



REGISTERED COMPANY NUMBER: 05354621 (England and Wales)

REGISTERED CHARITY NUMBER: 1109433

Report of the Trustees and

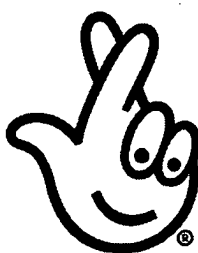
Financial Statements

for the Year Ended 5 April 2023

for

Cleveland Pools Trust

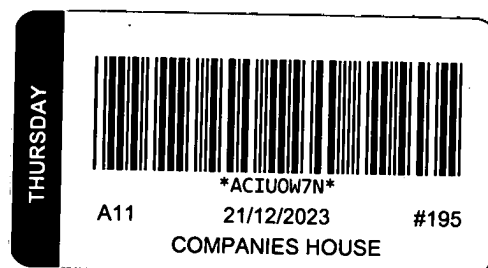
**Bath & North East
Somerset Council**



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Sumer Audit
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Hermes House
Fire Fly Avenue
Swindon
Wiltshire
SN2 2GA





Cleveland Pools Trust

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for the Year Ended 5 April 2023

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Cleveland Pools Trust

Report of the Trustees
for the Year Ended 5 April 2023

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 5 April 2023. 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

To preserve for the benefit of the people of Bath and the nation, the historical, architectural and constructional heritage that may exist in and around Bath & North East Somerset in buildings (including any structure or erection, and any part of a building as so defined) of particular beauty or historical, architectural or constructional interest with particular reference to the Georgian bathing pools known as the Cleveland Pools.

Significant activities

In September 2022, the Cleveland Pools restoration works achieved practical completion of the main construction contract. A well-attended celebratory event and a small number of test events in Autumn 2022 provided assurance that the pools were ready for cold water swimming. This represents a significant milestone for the Trust, following commencement of main construction works in April 2021. In conjunction with the pools' restoration works, the Trust has continued to build-up a large volunteer base of more than 125 people, engage with many community groups to reach out to a wider audience, and share and involve the local people.

These achievements are the cumulation of many years of dedicated effort of the Trust and its many volunteers, and a significant step forward by the Trust in the pursuance of its aims and objectives.

Public benefit

The Trustees have reviewed the Charity Commission's guidance on the requirement to report on public benefit. They are satisfied that the work of the Trust, as described below, accords with its stated objects, and provides tangible public benefit to an appropriate section of those who reside within the Trust's area of benefit; they believe that the criteria used to assess those who may benefit are not unreasonably restrictive.

ACHIEVEMENT AND PERFORMANCE

The Trust submitted a successful Stage 1 application to the National Lottery Heritage Fund (NLHF) formerly HLF, in March 2018 which was followed with a Stage 2 application which was successful in December 2018. This enabled the Trust to appoint three members of staff to manage the development and implementation of the project on its behalf. The professional design team members were re-engaged and the pre-commencement conditions to the Planning Permission, including a Construction Management Plan were determined in consultation with the local planning authority.

The project's capital programme for the restoration and upgrading of the pools was tendered to the construction market and bona fide tenders were received under a two-stage procedure. Beard Construction was appointed to undertake the agreed works. The Trust obtained 'permission to start' the project from the NLHF prior to the outbreak of the Covid-19 pandemic and fortuitously held back from signing the construction contract with Beard in March 2020. At that time, the tendered works were at a value of £4.7M. The impact of the pandemic on the construction industry is well documented and the consequential rise in costs due to a shortage of labour, prolongation, practical restrictions on construction activity due to covid operational precautions and shortages and availability of construction materials in the supply chain.



Cleveland Pools Trust

Report of the Trustees
for the Year Ended 5 April 2023

ACHIEVEMENT AND PERFORMANCE continued

Emergency funding was provided by the NLHF during the summer months of 2020 to retain staff, fund ongoing professional fees and pre-contract activities. By October 2020 it was clear that costs were escalating out of the Trust's control and that the project's future was in doubt. At this time a full re-costing was carried out and applications for additional funding submitted to the NLHF, the DCMS's Kickstart Fund and Historic England. As a result, project status was raised to one of national priority with the NLHF and in December 2020 the three principal funders offered a total of £1.7M in additional funding for the project provided that a construction contract was entered into by the 31st March 2021. This deadline was met and a 15 month contract was entered into between the Trust and Beard Construction. At the same time a further grant of over £0.5M was received from Salix Finance under the government's Public Sector Decarbonization Fund to finance the project's water source heat pump to heat the swimming pool water during the summer period from renewable sources.

