

**SOLL (VALE)**

**Company number: 5184368**

**Charity number: 1107823**

**Accounts**

**For the year ended**

**31 March 2021**

**Wenn Townsend**

**Chartered Accountants**

**Oxford**

**SOLL (VALE)**

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for the year ended 31 March 2021**

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## **SOLL (VALE)**

### **Reference and Administrative information for the year ended 31 March 2021**

**Charity Registration Number:** 1107823

**Company Registration Number:** 05184368

**Trustees:**  
R Booker – Chair  
P Sambrook – Vice Chair  
P Turner  
T Hampson  
S Holder (resigned 30th December 2021)  
T Foster (resigned 30th December 2021)  
J Mundy (resigned 30th December 2021)

**Address:**  
The Park Club  
17 Croft Drive  
Milton Park  
Abingdon  
Oxfordshire  
OX14 4RP

**Auditors:**  
Wenn Townsend  
30 St Giles  
Oxford  
OX1 3LE

**Solicitors:**  
Hedges Law  
13 Beaumont Street  
Oxford  
OX1 2LP

**Bankers:**  
National Westminster Bank  
121 High Street  
Oxford  
OX1 4DD

**SOLL (VALE)  
Trustees' Report  
for the year ended 31 March 2021**

**Objectives and Activities**

SOLL (VALE) is a Charitable Company that uses its experience, skills and expertise to manage sports/leisure facilities.

The COVID 19 lockdown restrictions imposed on the company since March 23<sup>rd</sup> 2020 have had a substantial impact on the company operations and has resulted in the company entering into a Company Voluntary Arrangement (CVA). Although the company has availed itself of the various measures of government support (80% of employee salaries paid during lockdowns, rates holidays and CBILS loan) it became clear at the end of September 2020 that due to the significant reduction of income and cash flow resulting from the restrictions, it could not continue operating its five sites.

Accordingly, the company entered a CVA that was approved by its creditors on 14<sup>th</sup> December 2020 and ratified by its members on 15<sup>th</sup> December 2020. Pursuant to this CVA the company left its sites at Didcot (Willowbrook), Ashford, Chatham and Oxford on 15<sup>th</sup> December 2020. The CVA was set to conclude at 30<sup>th</sup> November 2021 and did so on that date. It has now discharged its liabilities to the CVA creditors and expects to receive its Completion Certificate in March 2022.

The company will continue the management of its site at Milton Park pursuant to a revised lease agreement with its landlord at that site.

Within days of the start of the operation of the CVA the operation of the Charity's remaining single site at Milton Park was once again closed. Apart from very limited outside classes run for Leisure Centre members at Milton Park and on-line instruction, the Charity's operations were closed from 24<sup>th</sup> December 2020 until 12<sup>th</sup> April 2021. Despite this enforced closure, the charity has with the assistance from its landlord MEPC and its bank NatWest come through the CVA period that ended on 30<sup>th</sup> November 2021.

The company will continue to operate the Milton Park facility in partnership with its landlord MEPC pursuant to its ongoing mission **Helping you get fitter, healthier & happier.**

SOLL (VALE) seeks to engage with those within the community who, because of their circumstances, would not otherwise be able to participate in sport and recreation, whilst supporting many national initiatives to reduce physical inactivity and support many conditions that can be helped or even alleviated through programmed and targeted exercise.

As a registered charity SOLL (VALE) allocates significant resources to identify target groups low in participation and implement programmes to increase their activity levels.

For the year 2020/21 the Charity's continuing objective was to focus on supporting the inactive to be active, which involved focusing on high priority groups that were identified through local and national research. Due to the loss of 4 sites as a result of the CVA and the continued restrictions arising from government imposed lockdowns, comparison figures for member visits are no longer meaningful. Since the lifting of restrictions in April 2021 the Charity has resumed working with disadvantaged and high priority groups.

The Charity continues to look at all funding opportunities to support the programmes that we not only offer but would like to offer in the future.

The Trustees continue to comply with the duty within the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

This work has recommenced from the reopening of the Milton Park site from 12<sup>th</sup> April 2021.

**SOLL (VALE)  
Trustees' Report  
for the year ended 31 March 2021**

**Community Development Highlights 2020-21:**

- The Continued provision of Corporate wellbeing programmes with three local companies on Milton Park. Continuation of Heart Health screening service in club along with Health Checks delivered at Local businesses
- Growth of our Active Health exercise referral scheme with increased referrals and conversions onto memberships.

