessions are still among the lowest in the area.

The fun time scheme continues to develop with a variation of activities including days out being offered to children during the school holidays. This dovetails very well with the fitness aims of the charity. Children are encouraged to pursue an active lifestyle and increase their range of social skills.

The group and charitable company continue to develop partnerships with local schools and voluntary groups to complement and extend their physical education programmes.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

FINANCIAL REVIEW

Results for the year

The results of the financial year have been laid out as per the financial statement on page ten. Income has amounted to £1,417,963 compared to £1,102,177 in 2022.

The group performed well as a whole over the period maintaining a high level of reserves, whilst trading positively in all departments. Gym income has remained strong throughout the year and bookings have been steady, with the income showing an increase from the previous period.

Whilst the Centre has been in a good trading position, the outlook on the whole is not as positive, there is still financial pressure on the business due to the ongoing cost of living crisis. A continual rise in utilities, interest rates and suppliers raising these costs. This has put a strain on budgets leading to less disposable incomes for the majority of our consumers. Going forward this is predicted to have a negative effect on the Centre's finances.

Much of the focus of the next 12-month period will be to maintain reserves until the economy is more stable. The reserves have historically been used to improve and update the facility. With this in mind. Solar panels have been added to the main hall roof to aid in the centre's ongoing energy efficiency initiative.

The trustees continue to regularly update cash forecasts and prepare detailed management accounts to keep an accurate representation of our current financial position and decisions based on future projects are decided on our current financial situation to assess the viability of all projects.

On a positive note, the trading performance was higher than anticipated. The gym continues to be resilient and continues to grow and the functions have stabilised and are close to pre-pandemic levels.

Reserves Policy

On March 31st the group's reserves stood at £634,878 (2022: £466,970) which is all unrestricted of this amount £306,586 (2022: £287,714) is tied up with tangible assets. Therefore, the group available reserves are £328,292 as of 31st March 2023.

As per the financial review, the policy of trustees is to have sufficient reserves, at all times, to match our obligations. The balance of the reserves is reviewed regularly and has historically been used for facility improvements and updates.

GOING CONCERN

The trustees have a reasonable expectation that the charity has adequate resources to continue its operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis for preparing financial statements. It is based on that level of optimism that the centre should be viewed as a going concern basis.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

PLANS FOR THE FUTURE

Long term plans are currently on hold. The lease of the premises from Medway Council expires in 2024, investment is therefore on a short term basis. A revised plan to take the Charity forward beyond 2024 is currently being formulated.

We are very close to securing a new twenty-year lease with Medway Council that will enable us to look at long-term investment for the leisure centre.

FUNDRAISING

Lordswood Leisure Centre Limited and the group as a whole is continually looking at ways to generate additional income.

The charity uses its assets to generate income in many ways, but mainly from the hire of facilities, for example, the sports hall and meeting rooms.

The Trustees are responsible for ensuring that the charity operates within a responsible, sustainable financial framework and that it has adequate resources to carry out its role in educating residents, in leisure activities, in the local community. While the Trustees may delegate many of the operations of fundraising to other parts of the organisation, they retain the responsibility for inspiring other fundraisers, demonstrating the perceived importance of fundraising to the organisation, and demonstrating their leadership in this area.

In carrying out fundraising, the charity adheres to the following standards:

- The Trustees will have regard to the Charity commissions publication 'Charity Fundraising' (CC20).
- Fundraising activities carried out by the charity will comply with all relevant laws.
- Any communications to the public made in the course of carrying out a fundraising activity shall be truthful and non-deceptive.
- All monies raised via fundraising activities will be for the stated purpose of the appeal and will comply with the charity's purpose.
- The charity will comply with GDPR Legislation in relation to all personal data collected.
- Nobody directly or indirectly employed by or volunteering for the charity shall accept commissions, bonuses or payments for fundraising activities.
- No general solicitations shall be undertaken by telephone or door-to-door.
- Fundraising activities should not be undertaken if they may be detrimental to the good name or community standing of the charity.
- All Trustees, casual, permanent and contract staff and volunteers are responsible for adhering to these procedures.
- Fundraising activities should not be undertaken if they will expose the charity to significant financial risk.
- Complaints will be dealt with in accordance with the Charity Commissions guide CC20.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Lordswood Leisure Centre 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 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 group and charitable company and of the incoming resources and application of resources, including the income and expenditure, of the group and 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 Charities 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 group and charitable company will continue in business.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the group and 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 group and charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

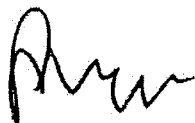
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the group and charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the group and charitable company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

S Grimwade – Trustee

Date: 18/12/2023



REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

Opinion

We have audited the financial statements of Lordswood Leisure Centre Limited for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, and the Company 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), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the group and charitable company's affairs as at 31 March 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities SORP 2019.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

Matters on which we are required to report by exception

In the light of our 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 strategic report and the trustees' report.

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 trustees' responsibilities statement set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and 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.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. 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 management 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 and 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
LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- 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;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and Companies House records.

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 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 auditor's report.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

AP

Ashley Phillips FCCA (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:18...December...2023.....

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	-	13,053	13,053	95,607
Charitable activities					
Leisure activities	4	537,327	-	537,327	393,616
Other trading activities					
Commercial trading operations	5	854,264	-	854,264	479,084
Investing activities					
Bank interest	6	3,519	-	3,519	38
Other income	7	9,800	-	9,800	133,832
Total		<u>1,404,910</u>	<u>13,053</u>	<u>1,417,963</u>	<u>1,102,177</u>
EXPENDITURE ON					
Charitable activities					
Leisure activities	8	448,988	13,053	462,041	442,717
Raising funds					
Commercial trading operations	6	773,156	-	773,156	587,918
Total		<u>1,222,144</u>	<u>13,053</u>	<u>1,235,197</u>	<u>1,030,635</u>
NET INCOME BEFORE TAX		182,766	-	182,766	71,542
TAXATION					
Taxation on trading activities		14,858	-	14,858	39,715
NET INCOME		167,908	-	167,908	111,257
RECONCILIATION OF FUNDS					
Total funds brought forward	26	<u>466,970</u>	-	<u>466,970</u>	<u>355,713</u>
TOTAL FUNDS CARRIED FORWARD	26	<u>634,878</u>	-	<u>634,878</u>	<u>466,970</u>

All incoming resources and resources expended derive from continuing activities.

The notes form part of these financial statements

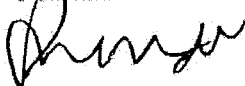
LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED COMPANY NUMBER: 04492639 (England and Wales)
REGISTERED CHARITABLE COMPANY NUMBER: 1099125

CONSOLIDATED BALANCE SHEET
AT 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
FIXED ASSETS					
Tangible assets	16	306,586	-	306,586	287,714
Investments	17	-	-	-	-
		<u>306,056</u>	-	<u>306,586</u>	<u>287,714</u>
CURRENT ASSETS					
Stocks	18	12,911	-	12,911	13,829
Debtors	19	50,030	-	50,030	47,289
Investment		200,000	-	200,000	-
Cash at bank and in hand		<u>342,533</u>	-	<u>342,533</u>	<u>449,384</u>
		<u>605,474</u>	-	<u>605,474</u>	<u>510,502</u>
LIABILITIES					
Creditors: amounts falling due within one year	20	(196,717)	-	(196,717)	(210,285)
NET CURRENT ASSETS/(LIABILITIES)		<u>408,757</u>	-	<u>408,757</u>	<u>300,217</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>715,337</u>	-	<u>715,337</u>	<u>587,931</u>
Creditors: amounts falling due after more than one year	21	(63,068)	-	(63,068)	(96,168)
PROVISIONS FOR LIABILITIES	23	(10,000)	-	(10,000)	(10,000)
ACCRUALS AND DEFERRED INCOME	25	(7,397)	-	(7,397)	(14,793)
TOTAL NET ASSETS		<u>634,878</u>	-	<u>634,878</u>	<u>466,970</u>
FUNDS	26				
Unrestricted funds				634,878	466,970
Restricted funds				-	-
TOTAL FUNDS				<u>634,878</u>	<u>466,970</u>

The financial statements were approved by the Board of Trustees on 18/12/2023 and were signed on its behalf by:

S Grimwade - Trustee



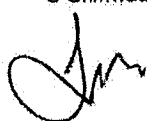
LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED COMPANY NUMBER: 04492639 (England and Wales)
REGISTERED CHARITABLE COMPANY NUMBER: 1099125

COMPANY BALANCE SHEET
AT 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
FIXED ASSETS					
Tangible assets	15	-	-	-	-
Investments	16	<u>272,678</u>	-	<u>272,678</u>	<u>208,008</u>
		272,678	-	272,678	208,008
CURRENT ASSETS					
Debtors: amounts falling due within one year	18	344,386	-	344,386	325,041
Cash at bank and in hand		<u>130,352</u>	-	<u>130,352</u>	<u>77,816</u>
		474,738	-	474,738	402,857
LIABILITIES					
Creditors: amounts falling due within one year	19	(74,417)	-	(74,417)	(83,373)
NET CURRENT ASSETS					
		<u>400,321</u>	-	<u>400,321</u>	<u>319,484</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		672,999	-	672,999	527,492
Creditors: amounts falling due after more than one year	20	(38,121)	-	(38,121)	(60,522)
TOTAL NET ASSETS					
		<u>634,878</u>	-	<u>634,878</u>	<u>466,970</u>
FUNDS					
Unrestricted funds	24			634,878	466,970
Restricted funds				-	-
TOTAL FUNDS					
				<u>634,878</u>	<u>466,970</u>

The financial statements were approved by the Board of Trustees on 18/12/2023 and were signed on its behalf by:

S Grimwade – Trustee



LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	31.3.23 £	31.3.22 £
Cash flows from operating activities	1		
Cash generated from operations		<u>226,822</u>	<u>275,139</u>
Net cash from operating activities		<u>226,822</u>	<u>275,139</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(102,030)	(124,702)
Interest received		3,519	38
Investment account		<u>(200,000)</u>	<u>-</u>
Net cash from investing activities		<u>(298,511)</u>	<u>(124,664)</u>
Cash flows from financing activities			
Interest paid		(3,359)	(5,938)
Loan repayments made	3	<u>(31,803)</u>	<u>(50,363)</u>
Net cash from financing activities		<u>(35,162)</u>	<u>(56,301)</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		<u>(106,851)</u>	<u>94,174</u>
Cash and cash equivalents at the beginning of the reporting period	2	<u>449,384</u>	<u>355,210</u>
Cash and cash equivalents at the end of the reporting period	2	<u>342,533</u>	<u>449,384</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

1. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31.3.23	31.3.22
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	167,908	71,542
Adjustments for:		
Interest received	(3,519)	(38)
Depreciation charges	83,011	60,743
(Profit)/loss on disposal	147	-
Decrease/(increase) in stocks	918	(4,689)
(Increase/decrease in debtors	(2,742)	86,147
(Decrease)/increase in creditors	(14,863)	62,893
Grant released to income and expenditure account	(7,397)	(7,397)
Interest element of hire purchase and finance lease rental payments	<u>3,359</u>	<u>5,938</u>
Net cash inflow from operating activities	<u><u>226,822</u></u>	<u><u>275,139</u></u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31.3.23	31.3.22
	£	£
Cash in hand	8,675	12,298
Notice deposits (less than 3 months)	<u>333,858</u>	<u>437,086</u>
Total cash and cash equivalents	<u><u>342,533</u></u>	<u><u>449,384</u></u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.22	Cash flow	At 31.3.23
	£	£	£
Net cash			
Cash at bank and in hand	<u>449,384</u>	(106,851)	<u>342,533</u>
	<u>449,384</u>	(106,851)	<u>342,553</u>
Debt			
Debts falling due within 1 year	(30,990)	(1,297)	(32,287)
Debts falling due after 1 year	<u>(96,168)</u>	<u>33,100</u>	<u>(63,068)</u>
	<u>(127,158)</u>	<u>31,803</u>	<u>(95,355)</u>
Total	<u><u>322,226</u></u>	<u><u>(75,048)</u></u>	<u><u>247,178</u></u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the 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. There were no material departures from that standard.

The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling, which is the functional and presentational currency of the group.

Group financial statements

The financial statements consolidate the results of the charitable company and its wholly owned subsidiary Grove Leisure Environmental Limited on a line by line basis. A separate Statement of Financial Activities is not presented for the charitable company itself in accordance with the exemptions afforded by paragraph 408 of the SORP.

Statutory information

Lordswood Leisure Centre Limited is a registered charity and a company limited by guarantee, registered in England and Wales. The charitable company's registered number and registered office address can be found under reference and administrative details in the report of the trustees.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charitable company is legally entitled to the income, it is probable that the income will be received, and the amount can be quantified with reasonable accuracy. Income represents net sales of goods and services and management fees excluding value added tax, to customers during the year. Certain income is received in advance of provision of the relevant service and as such is deferred until the service commences. Income for annual memberships is accounted for over the membership year.

Income from commercial trading activities is recognised as earned (as the related goods and services are provided).

Grants receivable

Grants receivable in respect of a specified period relating to the general activities of the charitable company are recognised in the trading profit and loss account in which they become receivable. Capital grants receivable are treated as deferred income and are credited to the trading profit and loss account by instalments over the expected useful life of the related asset on a basis consistent with the depreciation policy.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES - continued

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 company 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 first year's interest paid as part of the Government's Bounce Back Loan Scheme.

Resources expended

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 costs 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 which meets these criteria is charged to the funds.

Allocation and apportionment of costs

Support costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly. Where support costs can not be attributed directly they are apportioned using income as the basis.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- over remaining term of lease
Plant and machinery	- straight line over 5 years
Fixtures and fittings	- straight line over 5 years
Gym equipment	- straight line over 5 years
Computer equipment	- straight line over 3 years

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.

Financial instruments

The charitable 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.

a) Trade and other debtors

Trade and other debtors are initially recognised at fair value and there after 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES - continued

Financial instruments – continued

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 impairment is found, an impairment loss is recognised in profit or loss.

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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to the statement of financial activities over the relevant period. The capital element of the future payments is treated as a liability.