In the year to 5 April 2021, the cost of the capital works has risen from £4.7M to £6.8M with other related rises in Trust overheads (prolongation and extension of contracts of employment with the three members of staff, insurances, utility costs etc.) and design team and project management prolongation. The Trust has maintained its fund-raising strategy throughout this difficult period and funds continue to be raised despite the challenges in the post-covid climate of rising costs and inflation which remains a major challenge.

In the year to 5 April 2022, construction works progress remained in-line with expectation. Staffing increased from three staff members to four staff members, one full time and three part time, necessitated by the increased scale of activity, perhaps best measured by construction works monthly cost peaking at £550k in one month, and otherwise averaging at £380k per month. Together with professional fees, the value of heritage assets capitalised was £5,057k, to increase total capitalised to £5,843k. Challenges in the year ranged from concern about escalating electric power costs, which was tackled, by changing supplier, to a fixed tariff rate for a three-year period. Continued concern about COVID-19, remained, however fortunately did not impact works in any measurable way. Similarly, a key risk, was a dependency on the river Avon, slow flowing river levels, crucial to maintain undisrupted ferry boat transport of construction materials to site, proved favourable as river levels remained uncharacteristically low throughout the year.

In the year to 5 April 2023, construction works progressed strongly, leading to the practical completion of the main construction contract in September 2022. Together with professional fees, the value of heritage assets capitalised was £2,259k, taking the total capitalised value to £8,103k. The achievement of practical completion in September 2022, allowed staff numbers to reduce from 4 staff members to 1 staff member.

The work of delivering the Activity Plan through the volunteering programme has remained fully active throughout including a community engagement programme of projects which continue to be well received and supported in the local community. These outputs and achievements have been recognised as of an outstanding nature, and in 2021 the project won 2 national awards for volunteering from the Marsh and the Museums and Heritage Awards. The project was also awarded the Museums and Heritage Awards "Restoration Project of the Year 2023" in May of 2022. More recently in September 2023, the project was also awarded the Europa Nostra award for "Conservation and Adaptive Reuse", a significant award and acknowledgement of achievement at the European level.

The Trust greatly appreciates the dedicated work of its staff and volunteers during these unprecedented times and is grateful and immensely proud of this commitment.

The Trustees remain immensely grateful to the NLHF for making the restoration of the Pools possible after many years of campaigning and for the additional financial support provided over these years to keep the prospect of reopening the Cleveland Pools a reality.



Cleveland Pools Trust

Report of the Trustees
for the Year Ended 5 April 2023

FINANCIAL REVIEW

Financial position

In the year to 5 April 2023, the Trust income of £693,125, is down slightly compared to the prior year's income of £768,573. These income figures reflect grants, donation commitments and trading activities in the respective years.

Major grant income recognised in the year, includes Bath & North East Somerset Council £590,000 and National Lottery Heritage Fund £48,000. In the prior year, major grant income recognised, includes, the Public Sector Decarbonisation Fund as administered by Bath & North East Somerset Council £557,230 and Historic England £123,047.

Cumulatively to 5 April 2023, the pools restoration project is predominately funded by: National Lottery Heritage Fund £6,521,400, Public Sector Decarbonisation Fund administered by Bath & North East Somerset Council £557,230, Historic England £536,007 and Bath & North East Somerset Council £765,000. Public donations, including Crowdfunding and grant donations from various charitable trusts totalled £423,633.

Direct expenditure during the year to 5 April 2023 increased to £132,511, compared against £109,730 incurred in the prior year. This additional direct expenditure arose, despite savings including reduced staff costs of £4,656, insurance and electricity power charges increased by £40,925. These insurance and electricity power costs were necessary to maintain the pools following the completed restoration in September 2022 through to the finalisation of the sub-lease with the appointed pools operator: Fusion Lifestyle. Additionally, a further £2,259,284 of expenditure on the Cleveland Pools restoration was incurred and capitalised in the year. Total capitalised spend on the restoration project now stands at £8,102,762 on 5 April 2023.