SOLL (VALE) continues to promote successes through external communication including press releases and website articles.

**Financial Review**

SOLL (VALE) receives the majority of its income in advance or at the time of providing the service, while this gives significant benefits it also means that cash flow needs to be carefully monitored. This close monitoring has enabled the Board to consider capital improvements. However, the CVA that the company has agreed has meant that any plans for improvements (apart from essential repairs) have been put on hold. With the end of the CVA the Charity is working with its landlord MEPC to ensure that approved plans for improvement can be implemented with their assistance.

The company keeps abreast of research in the leisure industry and is constantly reviewing and changing its programme to cater for new activities. In previous years it has been reported that the industry recognised area for growth in the next 5-10 years is low cost health and fitness and the Trustees and the Senior Management Team agree with this and subject to the terms of the CVA has always operated in satisfaction of its charitable objectives.

SOLL (VALE) receives the majority of its income in advance or at the time of providing the service, while this gives significant benefits it also means that cash flow needs to be carefully monitored. This close monitoring has enabled the Board to consider and agree upon several capital improvements during recent years.

As at 31 March 2021 the charity had negative reserves of (£220,649). The Trustees of the Charity believe that based on the return of members and new members (individual and corporate) since reopening in April 2021 and because this deficit is almost wholly financed by a long-term loan from its banker NatWest, that it can continue to trade. The Charity has regular meetings with NatWest management who, based on the positive information supplied to them, continue to express support for the Charity. The Trustees are confident that the Charity can satisfy the terms of the loan from NatWest and will start the agreed schedule of repayment of the note in March 2022. The landlord of the Milton Park site, MEPC, has expressed continued support for the Charity and are in the initial phases of agreeing new lease terms for the Charity. These terms are expected to allow the Charity to rebuild its reserves and invest in the site in improvements for members in addition to improvements that will contribute to the green ambitions of the Milton Park site.

**Structure Governance and Management**

SOLL (VALE) (The Company) commenced trading on 1 September 2004. The governing document of The Company is the Memorandum and Articles of Association and SOLL (VALE) has no controlling Parent.

As a result of the CVA the Charity has now reduced its operations to one site at Milton Park (from 15<sup>th</sup> December 2020) and has ceased to operate the 4 sites located in Didcot, Oxford and Kent in the year 2020/21.

In the notice for an annual general meeting, the Board sets out its requirements for the skills, qualities and experience that it needs from its members. The Board of Trustees comprises of persons with a broad range of skills and who are likely to contribute to the Company's success. As a result of the CVA and the reduced operation of the Charity, the Charity now has four Trustees and does not intend to appoint replacements for those that have resigned.

Potential Trustees are inducted by means of an induction programme that includes background to the Company, the purpose of the post, duties, liabilities, and roles and responsibilities. The key roles that the Board performs and provides are leadership, advocacy, influence, strategic direction and governance.



**SOLL (VALE)  
Trustees' Report  
for the year ended 31 March 2021**

**Structure Governance and Management (continued)**

The day-to-day operational management and decision making within the company is provided by the Senior Management Team.

Pay and remuneration of staff is reviewed annually for all staff that work for the charity and increases awarded in line with national minimum wage increases and also taking into consideration job responsibilities. This is presented as a proposal to the trustees for review.

Key management personnel, as in the senior management team is reviewed on the same basis with further comparison to industry standards and salary guides. Proposals for increases are presented to the Trustees by the Managing Director for review and authorisation.

**Future Plans**

The Charity will continue to work with partners to identify priority areas for developing its existing site to increase income and improve the customer experience through independent mystery visits.

Along with plans to improve financial performance we are focusing on improving team retention through development and internal prospects.

For the foreseeable future, the Company will focus on operations at its single site.

**Statement of Trustees' Responsibilities**

The Trustees are responsible for preparing the Annual Report and the accounts in accordance with applicable law and regulations.

Company law requires the Trustees to prepare accounts for each financial year. Under that law the Trustees have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these accounts, the Trustees are required to:

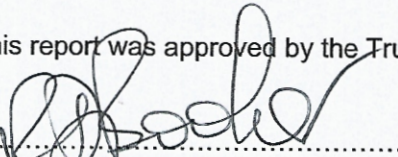
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The Trustees are responsible for ensuring that adequate accounting records are kept that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the trustees are aware, there is no relevant information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware and each trustee has taken all steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the small company's regime under section 419(2) of the Companies Act 2006.

