

**Trustees' Report and  
Audited Financial Statements for the Year Ended 31 March 2022  
for  
Formby Pool Trust**

Advance Audit Limited  
Statutory Auditor  
71/73 Hoghton Street  
Southport  
Merseyside  
PR9 0PR

# **Formby Pool Trust**

## **Contents of the Financial Statements for the Year Ended 31 March 2022**

	<b>Page</b>
<b>Reference and Administrative Details</b>	1
<b>Trustees' Report</b>	2 to 5
<b>Report of the Independent Auditors</b>	6 to 8
<b>Statement of Financial Activities</b>	9
<b>Balance Sheet</b>	10
<b>Cash Flow Statement</b>	11
<b>Notes to the Cash Flow Statement</b>	12
<b>Notes to the Financial Statements</b>	13 to 21
<b>Detailed Statement of Financial Activities</b>	22 to 23

## **Formby Pool Trust**

### **Reference and Administrative Details for the Year Ended 31 March 2022**

<b>TRUSTEES</b>	D Edwards D Wilson D V Pugh (resigned 14.4.22) C M Page R Dawson S Crean N S Killen J C Scorgie S A Barnes (resigned 18.10.21) M Williams (appointed 18.10.21)
<b>COMPANY SECRETARY</b>	R Dawson
<b>REGISTERED OFFICE</b>	Elbow Lane Formby Merseyside L37 4AB
<b>REGISTERED COMPANY NUMBER</b>	04479074
<b>REGISTERED CHARITY NUMBER</b>	1099941
<b>AUDITORS</b>	Advance Audit Limited Statutory Auditor 71/73 Hoghton Street Southport Merseyside PR9 0PR

# **Formby Pool Trust**

## **Trustees' Report for the Year Ended 31 March 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

### **OBJECTIVES AND ACTIVITIES**

#### **Objectives and aims**

Formby Pool Trust provides a swimming pool, fitness facility and café in a park setting. We aim to be at the heart of the community promoting the health, wellbeing and welfare of local people through the work we do. The Trust works in partnership with Formby Land Trust (as owners of the building) and Sefton Metropolitan Borough Council.

The trust has 6 strategic objectives

- ==> Being at the heart of the Formby Community
- ==> Delivering a first class service, being the best that we can be.
- ==> Being a good employer
- ==> Achieving optimal financial performance to allow future reinvestment
- ==> Developing our services and facilities to meet the needs of local people
- ==> Working towards environmental sustainability

In 2021/22 the trustees reviewed their 5 year strategic plan and agreed a new 5 year strategy 2022-27. Consultation with members, staff, trustees and the local community helped shape the strategy. This strategy coincides with the second half of the current 10 year lease from Sefton Council .

### **ACHIEVEMENT AND PERFORMANCE**

#### **Charitable activities**

Significant achievements over the 2021/22 period have included:

- ==> Managing the impact of the Covid Pandemic. The facility reopened in April 2021 but had to close for a couple of weeks following a localised outbreak. Numbers using the pool, gym and fitness classes were reduced to enhance safety. Policies and procedures were continually adapted to ensure safety and provide reassurance for members, customers and staff.
- ==> Growth in membership to 2,000 members, a 40% increase over the year. The centre has attracted a younger demographic and the number of classes have increased in response to this.
- ==> Increased popularity of the 1:1 assisted training sessions, particularly for members with health issues that would preclude them from accessing fitness.
- ==> Developing the provision of classes through the lease of a former retail premises in the village to form the Chapel Lane Studios- a suite of three fitness studios. This expands the offer to members improving health and wellbeing and also contributes to economic regeneration of the village. The lease and part of the refurbishment was completed in this financial year.
- ==> The financial performance and recovery was stronger than anticipated, exceeding the best case financial forecast despite considerable investment in the Chapel Lane Development.
- ==> The commitment to staff was demonstrated through training, development and support during periods of closure and through agreement of pay awards after a period of pay restraint during the pandemic period.

The success of the Trust over this year through difficult situations is due to the hard work and dedication and commitment of the management team and staff, the leadership and support of trustees and partner organisations and the loyalty and commitment of members.