Trust funds as at 5 April 2023 were £8,523,009 (2022: £7,962,395). This is represented by fixed assets £8,105,303 (2022: £5,846,017), stock £1,647 (2022 £0), debtors £519,990 (2022: £1,860,603), cash at bank and in hand £157,450 (2022: £1,131,924) less liabilities of £261,381 (2022: £876,149).

Financial year 2023/24: The new pontoon installation, which is needed to access and service the project site from the river Avon was re-designed, to satisfy changes in national legislation in response to the climate change emergency as required by the Environment Agency. This element was withdrawn from the main construction contract, and the installation awarded to a specialist contractor in May 2023. Works are progressing strongly, and costs remain within budget. Completion of the pontoon installation is targeted for Spring 2024.

Principal risks and uncertainties

The principal risks to the Charity are listed below, along with the mitigating action taken:

- Capital risks in the period related to the completion of the capital works to the pools and the funding of this. Risks managed by the engagement of professional advisors such as a project manager and quantity surveyor, and regular management of cash flow forecasts. This risk has now significantly reduced as the capital works to the pools were completed in September 2022 and the pontoon contract is reaching completion.
- Upcoming risks around the completion of the pontoon and funding. This is mitigated by having agreed a price with the contractor, only instructing works following the confirmation of funding, engagement of professional advisors and regular project update meetings and maintenance of a risk register.
- Agreement with an operator to operate the pools. This risk has now ceased following completion of the sublease legal agreement with Fusion Lifestyle in September 2023.



Cleveland Pools Trust

Report of the Trustees for the Year Ended 5 April 2023

Principal funding sources

Aside from the income generated through fundraising activities, the vast majority of funding for the Trust comes by way of grants from the National Lottery Heritage Fund, Historic England, Kickstart Fund administered by Department of Culture, Media and Sport, Public Sector Decarbonisation Scheme administered by Bath & North East Somerset Council/Salix Finance, and Bath & North East Somerset Council. The continued support of these organisations is widely appreciated by the entire team involved with the project. Establishing opportunities for a much wider range of funding sources for the future remains a key priority.

Reserves policy

The Trust has examined the requirements for reserves in light of the main risks to the organisation. It has established a policy whereby the unrestricted funds not committed or invested by the Trust should be made available for restricted expenditure, as and when required.

The Charity reserves at the 5 April 2023 totals £8,523,009, consists of unrestricted £8,106,467 and restricted £416,542. At the year end, restricted reserves of £2,258,342 was reclassified and transferred to unrestricted funds. This transfer reflects restricted income that was used to fund pools restoration expenditure, which was capitalised to the balance sheet as an unrestricted asset. Funding of this expenditure was predominantly; NLHF £999,307, Bath & North East Somerset Council £590,000, Bath & North East Somerset Council/Salix Finance £190,189 and Historic England £53,685.

The unrestricted funds at 5 April 2023 include £8,102,762 heritage assets, £2,539 of tangible fixed assets and investments £1. Therefore, free reserves are £1,165.

The next and final phase of the restoration of the Cleveland Pools will be funded by restricted funds plus future funding.

Based on budgeted activity expenditure for 2023/24, together with the opening restricted reserves, these are regarded as sufficient to meet the working capital requirements for the Trust and the Trustees are confident that they will be able to continue current activities.

Fund-Raising Standards Information

The Charity does not carry out significant fundraising activities from the general public.

FUTURE PLANS

During financial year 2023/24, the next and final phase of the restoration of the Cleveland Pools will be the fabrication and installation of a new pontoon. This pontoon will provide river access, as required in the Green Travel Plan, approved within the project's planning permission. The re-design of the pontoon, to meet with new Environment Agency climate emergency regulations and performance specifications, led to increased costs and further delay to project completion. The Trust having secured the additional funds to complete these works, following two rounds of competitive tendering, in May 2023 awarded a contract for the fabrication and installation of the pontoon. The pontoon is in place and the work to connect the intake and outlet pipework which is housed underneath the structure to supply the newly installed water source heat pump system with its vital source of energy is outstanding and being programmed with an anticipated completion date in the Spring 2024. At this point it will then be possible to heat the pool water.