This report was approved by the Trustees on 31st January 2022

  
.....  
**R Booker (Chairman)**

## **SOLL (VALE)**

### **Independent Auditors' Report to the Members of SOLL (VALE)**

#### **Opinion**

We have audited the financial statements of SOLL (Vale) (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 2a in the financial statements, which indicates that as a direct result of the Covid-19 pandemic, there is a material uncertainty on the Charitable Company's ability to continue as a going concern. The restrictions introduced as a result of the pandemic led to reduced demand in the Leisure sector, which has forced the permanent closure of some of the Charitable Company's sites. The Charitable Company entered in to a Creditors Voluntary Arrangement which came to an end on 30th November 2021 with the final payment to creditors being made in January 2022. The Charitable Company has net liabilities at 31st March 2021 and while it has been able to trade at a surplus over recent months, it remains reliant on the support of the bank and landlord.

Notwithstanding the disclosure in note 2a and the directors' belief that it is appropriate to produce these accounts on a going concern basis, we consider there to be factors that indicate that a material uncertainty exists that may cast doubt on the ability of the Charitable Company 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' 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.



## **SOLL (VALE)**

### **Independent Auditors' Report to the Members of SOLL (VALE)**

#### **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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

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

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 disclosure of trustees' remuneration specified by law are not made; or
- we have not received all the information and the explanations we require for audit; or

the Trustees were not entitled to take advantage of the small companies' exemption in preparing the Trustees' report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 4, 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.

#### **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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance and the entity's solicitors (where relevant) around actual and potential litigation and claims;
- 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.



## **SOLL (VALE)**

### **Independent Auditors' Report to the Members of SOLL (VALE)**

#### **Auditor's responsibilities for the audit of the financial statements (continued)**

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 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.



**Lee Baker FCA**  
**Senior Statutory Auditor**  
**For and on behalf of Wenn Townsend**  
**Statutory Auditor**  
**30 St Giles**  
**Oxford**

31st January 2022

# SOLL (VALE)

## Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 March 2021

	Note	Unrestricted & Total Funds 2021 £	Unrestricted & Total Funds 2020 £
<b>Income</b>			
Donations and legacies	3	424,988	-
Income from charitable activities	4	811,549	3,719,070
Total income		<u>1,236,537</u>	<u>3,719,070</u>
<b>Expenditure</b>			
Charitable activities	5	<u>2,121,327</u>	<u>3,740,294</u>
Total expenditure		<u>2,121,327</u>	<u>3,740,294</u>
<b>Net movement in funds before extraordinary items</b>		(884,790)	(21,224)
Extraordinary items			
- Cost of lease termination	19	-	(360,079)
- Fixed asset impairment	19	-	(330,272)
- Creditors write down	19	522,632	-
<b>Net movement in funds after extraordinary items</b>		<u>(362,158)</u>	<u>(711,575)</u>
Total funds brought forward		<u>141,509</u>	<u>853,084</u>
Total funds carried forward		<u>(220,649)</u>	<u>141,509</u>

There are no recognised gains and losses other than shown above.

The notes on pages 10 to 16 form part of the accounts.

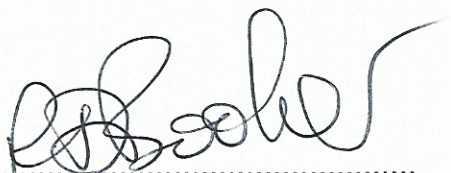
# SOLL (VALE)

## Balance Sheet for the year ended 31 March 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	9	296,537	451,117
		<u>296,537</u>	<u>451,117</u>
<b>Current assets</b>			
Stocks	10	6,765	14,436
Debtors due within one year	11	13,848	307,304
Cash at bank and in hand	12	165,428	141,394
		<u>186,041</u>	<u>463,134</u>
<b>Creditors</b>			
Amount falling due within one year	13	(346,529)	(679,089)
<b>Net current (liabilities)</b>		<u>(160,488)</u>	<u>(215,955)</u>
Total assets less current liabilities		136,049	235,162
Amount falling due after more than one year	15	(310,393)	(93,653)
<b>Net assets before provision for liabilities</b>		<u>(174,344)</u>	<u>141,509</u>
Provisions	17	(46,305)	-
<b>Net assets</b>		<u>(220,649)</u>	<u>141,509</u>
<b>Reserves</b>			
Unrestricted funds		<u>(220,649)</u>	<u>141,509</u>

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

The accounts were approved and authorised for issue by the Board of Trustees on 31st January 2022 and signed on its behalf



.....  
R Booker (Chairman)

The notes on pages 10 to 16 form part of the accounts.

