

REGISTERED COMPANY NUMBER: 05384234
REGISTERED CHARITY NUMBER: 1111467

Group Report of the Trustees and
Audited Financial Statements for the Year Ended 31 March 2023
for
Circadian Trust

Circadian Trust

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for the Year Ended 31 March 2023

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Group Report of the Trustees
for the Year Ended 31 March 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
05384234

Registered Charity number
1111467

Registered office
Bradley Stoke Leisure Centre
Bradley Stoke
Bristol
South Gloucestershire
BS32 9BS

Auditors
Moore
Chartered Accountants and Statutory Auditor
30 Gay Street, Bath, BA1 2PA

Circadian Trust

Group Report of the Trustees for the Year Ended 31 March 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Name	Biography
Derek Segger	Derek lives in Chepstow and worked in the aerospace industry in Filton, South Gloucestershire. He is a regular visitor to Circadian Trust facilities.
Patrick Van Beek	Patrick is an actuary and works in the life insurance industry. He has previous experience as a non-executive director while working overseas. He and his family are regular customers of Circadian Trust's facilities.
Anthony Davis	Tony is a nominated trustee as a sitting Councillor of South Gloucestershire Council and is a member of Yate Council. He is retired and lives in Yate. For the last 30 years he has run a martial arts club at Yate Lifestyle Centre.
Neil McKen	Neil is a management consultant and part-time lecturer. He has been involved in community activities for a number of years and is a regular user of Circadian Trust Lifestyle Centres.
Peter Tuodolo	Peter lives in Thornbury and works for Essilor Ltd. one of the biggest lens and optical manufacturers in the world. He is also an SRA level 2 club coach in squash and a UEFA B License football coach and currently manages Thornbury Under 16's team.
Janet Raven	Janet works for the Lawn Tennis Association working with elite junior tennis players. She has over 20 years teaching experience within South Gloucestershire primary schools and was a Head Teacher for 11 years. She lives in Thornbury.
Roland Sims	Prior to his retirement Roland was an Area Manager for Circadian Trust and was employed within the Lifestyle Centres for over 30 years. He is committed to working with local groups to benefit the local community and regularly volunteers as a Move Maker at Southmead Hospital.
Junior Sheikh	Junior is CEO and co-founder of the prestigious MTM Awards, which celebrates the excellence and achievements of small, medium businesses and grass root communities, and has become the South West's premier Asian, Black & Ethnic Communities event. A key focus is building bridges and creating awareness of the importance of diversity, and celebrating excellence and achievements of our rich and diverse communities.
James Griffiths	James is a South Gloucestershire District Councillor and a commercial manager, with a focus in the health sector, with two degrees in Sports Science and Cardio Physiology and experience working in the NHS and private health care sector, local government and health & fitness.
Peter Viney	Peter is an Associate member of Chartered Institute of Professional Development with a passion for Human Resource Management. With 21 years of retail management experience, Peter joined as a Trustee in 2021 to help shape and grow the facilities and customer experience to match the needs of the communities they serve. Peter has been a regular customer for many years, using the facilities at Longwell Green and Yate.

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Report of the Trustees
for the Year Ended 31 March 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees (Continued)