The Trust in September 2023 contracted Fusion Lifestyle, (a charitable leisure trust) to operate with full responsibility the Cleveland Pools on its behalf, under a full repairing and insuring sub-lease, a gain share agreement and the joint management of a sinking fund for future major capital replacements. This will include responsibility of the pontoon once the pontoon is completed. These contracted arrangements were approved by NLHF, and the site freeholder, Bath & North East Somerset Council, Historic England, Salix Finance and WECA.



Cleveland Pools Trust

Report of the Trustees for the Year Ended 5 April 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Trust is a charitable company limited by guarantee, incorporated on 7 February 2005, and registered as a Charity on 11 May 2005. The affairs of the charitable company are governed by its Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. Members guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up.

The Directors of the company are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. The membership of the Board of Trustees during the year and at the year-end is listed above.

Recruitment and appointment of new Trustees

The Charity's Trustees are recruited and appointed as a result of advertising campaigns in the press, on social media or on the basis of nominations from existing Trustees as the Board seeks to recruit suitable personnel with regard to their personal competence, specialist skills and local availability. Selection is carried out by a board committee of three Trustees which evaluates the skills and experience of applicants via an interview process. The Board are then consulted in order for the final decision of the appointment to be made.

The Trustees serve as volunteers and receive no payment for their work for the Charity.

Organisational structure

The Board of Trustees has responsibility for the governance and administration of the Charity, in the pursuance of its objectives. The Articles of Association provide that there must be at least three and not more than twelve individual Trustees. Trustees must hold at least 4 meetings each year, with each meeting having a quorum of at least 3 Trustees. General meetings are called on at least clear 21 days written notice specifying the business to be discussed.

Decision making

Every issue may be determined by a simple majority of the votes cast at a meeting, but a written resolution signed by all the Trustees is as valid as a resolution passed at a meeting. Except for the Chair of the meeting, who has a second or casting vote, every Trustee has one vote on each issue. The Chair or (if the Chair is unable or unwilling to do so) some other Trustee chosen by the Trustees present presides at each meeting.

Induction and training of new Trustees

All the Trustees are mindful of their duty to act solely in the interests of the Trust, and their duty (under company law and charity law) to avoid conflicts of interest. All of the Trustees are informed of their responsibilities and duties and are provided with appropriate guidance and information to carry these out effectively.

The Trustees hold regular governance workshops facilitated by charity support agencies or with consultants funded by the Architectural Heritage Fund. These workshops are opportunities to update Trustees on changes to charity law, to the duties and responsibilities of Trustees and to brief new Trustees on their roles and responsibilities. Governance workshops are now being held with Fusion Lifestyle, the operator of the Pools, to ensure that both the Trust and Fusion Lifestyle, understand their respective and joint responsibilities.

Key management remuneration

All Trustees give their time on a voluntary basis. Details of Trustee related party transactions are disclosed in the notes to the accounts. The Trust in the financial year employed 4 staff who were responsible on a day-to-day basis, whose roles included project managing the pools' restoration, project administration and accounting, and community liaison and engagement. Since the practical completion of the main pools' construction contract in September 2022, staffing is reduced to one parttime employee who is responsible for administering the day-to-day finances. Employee remuneration is determined based on pay levels for the skill sets for the role and comparable with other similar organisations.



Cleveland Pools Trust

Report of the Trustees
for the Year Ended 5 April 2023

Risk management

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

The risk register for the main construction phase has been completed and all risks mitigated. The remaining risks remain for the completion of the pontoon, and this is managed through monthly meetings of the trust and regular updated by the project consultants. A new risk register is also in place to manage the relationship with Fusion Lifestyle and to ensure the long-term sustainability of the pools.

All risks are reported at Trustees monthly meetings, covered as specific agenda items. Supplementing this, the Trust also maintains a detailed register of all risks, together with impact assessments, and actions and controls established to mitigate risk impact.



Cleveland Pools Trust

Report of the Trustees
for the Year Ended 5 April 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
05354621 (England and Wales)

Registered Charity number
1109433

Registered office
Percy Community Centre
New King Street
Bath
Somerset
BA1 2BN

Trustees
Paul Simons (Chair)
Christopher Chatten
Ann Dunlop
Ina Harris
Roger Houghton
Edward Prendeville
Polly Rathbone Ward
Mary Stacey
Leonora Stevens
Alice Watson

Trustee changes during the period and up to the date of the signature of the financial statements, were as follows:

Michael Dawson resigned 28 February 2023
Katherine Hodges resigned 22 March 2023
Rhyannon Boyd appointed 17 August 2022 and resigned 4 July 2023
Edward Prendeville appointed 3 July 2023
Christopher Chatten accepted as trustee on 27th November 2023 and being registered at Companies House.