# **Formby Pool Trust**

## **Trustees' Report for the Year Ended 31 March 2022**

### **FINANCIAL REVIEW**

#### **Financial review and reserves**

The trust aims to become financially sustainable. Income was greater than anticipated and enabled the Trust to consider investment in the Chapel Lane development. The Trust declared a small deficit of £5,766 for this financial year.

The trust has started to rebuild its reserves to provide financial stability. The Trust also has a government backed business continuity loan to enable it to maintain a stable and strong position moving into the coming year.

### **FUTURE PLANS**

Future challenges for the Trust include:

- Need for regeneration in Formby.
- Meeting the needs and demands arising from population changes
- Meeting mental health and wellbeing needs including young people
- Using the space and facilities most effectively
- Operating across more than one site
- Maintaining the quality of the building, site and services whilst expanding the offer to members.
- Contributing to the wider charitable sector locally.
- Operating a long-term plan through periods of uncertainty.

In response to these Challenges and the strategic objectives the Trust's priorities for action as outlined in the 2022-27 strategy are to:

#### **1 Value people:**

- Continue to develop and engage with staff ensuring they feel valued members of the team.
- Continue to engage with members and to play an active role in the local community. Further develop communications and social media.
- Continue to maintain good partnership relationships within the Formby Pool Partnership and other organisations locally and further afield.
- Recruit new trustees to enable succession planning.
- Providing an environment where all members and staff feel safe and respected.
- Renew the lease agreement with Sefton Council to operate the facility from 2027 onwards.

#### **2 Be more sustainable:**

- Continue towards environmental sustainability and becoming carbon neutral and supporting other organisations on this journey.
- Continue to become more financial sustainable.

#### **3 Develop:**

- Develop the Chapel Lane site and extended gym facilities.
- Explore opportunities to develop and diversify what we offer to members and the local community.

#### **4 Maintain Facilities:**

- Upgrade facilities and maintain the high quality of the facility through significant lifecycle replacement.
- Develop a site plan to maintain the high quality of the physical environment and ensure best community use of the grounds through sharing experience. Explore opportunities for further site development over the 5-year period.
- Refurbish the café, developing it to become more of a destination.

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

#### **Governing document**

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

# Formby Pool Trust

## Trustees' Report for the Year Ended 31 March 2022

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Trustees

Dr Dympna Edwards	Chairman
Mr David Pugh	Vice Chairman & Formby Land Trust representative
Mr David Wilson	Vice Chairman
Mr Rod Dawson	Trustee & Company Secretary
Ms Michelle Williams	Trustee & Sefton Council Representative
Cllr Nina Killen	Trustee & Sefton Council Representative
Mrs Catie Page	Trustee
Mrs Sharon Crean	Trustee
Mr Jamie Scorgie	Trustee

Ms Michelle Williams joined the board as a Sefton Council Representative in place of her colleague Stuart Barnes.

#### Decision making

The Board of Trustees has continued to meet bimonthly over the year by zoom and in person and has overall responsibility for the management of the business with clear oversight and a scheme of delegation. Regular performance reports are made to the board against the annual delivery plan and 5-year strategic plan. Performance is also reported to a partnership board and scrutinised on a six-monthly basis.

Financial transactions undergo independent checks by the trustees, particularly cash-flow, expenditure and income trends. Cheques are signed by one authorised signatory. The accounts and supporting records have been reviewed by the Trust's auditors.

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Formby Pool Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

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

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

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

In so far as the trustees are aware:

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

### AUDITORS

The auditors, Advance Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

## **Formby Pool Trust**

### **Trustees' Report for the Year Ended 31 March 2022**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 27 October 2022 and signed on its behalf by:

D Edwards - Trustee

# **Report of the Independent Auditors to the Members of Formby Pool Trust**

## **Opinion**

We have audited the financial statements of Formby Pool Trust (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

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

## **Conclusions relating to going concern**

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

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

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

## **Other information**

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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



# **Report of the Independent Auditors to the Members of Formby Pool Trust**

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the trustees' Report.

## **Responsibilities of trustees**

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

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

## **Our responsibilities for the audit of the financial statements**

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

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

## **Report of the Independent Auditors to the Members of Formby Pool Trust**

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Janice Hurst CA (Senior Statutory Auditor)  
for and on behalf of Advance Audit Limited  
Statutory Auditor  
71/73 Hoghton Street  
Southport  
Merseyside  
PR9 0PR

Date: .....