Name	Biography
Chris Clarke	Chris is an experienced Marketing Manager and is based in South Gloucestershire and is an avid runner, cyclist and swimmer having completed a series of sponsored events. Chris uses Circadian facilities to train for his events.
James Iles	James is a HR Director within the Telecoms sector majoring in Learning & Development with a strong focus on Customer Experience and Sales. Having seen his children benefit through active participation in sport (and learning to swim via the Trusts swimming school) James is keen to support the Trust's Social Value charitable aims and objectives within the local community. He is a regular user of Circadian Trust's Longwell Green facilities.
Nalin Parmar	Chartered engineer and qualified accountant with extensive experience in railway infrastructure asset management and the industry regulatory model, gained in British Railways (1979 and 2010) and self-employed consultancy (from 2010 to date) combining engineering, finance, economic regulation and funding. Business Advisor to Group Finance Director of Network Rail (2005 to 2010). Trustee member to Sirona Care and Health Group C.I.C and Treasurer Director of Bristol and Gloucester Gliding Club Ltd. Educated at Imperial College with interests in power flying, gliding, badminton, swimming and reading.
Valerie Lee	Valerie brings extensive commercial experience from a career in a variety of functions in leading UK retail and consumer companies. Valerie studied Economics at Warwick University and holds a Post Graduate Diploma. Valerie has a deep understanding of consumer marketing, as well as experience in strategic development, business transformation and property management. In addition to her role as Chair at Circadian Trust she works with a number of other organisations that strive to improve the health and well-being of local communities across the South West.
Stacey Mead	Stacey is a Chartered Fellow of the CIPD and a Director of HR Dept. Bristol and HR Dept. Group Trust. Stacey has over 20 years of experience in HR which spans a range of sectors including public, private and charitable, working with organisations of all shapes and sizes.
Andrew Parks	Andrew is Head of Global Consulting at Mayo Clinic and prior to this worked as a management consultant in a range of sectors. He has BSc in Economics and International Politics and an MBA from Warwick Business School. Andrew lives locally and is a keen Triathlete using Circadian facilities at Yate and Bradley Stoke.
Suzanna Hinnell (Resigned 19.5.22)	Suzanna works for a consultancy managing commercial improvement programmes. With two young children who enjoy a range of sports, her family are regular centre users.

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Group Report of the Trustees for the Year Ended 31 March 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure of the Charity

Circadian Trust ('the company') is a charity and company limited by guarantee. The governing documents are its Memorandum and Articles of Association which were adopted on incorporation with Companies House on 07 March 2005. The Memorandum and Articles of Association have been amended on 22 November 2005, 20 July 2006, 10 November 2011 and 17th September 2013.

The Members are the guarantors of the Company and each has undertaken to contribute such amount as may be required (but not exceeding £1) to the Company's assets if it should be wound up while he or she is a member or within one year after he or she should cease to be a member, for payment of the Company's debts and liabilities contracted before he or she ceased to be a member, and of the costs, charges and expenses of the winding up, and for the adjustments of the rights of the contributories among themselves.

The Trustees

The Trustees are the Trustees of Circadian Trust (CT) in accordance with the Charities Act 2011 and they are also Trustees in accordance with the Companies Act 2006. The Board has positions for 19 Trustees: 6 with strategic and business skills, 4 representing community interests, 2 South Gloucestershire Councillors, 3 employees and 4 other Trustees.

New Trustees are interviewed to ensure that the Board has the necessary skills and depth of experience to run the business effectively. On appointment new Trustees meet with senior staff and are invited on an induction process and undertake a tour of the facilities. Training needs are established by completion of training questionnaires, the Human Resources & Remuneration Committee reviews the skills and training requirements of the organisation on a periodic basis.

Organisational structure and decision making process

Board Structure and Meetings:

The full Board usually meets at least once a quarter to take decisions on strategic and development issues. It met 5 times during 22/23.

The charity structure allows for the creation of committees to scrutinise detailed policy decisions and proposals and carry out delegated tasks on behalf of the full Board. In 2022-23 Board committees were:

- Audit and Finance Committee with responsibility for scrutiny of the finances, risk and auditing of the organisation; this met four times to consider the organisation's finances and monitor the planned recovery once Covid restrictions had been fully lifted from April 2022.
- Human Resources & Remuneration Committee dealing with strategic employment issues such as terms and conditions of employment and the appointments of senior staff and Trustees. This met four times to consider the organisation's employment policies, legislative requirements, and remuneration and employee benefits due to recruitment issues that continued in 2022 - 3.
- Health and Safety Committee deals with strategic issues including monitoring external health and safety audits and the implementation of any recommendations. This met four times to consider health and safety compliance and practices. This committee also added the Environment and the environmental performance of the company to its governance and is now called the Health and Safety and Environment Committee.