Registered company number: 05184368

**SOLL (VALE)**

**Statement of Cash Flows  
for the year ended 31 March 2021**

	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
<b>Cash flows from operating activities:</b>		
Net cash provided by operating activities (see below)	(320,728)	58,653
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(854)	(20,003)
Receipts from sale of fixed assets	87,272	-
<b>Cash flows from financing activities:</b>		
Repayment of hire purchase agreements	(6,656)	(89,869)
Receipts from issues of loan	265,000	-
<b>Net cash provided by/(used in) investing activities/financing activities</b>	<b>344,762</b>	<b>(109,872)</b>
<b>Change in cash and cash equivalent in the reporting period</b>	<b>24,034</b>	<b>(51,219)</b>
<b>Cash and cash equivalents at the start of the reporting period (note 12)</b>	<b>141,394</b>	<b>192,613</b>
<b>Cash and cash equivalents at the end of the reporting period (note 12)</b>	<b>165,428</b>	<b>141,394</b>

**Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
<b>Net movement in funds for the reporting period (as per the Statement of Financial Activities)</b>	<b>(362,158)</b>	<b>(711,575)</b>
<b>Adjustments for:</b>		
Depreciation charges	93,134	200,654
(Profit)/loss on the sale of fixed assets	(24,972)	89,627
Impairment loss in respect of fixed assets	-	330,272
Decrease/(increase) in stock	7,671	(7,734)
Decrease in debtors	293,456	165,298
Increase/(decrease) in creditors net of CVA adjustment	(374,164)	(7,889)
Increase in provisions	46,305	-
<b>Net cash provided by operating activities</b>	<b>(320,728)</b>	<b>58,653</b>

## **SOLL (VALE)**

### **Notes to the Accounts for the year ended 31 March 2021**

#### **1 Charitable Company Information**

The company is limited by guarantee (incorporated in the United Kingdom), not having a share capital. However, every member undertakes to contribute to the assets of the company such amount as may be required, but not exceeding £1. It is a public benefit entity with its registered office at The Park Club, 17 Milton Park, Abingdon, OX14 4RS.

#### **2 Accounting Policies**

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards, FRS 102, the Statement of Recommended Practice (SORP), Accounting and Reporting by Charities (FRS 102) and the Companies Act 2006.

##### **a) Going Concern**

As a direct result of the impact of COVID-19, the enforced closures at a number of our sites and the significant impact that the ongoing pandemic has had on the business, the Charity was forced to permanently close some of the Leisure centres that it operates. As a result of entering into a CVA, using the government's Coronavirus Job Retention Scheme and a cost-cutting exercise across the Charity's exercise, the Charity has been able to continue to operate.

The Charity's improved performance after restrictions were lifted in April 2021 has given the Trustees confidence that the Charity can continue to operate and therefore the preparation of the financial statements is on a going concern basis. The Charity completed the CVA period on 30th November 2021 with a fixed cash balance retained as per the terms of the CVA. This balance provides sufficient working capital to allow the Charity to continue to operate. Under the terms of the CVA, the Company has to repay the Coronavirus Business Interruption Loan which is shown as a long-term creditor.

The business continues to trade profitably however the Trustees recognise the fact that there remain some material uncertainties regarding the Charity's ability to continue to operate as a going concern for the next twelve months; as such the auditors have included an emphasis of matter in respect of going concern in their audit opinion.

##### **b) Tangible fixed assets**

These are included at cost less accumulated depreciation. Fixed assets with a cost of less than £1,000 are not capitalised. Depreciation of fixed assets is calculated to write off their cost less any residual value over their estimated useful lives as follows:

Leasehold buildings	- 10 to 20 years (or length of lease if shorter)
Equipment	- 3 to 5 years

##### **c) Leases**

Rentals paid under operating leases are charged to the Statement of Financial Activities as they are incurred. Lease incentives (including rent free periods) are spread over the period up until the next rent review date.

Assets obtained under finance leases are capitalised as tangible assets and depreciated over the lease term. Obligations under such agreements are included in creditors net of the finance charge allocated to future years. The finance element of the rental payment is charged to the statement of financial activities on a straight-line basis.