Alice Watson is also known as Alice Le Page.
Leonora Stevens is also known as Leonora Davies.

Auditors
Sumer Audit
Statutory Auditors
Hermes House
Fire Fly Avenue
Swindon
Wiltshire
SN2 2GA

Bankers
Lloyds Bank plc, Milsom St, Bath.
CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ

Website
www.clevelandpools.org.uk



Cleveland Pools Trust

Report of the Trustees
for the Year Ended 5 April 2023

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of Cleveland Pools Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

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, Sumer Audit, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of Trustees on 18 December 2023 and signed on its behalf by:

.....
Paul Simons Trustee (Chair)



**Report of the Independent Auditors to the Members of
Cleveland Pools Trust**

Opinion

We have audited the financial statements of Cleveland Pools Trust (the 'charitable company') for the year ended 5 April 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 5 April 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.

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 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
Cleveland Pools 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 Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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:

Based on our understanding of the charity and the restoration work, we identified that the principal risks of non-compliance with laws and regulations related to health and safety, employment law, Companies Act 2006 and Charity Law, and we considered the extent to which non-compliance might have a material effect on the financial statements of the charity. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the the Charities Statement of Recommended Practice and Companies Act 2006.



**Report of the Independent Auditors to the Members of
Cleveland Pools Trust**

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to revenue recognition, management override, and management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of debtors. Audit procedures performed by the audit engagement team included:

- discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- understanding and review of management's internal controls designed to prevent and detect irregularities, and fraud;
- review of the minutes of the Trustees meetings;
- designing audit procedures to incorporate unpredictability;
- performing analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud;
- review of the financial statements disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of the Trustees and third-party advisors about actual and potential litigation and claims;
- testing transactions entered into outside of the normal course of the charity's business; and
- identifying and testing journal entries, in particular any journal entries with fraud characteristics such as journals with round numbers.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and the transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

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

James Gare FCA DChA (Senior Statutory Auditor)
for and on behalf of Sumer Audit
Statutory Auditors
Hermes House
Fire Fly Avenue
Swindon
Wiltshire
SN2 2GA

Date: 20 December 2023



Cleveland Pools Trust

Statement of Financial Activities
for the Year Ended 5 April 2023

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	-	689,818	689,818	763,474
Other trading activities	4	<u>3,307</u>	<u>-</u>	<u>3,307</u>	<u>5,099</u>
Total		<u>3,307</u>	<u>689,818</u>	<u>693,125</u>	<u>768,573</u>
EXPENDITURE ON					
Raising funds	5	2,943	-	2,943	480
Charitable activities	6				
Pool restoration		<u>-</u>	<u>129,568</u>	<u>129,568</u>	<u>109,250</u>
Total		<u>2,943</u>	<u>129,568</u>	<u>132,511</u>	<u>109,730</u>
NET INCOME		364	560,250	560,614	658,843
Transfers between funds	21	<u>2,258,342</u>	<u>(2,258,342)</u>	<u>-</u>	<u>-</u>
Net movement in funds		2,258,706	(1,698,092)	560,614	658,843
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>5,847,761</u>	<u>2,114,634</u>	<u>7,962,395</u>	<u>7,303,552</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>8,106,467</u></u>	<u><u>416,542</u></u>	<u><u>8,523,009</u></u>	<u><u>7,962,395</u></u>

The notes form part of these financial statements



Cleveland Pools Trust (Registered number: 05354621)

Balance Sheet
5 April 2023

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	14	2,539	-	2,539	2,539
Heritage assets	15	8,102,762	-	8,102,762	5,843,478
Investments	16	1	-	1	-
		8,105,302	-	8,105,302	5,846,017
CURRENT ASSETS					
Stocks	17	1,647	-	1,647	-
Debtors	18	136,000	383,990	519,990	1,860,603
Cash at bank and in hand		(18,601)	176,051	157,450	1,131,924
		119,046	560,041	679,087	2,992,527
CREDITORS					
Amounts falling due within one year	19	(117,862)	(143,499)	(261,361)	(804,730)
NET CURRENT ASSETS		1,184	416,542	417,726	2,187,797
TOTAL ASSETS LESS CURRENT LIABILITIES		8,106,486	416,542	8,523,028	8,033,814
CREDITORS					
Amounts falling due after more than one year	20	(19)	-	(19)	(71,419)
NET ASSETS		8,106,467	416,542	8,523,009	7,962,395
FUNDS	21				
Unrestricted funds				8,106,467	5,847,761
Restricted funds				416,542	2,114,634
TOTAL FUNDS				8,523,009	7,962,395