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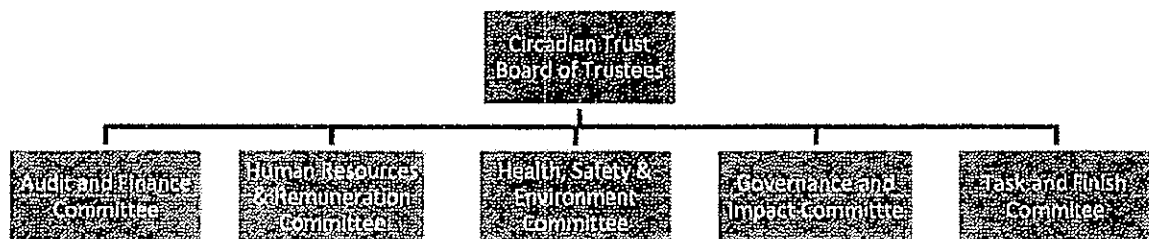
Group Report of the Trustees for the Year Ended 31 March 2023

Organisational structure and decision making process (Continued)

- Governance and Impact Committee reviewing Governance, Board Policy and looking at the measurement, evaluation, and reporting aspects of the social impact of the charity. The G&I Committee met 4 times in the year main considerations included the delivery of the Strategic Plan - "Reset", reviewing the charity's corporate governance framework, and recommending a revised Strategic Decision and Delegation policy to the main Board.
- A new Task and Finish Committee was formed to work with the charity's executive to consider revised contract arrangements with South Gloucestershire Council and a review of our membership of the Local Government Pension Scheme. This committee met twice in 2022 -3 and its work is ongoing.

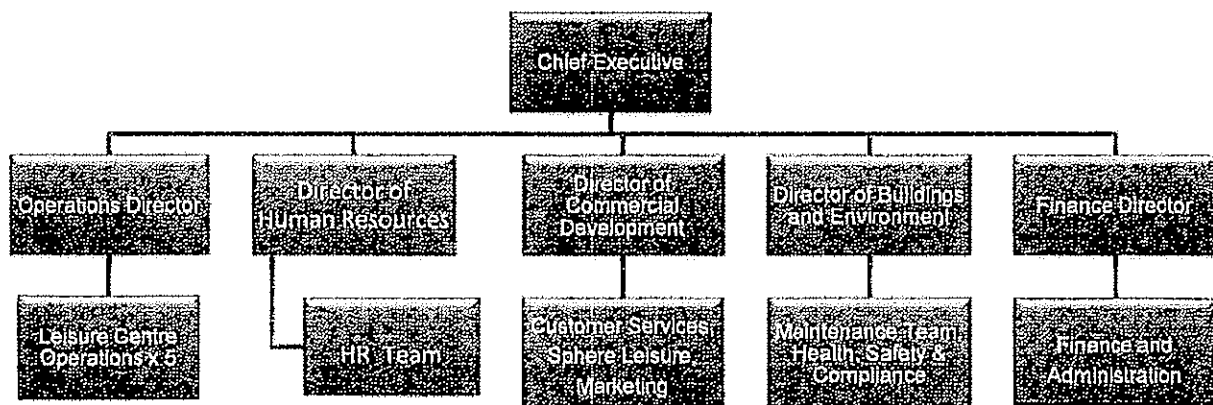
Board Effectiveness:

In March 2022, Circadian Trust Board instructed an external auditor to carry out a governance audit and board effectiveness review. This was completed in May and the results were accepted by Board that month. The results showed that Circadian Trust is effectively governed, and an improvement action plan was adopted to deal with the minor recommendations from the audit.



Executive Structure:

The operational management of the company is delegated to the Chief Executive Team (CEOT) led by the Chief Executive. CEOT consists of the Chief Executive, Operations Director, Director of Commercial Development, Director of Buildings and Environment and Human Resources Manager, and Finance Director.



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Group Report of the Trustees for the Year Ended 31 March 2023

Risk Management

In February 2023, the Board of Trustees considered and adopted a revised Risk Management policy and reviewed the Risk Management Map and Matrix, which covers the major risks and uncertainties to which the Company is exposed, and this was updated.

The Charity has systems to ensure that the business, financial, operational, and health and safety risks are regularly scrutinised in detail. The Health, Safety, and Environment Committee of the Board reviews health and safety risks to staff and customers, which are specific to our operating environment, on a quarterly basis.