# Formby Pool Trust

## Statement of Financial Activities (Incorporating an Income and Expenditure Account) for the Year Ended 31 March 2022

		2022 Unrestricted funds £	2021 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>	Notes		
Donations and legacies	2	186,667	177,673
<b>Charitable activities</b>			
Activities undertaken directly		1,423,911	686,866
Investment income	3	<u>57</u>	<u>129</u>
<b>Total</b>		<u>1,610,635</u>	<u>864,668</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>	5		
Activities undertaken directly		<u>1,616,401</u>	<u>1,072,896</u>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(5,766)</b>	<b>(208,228)</b>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		<u>256,232</u>	<u>464,460</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>250,466</u></b>	<b><u>256,232</u></b>

The notes form part of these financial statements

## Formby Pool Trust

### Balance Sheet 31 March 2022

		2022 Unrestricted funds £	2021 Total funds £
<b>FIXED ASSETS</b>	Notes		
Tangible assets	11	208,148	157,493
<b>CURRENT ASSETS</b>			
Stocks	12	2,681	1,366
Debtors	13	39,003	41,554
Cash at bank and in hand		<u>455,277</u>	<u>454,225</u>
		496,961	497,145
<b>CREDITORS</b>			
Amounts falling due within one year	14	(236,201)	(129,566)
		<u>          </u>	<u>          </u>
<b>NET CURRENT ASSETS</b>		<u>260,760</u>	<u>367,579</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		468,908	525,072
<b>CREDITORS</b>			
Amounts falling due after more than one year	15	(218,442)	(268,840)
		<u>          </u>	<u>          </u>
<b>NET ASSETS</b>		<u>250,466</u>	<u>256,232</u>
<b>FUNDS</b>	18		
Unrestricted funds		<u>250,466</u>	<u>256,232</u>
<b>TOTAL FUNDS</b>		<u>250,466</u>	<u>256,232</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 27 October 2022 and were signed on its behalf by:

D Edwards - Trustee

D Wilson - Trustee

The notes form part of these financial statements

## Formby Pool Trust

### Cash Flow Statement for the Year Ended 31 March 2022

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	190,743	(155,609)
Interest paid		<u>(8,782)</u>	<u>(4,375)</u>
Net cash provided by/(used in) operating activities		<u>181,961</u>	<u>(159,984)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(144,078)	(4,950)
Interest received		<u>57</u>	<u>129</u>
Net cash used in investing activities		<u>(144,021)</u>	<u>(4,821)</u>
<b>Cash flows from financing activities</b>			
New loans in year		-	300,000
Loan repayments in year		(29,723)	-
Capital repayments in year		<u>(7,165)</u>	<u>(7,166)</u>
Net cash (used in)/provided by financing activities		<u>(36,888)</u>	<u>292,834</u>
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the reporting period</b>		1,052	128,029
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>454,225</u>	<u>326,196</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>455,277</u></u>	<u><u>454,225</u></u>

The notes form part of these financial statements

## Formby Pool Trust

### Notes to the Cash Flow Statement for the Year Ended 31 March 2022

#### 1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
<b>Net expenditure for the reporting period (as per the Statement of Financial Activities)</b>	(5,766)	(208,228)
<b>Adjustments for:</b>		
Depreciation charges	93,424	63,286
Interest received	(57)	(129)
Interest paid	8,782	4,375
(Increase)/decrease in stocks	(1,315)	2,013
Decrease/(increase) in debtors	2,551	(18,532)
Increase in creditors	<u>93,124</u>	<u>1,606</u>
<b>Net cash provided by/(used in) operations</b>	<u>190,743</u>	<u>(155,609)</u>

#### 2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21 £	Cash flow £	At 31.3.22 £
<b>Net cash</b>			
Cash at bank and in hand	<u>454,225</u>	<u>1,052</u>	<u>455,277</u>
	<u>454,225</u>	<u>1,052</u>	<u>455,277</u>
<b>Debt</b>			
Finance leases	(9,106)	7,165	(1,941)
Debts falling due within 1 year	(33,101)	(18,735)	(51,836)
Debts falling due after 1 year	<u>(266,899)</u>	<u>48,457</u>	<u>(218,442)</u>
	<u>(309,106)</u>	<u>36,887</u>	<u>(272,219)</u>
<b>Total</b>	<u>145,119</u>	<u>37,939</u>	<u>183,058</u>

**Notes to the 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. The financial statements have been prepared under the historical cost convention.