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

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charitable company'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.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

2. DONATIONS AND LEGACIES

	Group		Company	
	31.3.23	31.3.22	31.3.22	31.3.21
	£	£	£	£
Coronavirus Job Retention scheme	-	69,125	-	39,563
Bounce back loan interest	-	749	-	749
Other donations	<u>13,053</u>	<u>25,733</u>	<u>13,053</u>	<u>25,733</u>
	<u>13,053</u>	<u>95,607</u>	<u>13,053</u>	<u>66,045</u>

3. FINANCIAL ACTIVITIES OF THE CHARITABLE COMPANY

The financial activities shown in the consolidated statement of financial activities include those of the charitable company's wholly owned subsidiary Grove Leisure Environmental Limited.

A summary of the financial activities undertaken by the charitable company excluding transactions with Grove Leisure Environmental Limited is set out below:

	31.3.23	31.3.22
	£	£
Gross incoming resources	550,380	465,809
Total expenditure on charitable activities	<u>(462,041)</u>	<u>(442,722)</u>
Net incoming resources for the year	<u>88,339</u>	<u>23,087</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

Group	31.3.23	31.3.22
	Leisure activities	Leisure activities
	£	£
Leisure centre income	<u>537,327</u>	<u>393,616</u>

LORDSWOOD LEISURE CENTRE LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

5. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

A summary of the trading results of the wholly owned subsidiary Grove Leisure Environmental Limited excluding transactions with Lordswood Leisure Centre Limited is shown below:

	31.3.23	31.3.22
	£	£
Trading income	864,064	636,329
Costs of sales and administration costs	(788,014)	(553,104)
Interest receivable	<u>3,519</u>	<u>38</u>
Net profit/(loss) before taxation	<u>79,569</u>	<u>83,263</u>

The company received £nil (2022: £39,563) of grant funding from the government's Coronavirus Job Retention Scheme (CJRS) which was attributable to restricted funds (note 2).

6. INVESTMENT INCOME

A summary of the trading results of the wholly owned subsidiary Grove Leisure Environmental Limited excluding transactions with Lordswood Leisure Centre Limited is shown below:

	31.3.23	31.3.22
	£	£
Deposit account interest	<u>3,519</u>	<u>38</u>
	<u>3,519</u>	<u>38</u>

7. OTHER INCOME

	31.3.23	31.3.22
	£	£
Business interruption insurance claim	<u>9,800</u>	<u>133,832</u>
	<u>9,800</u>	<u>133,832</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

8. CHARITABLE ACTIVITIES COSTS

Group	Staff costs	Direct costs	Support costs (note 9)	Total funds	Total funds
	31.3.23	31.3.23	31.3.23	31.3.23	31.3.22
	£	£	£	£	£
Summary by expenditure type					
Operation of leisure centres	<u>395,814</u>	<u>29,185</u>	<u>37,042</u>	<u>462,041</u>	<u>442,717</u>
Total	<u>395,814</u>	<u>29,185</u>	<u>37,042</u>	<u>462,041</u>	<u>442,717</u>

9. SUPPORT COSTS

	31.3.23	31.3.22
	£	£
Telephone, postage and stationery	-	1,804
Sundries	-	76
Finance charges, including irrecoverable VAT	23,640	21,032
Interest payable and similar charges	1,045	5,246
Other costs	284	1,874
Governance Costs (note 10)	<u>12,073</u>	<u>8,971</u>
	<u>37,042</u>	<u>39,002</u>

10. GOVERNANCE COSTS

	Group		Company	
	31.3.23	31.3.22	31.3.23	31.3.22
	£	£	£	£
Auditors' remuneration				
Audit of the financial statements	12,520	9,625	8,840	6,790
Non audit services	6,155	4,745	3,660	2,830
(Over)/under provision in prior year	<u>(642)</u>	<u>(1,142)</u>	<u>(427)</u>	<u>(649)</u>
	<u>18,033</u>	<u>13,228</u>	<u>12,073</u>	<u>8,971</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

11. NET INCOMING RESOURCES

Group

Net resources are stated after charging:

	31.3.23	31.3.22
	£	£
Auditors' remuneration of the trading subsidiary	5,960	4,437
Depreciation - owned assets	<u>83,011</u>	<u>60,743</u>

12. AUDITORS REMUNERATION

The auditor's remuneration for the group amounts to an audit fee of £18,033 (2022: £13,228).

13. STAFF COSTS

	31.3.23	31.3.22
	£	£
Wages and salaries (incl Trustees' remuneration)	515,339	491,999
Social security costs	26,627	24,078
Pension costs	<u>8,096</u>	<u>5,435</u>
	<u>550,062</u>	<u>521,512</u>

During the year, there were no staff paid in excess of £60,000.

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

31.3.23	31.3.22
<u>42</u>	<u>47</u>
<u>42</u>	<u>47</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

14. TRUSTEES' AND KEY MANAGEMENT PERSONNEL REMUNERATION AND EXPENSES

	31.3.23	31.3.22
Trustees' remuneration and other benefits etc	<u>103,967</u>	<u>105,271</u>

Trustees' remuneration is paid as a result of their employment within the charitable company or the trading subsidiary.

Mr M Rider (CEO and trustee):

Remuneration £nil - £nil , (2022: £5,000 - £10,000)

Employer's pension contributions £nil , (2022: £nil)

Mr S Grimwade (Operations Director and trustee):

Remuneration £55,000 - £60,000 , (2022: £50,000 - £55,000)

Employer's pension contributions £1,000 - £2,000, (2022: £1,000 - £2,000)

Ms R Attwood (Finance Director and trustee):

Remuneration £30,000 - £35,000 (2022: £30,000 - £35,000)

Employer's pension contributions £1,000 - £2,000, (2022: £500 - £1,000)

The total amount of employee benefits received by key management personnel is £147,024 (2022: £144,584). The trust considers its key management personnel comprise the trustees and senior leadership team as detailed on page 1.

The trustees had expenses totalling £1,306 reimbursed during the year (2022: £109).

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted fund £	Restricted funds £	Total funds at 31.3.22 £
INCOMING RESOURCES				
Donations and Legacies	2	18,000	77,607	95,607
Charitable activities				
Leisure activities	4	393,616	-	393,616
Other trading activities				
Commercial trading operations	5	479,084	-	479,084
Investing activities				
Bank interest	6	38	-	38
Other Income	7	133,832	-	133,832
		<hr/>	<hr/>	<hr/>
Total		1,024,570	77,607	1,102,177
EXPENDITURE ON				
Charitable activities				
Leisure activities	8	378,504	64,213	442,717
Raising funds				
Commercial trading operations	5	<u>549,834</u>	<u>38,084</u>	<u>587,918</u>
Total		<hr/>	<hr/>	<hr/>
		928,338	102,297	1,030,635
NET (EXPENDITURE)/INCOME BEFORE TAX				
		96,232	(24,690)	71,542
TAXATION				
Taxation on trading losses		39,715	-	39,715
NET INCOME				
		135,947	(24,690)	111,257
RECONCILIATION OF FUNDS				
TOTAL FUNDS BROUGHT FORWARD	26	331,023	24,690	355,713
		<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD	26	<u>466,970</u>	<u>-</u>	<u>466,970</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

16. TANGIBLE FIXED ASSETS

Group	Improvements to Property £	Plant and Machinery £	Fixtures and Fittings £
COST			
At 1 April 2022	673,512	86,462	67,049
Additions	72,289	-	24,526
Disposals	<u>(1,030)</u>	<u>-</u>	<u>-</u>
At 31 March 2023	<u>744,771</u>	<u>86,462</u>	<u>91,575</u>
DEPRECIATION			
At 1 April 2022	466,999	28,924	64,730
Charge for year	58,616	13,334	3,610
Elimination on disposal	<u>(883)</u>	<u>-</u>	<u>-</u>
At 31 March 2023	<u>524,732</u>	<u>42,258</u>	<u>68,340</u>
NET BOOK VALUE			
At 31 March 2023	<u>220,039</u>	<u>44,204</u>	<u>23,235</u>
At 31 March 2022	<u>206,513</u>	<u>57,538</u>	<u>2,319</u>
Group			
	Gym Equipment £	Computer Equipment £	Totals £
COST			
At 1 April 2022	283,917	7,856	1,118,796
Additions	5,215	-	102,030
Disposals	<u>-</u>	<u>-</u>	<u>(1,030)</u>
At 31 March 2023	<u>289,132</u>	<u>7,856</u>	<u>1,219,796</u>
DEPRECIATION			
At 1 April 2022	264,389	6,040	831,082
Charge for year	6,570	881	83,011
Elimination on disposal	<u>-</u>	<u>-</u>	<u>(883)</u>
At 31 March 2023	<u>270,959</u>	<u>6,921</u>	<u>913,210</u>
NET BOOK VALUE			
At 31 March 2023	<u>18,173</u>	<u>935</u>	<u>306,586</u>
At 31 March 2022	<u>19,528</u>	<u>1,816</u>	<u>287,714</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

16. TANGIBLE FIXED ASSETS - continued

Company	Fixtures and Fittings £	Gym Equipment £	Totals £
COST			
At 1 April 2022 and 31 March 2023	<u>40,760</u>	<u>111,671</u>	<u>152,431</u>
DEPRECIATION			
At 1 April 2022 and 31 March 2023	<u>40,760</u>	<u>111,671</u>	<u>152,431</u>
NET BOOK VALUE			
At 31 March 2023	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2022	<u>-</u>	<u>-</u>	<u>-</u>

LORDSWOOD LEISURE CENTRE LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

17. FIXED ASSET INVESTMENTS

Company	Shares in group undertakings £
MARKET VALUE	
At 1 April 2022 and 31 March 2023	<u>491,100</u>
PROVISION	
At 1 April 2022	283,092
Reversal of impairment	<u>(64,670)</u>
At 31 March 2023	<u>218,422</u>
NET BOOK VALUE	
At 31 March 2023	<u>272,678</u>
At 31 March 2022	<u>208,008</u>

There were no investment assets outside the UK.

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

Grove Leisure Environmental Limited

Nature of business: Leisure centre operators

Class of share:	%		
Ordinary £1	holding		
	100	31.3.23	31.3.22
		£	£
Aggregate capital and reserves		272,678	208,008
Profit/(Loss) for the year		<u>64,669</u>	<u>73,264</u>

18. STOCKS

Group

	31.3.23	31.3.22
	£	£
Stock	<u>12,911</u>	<u>13,829</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

19. DEBTORS

	Group		Company	
	31.3.23 £	31.3.22 £	31.3.23 £	31.3.22 £
Amounts falling due within one year:				
Trade debtors	21,497	10,685	2,857	3,769
Amounts owed by group undertakings	-	-	334,452	320,572
VAT	-	-	-	-
Deferred tax asset	20,140	34,998	-	-
Prepayments and accrued income	<u>8,393</u>	<u>1,606</u>	<u>7,077</u>	<u>700</u>
	<u>50,030</u>	<u>47,289</u>	<u>344,386</u>	<u>325,041</u>

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.23 £	31.3.22 £	31.3.23 £	31.3.22 £
Bank loans and overdrafts (see note 22)	32,287	30,990	22,399	22,156
Trade creditors	64,078	57,958	7,212	8,690
HSBC business card	1,952	5,184	1,661	1,679
Social security and other taxes	11,825	6,544	4,483	4,188
VAT	10,118	4,192	2,180	3,108
Other creditors	955	1,337	-	964
Accruals and deferred income	<u>75,502</u>	<u>104,080</u>	<u>36,482</u>	<u>42,588</u>
	<u>196,717</u>	<u>210,285</u>	<u>74,417</u>	<u>83,373</u>

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

	Group		Company	
	31.3.23 £	31.3.22 £	31.3.23 £	31.3.22 £
Bank loans (see note 22)	<u>63,068</u>	<u>96,168</u>	<u>38,121</u>	<u>60,522</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

22. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	31.3.23 £	31.3.22 £	31.3.23 £	31.3.22 £
Amounts falling due within one year or on demand:				
Bank loans - less than 1 year	<u>32,287</u>	<u>30,990</u>	<u>22,339</u>	<u>22,156</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<u>32,598</u>	<u>32,267</u>	<u>22,458</u>	<u>22,400</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>30,470</u>	<u>63,901</u>	<u>15,663</u>	<u>38,122</u>
Amounts falling due in more than 5 years:				
Bank loans – more than 1 year	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

23. PROVISIONS FOR LIABILITIES

	Group		Company	
	31.3.23 £	31.3.22 £	31.3.23 £	31.3.22 £
Provisions	<u>10,000</u>	<u>10,000</u>	-	-
	<u>10,000</u>	<u>10,000</u>	-	-

24. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.23 £	31.3.22 £
Bank loans	<u>58,895</u>	<u>82,678</u>

A debenture dated 22 October 2004, was created by Lordswood Leisure Centre Limited for securing all monies due or to become due from the charitable company to HSBC Bank PLC, including a fixed charge over all present freehold and leasehold property; first fixed charge over book and other debts, chattels, goodwill and uncalled capital, both present and future; and first floating charge over all assets and undertakings both present and future. Composite company unlimited multilateral guarantees dated 11 October 2004 and 6 August 2012 exist jointly between the charitable company and Grove Leisure Environmental Limited.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

25. ACCRUALS AND DEFERRED INCOME

	Group		Company	
	31.3.23	31.3.22	31.3.23	31.3.22
	£	£	£	£
Balance at 1 April	(14,793)	(22,189)	-	-
Transferred to income and expenditure	7,396	7,396	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Balance at 31 March	<u>(7,397)</u>	<u>(14,793)</u>	<u>-</u>	<u>-</u>

26. MOVEMENT IN FUNDS

Group	Net movement		
	At 1.4.22	in funds	At 31.3.23
	£	£	£
Unrestricted funds			
General fund	<u>466,970</u>	<u>167,908</u>	<u>634,878</u>
Restricted funds			
Coronavirus Job Retention scheme	-	-	-
Bounce Back Loan	-	-	-
KCC Together Fund	-	-	-
Kickstart Scheme	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u>466,970</u>	<u>167,908</u>	<u>634,878</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	<u>1,404,910</u>	<u>(1,237,002)</u>	<u>167,908</u>
Restricted funds			
Coronavirus Job Retention scheme	-	-	-
Bounce Back Loan	-	-	-
KCC Together Fund	7,701	(7,701)	-
Kickstart Scheme	<u>5,352</u>	<u>(5,352)</u>	<u>-</u>
	13,053	(13,053)	-
TOTAL FUNDS	<u>1,417,963</u>	<u>(1,250,055)</u>	<u>167,908</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

26. MOVEMENT IN FUNDS - continued

Company

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	<u>466,970</u>	<u>167,908</u>	<u>634,878</u>
Restricted funds			
Coronavirus Job Retention scheme	-	-	-
Bounce Back Loan	-	-	-
KCC Together Fund	-	-	-
Kickstart Scheme	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u><u>466,970</u></u>	<u><u>167,908</u></u>	<u><u>634,878</u></u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	<u>547,327</u>	<u>(444,089)</u>	<u>64,670</u>	<u>167,908</u>
Restricted funds				
Coronavirus Job Retention scheme	-	-	-	-
Bounce Back Loan	-	-	-	-
KCC Together Fund	7,701	(7,701)	-	-
Kickstart Scheme	<u>5,352</u>	<u>(5,352)</u>	-	-
	<u>13,053</u>	<u>(13,053)</u>	-	-
TOTAL FUNDS	<u><u>560,380</u></u>	<u><u>(457,142)</u></u>	<u><u>64,670</u></u>	<u><u>167,908</u></u>

Unrestricted funds

Unrestricted funds can be used for any purpose at the discretion of the charitable company.