##### **d) Stocks**

Stocks are valued at the lower of cost and net realisable value.

##### **e) Pensions**

Contributions to defined contribution pension schemes are charged to the statement of financial activities as they become payable in accordance with the rules of the scheme.

## SOLL (VALE)

### Notes to the Accounts for the year ended 31 March 2021 (continued)

**f) Income**

Income from clubs is normally accounted for when received. However, course income is deferred until the dates in which it relates to and annual membership is taken to income over the membership year. Funding from local authorities is accounted for in the period to which it relates. The charity receives government grants in respect of the Coronavirus Job Retention Scheme. These grants are recognised using the accrual model and as such are recorded in the SOFA in the period in which the charity is entitled to such grants as a result of having furloughed staff members.

**g) Expenditure**

Expenditure is included on an accruals basis and apart from governance costs all relate to the charity's sole charitable activity of operating clubs. Any irrecoverable VAT is included within expenses.

**h) Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operation from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right at the end of the reporting period, to defer settlement of the creditor for at least 12 months after the reporting date. If there is an unconditional right to defer settlement for at least 12 months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised at the transaction price.

**i) Funds**

Unrestricted funds comprise those funds which the Trustees are free to use in accordance with the charitable objective.

**j) Intangible assets**

Specific pre-start up costs (including payment for goodwill) are capitalised as an intangible asset and amortised over a period of 2 years. These have been disposed of in the year as they relate to sites which are no longer operated by the Charity.

**k) Cash at bank and in hand**

This includes balances with banks and short-term deposits.

**3 Donations and legacies**

	2021 £	2020 £
Government grants receivable	375,274	-
Other Covid support grants	49,714	-
	<u>424,988</u>	<u>-</u>

Included within donations, gifts and legacies for the Charity is £375,274 (2020: £Nil) of Government grants relating to the Coronavirus Job Retention Scheme.

**4 Income from Charitable activities**

	2021 £	2020 £
Leisure centres	811,549	3,719,070
	<u>811,549</u>	<u>3,719,070</u>



## SOLL (VALE)

### Notes to the Accounts for the year ended 31 March 2021 (continued)

#### 5 Expenditure on Charitable activities

##### Leisure Centres:

	2021 £	2020 £
Direct costs – centres	1,367,723	3,039,392
Support costs – other central costs	749,304	693,402
Support costs – governance costs	4,300	7,500
	<u>2,121,327</u>	<u>3,740,294</u>

#### 6 Staff Costs

The average number of full time equivalent employees during the year was as follows:

	2021 No:	2020 No:
<b>Employees</b>	<u>43</u>	<u>52</u>

The aggregate payroll costs of these persons were as follows:

	2021 £	2020 £
Wages and salaries	691,965	1,165,652
Social security costs	39,816	74,529
Pension scheme contributions	10,801	19,500
Redundancy costs	79,469	-
	<u>822,051</u>	<u>1,259,681</u>

No employee of the Charity received remuneration of more than £60,000 during this period.

Other than the trustees, 2 (2020: 2) staff members were considered key management during the year.

	2021 £	2020 £
Key Management Compensation	<u>102,280</u>	<u>103,000</u>

##### Pension Scheme

Pension contributions were payable to defined contribution schemes in respect of all applicable employees.

##### Trustees' remuneration and expenditure

No trustee received reimbursement of expenses during the year (2020: £Nil).

The trustees received no remuneration during the year.

# SOLL (VALE)

## Notes to the Accounts for the year ended 31 March 2021 (continued)

### 7 Net Incoming Resources is Stated After Charging

	2021 £	2020 £
Auditors' remuneration	6,000	7,500
Depreciation of owned assets	81,958	169,063
Depreciation of assets held under finance leases	11,176	31,591
Operating lease – land and buildings	421,025	657,326
Operating lease – plant and machinery	3,060	5,380
	<u>          </u>	<u>          </u>

### 8 Pre Start-up Costs

	Pre start-up costs £
<b>Cost</b>	
At 1st April 2020	232,908
Disposals	(232,908)
	<u>          </u>
	-
	<u>          </u>
<b>Amortisation</b>	
At 1st April 2020	232,908
Eliminated on disposal	(232,908)
	<u>          </u>
	-
	<u>          </u>
<b>Net book value</b>	
At 31st March 2021 and 31st March 2020	-
	<u>          </u>