**Company status**

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

**Income**

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

Revenue support grants are accounted for as they become receivable.

**Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Equipment - 50% on cost, 33% on cost and 25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

**Impairment of fixed assets**

At each reporting period end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022**

**1. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Cash at bank and in hand**

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held at call with banks.

**Financial Instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of the designated fund is set out in the notes to the financial statements.

The charity does not have any restricted funds.

**Leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

**Retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.



## Formby Pool Trust

### Notes to the Financial Statements - continued for the Year Ended 31 March 2022

#### 1. ACCOUNTING POLICIES - continued

##### Retirement benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### Judgements and key sources of estimation uncertainty

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

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

The trustees do not believe that there are any estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

##### Irrecoverable VAT

All VAT which can not be recovered due to partial exemption regulations is shown within the appropriate expenditure headings in the Statement of Financial Activities.

##### Going concern

The accounts show a net asset position at 31 March 2022. Management and the Board of trustees have reviewed the current performance and prepared forecasts alongside setting achievable budgets for the next 12 months.

The realisation of these forecasts may be affected by a number of factors outside their control affecting the charity and the UK economy. Management and the trustees are continuously assessing the impact of these factors on the Charity and are reacting and adapting to ever changing working circumstances.

For these reasons, they continue to adopt the going concern basis in preparing the financial statements. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

#### 2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	-	8,218
Annual Fee Sefton MBC	<u>186,667</u>	<u>169,455</u>
	<u>186,667</u>	<u>177,673</u>

## Formby Pool Trust

### Notes to the Financial Statements - continued for the Year Ended 31 March 2022

#### 3. INVESTMENT INCOME

	2022	2021
	£	£
Bank interest receivable	<u>57</u>	<u>129</u>

#### 4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022	2021
		£	£
Pool Income	Activities undertaken directly	1,213,974	190,937
Car Park Income	Activities undertaken directly	3,096	-
Goods for Resale	Activities undertaken directly	25,726	1,948
Café and Events	Activities undertaken directly	97,019	11,087
Grant income	Activities undertaken directly	83,336	482,891
Miscellaneous Income	Activities undertaken directly	<u>760</u>	<u>3</u>
		<u>1,423,911</u>	<u>686,866</u>

#### 5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6)	Support costs (see note 7)	Totals
	£	£	£
Activities undertaken directly	<u>1,601,935</u>	<u>14,466</u>	<u>1,616,401</u>

#### 6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022	2021
	£	£
Staff costs	779,430	683,319
Freelance instructors	93,997	55,422
Rates and water	7,703	9,321
Insurance	51,128	47,958
Light and heat	75,640	26,954
Telephone	3,590	3,009
Postage and stationery	9,408	3,180
Advertising	9,235	7,865
Sundries	12,200	4,667
Repairs, Maintenance and Equipment	102,360	66,404
Equipment Rental	10,615	6,187
Chapel Lane costs	105,555	-
Cleaning	19,095	11,636
IT Support, Hardware and Software	43,844	29,867
Provisions	62,838	7,506
Recruitment and Training	7,520	1,942
Consultancy and Professional Fees	46,482	11,661
Finance Charges	30,417	10,721
Security	12,454	12,157
Rent	25,000	-
Depreciation	<u>93,424</u>	<u>63,286</u>
	<u>1,601,935</u>	<u>1,063,062</u>

## Formby Pool Trust

### Notes to the Financial Statements - continued for the Year Ended 31 March 2022

#### 7. SUPPORT COSTS

	Governance costs
	£
Activities undertaken directly	<u>14,466</u>

Support costs, included in the above, are as follows:

##### Governance costs

	2022 Activities undertaken directly £	2021 Total activities £
Auditors' remuneration	5,684	5,459
Bank interest	<u>8,782</u>	<u>4,375</u>
	<u>14,466</u>	<u>9,834</u>

#### 8. NET INCOME/(EXPENDITURE)

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

	2022 £	2021 £
Auditors' remuneration	6,296	5,459
Depreciation	<u>57,424</u>	<u>63,287</u>