Coronavirus Job Retention Scheme Grant

HMRC Job Retention Scheme Grant to support businesses through the COVID-19 pandemic by covering a portion of employees' wages who were furloughed due to the coronavirus pandemic

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

26. MOVEMENT IN FUNDS - continued

KCC Together Fund

The Together Fund is designed to enable further recovery and growth of sport and physical activity opportunities for the following under-represented groups:

- Lower socio-economic groups
- Culturally Diverse Communities
- Disabled People
- People with a long-term health condition

Kickstart Scheme

The Kickstart Scheme provides funding to create new jobs for 16 to 24 year olds on Universal Credit who are at risk of long term unemployment.

Comparatives for movement in funds

Group

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	<u>331,023</u>	<u>135,947</u>	<u>466,970</u>
Restricted funds			
Coronavirus Job Retention scheme	<u>24,690</u>	<u>(24,690)</u>	<u>-</u>
TOTAL FUNDS	<u><u>355,713</u></u>	<u><u>111,257</u></u>	<u><u>466,970</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	<u>1,024,570</u>	<u>(888,623)</u>	<u>135,947</u>
Restricted funds			
Coronavirus Job Retention scheme	69,125	(93,815)	(24,690)
Bounce Back Loan	750	(750)	-
KCC Together Fund	6,232	(6,232)	-
Kickstart Scheme	<u>1,500</u>	<u>(1,500)</u>	<u>-</u>
	77,607	(102,297)	(24,690)
TOTAL FUNDS	<u><u>1,102,177</u></u>	<u><u>(990,920)</u></u>	<u><u>111,257</u></u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

26. MOVEMENT IN FUNDS - continued

Company

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	<u>339,544</u>	<u>127,426</u>	<u>466,970</u>
Restricted funds			
Coronavirus Job Retention scheme	<u>16,169</u>	<u>(16,169)</u>	<u>-</u>
TOTAL FUNDS	<u>355,713</u>	<u>111,257</u>	<u>466,970</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	<u>427,766</u>	<u>(373,603)</u>	<u>73,263</u>	<u>127,426</u>
Restricted funds				
Coronavirus Job Retention scheme	39,563	(55,732)	-	(16,169)
Bounce Back Loan	749	(749)	-	-
KCC Together Fund	6,232	(6,232)	-	-
Kickstart Scheme	<u>1,500</u>	<u>(1,500)</u>	<u>-</u>	<u>-</u>
	<u>48,044</u>	<u>(64,213)</u>	<u>-</u>	<u>(16,169)</u>
TOTAL FUNDS	<u>475,810</u>	<u>(437,816)</u>	<u>73,263</u>	<u>111,257</u>

27. RELATED PARTY DISCLOSURES

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102, not to disclose related party transactions with wholly owned subsidiaries within the group.

There were no related party transactions which took place during the year other than certain Trustees' remuneration, as employees of the charity, as disclosed in note 14.

LORDSWOOD LEISURE CENTRE LIMITED

England & Wales - Charity number 1099125

Accounts

REGISTERED COMPANY NUMBER: 04492639 (England and Wales)
REGISTERED CHARITABLE COMPANY NUMBER: 1099125

**REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
FOR
LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

McCabe Ford Williams
Registered Auditors
Chartered Accountants
Bank Chambers
1 Central Avenue
SITTINGBOURNE
Kent
ME10 4AE

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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FOR THE YEAR ENDED 31 MARCH 2022

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LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

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 group for the year ended 31 March 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' effective 1 January 2019.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
04492639 (England and Wales)

Registered Charity number
1099125

Registered office
North Dane Way
Lordswood
CHATHAM
ME5 8YE

Trustees

M G Rider	Finance Director
A Delaney	Chairman
S J Grimwade	Operations Director
R W Hills	
E P A Turcan	
R V Attwood	
S L Mannering	

Senior Leadership Team

M G Rider
S J Grimwade
R V Attwood
M L Campbell-Carr

Company Secretary

M G Rider

Auditors

Ashley Phillips FCCA (Senior Statutory Auditor)
Statutory Auditors and
Chartered Accountants
McCabe Ford Williams
Bank Chambers
1 Central Avenue
SITTINGBOURNE
ME10 4AE

Solicitors

D G B Solicitors
The Captains House
Central Avenue
Pembroke
CHATHAM MARITIME
ME4 4UF

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charitable company is controlled by its governing document, a deed of trust, and constitutes a company, limited by guarantee, as defined by the Companies Act 2006.

Appointment of Trustees

As set out in the Articles of Association the Board shall consist of at least three Trustees.

At the annual general meeting one third of the trustees who are subject to retirement by rotation or, if their numbers is not three or a multiple of three, the number nearest to the one third shall retire from office; but, if there is only one trustee who is subject to retirement by rotation, he shall retire.

Subject to the provisions of the Act, the trustees to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed trustees on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

If the Charity at the meeting at which a trustee retires by rotation, does not fill the vacancy the retiring trustee shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the trustee is put to the meeting and lost.

Subject to the provisions of the Act and to Clause 5 of the memorandum, the trustees may appoint one or more of their number to the unremunerated office of managing director or to any other unremunerated executive office under the Charity. Any such appointment may be made upon such terms as the trustees determine. Any appointment of a trustee to an executive office shall terminate if he ceases to be a trustee. A managing director and a trustee holding any other executive office shall not be subject to retirement by rotation.

Induction and training of new trustees

New Trustees undergo an induction session to brief them of their legal requirements under charity and company law, the content of the Memorandum and Articles of Association, the board meetings and decision-making process, the business plan and recent financial performance of the Charity.

They will also meet key employees and other members of the Board and will be encouraged to attend any appropriate internal or external training where it will facilitate the undertaking of their role.

Arrangements for setting pay and remuneration of key management personnel

The Directors consider the Board of Directors, who are the Trustees of the charity, and the Senior Leadership Team which comprise of the key management personnel of the Charity in charge of directing and controlling, running and operating the centre on a day-to-day basis. The pay for senior staff is reviewed annually. The Board of Directors meets for a minimum of four times per annum, with sub committee meetings as and when necessary. The Managing Director has delegated authority, set out by the board, to progress the implementation of the charity's strategy.

Related Parties

The Charity has a very close relationship with Medway Council, who provide funding in the form of a grant, albeit at their own discretion.

Risk management

The trustees have a duty to identify and review the risks to which the charitable company is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The board together with the employed management of the charitable company carry out an annual risk assessment. They are satisfied that the principal risks associated with the operation of the charitable company's activities have been properly assessed and appropriate measures introduced to deal with these.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charity's objectives are to provide, predominantly for the general public in the borough of Medway Council, facilities for recreation and leisure-time occupation in the interests of social welfare and to advance the education of the public in leisure activities.

To manage the facility to a high standard and by providing a sporting venue for organisations such as schools and voluntary clubs who wish to develop by providing access to sporting and recreational activities at an affordable rate. This philosophy links directly into Medway Council's sporting development strategy by encouraging a positive attitude to sport participation across all age groups. Helping to address the inequality balance to groups who may experience barriers to accessible leisure activities, for example, people with disability and people of low income.

A quality management system has been developed and implemented to achieve the standardisation of procedures. Every effort is made to establish shared values of continuous improvement, teamwork, honesty, trust and integrity. This all contributes towards developing the best value approach amongst staff encouraging effectiveness and efficiency of our service and procedures.

Public Benefit

The Charity has referred to the guidance in the Charity Commission general guidance on public benefit when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that they have set.

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

The Charity provides leisure services to the residents primarily, but not restricted to the area of the Medway Towns.

Who used and benefited from the charitable company's services

As part of the group and charitable company's mission statement, its primary objective is providing leisure for the community by the community. The group and charitable company is fully committed to providing a quality facility with affordable pricing to attract all sectors of the local area including special needs groups.

The group and charitable company is a multifunctional facility and therefore has many different products and services ranging from indoor sports to an out of school play scheme.

The Charities purpose is enshrined in the simple message of Leisure for the Community by the Community. The principled objective is to provide or assist in the provision of facilities or recreation for the general public with the overall objective of improving their condition of life.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Annual inspections are carried out by Ofsted and ISO Quality Assurance to ensure we comply with national standards. The charity scored highly in both assessments achieving an overall good rating.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

ACHIEVEMENT AND PERFORMANCE – continued

Achievement

The group and the charitable company provide sporting opportunities at affordable prices and maintain a diverse sporting programme to encourage different user groups to use our facilities. We have strategically operated a price reduction on all sporting activities to promote accessibility to the community and encourage volume over price. We have improved sporting opportunities for younger members by introducing new activities in our play scheme. Discounted prices are available for disabled users, senior citizens, students and local schools.

A Passport to Leisure scheme operates in conjunction with Medway Council which actively targets people on social security benefits to encourage them to become more active with lower-priced activities in our daytime sessions.

The group and charitable company's gym has introduced a price freeze and incorporated new membership options such as non-contractual Gym memberships. This has been very successful as it has provided an affordable way of accessing the gym in this current financial climate. There is also a 'pay-as-you-go rate for adults to help them keep to budget if the one-off payment scheme is not suitable.

The charity has made a significant investment in digital technology and replaced the operating platform allowing online sales, as well as developing two new apps to aid the user experience and retention. The digital transformation will ensure improved communication with members and tracking of activities, but more importantly, provide a friendly user experience to aid retention.

There are several new price plans for young people including a 'pay as u go' rate and different tailored packages designed for different ages and different abilities. We continue to support the G.P referral market in partnership with Medway Primary Care Trust and the N.H.S. This runs in conjunction with the charities own scheme 'Evergreen', helping people that are 'signed off from the N.H.S scheme but want to continue in their personal fitness programme. The Leisure Centre has now introduced flexible rolling contracts enabling users to have the option to cancel at any time.

The Leisure Centre was successful in obtaining grants for our new fitness classes named Let's get Active. These sessions are targeted to participants with long-term health conditions ranging from COPD, cardiac, mental health, diabetes and Covid. Most users feel that they have been socially isolated so the scheme provides users with a means to get healthy and socialise with like-minded people.

We have also introduced a booking with confidence guarantee for all our bookings giving customers the flexibility and assurances that if their booking is impacted by COVID-19, their money and booking are protected.

The group and charitable company's direct debits for the gym and aerobics sessions are still among the lowest in the area.

The fun time scheme continues to develop with a variation of activities including days out being offered to children during the school holidays. This dovetails very well with the fitness aims of the charity. Children are encouraged to pursue an active lifestyle and increase their range of social skills.

The group and charitable company continue to develop partnerships with local schools and voluntary groups to complement and extend their physical education programmes.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

FINANCIAL REVIEW

Results for the year

The results of the financial year have been laid out as per the financial statement on page ten. Income has amounted to £1,102,177 compared to £495,936 in 2021.

The group came through the enforced closures and covid pandemic on a positive note with income resources performing at a higher than anticipated level for the majority of the year. The group was successful in claiming for business interruption policy and a substantial pay out was claimed and paid in the period. Furthermore, the group took advantage of the job retention scheme and government grants to reduce liabilities covering a large percentage of losses. However, post covid, the financial situation of the group is still under pressure due to the cost of living crisis and predicted recession. Soaring energy prices, supply issues and more recently government-planned increases cast a shadow over the Centre.

Due to the uncertainty over the economy, we are expecting to see a downturn in income next year in both companies. All activities offered are discretionary and as public confidence diminishes this is likely to have a negative effect on our turnover as consumers have less disposable income to spend on leisure activities.

With this in mind, we will not be investing in large capital projects over the next twelve months with the emphasis focusing on retaining our reserves to a high level until the economy shows signs of improvement. Based on our projections we are not anticipating the economy to start improving until late 2023 or early 2024.

The policy of trustees is to have sufficient reserves, at all times, to match our obligations. The balance of the reserves is reviewed regularly and has historically been used for facility improvements and updates. This year we have upgraded our heating system with new energy-efficient boilers that have lower carbon emissions. Additionally, we have replaced the main sports hall roof and installed double-glazing windows throughout the site.

The trustees continue to regularly update cash forecasts and prepare detailed management accounts to keep an accurate representation of our current financial position and decisions based on future projects are decided on our current financial situation to assess the viability of all projects.

On a positive note, with Covid now in the country's rear mirror, the group can look forward to a full year of trading activities without the threat of enforced government shutdowns. Our bookings for the next financial year remain high and our gym income has stabilised and remained robust despite the cost of living crisis.

Reserves Policy

On March 31st the group's reserves stood at £466,970 (2021: £355,713) which is all unrestricted of this amount £287,714 (2021: £223,754) is tied up with tangible assets. Therefore, the group reserves are £179,256 as of 31st March 2022.

As per the financial review, the policy of trustees is to have sufficient reserves, at all times, to match our obligations. The balance of the reserves is reviewed regularly and has historically been used for facility improvements and updates.

GOING CONCERN

Covid 19 had a profound effect on both companies last financial year. Since the restrictions were removed, we have returned to pre covid income levels. Due to the success of the vaccine programme, it is unlikely that any further covid restrictions will be implemented by the government to limit social interaction.