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 18 December 2023 and were signed on its behalf by:

Leanne Stevens

.....
L Stevens - Trustee

The notes form part of these financial statements



Cleveland Pools Trust

Cash Flow Statement
for the Year Ended 5 April 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>1,284,811</u>	<u>5,872,339</u>
Net cash provided by operating activities		<u>1,284,811</u>	<u>5,872,339</u>
Cash flows from investing activities			
Purchase of heritage assets		(2,259,284)	(5,057,734)
Purchase of fixed asset investments		<u>(1)</u>	<u>-</u>
Net cash used in investing activities		<u>(2,259,285)</u>	<u>(5,057,734)</u>
Change in cash and cash equivalents in the reporting period		<u>(974,474)</u>	<u>814,605</u>
Cash and cash equivalents at the beginning of the reporting period		<u>1,131,924</u>	<u>317,319</u>
Cash and cash equivalents at the end of the reporting period		<u>157,450</u>	<u>1,131,924</u>

The notes form part of these financial statements



Cleveland Pools Trust

Notes to the Cash Flow Statement
for the Year Ended 5 April 2023

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

	2023 £	2022 £
Net income for the reporting period (as per the Statement of Financial Activities)	560,614	658,843
Adjustments for:		
Increase in stocks	(1,647)	-
Decrease in debtors	1,340,613	4,450,101
(Decrease)/increase in creditors	(614,769)	763,395
Net cash provided by operations	<u>1,284,811</u>	<u>5,872,339</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 6.4.22 £	Cash flow £	At 5.4.23 £
Net cash			
Cash at bank and in hand	<u>1,131,924</u>	<u>(974,474)</u>	<u>157,450</u>
	<u>1,131,924</u>	<u>(974,474)</u>	<u>157,450</u>
Total	<u>1,131,924</u>	<u>(974,474)</u>	<u>157,450</u>



Cleveland Pools Trust

Notes to the Financial Statements
for the Year Ended 5 April 2023

1. STATUTORY INFORMATION

Cleveland Pools Trust is a company limited by guarantee, without share capital, registered in England and Wales. 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. The charity's registration number and registered office address can be found in the trustees' report.

2. 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, with the exception of investments which are included at market value.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest pound.

There are no significant areas of judgements or key sources of estimation uncertainty.

Going concern

In September 2022, the restoration of the pools was completed. As of April 2023 the Trust has funding in place to complete the pontoon works with an anticipated completion date in the Spring 2024. In September 2023, the Trust signed a sublease agreement with Fusion Lifestyle to operate the Cleveland Pools on its behalf. On this basis, the trustees consider it appropriate to prepare the financial statements on the going concern basis. This assumes that the charity will continue in operational existence for the foreseeable future. In making this assessment the trustees have reviewed the balance sheet, the likely future cash flows of the charity and have considered the funds available at this point in time.

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Preparation of consolidated financial statements

The financial statements contain information about Cleveland Pools Trust as an individual company and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Income

All income is recognised once the charity has entitlement to the income, there is sufficient certainty or receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Grants with performance conditions attached are only recognised once the charity has met the performance related conditions.



Cleveland Pools Trust

Notes to the Financial Statements - continued
for the Year Ended 5 April 2023

2. ACCOUNTING POLICIES - continued

Expenditure

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold - not provided

The long leasehold relates to the 150 year old lease of the Cleveland Pools.

Heritage assets

The charity has heritage assets, that is, non-monetary assets with historic, artistic, scientific, technological, geophysical, or environmental qualities that are held and maintained principally for their contribution to knowledge and culture.

The charity is spending substantially to renovate the Pools so that the Pools can be used for operational purposes. This is with the intention to contract with an external third party to operate the Pools, under a management agreement. This cost of renovation is capitalised and reported separately under a heritage asset heading within tangible fixed assets. The costs capitalised are repair works to the pools, pool buildings and boundaries, professional costs including architects, structural, mechanical and electrical engineers, quantity surveyors, and the payroll cost of the project manager employed by the charity.