#### 9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

##### Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

#### 10. STAFF COSTS

	2022 £	2021 £
Wages and salaries	730,808	645,229
Social security costs	36,802	28,268
Other pension costs	<u>11,820</u>	<u>9,822</u>
	<u>779,430</u>	<u>683,319</u>

## Formby Pool Trust

### Notes to the Financial Statements - continued for the Year Ended 31 March 2022

#### 10. STAFF COSTS - continued

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

	2022	2021
Pool and Cafe	50	56
Maintenance	4	3
Admin	9	10
Management	<u>7</u>	<u>7</u>
	<u>70</u>	<u>76</u>

No employees received emoluments in excess of £60,000.

#### 11. TANGIBLE FIXED ASSETS

	Equipment £
<b>COST</b>	
At 1 April 2021	541,429
Additions	<u>144,078</u>
At 31 March 2022	<u>685,507</u>
<b>DEPRECIATION</b>	
At 1 April 2021	383,936
Charge for year	<u>93,423</u>
At 31 March 2022	<u>477,359</u>
<b>NET BOOK VALUE</b>	
At 31 March 2022	<u>208,148</u>
At 31 March 2021	<u>157,493</u>

#### 12. STOCKS

	2022 £	2021 £
Stocks	<u>2,681</u>	<u>1,366</u>

#### 13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	27,763	-
Other debtors	-	39,243
Prepayments and accrued income	<u>11,240</u>	<u>2,311</u>
	<u>39,003</u>	<u>41,554</u>

# Formby Pool Trust

## Notes to the Financial Statements - continued for the Year Ended 31 March 2022

### 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts (see note 16)	51,836	33,101
Hire purchase (see note 17)	1,941	7,165
Trade creditors	47,423	14,244
Social security and other taxes	12,856	5,170
VAT	11,229	6,392
Other creditors	66,327	4,875
Accruals and deferred income	44,589	58,619
	<u>236,201</u>	<u>129,566</u>

### 15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Bank loans (see note 16)	218,442	266,899
Hire purchase (see note 17)	-	1,941
	<u>218,442</u>	<u>268,840</u>

### 16. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>51,836</u>	<u>33,101</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>218,442</u>	<u>266,899</u>

### 17. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2022	2021
	£	£
Net obligations repayable:		
Within one year	1,941	7,165
Between one and five years	-	1,941
	<u>1,941</u>	<u>9,106</u>
	Non-cancellable operating leases	
	2022	2021
	£	£
Within one year	1,220	774
Between one and five years	<u>4,575</u>	-
	<u>5,795</u>	<u>774</u>

## Formby Pool Trust

### Notes to the Financial Statements - continued for the Year Ended 31 March 2022

#### 18. MOVEMENT IN FUNDS

	At 01.04.21 £	Net movement in funds £	Capital expenditure paid out of development fund £	Transfers between funds £	At 31.03.22 £
<b>Unrestricted funds</b>					
General fund	231,808	(5,766)	-	-	226,042
Development fund	24,424	-	-	-	24,424
<b>TOTAL FUNDS</b>	<u>256,232</u>	<u>(5,766)</u>	<u>-</u>	<u>-</u>	<u>250,466</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,610,635	(1,616,401)	(5,766)
<b>TOTAL FUNDS</b>	<u>1,610,635</u>	<u>(1,616,401)</u>	<u>(5,766)</u>

Comparatives for movement in funds

	At 01.04.20 £	Net movement in funds £	Capital expenditure paid out of development fund £	Transfers between funds £	At 31.03.21 £
<b>Unrestricted funds</b>					
General fund	435,086	(208,228)	4,950	-	231,808
Development fund	29,374	-	(4,950)	-	24,424
<b>TOTAL FUNDS</b>	<u>464,460</u>	<u>(208,228)</u>	<u>-</u>	<u>-</u>	<u>256,232</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	864,667	(1,072,895)	(208,228)
<b>TOTAL FUNDS</b>	<u>864,667</u>	<u>(1,072,895)</u>	<u>(208,228)</u>

As part of the operating agreement between Formby Pool Trust, Formby Land Trust and Sefton MBC, a designated development fund was established.