The trustees have a reasonable expectation that the charity has adequate resources to continue its operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis for preparing financial statements. It is based on that level of optimism that the centre should be viewed as a going concern basis.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

PLANS FOR THE FUTURE

Long term plans are currently on hold. The lease of the premises from Medway Council expires in 2024, investment is therefore on a short term basis.

A revised plan to take the Charity forward beyond 2024 is currently being formulated.

FUNDRAISING

Lordswood Leisure Centre Limited and the group as a whole is continually looking at ways to generate additional income.

The charity uses its assets to generate income in many ways, but mainly from the hire of facilities, for example, the sports hall and meeting rooms.

The Trustees are responsible for ensuring that the charity operates within a responsible, sustainable financial framework and that it has adequate resources to carry out its role in educating residents, in leisure activities, in the local community. While the Trustees may delegate many of the operations of fundraising to other parts of the organisation, they retain the responsibility for inspiring other fundraisers, demonstrating the perceived importance of fundraising to the organisation, and demonstrating their leadership in this area.

In carrying out fundraising, the charity adheres to the following standards:

- The Trustees will have regard to the Charity commissions publication 'Charity Fundraising' (CC20).
- Fundraising activities carried out by the charity will comply with all relevant laws.
- Any communications to the public made in the course of carrying out a fundraising activity shall be truthful and non-deceptive.
- All monies raised via fundraising activities will be for the stated purpose of the appeal and will comply with the charity's purpose.
- The charity will comply with GDPR Legislation in relation to all personal data collected.
- Nobody directly or indirectly employed by or volunteering for the charity shall accept commissions, bonuses or payments for fundraising activities.
- No general solicitations shall be undertaken by telephone or door-to-door.
- Fundraising activities should not be undertaken if they may be detrimental to the good name or community standing of the charity.
- All Trustees, casual, permanent and contract staff and volunteers are responsible for adhering to these procedures.
- Fundraising activities should not be undertaken if they will expose the charity to significant financial risk.
- Complaints will be dealt with in accordance with the Charity Commissions guide CC20.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Lordswood Leisure Centre 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 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 group and charitable company and of the incoming resources and application of resources, including the income and expenditure, of the group and 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 Charities 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 group and charitable company will continue in business.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

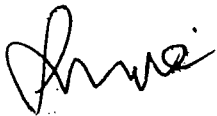
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the group and 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 group and charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the group and charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the group and charitable company's auditors are aware of that information.

ON BEHALF OF THE BOARD:



S Grimwade – Trustee

Date:8/12/22.....

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

Opinion

We have audited the financial statements of Lordswood Leisure Centre Limited for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, and the Company 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), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the group and charitable company's affairs as at 31 March 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities SORP 2019.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

Matters on which we are required to report by exception

In the light of our 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 strategic report and the trustees' report.

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 trustees' responsibilities statement set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and 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.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. 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 management 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 and 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
LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- 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;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and Companies House records.

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 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 auditor's report.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

AP

Ashley Phillips FCCA (Senior Statutory Auditor)
for and on behalf of McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Bank Chambers
1 Central Avenue
SITTINGBOURNE
ME10 4AE

Date: 8/12/22

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

	Notes	Unrestricted funds £	Restricted funds £	31.3.22 Total funds £	31.3.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	18,000	77,607	95,607	250,420
Charitable activities					
Leisure activities	4	393,616	-	393,616	158,896
Other trading activities					
Commercial trading operations	5	479,084	-	479,084	86,441
Investing activities					
Bank interest	6	38	-	38	179
Other income	7	<u>133,832</u>	<u>-</u>	<u>133,832</u>	<u>-</u>
Total		<u>1,024,570</u>	<u>77,607</u>	<u>1,102,177</u>	<u>495,936</u>
EXPENDITURE ON					
Charitable activities					
Leisure activities	8	378,504	64,213	442,717	312,084
Raising funds					
Commercial trading operations	6	<u>549,834</u>	<u>38,084</u>	<u>587,918</u>	<u>295,913</u>
Total		<u>928,338</u>	<u>102,297</u>	<u>1,030,635</u>	<u>607,997</u>
NET INCOME BEFORE TAX		96,232	(24,690)	71,542	(112,061)
TAXATION					
Taxation on trading losses		39,715	-	39,715	(36,071)
NET INCOME		135,947	(24,690)	111,257	(148,132)
RECONCILIATION OF FUNDS					
Total funds brought forward	26	<u>331,023</u>	<u>24,690</u>	<u>355,713</u>	<u>503,845</u>
TOTAL FUNDS CARRIED FORWARD	26	<u>466,970</u>	<u>-</u>	<u>466,970</u>	<u>355,713</u>

All incoming resources and resources expended derive from continuing activities.

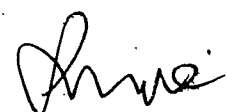
The notes form part of these financial statements

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED COMPANY NUMBER: 04492639 (England and Wales)
REGISTERED CHARITABLE COMPANY NUMBER: 1099125

CONSOLIDATED BALANCE SHEET
AT 31 MARCH 2022

	Notes	Unrestricted funds £	Restricted funds £	31.3.22 Total funds £	31.3.21 Total funds £
FIXED ASSETS					
Tangible assets	16	287,714	-	287,714	223,754
Investments	17	-	-	-	-
		<u>287,714</u>	-	<u>287,714</u>	<u>223,754</u>
CURRENT ASSETS					
Stocks	18	13,829	-	13,829	9,140
Debtors	19	47,289	-	47,289	79,093
Cash at bank and in hand		<u>449,384</u>	-	<u>449,384</u>	<u>355,210</u>
		510,502		510,502	443,443
LIABILITIES					
Creditors: amounts falling due within one year	20	(210,285)	-	(210,285)	(147,391)
		<u>300,217</u>	-	<u>300,217</u>	<u>296,052</u>
NET CURRENT ASSETS/(LIABILITIES)					
		587,931	-	587,931	519,806
Creditors: amounts falling due after more than one year	21	(96,168)	-	(96,168)	(127,187)
PROVISIONS FOR LIABILITIES	23	(10,000)	-	(10,000)	(14,716)
ACCRUALS AND DEFERRED INCOME	23	(14,793)	-	(14,793)	(22,190)
		<u>466,970</u>	-	<u>466,970</u>	<u>355,713</u>
TOTAL NET ASSETS					
FUNDS					
Unrestricted funds	26			466,970	331,022
Restricted funds				-	24,691
TOTAL FUNDS				<u>466,970</u>	<u>355,713</u>

The financial statements were approved by the Board of Trustees on8/12/22..... and were signed on its behalf by:



S Grimwade – Trustee

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED COMPANY NUMBER: 04492639 (England and Wales)
REGISTERED CHARITABLE COMPANY NUMBER: 1099125

COMPANY BALANCE SHEET
AT 31 MARCH 2022

	Notes	Unrestricted funds £	Restricted funds £	31.3.22 Total funds £	31.3.21 Total funds £
FIXED ASSETS					
Tangible assets	15	-	-	-	-
Investments	16	<u>208,008</u>	-	<u>208,008</u>	<u>134,745</u>
		208,008	-	208,008	134,745
CURRENT ASSETS					
Debtors: amounts falling due within one year	18	325,041	-	325,041	360,868
Cash at bank and in hand		<u>77,816</u>	-	<u>77,816</u>	<u>39,732</u>
		402,857	-	402,857	400,600
LIABILITIES					
Creditors: amounts falling due within one year	19	<u>(83,373)</u>	-	<u>(83,373)</u>	<u>(97,732)</u>
NET CURRENT ASSETS		<u>610,865</u>	-	<u>610,865</u>	<u>302,868</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		527,492	-	527,492	355,713
Creditors: amounts falling due after more than one year	20	<u>(60,522)</u>	-	<u>(60,522)</u>	<u>(81,900)</u>
TOTAL NET ASSETS		<u>466,970</u>	-	<u>466,970</u>	<u>355,713</u>
FUNDS					
Unrestricted funds	24			466,970	339,544
Restricted funds				-	16,169
TOTAL FUNDS				<u>466,970</u>	<u>355,713</u>

The financial statements were approved by the Board of Trustees on8/12/22..... and were signed on its behalf by:



S Grimwade – Trustee

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	31.3.22 £	31.3.21 £
Cash flows from operating activities	1		
Cash generated from operations		<u>267,748</u>	<u>(141,179)</u>
Net cash from operating activities		<u>267,748</u>	<u>(141,179)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(124,702)	-
Interest received		<u>38</u>	<u>179</u>
Net cash from investing activities		<u>(124,664)</u>	<u>179</u>
Cash flows from financing activities			
Interest paid		(5,938)	(4,985)
New loans in year		-	100,000
Loan repayments made	3	<u>(50,363)</u>	<u>(833)</u>
Net cash from financing activities		<u>(56,301)</u>	<u>94,182</u>
Change in cash and cash equivalents in the reporting period		<u>94,174</u>	<u>(46,818)</u>
Cash and cash equivalents at the beginning of the reporting period	2	<u>355,210</u>	<u>402,028</u>
Cash and cash equivalents at the end of the reporting period	2	<u>449,384</u>	<u>355,210</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

1. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31.3.22	31.3.21
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	71,542	(112,061)
Adjustments for:		
Interest received	(38)	(179)
Depreciation charges	60,743	59,170
Decrease/(increase) in stocks	(4,689)	2,740
(Increase/decrease in debtors	86,147	(43,981)
(Decrease)/increase in creditors	62,894	(44,456)
Grant released to income and expenditure account	(7,397)	(7,397)
Interest element of hire purchase and finance lease rental payments	5,938	4,985
Net cash inflow from operating activities	<u>275,140</u>	<u>(141,179)</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31.3.22	31.3.21
	£	£
Cash in hand	12,298	7,016
Notice deposits (less than 3 months)	<u>437,086</u>	<u>348,194</u>
Total cash and cash equivalents	<u>449,384</u>	<u>355,210</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.21	Cash flow	At 31.3.22
	£	£	£
Net cash			
Cash at bank and in hand	<u>355,210</u>	<u>94,174</u>	<u>449,384</u>
	<u>355,210</u>	<u>94,174</u>	<u>449,384</u>
Debt			
Debts falling due within 1 year	(50,333)	19,343	(30,990)
Debts falling due after 1 year	<u>(127,188)</u>	<u>31,020</u>	<u>(96,168)</u>
	<u>(177,521)</u>	<u>50,363</u>	<u>127,158</u>
Total	<u>177,689</u>	<u>144,537</u>	<u>576,542</u>

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the 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. There were no material departures from that standard.

The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling, which is the functional and presentational currency of the group.

Group financial statements

The financial statements consolidate the results of the charitable company and its wholly owned subsidiary Grove Leisure Environmental Limited on a line by line basis. A separate Statement of Financial Activities is not presented for the charitable company itself in accordance with the exemptions afforded by paragraph 408 of the SORP.

Statutory information

Lordswood Leisure Centre Limited is a registered charity and a company limited by guarantee, registered in England and Wales. The charitable company's registered number and registered office address can be found under reference and administrative details in the report of the trustees.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charitable company is legally entitled to the income, it is probable that the income will be received, and the amount can be quantified with reasonable accuracy. Income represents net sales of goods and services and management fees excluding value added tax, to customers during the year. Certain income is received in advance of provision of the relevant service and as such is deferred until the service commences. Income for annual memberships is accounted for over the membership year.

Income from commercial trading activities is recognised as earned (as the related goods and services are provided).

Grants receivable

Grants receivable in respect of a specified period relating to the general activities of the charitable company are recognised in the trading profit and loss account in which they become receivable. Capital grants receivable are treated as deferred income and are credited to the trading profit and loss account by instalments over the expected useful life of the related asset on a basis consistent with the depreciation policy.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES - continued

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 company 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 first year's interest paid as part of the Government's Bounce Back Loan Scheme.

Resources expended

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 costs 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 which meets these criteria is charged to the funds.

Allocation and apportionment of costs

Support costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly. Where support costs can not be attributed directly they are apportioned using income as the basis.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- over remaining term of lease
Plant and machinery	- straight line over 5 years
Fixtures and fittings	- straight line over 5 years
Gym equipment	- straight line over 5 years
Computer equipment	- straight line over 3 years

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.

Financial instruments

The charitable 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.

a) Trade and other debtors

Trade and other debtors are initially recognised at fair value and there after 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES - continued

Financial instruments – continued

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 impairment is found, an impairment loss is recognised in profit or loss.

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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to the statement of financial activities over the relevant period. The capital element of the future payments is treated as a liability.

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

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charitable company'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.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

2. DONATIONS AND LEGACIES

	Group		Company	
	31.3.22	31.3.21	31.3.22	31.3.21
	£	£	£	£
Coronavirus Job Retention scheme	69,125	246,924	39,563	172,907
Bounce back loan interest	749	1,496	749	748
Other donations	<u>25,732</u>	<u>2,000</u>	<u>25,732</u>	<u>2,000</u>
	<u>95,606</u>	<u>250,420</u>	<u>66,044</u>	<u>175,655</u>

3. FINANCIAL ACTIVITIES OF THE CHARITABLE COMPANY

The financial activities shown in the consolidated statement of financial activities include those of the charitable company's wholly owned subsidiary Grove Leisure Environmental Limited.

A summary of the financial activities undertaken by the charitable company excluding transactions with Grove Leisure Environmental Limited is set out below:

	31.3.22	31.3.21
	£	£
Gross incoming resources	465,809	344,551
Total expenditure on charitable activities	<u>(442,722)</u>	<u>(492,683)</u>
Net incoming resources for the year	<u>23,087</u>	<u>(148,132)</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

Group	31.3.22	31.3.21
	Leisure activities	Leisure activities
	£	£
Leisure centre income	<u>393,616</u>	<u>158,898</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

5. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

A summary of the trading results of the wholly owned subsidiary Grove Leisure Environmental Limited excluding transactions with Lordswood Leisure Centre Limited is shown below:

	31.3.22	31.3.21
	£	£
Trading income	636,329	86,441
Costs of sales and administration costs	(553,104)	(295,913)
Interest receivable	<u>38</u>	<u>179</u>
Net profit/(loss) before taxation	<u>83,263</u>	<u>(209,293)</u>

The company received £29,563 (2021: £74,017) of grant funding from the government's Coronavirus Job Retention Scheme (CJRS) which was attributable to restricted funds (note 2).