Statement of Recommended Practice “Accounting and Reporting by Charities”

The 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) has been compiled with.

OBJECTIVES AND ACTIVITIES

Circadian Trust is an independent Charitable Company based in South Gloucestershire managing a range of sports, leisure and lifestyle facilities and services for its local community.

Our Mission

- Inspiring Active Lifestyles

Our Vision

- A Healthy, Active Community

Underneath the Mission and Vision statements are 3 “overarching” values which underpin the culture of the Trust and its planning and decision-making processes, as well as linking, via stated actions, to the Charitable objects (see Public Benefit section below).

Our Values

- Customer First – We look at everything through our customers’ eyes and strive to give them the best possible experience.
- Empowerment – We develop our people to be experts in their field, to help our community develop active lifestyles, and to act like owners – spending money where it matters most.
- Inclusion – We offer services to our whole community and strive to ensure equality in everything we do.

At the beginning of the 2021 - 22 financial year, Circadian Trust launched a new Strategic Plan: ‘Reset’ to cover the years 2021-2023. The plan recognises that the impact of Covid has affected our previous long-term plans and places focus on the recovery and normalisation of our commercial business first; this is to enable the long terms sustainability of those facilities and services that require cross subsidy.

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Group Report of the Trustees for the Year Ended 31 March 2023

The key aims of the plan are:

1. Delivering a sustainable charitable business for our customers and communities.
2. Re-establishing the charity and the customer base.
3. Capitalising on new social value and business opportunities.

Achieving the strategic aims is the focus of the business with the ultimate aim of delivering our public benefit objectives. The purpose of this Annual Report is to demonstrate how we are working towards these aims and our charitable objects.

Many of the challenges that we had in 2021 -22 have continued into 2022-23 including the recruitment crisis with a lack of available workforce as we attempt to operate services and continue to increase capacity.

Economic pressures including higher than forecast inflation, energy costs and the “cost of living” crisis continued to affect the Charity in 2022-23 and it seems will continue to do so throughout 2023 and into 2024.

Circadian Trust prides itself on its business approach to generate funds to re-invest in services for public benefit. Our company structure is geared to ensuring that we offer services that are accessible to the whole community, and this enshrined within our memorandum and articles of association.

Each week the charity delivers public benefit to thousands of visitors and the examples below provide a flavour of the work we carry out. This has been severely disrupted since February 2020 due to Covid-19 but has recovered well in 2022 - 23.

The results for 2022 -23 show that the trust has survived the pandemic and is in better financial and organisational health than we thought we would be at the start of the period.

However, it remains the case that it will take longer than first envisaged to recover services and finances to a position similar to that enjoyed prior to the first lockdown in March 2020. This will be exacerbated in the short to medium term by the headwinds affecting the economy – particularly rising costs to the business and the chilling effect of inflation on our customer’s disposable income – on which we rely.

Trustees would like to place on record their thanks for the strong partnership support displayed by the Charity’s main stakeholder and commissioner, South Gloucestershire Council, since the pandemic.

EQUALITY AND DIVERSITY

Circadian Trust has a comprehensive Equality and Diversity Policy, which exceeds the standards laid down by the Equality Act 2010 and was last approved by Trustees in 2022 and is regularly reviewed. The principles of this policy are outlined below:

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All service-users are valued equally

All service-users and potential service-users are seen and treated as of equal value regardless of disability/impairment, ethnicity, colour, creed, nationality, national origin or status, culture, religion or belief, gender, sexual orientation, gender identity, marriage or civil partnership or pregnancy and maternity status.

Welcoming and celebrating diversity

Treating people equally does not necessarily mean treating them all *the same*. Our policies, procedures and activities must not discriminate, but are differentiated, as appropriate to take account of differences of life-experience, outlook and background, and in the kinds of barriers and disadvantage which people may face; in relation to age, disability/impairment, medical needs, ethnicity, colour, creed, nationality, national origin or status, culture, religious affiliation, sex, sexual orientation, gender identity, marriage or civil partnership or pregnancy and maternity status.