From the year ended 31 March 2018 onwards, 50% of any surpluses generated by Formby Pool Trust are transferred to the Development Fund to be used for developments to the facilities or services as agreed by the partnership board.

## **Formby Pool Trust**

### **Notes to the Financial Statements - continued for the Year Ended 31 March 2022**

#### **19. RELATED PARTY DISCLOSURES**

Formby Pool Trust are part of a tri-party agreement together with Formby Land Trust and Sefton MBC to enable the operation of the leisure centre.

Formby Land Trust own the land and building within which Formby Pool Trust operates the leisure centre.

The land and building are leased under the terms of a lease contained within the Operating Agreement and there is a representative of Formby Land Trust on the Formby Pool Trust board of trustees. Rent totalling £25,000 was charged during the year covering the 5 years ending 31 March 2022 (2021: NIL).

Sefton MBC provide Formby Pool Trust with an annual fee contribution towards the operation of the leisure centre. Sefton MBC also contribute towards a Sinking Fund which is accessed for LifeCycle maintenance and building requirements at the leisure centre. There are two representatives of Sefton MBC on the Formby Pool Trust board of trustees.

During the 2017 year end the operating agreement was renewed with Sefton MBC and a new ten year lease was agreed and signed. The annual fee contribution has been agreed which provides a financial subsidy linked with RPI.

Formby Pool Trust received an Annual Fee contribution from Sefton MBC of £186,667 (2021: £169,455) under the terms of the Operating Agreement and £27,489 (2021: £7,290) was accessed in relation to LifeCycle works paid for out of the Sinking Fund. At the year end £27,489 (2021: NIL) was due from Sefton Council in respect of LifeCycle works.

Formby Pool Trust paid Sefton MBC £12,925 (2021: £12,027) for car park control, waste removal and security services and £4,783 (2021: NIL) for general rates. The year end an amount of £202 (2021: £118) was due to Sefton MBC in respect of the above recharges.

Formby Pool Trust have agreed to provide a contribution in relation to equipment to Formby Land Trust following the completion of the extension during 2019/20. The contribution totals £58,500 and is included within other creditors at the year end.

## Formby Pool Trust

### Detailed Statement of Financial Activities for the Year Ended 31 March 2022

	2022 £	2021 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	-	8,218
Annual Fee Sefton MBC	<u>186,667</u>	<u>169,455</u>
	186,667	177,673
<b>Investment income</b>		
Bank interest receivable	57	129
<b>Charitable activities</b>		
Pool Income	1,213,974	190,937
Car Park Income	3,096	-
Goods for Resale	25,726	1,948
Café and Events	97,019	11,087
Grant income	83,336	482,891
Miscellaneous Income	<u>760</u>	<u>3</u>
	<u>1,423,911</u>	<u>686,866</u>
<b>Total incoming resources</b>	1,610,635	864,668
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Wages	730,808	645,229
Social security	36,802	28,268
Pensions	11,820	9,822
Freelance instructors	93,997	55,422
Rates and water	7,703	9,321
Insurance	51,128	47,958
Light and heat	75,640	26,954
Telephone	3,590	3,009
Postage and stationery	9,408	3,180
Advertising	9,235	7,865
Sundries	12,200	4,667
Repairs, Maintenance and Equipment	102,360	66,404
Equipment Rental	10,615	6,187
Chapel Lane costs	105,555	-
Cleaning	19,095	11,636
IT Support, Hardware and Software	43,844	29,867
Provisions	62,838	7,506
Recruitment and Training	7,520	1,942
Consultancy and Professional Fees	46,482	11,661
Finance Charges	30,417	10,721
Security	12,454	12,157
Rent	25,000	-
Depreciation of tangible fixed assets	<u>93,424</u>	<u>63,286</u>
	1,601,935	1,063,062

This page does not form part of the statutory financial statements



## Formby Pool Trust

### Detailed Statement of Financial Activities for the Year Ended 31 March 2022

	2022 £	2021 £
<b>Support costs</b>		
<b>Governance costs</b>		
Auditors' remuneration	5,684	5,459
Bank interest	<u>8,782</u>	<u>4,375</u>
	<u>14,466</u>	<u>9,834</u>
Total resources expended	<u>1,616,401</u>	<u>1,072,896</u>
<b>Net expenditure</b>	<u>(5,766)</u>	<u>(208,228)</u>