6. INVESTMENT INCOME

A summary of the trading results of the wholly owned subsidiary Grove Leisure Environmental Limited excluding transactions with Lordswood Leisure Centre Limited is shown below:

	31.3.22	31.3.21
	£	£
Deposit account interest	<u>38</u>	<u>179</u>
	<u>38</u>	<u>179</u>

7. OTHER INCOME

	31.3.22	31.3.22
	£	£
Business interruption insurance claim	<u>133,832</u>	<u>-</u>
	<u>133,832</u>	<u>-</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

8. CHARITABLE ACTIVITIES COSTS

Group	Staff costs	Direct costs	Support costs (note 9)	Total funds	Total funds as restated
	31.3.22	31.3.22	31.3.22	31.3.22	31.3.21
	£	£	£	£	£
Summary by expenditure type					
Operation of leisure centres	<u>354,998</u>	<u>48,716</u>	<u>39,002</u>	<u>442,717</u>	<u>312,084</u>
Total	<u>354,998</u>	<u>48,716</u>	<u>39,002</u>	<u>442,717</u>	<u>312,084</u>

9. SUPPORT COSTS

	31.3.22	31.3.21
	£	£
Telephone, postage and stationery	1,804	4,509
Sundries	76	114
Finance charges, including irrecoverable VAT	21,032	7,686
Interest payable and similar charges	5,246	3,490
Other costs	1,874	(1,306)
Governance Costs (note 9)	<u>8,971</u>	<u>9,647</u>
	<u>39,002</u>	<u>24,140</u>

10. GOVERNANCE COSTS

	Group		Company	
	31.3.22	31.3.21	31.3.22	31.3.21
	£	£	£	£
Auditors' remuneration				
Audit of the financial statements	9,625	8,755	6,790	6,180
Non audit services	4,745	4,310	2,830	2,565
(Over)/under provision in prior year	<u>(1,142)</u>	<u>2,348</u>	<u>(649)</u>	<u>902</u>
	<u>13,228</u>	<u>15,413</u>	<u>8,971</u>	<u>9,647</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

11. NET INCOMING RESOURCES

Group

Net resources are stated after charging:

	31.3.22	31.3.21
	£	£
Auditors' remuneration of the trading subsidiary	4,437	5,766
Depreciation - owned assets	<u>60,743</u>	<u>59,171</u>

12. AUDITORS REMUNERATION

The auditor's remuneration for the group amounts to an audit fee of £13,228 (2021: £15,413).

13. STAFF COSTS

	31.3.22	31.3.21
	£	£
Wages and salaries (incl Trustees' remuneration)	491,999	397,516
Social security costs	24,078	20,160
Pension costs	<u>5,435</u>	<u>5,581</u>
	<u>521,511</u>	<u>423,257</u>

During the year, there were no high paid staff.

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

31.3.22	31.3.21
<u>47</u>	<u>46</u>
<u>47</u>	<u>46</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

14. TRUSTEES' AND KEY MANAGEMENT PERSONNEL REMUNERATION AND EXPENSES

	31.3.22	31.3.21
Trustees' remuneration and other benefits etc	<u>105,271</u>	<u>104,811</u>

Trustees' remuneration is paid as a result of their employment within the charitable company or the trading subsidiary.

Mr M Rider (CEO and trustee):

Remuneration £5,000 – £10,000, (2021: £5,000 - £10,000)

Employer's pension contributions £nil, (2021: £nil)

Mr S Grimwade (Operations Director and trustee):

Remuneration £50,000 - £55,000, (2021: £50,000 - £55,000)

Employer's pension contributions £1,000 - £2,000, (2021: £1,000 - £2,000)

Ms R Attwood (Finance Director and trustee):

Remuneration £30,000 - £35,000, (2021: £25,000 - £30,000)

Employer's pension contributions £500 - £1,000, (2021: £500 - £1,000)

The total amount of employee benefits received by key management personnel is £144,584 (2021: £140,477). The trust considers its key management personnel comprise the trustees and senior leadership team as detailed on page 1.

The trustees had expenses totalling £109 reimbursed during the year (2021: £nil).

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted fund £	Restricted funds £	Total funds at 31.3.21 £
INCOMING RESOURCES				
Donations and Legacies	2	24,928	225,492	250,420
Charitable activities				
Leisure activities	4	158,896	-	158,896
Other trading activities				
Commercial trading operations	5	86,441	-	86,441
Investing activities				
Bank interest	6	179		179
		<hr/>	<hr/>	<hr/>
Total		270,444	225,492	495,936
EXPENDITURE ON				
Charitable activities				
Leisure activities	8	117,526	134,558	312,084
Raising funds				
Commercial trading operations	5	<u>229,670</u>	<u>66,243</u>	<u>295,913</u>
		<hr/>	<hr/>	<hr/>
Total		407,196	200,801	607,997
NET (EXPENDITURE)/INCOME BEFORE TAX				
		(136,752)	24,691	(112,061)
TAXATION				
Taxation on trading losses		(36,071)	-	(36,071)
NET INCOME				
		(172,823)	24,691	(148,132)
RECONCILIATION OF FUNDS				
TOTAL FUNDS BROUGHT FORWARD	26	503,845	-	503,845
		<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD	26	<u>331,022</u>	<u>24,691</u>	<u>355,713</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

16. TANGIBLE FIXED ASSETS

Group	Improvements to Property £	Plant and Machinery £	Fixtures and Fittings £
COST			
At 1 April 2021	608,353	40,557	67,049
Additions	65,159	57,454	-
Disposals	-	<u>(11,549)</u>	-
At 31 March 2022	<u>673,512</u>	<u>86,462</u>	<u>67,049</u>
DEPRECIATION			
At 1 April 2021	419,668	34,622	63,715
Charge for year	47,331	5,851	1,015
Elimination on disposal	-	<u>(11,549)</u>	-
At 31 March 2022	<u>466,999</u>	<u>28,924</u>	<u>64,730</u>
NET BOOK VALUE			
At 31 March 2022	<u>206,513</u>	<u>57,538</u>	<u>2,319</u>
At 31 March 2021	<u>188,685</u>	<u>5,935</u>	<u>3,334</u>
Group			
	Gym Equipment £	Computer Equipment £	Totals £
COST			
At 1 April 2021	283,917	5,767	1,005,643
Additions	-	2,089	124,702
Disposals	-	-	<u>(11,549)</u>
At 31 March 2022	<u>283,917</u>	<u>7,856</u>	<u>1,118,796</u>
DEPRECIATION			
At 1 April 2021	258,487	5,397	781,888
Charge for year	5,902	643	60,742
Elimination on disposal	-	-	<u>(11,549)</u>
At 31 March 2022	<u>264,389</u>	<u>6,040</u>	<u>831,032</u>
NET BOOK VALUE			
At 31 March 2022	<u>19,528</u>	<u>1,816</u>	<u>287,714</u>
At 31 March 2021	<u>25,430</u>	<u>370</u>	<u>223,754</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

16. TANGIBLE FIXED ASSETS - continued

Company	Fixtures and Fittings £	Gym Equipment £	Totals £
COST			
At 1 April 2021 and 31 March 2022	<u>40,760</u>	<u>111,671</u>	<u>152,431</u>
DEPRECIATION			
At 1 April 2021 and 31 March 2022	<u>40,760</u>	<u>111,671</u>	<u>152,431</u>
NET BOOK VALUE			
At 31 March 2022	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2021	<u>-</u>	<u>-</u>	<u>-</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

17. FIXED ASSET INVESTMENTS

Company	Shares in group undertakings £
MARKET VALUE	
At 1 April 2021 and 31 March 2022	<u>491,100</u>
PROVISION	
At 1 April 2021	356,355
Reversal of Impairment	<u>(73,263)</u>
At 31 March 2022	<u>283,092</u>
NET BOOK VALUE	
At 31 March 2022	<u>208,008</u>
At 31 March 2021	<u>134,745</u>

There were no investment assets outside the UK.

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

Grove Leisure Environmental Limited

Nature of business: Leisure centre operators

Class of share:	%		
Ordinary £1	holding		
	100	31.3.22	31.3.21
		£	£
Aggregate capital and reserves		208,009	134,745
Profit/(Loss) for the year		<u>73,264</u>	<u>(175,699)</u>

18. STOCKS

	31.3.22	31.3.21
	£	£
Stock	<u>13,829</u>	<u>9,140</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

19. DEBTORS

	Group		Company	
	31.3.22	31.3.21	31.3.22	31.3.21
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	10,685	23,921	3,769	14,265
Amounts owed by group undertakings	-	-	320,572	312,772
VAT	-	6,483	-	-
Deferred tax asset	34,998	-	-	-
Prepayments and accrued income	<u>1,665</u>	<u>48,689</u>	<u>700</u>	<u>33,831</u>
	<u>42,289</u>	<u>79,093</u>	<u>325,041</u>	<u>360,868</u>

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.22	31.3.21	31.3.22	31.3.21
	£	£	£	£
Bank loans and overdrafts (see note 22)	30,990	50,332	22,156	45,620
Trade creditors	57,958	32,212	8,690	1,176
HSBC business card	5,184	-	1,679	-
Social security and other taxes	6,544	4,428	4,188	2,241
VAT	4,192	2,000	3,108	2,000
Other creditors	1,337	2,430	964	2,067
Accruals and deferred income	<u>104,080</u>	<u>55,989</u>	<u>42,588</u>	<u>44,628</u>
	<u>210,285</u>	<u>147,391</u>	<u>83,373</u>	<u>97,732</u>

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

	Group		Company	
	31.3.22	31.3.21	31.3.22	31.3.21
	£	£	£	£
Bank loans (see note 22)	<u>96,168</u>	<u>127,187</u>	<u>60,522</u>	<u>81,900</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

22. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	31.3.22 £	31.3.21 £	31.3.22 £	31.3.21 £
Amounts falling due within one year or on demand:				
Bank loans - less than 1 year	<u>30,990</u>	<u>50,332</u>	<u>22,156</u>	<u>45,620</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<u>32,267</u>	<u>31,765</u>	<u>22,400</u>	<u>22,159</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>63,901</u>	<u>84,740</u>	<u>38,122</u>	<u>54,390</u>
Amounts falling due in more than 5 years:				
Bank loans – more than 1 year	-	10,702	-	5,351

23. PROVISIONS FOR LIABILITIES

	Group		Company	
	31.3.22 £	31.3.21 £	31.3.22 £	31.3.21 £
Provisions	<u>10,000</u>	<u>14,716</u>	-	-
	<u>10,000</u>	<u>14,716</u>	-	-

24. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.21 £	31.3.21 £
Bank loans	<u>82,678</u>	<u>127,522</u>

A debenture dated 22 October 2004, was created by Lordswood Leisure Centre Limited for securing all monies due or to become due from the charitable company to HSBC Bank PLC, including a fixed charge over all present freehold and leasehold property; first fixed charge over book and other debts, chattels, goodwill and uncalled capital, both present and future; and first floating charge over all assets and undertakings both present and future. Composite company unlimited multilateral guarantees dated 11 October 2004 and 6 August 2012 exist jointly between the charitable company and Grove Leisure Environmental Limited.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

25. ACCRUALS AND DEFERRED INCOME

	Group		Company	
	31.3.22 £	31.3.21 £	31.3.22 £	31.3.21 £
Balance at 1 April	(22,190)	(29,587)	-	-
Transferred to income and expenditure	7,397	7,397		
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Balance at 31 March	<u>(14,793)</u>	<u>(22,190)</u>	<u>-</u>	<u>-</u>

26. MOVEMENT IN FUNDS

Group	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	<u>331,023</u>	<u>135,947</u>	<u>465,970</u>
Restricted funds			
Coronavirus Job Retention scheme	24,690	(24,690)	-
Bounce Back Loan	-	-	-
KCC Together Fund	-	-	-
Kickstart Scheme	<u>-</u>	<u>-</u>	<u>-</u>
	<u>24,690</u>	<u>(24,690)</u>	<u>-</u>
TOTAL FUNDS	<u>355,713</u>	<u>111,257</u>	<u>465,970</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	<u>1,024,570</u>	<u>(888,623)</u>	<u>135,947</u>
Restricted funds			
Coronavirus Job Retention scheme	69,125	(93,815)	(24,690)
Bounce Back Loan	750	(750)	-
KCC Together Fund	6,232	(6,232)	-
Kickstart Scheme	<u>1,500</u>	<u>(1,500)</u>	<u>-</u>
	77,607	102,297	(24,690)
TOTAL FUNDS	<u>1,102,177</u>	<u>1,004,219</u>	<u>111,257</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

26. **MOVEMENT IN FUNDS - continued**

Company

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	<u>339,544</u>	<u>127,426</u>	<u>466,970</u>
Restricted funds			
Coronavirus Job Retention scheme	16,169	(16,169)	-
Bounce Back Loan	-	-	-
KCC Together Fund	-	-	-
Kickstart Scheme	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u>355,713</u>	<u>111,257</u>	<u>466,970</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	427,766	(373,603)	73,263	127,426
	<u>427,766</u>	<u>(373,603)</u>	<u>73,263</u>	<u>127,426</u>
Restricted funds				
Coronavirus Job Retention scheme	39,563	(55,732)	-	(16,169)
Bounce Back Loan	749	(749)	-	-
KCC Together Fund	6,232	(6,232)	-	-
Kickstart Scheme	<u>1,500</u>	<u>(1,500)</u>	<u>-</u>	<u>-</u>
	<u>48,044</u>	<u>(64,213)</u>	<u>-</u>	<u>(16,169)</u>
TOTAL FUNDS	<u>475,809</u>	<u>(437,819)</u>	<u>73,263</u>	<u>11,257</u>

Unrestricted funds

Unrestricted funds can be used for any purpose at the discretion of the charitable company.

Coronavirus Job Retention Scheme Grant

HMRC Job Retention Scheme Grant to support businesses through the COVID-19 pandemic by covering a portion of employees' wages who were furloughed due to the coronavirus pandemic

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

26. MOVEMENT IN FUNDS - continued

KCC Together Fund

The Together Fund is designed to enable further recovery and growth of sport and physical activity opportunities for the following under-represented groups:

- Lower socio-economic groups
- Culturally Diverse Communities
- Disabled People
- People with a long-term health condition

Kickstart Scheme

The Kickstart Scheme provides funding to create new jobs for 16 to 24 year olds on Universal Credit who are at risk of long term unemployment.