### 9 Tangible Fixed Assets

	Equipment £	Leasehold Property £	Total £
<b>Cost:</b>			
At 1st April 2020	952,852	911,085	1,863,937
Additions	854	-	854
Disposals	(414,623)	(529,565)	(944,188)
	<u>          </u>	<u>          </u>	<u>          </u>
At 31st March 2021	539,083	381,520	920,603
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation:</b>			
At 1st April 2020	734,720	678,100	1,412,820
Charge for the year	67,229	25,905	93,134
Eliminated on disposal	(352,323)	(529,565)	(881,888)
	<u>          </u>	<u>          </u>	<u>          </u>
At 31st March 2021	449,626	174,440	624,066
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net book value:</b>			
At 31st March 2021	89,457	207,080	296,537
	<u>          </u>	<u>          </u>	<u>          </u>
At 31st March 2020	218,132	232,985	451,117
	<u>          </u>	<u>          </u>	<u>          </u>

Tangible fixed assets are all held for direct charitable purposes. Included above are assets with a net book value of £77,888 (2020: £164,380) held under finance leases.

# SOLL (VALE)

## Notes to the Accounts for the year ended 31 March 2021 (continued)

<b>10</b>	<b>Stocks</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Consumables and re-saleable items	6,765	14,436
<b>11</b>	<b>Debtors</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Rent deposit and bond (due after more than one year)	-	52,000
	Prepayments and accrued income	13,848	252,657
	Other debtors	-	2,647
		13,848	307,304
<b>12</b>	<b>Cash at Bank and in Hand</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Cash balance	200	550
	Bank balance	165,228	125,658
	Term deposit	-	15,186
		165,428	141,394
<b>13</b>	<b>Creditors: Amounts falling due Within One Year</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Trade creditors net of CVA adjustment	57,877	281,191
	Other tax and social security	32,006	30,585
	Amounts due under finance leases contracts	22,752	24,159
	Bank borrowing (note 16)	43,011	-
	Accruals and deferred income	178,040	337,926
	Other creditors	12,843	5,228
		346,529	679,089

# SOLL (VALE)

## Notes to the Accounts for the year ended 31 March 2021 (continued)

### 14 Deferred Income

#### Course fees and subscriptions

	2021 £	2020 £
At 1st April 2020	175,758	225,509
Released in the year	(175,758)	(225,509)
Deferred in the year	112,639	175,758
At 31st March 2021	112,639	175,758

### 15 Creditors: Amounts falling due after more than One Year

	2021 £	2020 £
Amounts due under finance lease contracts (1-5 years)	88,404	93,653
Bank borrowing 1-5 years (note 16)	221,989	-
	310,393	93,653

### 16 Loans and borrowings

	2021 £	2020 £
Current bank borrowings	43,011	-
Non-current bank borrowings	221,989	-
Total bank borrowing	265,000	-

The bank loan was taken out in April 2020 and is denominated in sterling. The loan was interest free for the first 12 months. From April 2021 interest will be charged at 4.07% per annum. The final instalment is due in March 2026. The carrying amount at year end is £265,000 (2020: £Nil).

### 17 Provisions

	2021 £	2020 £
Redundancy provision	46,305	-

## SOLL (VALE)

### Notes to the Accounts for the year ended 31 March 2021 (continued)

#### 18 Financial Commitments

Financial commitments under operating leases will result in the following total future lease payments being made:

	2021 Land & Buildings £	2021 Other £	2020 Land & Buildings £	2020 Other £
<b>Payable</b>				
Within 1 year	-	-	444,250	4,013
Within 2 to 5 years	-	-	1,777,000	4,111
After 5 years	-	-	3,581,104	-
	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	5,802,354	8,124
	<hr/>	<hr/>	<hr/>	<hr/>

The Trustees are in the process of renegotiating lease terms. As such, no financial commitments are noted above.

#### 19 Extraordinary Items

Included within extraordinary items is a write down of creditors totalling £522,632. This is as a result of the company voluntary arrangement, see note 20 below.

#### 20 Post Balance Sheet Events

The Company Voluntary Arrangement (CVA) entered into on the 15th December 2020 came to a close in November 2021, and as a result creditors were written down by £522,632.

The short-term creditors, long-term creditors, and lease commitments as presented in notes 13, 15 and 16 are adjusted for this write down, and the liabilities as presented were payable in full as at 31st March 2021.