At present, all these assets are currently under construction and future accounts will detail the depreciation policies as they are determined.

Fixed asset investments

Investments in subsidiaries are measured at cost less impairment.

Stocks

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

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.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. 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.



Cleveland Pools Trust

Notes to the Financial Statements - continued
for the Year Ended 5 April 2023

2. ACCOUNTING POLICIES - continued

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Financial instruments

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

Pension costs and other post-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.



Cleveland Pools Trust

Notes to the Financial Statements - continued
for the Year Ended 5 April 2023

3. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations and grants	<u>689,818</u>	<u>763,474</u>

4. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Sales of merchandise, site tours and talks	<u>3,307</u>	<u>5,099</u>

5. RAISING FUNDS

Raising donations and legacies

	2023	2022
	£	£
Fundraising costs	<u>2,943</u>	<u>480</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7)	Support costs (see note 8)	Totals
	£	£	£
Pool restoration	<u>71,378</u>	<u>58,190</u>	<u>129,568</u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023	2022
	£	£
Staff costs	34,673	30,017
Other direct costs	<u>36,705</u>	<u>56,023</u>
	<u>71,378</u>	<u>86,040</u>

8. SUPPORT COSTS

	Management	Governance costs	Totals
	£	£	£
Pool restoration	<u>51,690</u>	<u>6,500</u>	<u>58,190</u>

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

	2023	2022
	Pool restoration	Total activities
	£	£
Other costs	51,690	17,210
Auditors' remuneration	<u>6,500</u>	<u>6,000</u>
	<u>58,190</u>	<u>23,210</u>



Cleveland Pools Trust

Notes to the Financial Statements - continued
for the Year Ended 5 April 2023

9. NET INCOME/(EXPENDITURE)

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

	2023	2022
	£	£
Auditors' remuneration	<u>6,500</u>	<u>6,000</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 5 April 2023 nor for the year ended 5 April 2022.

Trustees' expenses

Expenses of £426 were paid to 3 trustees during the year (2022: 1 trustee paid £204).

11. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	52,609	77,343
Social security costs	-	2,559
Other pension costs	<u>1,086</u>	<u>1,519</u>
	53,695	81,420
less amount capitalised	<u>(19,022)</u>	<u>(51,403)</u>
	<u>34,673</u>	<u>30,017</u>

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

	2023	2022
	<u>2</u>	<u>3</u>
Employees		

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



Cleveland Pools Trust

Notes to the Financial Statements - continued
for the Year Ended 5 April 2023

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1	763,473	763,474
Other trading activities	5,099	-	5,099
Total	5,100	763,473	768,573
EXPENDITURE ON			
Raising funds	480	-	480
Charitable activities			
Pool restoration	-	109,250	109,250
Total	480	109,250	109,730
NET INCOME	4,620	654,223	658,843
Transfers between funds	5,075,734	(5,075,734)	-
Net movement in funds	5,080,354	(4,421,511)	658,843
RECONCILIATION OF FUNDS			
Total funds brought forward			
As previously reported	767,407	246,480	1,013,887
Prior year adjustment	-	6,289,665	6,289,665
As restated	767,407	6,536,145	7,303,552
TOTAL FUNDS CARRIED FORWARD	5,847,761	2,114,634	7,962,395



Cleveland Pools Trust

Notes to the Financial Statements - continued
for the Year Ended 5 April 2023

13. GOVERNMENT GRANT INCOME

	2023 £	2022 £
Heritage Lottery Fund	48,000	-
Bath and North East Somerset Council	590,000	557,230
Historic England	-	123,047

There were no unfulfilled conditions or other contingencies attached to these grants. The charity has not directly benefited from any other forms of government assistance.

14. TANGIBLE FIXED ASSETS

	Long leasehold £
COST	
At 6 April 2022 and 5 April 2023	<u>2,539</u>
NET BOOK VALUE	
At 5 April 2023	<u>2,539</u>
At 5 April 2022	<u>2,539</u>

15. HERITAGE ASSETS

	Total £
MARKET VALUE	
At 6 April 2022	5,843,478
Additions	<u>2,259,284</u>
At 5 April 2023	<u>8,102,762</u>
NET BOOK VALUE	
At 5 April 2023	<u>8,102,762</u>
At 5 April 2022	<u>5,843,478</u>

The Heritage Lottery fund required a charge to be granted over the Cleveland Pools as security. This requires the charity to ensure the pools operate for at least 20 years from the date the project is complete.