Comparatives for movement in funds

Group	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	<u>503,845</u>	<u>(172,823)</u>	<u>331,022</u>
Restricted funds			
Coronavirus Job Retention scheme	<u>-</u>	<u>24,691</u>	<u>24,691</u>
TOTAL FUNDS	<u>503,845</u>	<u>(148,132)</u>	<u>355,713</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	<u>207,444</u>	<u>(443,267)</u>	<u>(172,823)</u>
Restricted funds			
Coronavirus Job Retention scheme	<u>225,492</u>	<u>(200,801)</u>	<u>24,691</u>
TOTAL FUNDS	<u>495,936</u>	<u>(644,068)</u>	<u>148,132</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

26. MOVEMENT IN FUNDS - continued

Company

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	<u>503,845</u>	<u>(164,301)</u>	<u>339,544</u>
Restricted funds			
Coronavirus Job Retention scheme	<u>-</u>	<u>16,169</u>	<u>16,169</u>
TOTAL FUNDS	<u><u>503,845</u></u>	<u><u>(148,132)</u></u>	<u><u>355,713</u></u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	<u>193,824</u>	<u>(182,426)</u>	<u>(175,699)</u>	<u>(164,301)</u>
Restricted funds				
Coronavirus Job Retention scheme	<u>150,727</u>	<u>(134,558)</u>	<u>-</u>	<u>16,169</u>
TOTAL FUNDS	<u><u>344,551</u></u>	<u><u>(316,984)</u></u>	<u><u>(175,699)</u></u>	<u><u>(148,132)</u></u>

27. RELATED PARTY DISCLOSURES

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102, not to disclose related party transactions with wholly owned subsidiaries within the group.

LORDSWOOD LEISURE CENTRE LIMITED

England & Wales - Charity number 1099125

Accounts

REGISTERED COMPANY NUMBER: 04492639 (England and Wales)
REGISTERED CHARITABLE COMPANY NUMBER: 1099125

**REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

McCabe Ford Williams
Registered Auditors
Chartered Accountants
Bank Chambers
1 Central Avenue
SITTINGBOURNE
Kent
ME10 4AE

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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FOR THE YEAR ENDED 31 MARCH 2021

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LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

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 group for the year ended 31 March 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' effective 1 January 2019.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04492639 (England and Wales)

Registered Charity number

1099125

Registered office

North Dane Way
Lordswood
CHATHAM
ME5 8YE

Trustees

M G Rider	Finance Director
A Delaney	Chairman
S J Grimwade	Operations Director
R W Hills	
E P A Turcan	
R V Attwood	
S L Mannering	

Senior Leadership Team

M G Rider
S J Grimwade
R V Attwood
M L Campbell-Carr

Company Secretary

M G Rider

Auditors

Ashley Phillips FCCA (Senior Statutory Auditor)
Statutory Auditors and
Chartered Accountants
McCabe Ford Williams
Bank Chambers
1 Central Avenue
SITTINGBOURNE
ME10 4AE

Solicitors

D G B Solicitors
The Captains House
Central Avenue
Pembroke
CHATHAM MARITIME
ME4 4UF

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charitable company is controlled by its governing document, a deed of trust, and constitutes a company, limited by guarantee, as defined by the Companies Act 2006.

Appointment of Trustees

As set out in the Articles of Association the Board shall consist of at least three Trustees.

At the annual general meeting one third of the trustees who are subject to retirement by rotation or, if their numbers is not three or a multiple of three, the number nearest to the one third shall retire from office; but, if there is only one trustee who is subject to retirement by rotation, he shall retire.

Subject to the provisions of the Act, the trustees to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed trustees on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

If the Charity at the meeting at which a trustee retires by rotation, does not fill the vacancy the retiring trustee shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the trustee is put to the meeting and lost.

Subject to the provisions of the Act and to Clause 5 of the memorandum, the trustees may appoint one or more of their number to the unremunerated office of managing director or to any other unremunerated executive office under the Charity. Any such appointment may be made upon such terms as the trustees determine. Any appointment of a trustee to an executive office shall terminate if he ceases to be a trustee. A managing director and a trustee holding any other executive office shall not be subject to retirement by rotation.

Induction and training of new trustees

New Trustees undergo an induction session to brief them of their legal requirements under charity and company law, the content of the Memorandum and Articles of Association, the board meetings and decision-making process, the business plan and recent financial performance of the Charity.

They will also meet key employees and other members of the Board and will be encouraged to attend any appropriate internal or external training where it will facilitate the undertaking of their role.

Arrangements for setting pay and remuneration of key management personnel

The Directors consider the Board of Directors, who are the Trustees of the charity, and the Senior Leadership Team which comprise of the key management personnel of the Charity in charge of directing and controlling, running and operating the centre on a day to day basis. The pay for senior staff is reviewed annually.

Related Parties

The Charity has a very close relationship with Medway Council, who provide funding in the form of a grant, albeit at their own discretion.

Risk management

The trustees have a duty to identify and review the risks to which the charitable company is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The board together with the employed management of the charitable company carry out an annual risk assessment. They are satisfied that the principal risks associated with the operation of the charitable company's activities have been properly assessed and appropriate measures introduced to deal with these.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charity's objects are to provide, predominantly for the general public in the borough of Medway Council, facilities for recreation and leisure-time occupation in the interests of social welfare and to advance the education of the public in leisure activities.

A quality management system has been developed and implemented to achieve standardisation of procedures.

Staff performance is reviewed every six months through a system of appraisals with feedback measures in place for earlier reviews. Every effort is made to establish shared values of continuous improvement, teamwork, honesty, trust and integrity. This all contributes towards developing a best value approach amongst staff encouraging effectiveness and efficiency of our services and procedures. It also creates added value for customers by being informative, accessible as well as striving to understand and meet their individual needs.

Public Benefit

The Charity has referred to the guidance in the Charity Commission general guidance on public benefit when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that they have set.

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

The Charity provides leisure services to the residents primarily, but not restricted to the area of the Medway Towns.

Who used and benefited from the charitable company's services

As part of the group and charitable company's mission statement, its primary objective is providing leisure for the community by the community. The group and charitable company is fully committed to providing a quality facility with affordable pricing to attract all sectors of the local area including special needs groups.

The group and charitable company is a multifunctional facility and therefore has many different products and services ranging from indoor sports to an out of school play scheme.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

A self-assessment questionnaire is completed annually by staff and members detailing areas where improvements are necessary. This information is fed back to the board of directors (trustees) to take appropriate action.

Annual inspections are carried out by Ofsted and ISO Quality Assurance to ensure we comply with national standards. The charity scored highly in both assessments achieving an overall good rating.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

ACHIEVEMENT AND PERFORMANCE – continued

Achievement

The group and charitable company provides sporting opportunity at affordable prices and maintaining a diverse sporting programme to encourage different user groups to use our facilities. We have strategically operated a price freeze on all sporting activities to promote accessibility to the community and encourage volume over price. We have improved sporting opportunities for younger members by introducing new sports at our play scheme. Discounted prices are available for disabled users, senior citizens, students and for local schools.

A Passport to Leisure scheme operates in conjunction with Medway Council which actively targets people on social security benefits to encourage them to become more active with lower priced activities in our daytime sessions.

The group and charitable company's gym has introduced a price freeze and incorporated new membership options such as non-contractual Gym memberships. This has been very successful as it has provided an affordable way of accessing the gym in this current financial climate. There is also a 'pay as you go' rate for adults to help them keep to budget, if the one off payment scheme is not suitable.

There are several new price plans for young people including a 'pay as u go' rate and different tailored packages designed for different ages and different abilities. We continue to support the G.P referral market in partnership with Medway Primary Care Trust and the N.H.S this runs in conjunction with the charities own scheme 'Evergreen' helping people that are 'signed off' from the N.H.S scheme but want to continue in their personal fitness programme. The Leisure Centre has now introduced flexible rolling contracts enabling users to have the option to cancel at any time.

We have also introduced a booking with confidence guarantee for all of our bookings giving customers the flexibility and assurances that if their booking is impacted by COVID-19, that their money and booking are protected.

The group and charitable company's direct debits for the gym and aerobics sessions are still among the lowest in the area.

The fun time scheme continues to develop with a variation of activities including days out being offered to children during the school holidays. This dovetails very well with the fitness aims of the charity. Children are encouraged to pursue an active lifestyle and increase their range of social skills.

The group and charitable company continues to develop partnerships with local schools to complement and extend their physical education programmes.

FINANCIAL REVIEW

Results for the year

The results of the year are laid out as per the financial statements. The incoming resources for the group amounted to £495,936, (2020: £1,206,365) as set out on the financial statement on page ten.

The reserves for the year 2021/2022 will be focused on the centres financial survival of the current covid crisis. Income is in decline. This is due to enforced closure and loss of client confidence in holding public gatherings. Public confidence is the key, to the return to pre-covid levels of income. At the moment that confidence is low. It is not anticipated to begin picking up until late summer of 2021/2022. HMRC job retention scheme along with other government and Local Authority financial help is providing assistance to reduce expenditure in 2021/2022.

The centre also has a business retention insurance policy, to cover enforced closure of the centre by Government or Local Authority action. Negotiations are still under way but the final settlement is likely to be in the order of £135,000.

It cannot be stressed enough, however, that the key to the centres long term financial future remains in the return of public confidence. Plans are currently under review to build in flexibility to deal with the uncertain nature of this.

Bookings into the new financial year remain high, But are subject to late cancellations as the pandemic continues to suppress confidence.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW - continued
Reserves Policy

The centre will survive in the short term with the help of reserves and careful financial management.

At the 31 March 2021 reserves stood at £355,713 (2020: £503,845), of which £331,022 are unrestricted funds and £24,691 are restricted funds. Of this £223,754 (2020: £282,924) is tied up with tangible assets. The group's free reserves are therefore £107,268 as of the 31 March 2021.

As per the financial review, fixed costs and staffing levels have been reviewed to correlate with predicted lower income levels. Income levels are expected to be volatile and extremely uncertain due to the restrictive government measures preventing us from operating as normal. Mainly because of virus control and the public's concern about the safety of returning pre-covid life patterns.

GOING CONCERN

COVID-19 pandemic has had, and will continue to have a material impact on the trading position of the group and charitable company. As we move forward a number of uncertainties over the extent of the impact still exist and these are detailed below:

- The impact of changes in customer behaviour and confidence levels as a result of the continued existence of COVID-19 in our society is currently unknown, and if customers do not return as anticipated this will have a significant impact on revenue generation.
- The government continues to implement measures to limit the spread of the virus and, as a result, there is a risk of local lockdowns which may have an impact on our revenues.
- A further nationwide lockdown similar to the ones imposed in March 2020 and January 2021 would have a significant impact on revenue and, without further package of government support, would have a significant impact on the charity's ability to realise its assets and settle its liabilities in the ordinary course of business.

The year to 31st March 2022 will see the Centre continue making losses, albeit lower than in 2020/21, as restrictions have been eased and incomes begin to rise.

The Centre losses are covered by a business interruption insurance protection and should negate the effects of the closure on the Centre's cash resources. It is because of this protection and the optimism that the centre can return to a surplus position that, despite the above factors indicating that a material uncertainty still exists, the trustees consider that the Charity should be looked upon as a going concern for the purpose of preparing the financial statements.

PLANS FOR THE FUTURE

Long term plans are currently on hold. The lease of the premises from Medway Council expires in 2024, investment is therefore on a short term basis.

A revised plan to take the Charity forward beyond 2024 is currently being formulated.

FUNDRAISING

Lordswood Leisure Centre Limited and the group as a whole is continually looking at ways to generate additional income.

The charity uses its assets to generate income in many ways, but mainly from the hire of facilities, for example, the sports hall and meeting rooms.

The Trustees are responsible for ensuring that the charity operates within a responsible, sustainable financial framework and that it has adequate resources to carry out its role in educating residents, in leisure activities, in the local community. While the Trustees may delegate many of the operations of fundraising to other parts of the organisation, they retain the responsibility for inspiring other fundraisers, demonstrating the perceived importance of fundraising to the organisation, and demonstrating their leadership in this area.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

In carrying out fundraising, the charity adheres to the following standards:

- The Trustees will have regard to the Charity commissions publication 'Charity Fundraising' (CC20).
- Fundraising activities carried out by the charity will comply with all relevant laws.
- Any communications to the public made in the course of carrying out a fundraising activity shall be truthful and non-deceptive.
- All monies raised via fundraising activities will be for the stated purpose of the appeal and will comply with the charity's purpose.
- The charity will comply with GDPR Legislation in relation to all personal data collected.
- Nobody directly or indirectly employed by or volunteering for the charity shall accept commissions, bonuses or payments for fundraising activities.
- No general solicitations shall be undertaken by telephone or door-to-door.
- Fundraising activities should not be undertaken if they may be detrimental to the good name or community standing of the charity.
- All Trustees, casual, permanent and contract staff and volunteers are responsible for adhering to these procedures.
- Fundraising activities should not be undertaken if they will expose the charity to significant financial risk.
- Complaints will be dealt with in accordance with the Charity Commissions guide CC20.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Lordswood Leisure Centre 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 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 group and charitable company and of the incoming resources and application of resources, including the income and expenditure, of the group and 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 Charities 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 group and 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 group and 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 group and charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the group and charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the group and charitable company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

Spencer Grimwade

S Grimwade – Trustee

Date: 20 December 2021

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

Opinion

We have audited the financial statements of Lordswood Leisure Centre Limited for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company 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), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the group and charitable company's affairs as at 31 March 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities SORP 2019.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 relating 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 group and charitable company. As stated in note 1 these events or conditions, along with other matters as set forth in note 1 indicate that a material uncertainty exists which may cast significant doubt on the group and 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 trustees' annual report, other than the financial statements and our auditor's report 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

Matters on which we are required to report by exception

In the light of our 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 strategic report and the trustees' report.

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 trustees' responsibilities statement set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and 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.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. 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 management 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 and 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
LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- 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;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and Companies House records.

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 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 auditor's report.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Ashley Phillips FCCA (Senior Statutory Auditor)
for and on behalf of McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Bank Chambers
1 Central Avenue
SITTINGBOURNE
ME10 4AE

Dec 21, 2021

Date:

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	24,928	225,492	250,420	-
Charitable activities					
Leisure activities	4	158,896	-	158,896	529,499
Other trading activities					
Commercial trading operations	5	86,441	-	86,441	676,242
Investing activities					
Bank interest	6	179	-	179	624
Total		<u>270,444</u>	<u>225,492</u>	<u>495,936</u>	<u>1,206,365</u>
EXPENDITURE ON					
Charitable activities					
Leisure activities	7	177,526	134,558	312,084	428,695
Raising funds					
Commercial trading operations	5	<u>229,670</u>	<u>66,243</u>	<u>295,913</u>	<u>684,997</u>
Total		<u>407,196</u>	<u>200,801</u>	<u>607,997</u>	<u>1,113,692</u>
NET INCOME BEFORE TAX		(136,752)	24,691	(112,061)	92,673
TAXATION					
Taxation on trading losses		(36,071)	-	(36,071)	(2,797)
NET INCOME		(172,823)	24,691	(148,132)	89,876
RECONCILIATION OF FUNDS					
Total funds brought forward	25	<u>503,845</u>	<u>-</u>	<u>503,845</u>	<u>413,969</u>
TOTAL FUNDS CARRIED FORWARD	25	<u><u>331,022</u></u>	<u><u>24,691</u></u>	<u><u>355,713</u></u>	<u><u>503,845</u></u>

All incoming resources and resources expended derive from continuing activities.

The notes form part of these financial statements

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REGISTERED COMPANY NUMBER: 04492639 (England and Wales)

REGISTERED CHARITABLE COMPANY NUMBER: 1099125

CONSOLIDATED BALANCE SHEET
AT 31 MARCH 2021

	Notes	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
FIXED ASSETS					
Tangible assets	15	223,754	-	223,754	282,924
Investments	16	-	-	-	-
		<u>223,754</u>	<u>-</u>	<u>223,754</u>	<u>282,924</u>
CURRENT ASSETS					
Stocks	17	9,140	-	9,140	11,880
Debtors	18	54,402	24,691	79,093	66,463
Cash at bank and in hand		<u>355,210</u>	<u>-</u>	<u>355,210</u>	<u>402,028</u>
		418,752	24,691	443,443	480,371
LIABILITIES					
Creditors: amounts falling due within one year	19	(147,391)	-	(147,391)	(177,808)
		<u>271,361</u>	<u>24,691</u>	<u>296,052</u>	<u>302,563</u>
NET CURRENT ASSETS/(LIABILITIES)					
		<u>271,361</u>	<u>24,691</u>	<u>296,052</u>	<u>302,563</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		495,115	24,691	519,806	585,487
Creditors: amounts falling due after more than one year	20	(127,187)	-	(127,187)	(71,642)
PROVISIONS FOR LIABILITIES					
	22	(14,716)	-	(14,716)	(10,000)
ACCRUALS AND DEFERRED INCOME					
	23	(22,190)	-	(22,190)	-
		<u>331,022</u>	<u>24,691</u>	<u>355,713</u>	<u>503,845</u>
TOTAL NET ASSETS					
		<u>331,022</u>	<u>24,691</u>	<u>355,713</u>	<u>503,845</u>
FUNDS					
	25			331,022	503,845
Unrestricted funds				<u>331,022</u>	<u>503,845</u>
Restricted funds				<u>24,691</u>	<u>-</u>
TOTAL FUNDS					
				<u>355,713</u>	<u>503,845</u>

The financial statements were approved by the Board of Trustees on 20 December 2021 and were signed on its behalf by:

Spencer Grimwade

S Grimwade – Trustee

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REGISTERED COMPANY NUMBER: 04492639 (England and Wales)

REGISTERED CHARITABLE COMPANY NUMBER: 1099125

COMPANY BALANCE SHEET
AT 31 MARCH 2021

	Notes	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
FIXED ASSETS					
Tangible assets	14	-	-	-	-
Investments	15	<u>134,745</u>	<u>-</u>	<u>134,745</u>	<u>310,444</u>
		134,745	-	134,745	310,444
CURRENT ASSETS					
Debtors: amounts falling due within one year	17	344,699	16,169	360,868	271,448
Cash at bank and in hand		<u>39,732</u>	<u>-</u>	<u>39,732</u>	<u>56,300</u>
		384,431	16,169	400,600	327,748
LIABILITIES					
Creditors: amounts falling due within one year	18	<u>(97,732)</u>	<u>-</u>	<u>(97,732)</u>	<u>(84,895)</u>
NET CURRENT ASSETS		<u>286,699</u>	<u>16,169</u>	<u>302,868</u>	<u>242,853</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		421,444	16,169	355,713	553,297
Creditors: amounts falling due after more than one year	19	<u>(81,900)</u>	<u>-</u>	<u>(81,900)</u>	<u>(49,452)</u>
TOTAL NET ASSETS		<u>339,544</u>	<u>16,169</u>	<u>355,713</u>	<u>503,845</u>
FUNDS					
	23				
Unrestricted funds				339,544	503,845
Restricted funds				<u>16,169</u>	<u>-</u>
TOTAL FUNDS				<u>355,713</u>	<u>503,845</u>

The financial statements were approved by the Board of Trustees on 20 December 2021 and were signed on its behalf by:

Spencer Grimwade

S Grimwade – Trustee

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

1. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31.3.21 £	31.3.20 £
Net income for the reporting period (as per the Statement of Financial Activities)	(112,061)	92,673
Adjustments for:		
Interest received	(179)	(624)
Depreciation charges	59,170	79,093
Decrease/(increase) in stocks	2,740	(2,156)
(Increase/decrease in debtors	(43,981)	7,754
(Decrease)/increase in creditors	(44,456)	23,583
Grant released to income and expenditure account	(7,397)	(7,397)
Movement on provision for legal claim	-	(80,000)
Interest element of hire purchase and finance lease rental payments	<u>4,985</u>	<u>3,382</u>
Net cash inflow from operating activities	<u>(141,179)</u>	<u>116,308</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31.3.21 £	31.3.20 £
Cash in hand	7,016	7,408
Notice deposits (less than 3 months)	<u>348,194</u>	<u>394,620</u>
Total cash and cash equivalents	<u>355,210</u>	<u>402,028</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.20 £	Cash flow £	At 31.3.21 £
Net cash			
Cash at bank and in hand	<u>402,028</u>	<u>(46,818)</u>	<u>355,210</u>
	<u>402,028</u>	<u>(46,818)</u>	<u>355,210</u>
Debt			
Debts falling due within 1 year	(28,904)	(21,428)	(50,332)
Debts falling due after 1 year	<u>(49,452)</u>	<u>(77,735)</u>	<u>(127,187)</u>
	<u>(78,356)</u>	<u>(99,163)</u>	<u>(177,519)</u>
Total	<u>323,672</u>	<u>(52,345)</u>	<u>177,691</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the 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. There were no material departures from that standard.

The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling, which is the functional and presentational currency of the group.

Group financial statements

The financial statements consolidate the results of the charitable company and its wholly owned subsidiary Grove Leisure Environmental Limited on a line by line basis. A separate Statement of Financial Activities is not presented for the charitable company itself in accordance with the exemptions afforded by paragraph 408 of the SORP.

Statutory information

Lordswood Leisure Centre Limited is a registered charity and a company limited by guarantee, registered in England and Wales. The charitable company's registered number and registered office address can be found under reference and administrative details in the report of the trustees.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charitable company is legally entitled to the income, it is probable that the income will be received, and the amount can be quantified with reasonable accuracy. Income represents net sales of goods and services and management fees excluding value added tax, to customers during the year. Certain income is received in advance of provision of the relevant service and as such is deferred until the service commences. Income for annual memberships is accounted for over the membership year.

Income from commercial trading activities is recognised as earned (as the related goods and services are provided).

Grants receivable

Grants receivable in respect of a specified period relating to the general activities of the charitable company are recognised in the trading profit and loss account in which they become receivable. Capital grants receivable are treated as deferred income and are credited to the trading profit and loss account by instalments over the expected useful life of the related asset on a basis consistent with the depreciation policy.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

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 company 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 first year's interest paid as part of the Government's Bounce Back Loan Scheme.

Resources expended

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 costs 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 which meets these criteria is charged to the funds.

Allocation and apportionment of costs

Support costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly. Where support costs can not be attributed directly they are apportioned using income as the basis.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- over remaining term of lease
Plant and machinery	- straight line over 5 years
Fixtures and fittings	- straight line over 5 years
Gym equipment	- straight line over 5 years
Computer equipment	- straight line over 3 years

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.

Financial instruments

The charitable 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.

a) Trade and other debtors

Trade and other debtors are initially recognised at fair value and there after 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

Financial instruments – continued

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 impairment is found, an impairment loss is recognised in profit or loss.

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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to the statement of financial activities over the relevant period. The capital element of the future payments is treated as a liability.

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

Going concern

The outbreak of COVID-19, which has taken place during the year ended 31 March 2021, has resulted in a pandemic causing extensive disruption across the globe. The COVID-19 pandemic developed rapidly in 2020. The resulting impact of the virus on the operations of the company and measures taken by various governments to contain the virus have negatively affected the society's results in March 2021 and the current financial year. The currently known impacts of COVID-19 on the Charitable Company are:

- A significant reduction in income throughout March 2021 as cases of COVID-19 rose in the United Kingdom
- The closure of all leisure facilities in the United Kingdom by the UK government on 23 March 2020 which resulted in no income from primary purpose trading activities from 21 March 2020 through to the reopening of facilities. Facilities in England opened on 25 July 2020.
- Further closures of facilities due to the governments various measures to reduce the spread of the virus from November 2020 onwards culminating in a national lockdown in January 2021 which has gradually eased with indoor leisure reopening on 12 April 2021 in England, with further relaxations in restrictions in May and June.
- A reduction in income compared to previous years from reopening due to the measures that are required to ensure our facilities are COVID secure. The required measures limit the services offered and capacity of leisure sites.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

Going concern - continued

The full extent of the impact of COVID-19 on the company are still unknown.

- the impact of changes in customers behaviour and confidence levels as a result of the continued existence of the pandemic in our society is currently unknown and if customers do not return to sites as anticipated this will have a significant impact on revenue generation.
- The government continues to implement measures to limit the spread of the virus and, as a result, there is a risk of local lockdowns which may have an impact on our revenues.
- A further nationwide lockdown similar to the ones imposed in March 2020 and January 2021 would have a significant impact on revenue and, without a further package of government support, would have a significant impact on the society's ability to realise its assets and settle its liabilities in the ordinary course of business.

In response to these matters, the entity has taken the following mitigating actions:

- We have taken advantage of the coronavirus job retention scheme.
- We have worked closely with our council partners to establish a level of services from re-opening that they would be able to support.
- We have put new hygiene measures in place at our gyms, pools and fitness classes in line with coronavirus regulations.
- Some visits to our facilities must be pre-booked.

Forecasts have been produced and are based on the original forecasts for the foreseeable future prepared prior to the advent of COVID-19, adjusted for the impact of the lockdown period and measures that have been put in place in readiness for reopening. The key assumptions regarding revenue are based on the current expectations when the level of usage that can be achieved over the period covered by the forecast rising to a maximum of 100% of historic usage achieved over a period of months. These forecasts indicate that the charity will remain within its financing facilities for the foreseeable future and will be able to meet its financial obligations as they fall due. However, in the current climate, it is extremely difficult to arrive at reliable expectations on which to base assumptions. If the key assumptions are not achieved as a result of the uncertainties noted above, this may cast doubt on the charity's ability to continue to operate.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charitable company'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

	Group		Company	
	31.3.21	31.3.20	31.3.21	31.3.20
	£	£	£	£
Coronavirus Job Retention scheme	246,924	-	172,907	-
Bounce back loan interest	1,496	-	748	-
Other donations	<u>2,000</u>	-	<u>2,000</u>	-
	<u>250,420</u>	<u>-</u>	<u>175,655</u>	<u>-</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

3. FINANCIAL ACTIVITIES OF THE CHARITABLE COMPANY

The financial activities shown in the consolidated statement of financial activities include those of the charitable company's wholly owned subsidiary Grove Leisure Environmental Limited.

A summary of the financial activities undertaken by the charitable company excluding transactions with Grove Leisure Environmental Limited is set out below:

	31.3.21	31.3.20
	£	£
Gross incoming resources	344,551	529,499
Total expenditure on charitable activities	<u>(492,683)</u>	<u>(428,695)</u>
Net incoming resources for the year	<u>(148,132)</u>	<u>100,804</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

Group	31.3.21	31.3.20
	Leisure	Leisure
	activities	activities
	£	£
Leisure centre income	<u>158,898</u>	<u>529,499</u>

5. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

A summary of the trading results of the wholly owned subsidiary Grove Leisure Environmental Limited excluding transactions with Lordswood Leisure Centre Limited is shown below:

	31.3.21	31.3.20
	£	£
Trading income	86,441	676,242
Costs of sales and administration costs	(295,913)	(684,997)
Interest receivable	<u>179</u>	<u>624</u>
Net profit/(loss) before taxation	<u>(209,293)</u>	<u>(8,131)</u>

The company received £74,017 (2020: £nil) of grant funding from the government's Coronavirus Job Retention Scheme (CJRS) which was attributable to restricted funds (note 2).