All heritage assets are held at cost.



Cleveland Pools Trust

Notes to the Financial Statements - continued
for the Year Ended 5 April 2023

16. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
Additions	1
NET BOOK VALUE	
At 5 April 2023	1
At 5 April 2022	-

There were no investment assets outside the UK.

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

Cleveland Pools Trading Limited

Registered office: United Kingdom

Nature of business: Retail sales

	% holding
Class of share:	
Ordinary	100

A summary of the financial performance of the subsidiary is shown below. The subsidiary will donate its profits to the charity.

	2023 £
Turnover	4,788
Cost of sales	(3,300)
Gross profit	1,488
Administrative expenses	(1,008)
Profit	480

The aggregate of assets and liabilities were:

Current assets	5,191
Current liabilities	(4,710)
Total net assets	481
Aggregate share capital and reserves	481



Cleveland Pools Trust

Notes to the Financial Statements - continued
for the Year Ended 5 April 2023

17. STOCKS		
	2023	2022
	£	£
Stocks	<u>1,647</u>	<u>-</u>
18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2023	2022
	£	£
Trade debtors	136,000	-
Other debtors	383,990	1,673,164
VAT	-	<u>187,439</u>
	<u>519,990</u>	<u>1,860,603</u>
19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2023	2022
	£	£
Trade creditors	15,693	477,610
Amounts owed to group undertakings	4,529	-
Social security and other taxes	-	2,591
VAT	13,351	-
Other creditors	102,693	68,307
Accruals and deferred income	<u>125,095</u>	<u>256,222</u>
	<u>261,361</u>	<u>804,730</u>
20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
	2023	2022
	£	£
Other creditors	19	19
Accruals and deferred income	-	<u>71,400</u>
	<u>19</u>	<u>71,419</u>



Cleveland Pools Trust

Notes to the Financial Statements - continued
for the Year Ended 5 April 2023

21. MOVEMENT IN FUNDS

	At 6.4.22 £	Net movement in funds £	Transfers between funds £	At 5.4.23 £
Unrestricted funds				
General fund	5,847,761	364	2,258,342	8,106,467
Restricted funds				
Pool restoration	2,114,634	560,250	(2,258,342)	416,542
TOTAL FUNDS	<u>7,962,395</u>	<u>560,614</u>	<u>-</u>	<u>8,523,009</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	3,307	(2,943)	364
Restricted funds			
Pool restoration	689,818	(129,568)	560,250
TOTAL FUNDS	<u>693,125</u>	<u>(132,511)</u>	<u>560,614</u>



Cleveland Pools Trust

Notes to the Financial Statements - continued
for the Year Ended 5 April 2023

21. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 6.4.21 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 5.4.22 £
Unrestricted funds					
General fund	767,407	-	4,620	5,075,734	5,847,761
Restricted funds					
Pool restoration	246,480	6,289,665	654,223	(5,075,734)	2,114,634
TOTAL FUNDS	<u>1,013,887</u>	<u>6,289,665</u>	<u>658,843</u>	<u>-</u>	<u>7,962,395</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	5,100	(480)	4,620
Restricted funds			
Pool restoration	763,473	(109,250)	654,223
TOTAL FUNDS	<u>768,573</u>	<u>(109,730)</u>	<u>658,843</u>

Pool Restoration - funding received for the restoration of the Cleveland Pools

A transfer has been made out of the pool restoration fund to the general fund for work done on the pool restoration that is accounted for as a heritage asset.

22. CAPITAL COMMITMENTS

	2023 £	2022 £
Contracted but not provided for in the financial statements	<u>27,832</u>	<u>1,864,750</u>

23. RELATED PARTY DISCLOSURES

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

There were no related party transactions for the year ended 5 April 2023.



Cleveland Pools Trust

Notes to the Financial Statements - continued
for the Year Ended 5 April 2023

24. POST BALANCE SHEET EVENTS

In September 2023, the Trust signed a sublease agreement with Fusion Lifestyle to operate the Cleveland Pools on its behalf.