6. INVESTMENT INCOME

A summary of the trading results of the wholly owned subsidiary Grove Leisure Environmental Limited excluding transactions with Lordswood Leisure Centre Limited is shown below:

	31.3.21	31.3.20
	£	£
Deposit account interest	<u>179</u>	<u>624</u>
	<u>179</u>	<u>624</u>

LORDSWOOD LEISURE CENTRE LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

7. CHARITABLE ACTIVITIES COSTS

Group	Staff costs	Direct costs	Support costs (note 7)	Total funds	Total funds as restated
	31.3.21	31.3.21	31.3.21	31.3.21	31.3.20
	£	£	£	£	£
Summary by expenditure type					
Operation of leisure centres	<u>276,560</u>	<u>11,384</u>	<u>24,140</u>	<u>312,084</u>	<u>428,695</u>
Total	<u>276,560</u>	<u>11,384</u>	<u>24,140</u>	<u>312,084</u>	<u>428,695</u>

8. SUPPORT COSTS

	31.3.21	31.3.20
	£	£
Telephone, postage and stationery	4,509	4,386
Advertising	-	1,089
Sundries	114	766
Finance charges, including irrecoverable VAT	7,686	15,678
Interest payable and similar charges	3,490	3,382
Other costs	(1,306)	18,333
Over provision for legal claim	-	(72,652)
Governance Costs (note 9)	<u>9,647</u>	<u>8,490</u>
	<u>24,140</u>	<u>(20,528)</u>

9. GOVERNANCE COSTS

	Group		Company	
	31.3.21	31.3.20	31.3.21	31.3.20
	£	£	£	£
Auditors' remuneration				
Audit of the financial statements	8,755	8,500	6,180	6,000
Non audit services	4,310	4,185	2,565	2,490
(Over)/under provision in prior year	<u>2,348</u>	<u>(987)</u>	<u>902</u>	<u>-</u>
	<u>15,413</u>	<u>11,698</u>	<u>9,647</u>	<u>8,490</u>

LORDSWOOD LEISURE CENTRE LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

10. NET INCOMING RESOURCES

Group

Net resources are stated after charging:

	31.3.21	31.3.20
	£	£
Auditors' remuneration of the trading subsidiary	5,766	3,207
Depreciation - owned assets	<u>59,171</u>	<u>72,906</u>

11. AUDITORS REMUNERATION

The auditor's remuneration for the group amounts to an audit fee of £15,413 (2020: £11,698).

12. STAFF COSTS

	31.3.21	31.3.20
	£	£
Wages and salaries (incl Directors' remuneration)	397,516	581,570
Social security costs	20,160	27,645
Pension costs	<u>5,581</u>	<u>7,780</u>
	<u>423,257</u>	<u>616,995</u>

During the year, there were no high paid staff.

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

31.3.21	31.3.20
<u>46</u>	<u>57</u>
<u>46</u>	<u>57</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

13. TRUSTEES' AND KEY MANAGEMENT PERSONNEL REMUNERATION AND EXPENSES

	31.3.21	31.3.20
Trustees' remuneration and other benefits etc	<u>104,811</u>	<u>104,687</u>

Trustees' remuneration is paid as a result of their employment within the charitable company or the trading subsidiary.

Mr M Rider (CEO and trustee):

Remuneration £5,000 – £10,000, (2020: £5,000 - £10,000)

Employer's pension contributions £nil, (2020: £nil)

Mr S Grimwade (Operations Director and trustee):

Remuneration £50,000 - £55,000, (2020: £50,000 - £55,000)

Employer's pension contributions £1,000 - £2,000, (2020: £1,000 - £2,00)

Ms R Attwood (Finance Manager and trustee):

Remuneration £25,000 - £30,000, (2020: £25,000 - £30,000)

Employer's pension contributions £500 - £1,000, (2020: £500 - £1,00)

The total amount of employee benefits received by key management personnel is £140,477 (2020: £140,916). The trust considers its key management personnel comprise the trustees and senior leadership team as detailed on page 1.

The trustees had expenses totalling £nil reimbursed during the year (2020: £75).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted fund £	Restricted funds £	Total funds at 31.3.20 £
INCOMING RESOURCES				
Charitable activities				
Leisure activities	3	529,499	-	529,499
Other trading activities				
Commercial trading operations	4	676,242	-	676,242
Investing activities				
Bank interest	5	624		624
		<hr/>	<hr/>	<hr/>
Total		1,206,365	-	1,206,365
EXPENDITURE ON				
Charitable activities				
Leisure activities	6	428,695	-	428,695
Raising funds				
Commercial trading operations	4	684,997	-	684,997
		<hr/>	<hr/>	<hr/>
Total		1,113,692	-	1,113,692
		<hr/>	<hr/>	<hr/>
NET (EXPENDITURE)/INCOME BEFORE TAX		92,673	-	92,673
TAXATION				
Taxation on trading losses		(2,797)	-	(2,797)
NET INCOME		89,876	-	89,876
RECONCILIATION OF FUNDS				
TOTAL FUNDS BROUGHT FORWARD	23	413,969	-	413,969
		<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD	23	<u>503,845</u>	<u>-</u>	<u>503,845</u>

LORDSWOOD LEISURE CENTRE LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

15. TANGIBLE FIXED ASSETS

Group

	Improvements to Property £	Plant and Machinery £	Fixtures and Fittings £
COST			
At 1 April 2020	608,353	40,557	67,049
Disposals	-	-	-
At 31 March 2021	<u>608,353</u>	<u>40,557</u>	<u>67,049</u>
DEPRECIATION			
At 1 April 2020	372,337	32,780	60,870
Charge for year	47,331	1,842	2,844
Elimination on disposal	-	-	-
At 31 March 2021	<u>419,668</u>	<u>34,622</u>	<u>63,714</u>
NET BOOK VALUE			
At 31 March 2021	<u>188,685</u>	<u>5,935</u>	<u>3,335</u>
At 31 March 2020	<u>236,016</u>	<u>7,777</u>	<u>6,179</u>

Group

	Gym Equipment £	Computer Equipment £	Totals £
COST			
At 1 April 2020	296,447	5,767	1,018,173
Disposals	(12,531)	-	(12,531)
At 31 March 2021	<u>283,916</u>	<u>5,767</u>	<u>1,005,642</u>
DEPRECIATION			
At 1 April 2020	264,500	4,762	735,249
Charge for year	6,518	635	59,170
Elimination on disposal	(12,531)	-	(12,531)
At 31 March 2021	<u>258,487</u>	<u>5,397</u>	<u>781,888</u>
NET BOOK VALUE			
At 31 March 2021	<u>25,429</u>	<u>370</u>	<u>223,754</u>
At 31 March 2020	<u>31,947</u>	<u>1,005</u>	<u>282,924</u>

LORDSWOOD LEISURE CENTRE LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

15. TANGIBLE FIXED ASSETS - continued

Company	Fixtures and Fittings £	Gym Equipment £	Totals £
COST			
At 1 April 2020	40,760	124,202	164,962
Disposals	<u>-</u>	<u>(12,531)</u>	<u>(12,531)</u>
At 31 March 2021	<u>40,760</u>	<u>111,671</u>	<u>152,431</u>
DEPRECIATION			
At 1 April 2020	40,760	124,202	164,962
Eliminated on disposal	<u>-</u>	<u>(12,531)</u>	<u>(12,531)</u>
At 31 March 2021	<u>40,760</u>	<u>111,671</u>	<u>152,431</u>
NET BOOK VALUE			
At 31 March 2021	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2020	<u>-</u>	<u>-</u>	<u>-</u>

LORDSWOOD LEISURE CENTRE LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

16. FIXED ASSET INVESTMENTS

Company	Shares in group undertakings £
MARKET VALUE	
At 1 April 2020 and 31 March 2021	<u>491,100</u>
PROVISION	
At 1 April 2020	180,656
Impairment	<u>175,699</u>
At 31 March 2021	<u>356,355</u>
NET BOOK VALUE	
At 31 March 2021	<u>134,745</u>
At 31 March 2020	<u>310,444</u>

There were no investment assets outside the UK.

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

Grove Leisure Environmental Limited

Nature of business: Leisure centre operators

Class of share:	%		
Ordinary £1	holding		
	100	31.3.21	31.3.20
		£	£
Aggregate capital and reserves		338,169	310,444
Loss for the year		<u>(175,699)</u>	<u>(16,028)</u>

17. STOCKS

	31.3.21	31.3.20
	£	£
Stock	<u>9,140</u>	<u>11,880</u>

LORDSWOOD LEISURE CENTRE LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

18. DEBTORS

	Group		Company	
	31.3.21 £	31.3.20 £	31.3.21 £	31.3.20 £
Amounts falling due within one year:				
Trade debtors	23,921	15,221	14,265	2,304
Amounts owed by group undertakings	-	-	312,772	257,772
VAT	6,483	495	-	495
Deferred tax asset	-	31,355	-	-
Prepayments and accrued income	<u>48,689</u>	<u>19,392</u>	<u>33,831</u>	<u>10,877</u>
	<u>79,093</u>	<u>66,463</u>	<u>360,868</u>	<u>271,448</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.21 £	31.3.20 £	31.3.21 £	31.3.20 £
Bank loans and overdrafts (see note 21)	50,332	28,904	45,620	28,904
Trade creditors	32,212	67,280	1,176	4,965
Social security and other taxes	4,428	4,636	2,241	1,912
VAT	2,000	309	2,000	-
Other creditors	2,430	2,421	2,067	1,962
Accruals and deferred income	<u>55,989</u>	<u>66,862</u>	<u>44,628</u>	<u>47,152</u>
	<u>147,391</u>	<u>177,808</u>	<u>97,732</u>	<u>84,895</u>

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

	Group		Company	
	31.3.21 £	31.3.20 £	31.3.21 £	31.3.20 £
Bank loans (see note 21)	<u>127,187</u>	<u>49,452</u>	<u>81,900</u>	<u>49,452</u>

LORDSWOOD LEISURE CENTRE LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

21. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	31.3.21 £	31.3.20 £	31.3.21 £	31.3.20 £
Amounts falling due within one year or on demand:				
Bank loans - less than 1 year	<u>50,332</u>	<u>28,904</u>	<u>45,620</u>	<u>28,904</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<u>31,765</u>	<u>19,452</u>	<u>22,159</u>	<u>19,452</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>84,720</u>	<u>30,000</u>	<u>54,390</u>	<u>30,000</u>
Amounts falling due in more than 5 years:				
Bank loans – more than 1 year	<u>10,702</u>	<u>-</u>	<u>5,351</u>	<u>-</u>

22. PROVISIONS FOR LIABILITIES

	Group		Company	
	31.3.21 £	31.3.20 £	31.3.20 £	31.3.19 £
Provisions	<u>14,716</u>	<u>10,000</u>	<u>-</u>	<u>-</u>
	<u>14,716</u>	<u>10,000</u>	<u>-</u>	<u>-</u>

23. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.21 £	31.3.20 £
Bank loans	<u>77,521</u>	<u>78,356</u>

A debenture dated 22 October 2004, was created by Lordswood Leisure Centre Limited for securing all monies due or to become due from the charitable company to HSBC Bank PLC, including a fixed charge over all present freehold and leasehold property; first fixed charge over book and other debts, chattels, goodwill and uncalled capital, both present and future; and first floating charge over all assets and undertakings both present and future. Composite company unlimited multilateral guarantees dated 11 October 2004 and 6 August 2012 exist jointly between the charitable company and Grove Leisure Environmental Limited.

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

24. ACCRUALS AND DEFERRED INCOME

	Group		Company	
	31.3.21 £	31.3.20 £	31.3.20 £	31.3.19 £
Balance at 1 April	(29,587)	(36,984)	-	-
Transferred to income and expenditure	7,397	7,397		
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Balance at 31 March	<u>(22,190)</u>	<u>(29,587)</u>	<u>-</u>	<u>-</u>

25. MOVEMENT IN FUNDS

Group

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	<u>503,845</u>	<u>(172,823)</u>	<u>331,022</u>
Restricted funds			
Coronavirus Job Retention scheme	<u>-</u>	<u>24,691</u>	<u>24,691</u>
TOTAL FUNDS	<u>503,845</u>	<u>(148,132)</u>	<u>355,713</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	<u>270,444</u>	<u>(443,267)</u>	<u>(172,823)</u>
Restricted funds			
Coronavirus Job Retention scheme	<u>225,492</u>	<u>(200,801)</u>	<u>24,691</u>
TOTAL FUNDS	<u>495,936</u>	<u>(644,068)</u>	<u>(148,132)</u>

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

25. MOVEMENT IN FUNDS - continued

Company

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	<u>503,845</u>	<u>(164,301)</u>	<u>339,544</u>
Restricted funds			
Coronavirus Job Retention scheme	<u>-</u>	<u>16,169</u>	<u>16,169</u>
TOTAL FUNDS	<u>503,845</u>	<u>(148,132)</u>	<u>355,713</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	<u>193,824</u>	<u>(182,426)</u>	<u>(175,699)</u>	<u>(164,301)</u>
Restricted funds				
Coronavirus Job Retention scheme	<u>150,727</u>	<u>(134,558)</u>	<u>-</u>	<u>16,169</u>
TOTAL FUNDS	<u>344,551</u>	<u>(316,984)</u>	<u>(175,699)</u>	<u>(148,132)</u>

Unrestricted funds

Unrestricted funds can be used for any purpose at the discretion of the charitable company.

Restricted funds

Government grant income used to cover a portion of the employees' wages who were furloughed due to the coronavirus pandemic

LORDSWOOD LEISURE CENTRE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

25. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

Group

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	<u>413,969</u>	<u>89,876</u>	<u>503,845</u>
TOTAL FUNDS	<u>413,969</u>	<u>89,876</u>	<u>503,845</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	<u>1,206,365</u>	<u>(1,116,489)</u>	<u>89,876</u>
TOTAL FUNDS	<u>1,206,365</u>	<u>(1,116,489)</u>	<u>89,876</u>

Company

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	<u>413,969</u>	<u>89,876</u>	<u>503,845</u>
TOTAL FUNDS	<u>413,969</u>	<u>89,876</u>	<u>503,845</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	<u>539,499</u>	<u>(433,595)</u>	<u>(16,028)</u>	<u>89,876</u>
TOTAL FUNDS	<u>539,499</u>	<u>(433,595)</u>	<u>(16,028)</u>	<u>89,876</u>

26. RELATED PARTY DISCLOSURES

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102, not to disclose related party transactions with wholly owned subsidiaries within the group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

27. CONTINGENT ASSET

During the year, the group made a business interruption claim with its insurer.

In accordance with paragraph 5.54 of the Charities SORP, settlement of an insurance claim should only be recognised when virtually certain, which is considered to be when the receipt is received from the insurer.

For the group, this arose in July 2021, which is after the year end, and therefore no income has been recognised.

However, in accordance with paragraph 10.85, this event is considered to constitute a contingent asset as the Supreme Court published its Judgment in relation to the insurance industry test case for COVID-19 claims on business interruption insurance claims on 15 January 2021 (prior to the year end date), the company could consider it probable that there would be an inflow of economic benefits, although there remained some uncertainty until it's insurer had assessed its claim in full.

The contingent asset amount is £133,682. This represents the sum that the board have agreed to settle for post year-end.





Lordswood Leisure - Consolidated Accounts YE 31.03.21

Final Audit Report

2021-12-21

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