Fostering positive attitudes and relationships, and a shared sense of cohesion and belonging

It is intended that our policies, procedures, and activities should promote positive attitudes, an absence of harassment, positive interaction, good relations and dialogue between groups and communities different from each other, and an absence of prejudice-related bullying and harassment and mutual respect.

Board Diversity

The Circadian Trust board carefully considers diversity when recruiting to find new trustees, most recently in Autumn 2021.

The board received Equality, Diversity, and Inclusion training in 2020 and all trustees will be offered this again in 2023.

Circadian Trust as an employer

Policies and procedures should benefit all employees and potential employees, for example in recruitment, promotion, and in continuing professional development. Our policies and procedures will help all those who work for us to develop their full potential and the talents and resources of the workforce will be utilised fully to maximize the efficiency of the organisation.

Proactively reviewing what we do in order to reduce and remove inequalities and barriers

Circadian Trust proactively ensures that it makes progress in regard to ensuring equality of opportunity for all, and regularly reviews its actions. Not simply seeking to avoid discriminatory practices, but by taking opportunities to maximise positive impacts by actively going about reducing and removing inequalities and barriers to equality and taking positive actions towards promoting and enhancing equality of opportunity for all.

Creating Opportunity

By recognising the needs of every individual along with our commitment to enabling them to achieve their full potential.

Consulting widely

People affected by a policy or activity should be consulted and involved in the design of new policies, and in the review of existing ones.

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Society as a whole should benefit.

It is intended that the Trust's policies and activities should benefit society, both locally and nationally, by fostering greater social cohesion, and greater participation.

DISABLED PERSONS

The charity will employ disabled persons when they are suitable for a particular vacancy and every effort is made to ensure that they are given full and fair consideration when such vacancies arise. There is a redeployment scheme in operation so that employees who have been injured or disabled during their period of employment can, where possible, continue in employment with the Charity.

During employment, the charity seeks to work with employees, considering their personal circumstances, to ensure appropriate training, development and advancement opportunities are available to enable them to reach their full potential.

PUBLIC BENEFIT

The Trustees confirm that they have complied with the duties in public benefit requirement outlined in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The objects for which the Charity is established are to undertake and promote for the benefit of the general public and in particular, but without limitation, the people who live and work in South Gloucestershire and its environs:

- The provision of facilities for sport, recreation or other physical activity or leisure time occupation of individuals who have need of such facilities and services by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving their condition of life and to advance their education in leisure and health activities;
- The promotion and protection of good health through community participation in healthy recreation;
- The maintenance, improvement or provision of public amenities and the provision of schemes to assist and encourage the use of such amenities by members of the public;
- The advancement of education and training in leisure and sport related subjects;
- Such other charitable purposes for the benefit of the community consistent with the objects above as the Trustees shall determine.

ACCESS AND COMMUNITY PROGRAMMES

Pricing

The Trust's pricing strategy for customers without need for further support is firmly based in the value for money category. This is also underpinned by a range of payment methods including a "pay as you play" philosophy for most activities we provide.

Furthermore, a comprehensive "concessionary" pricing offering discounts of up to 50% for those in need of special assistance related to age, health or socio-economic circumstances is made. The majority of concessionary prices offer access to facilities and services at a cost of less than the cost of providing the service.

The inclusive pricing policy also extends to local sports clubs who use our facilities with junior and disability sports clubs benefiting from concessionary prices for the facilities they hire from the charity.

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Programming

Priority is given to programming our facilities to meet the needs of a diverse community and to make special efforts to offer programmes for customers who require access because of age, disability, sex or other needs. Examples of this include older people's activities, junior programmes, disability access sessions and sex-specific sessions where appropriate. Covid restrictions are now fully removed and so no longer have an impact on our programming.

Access and Inclusivity

The Trust works hard to make the facilities accessible to customers who are disabled. All of our changing facilities are developed to "changing places" standards; with hoists and equipment up to the standard of being able to deal with quadriplegic disability. All of our facilities have ramps and internal lifts making over 90% of our floor areas accessible to wheel chair users.

Carer partnership concession prices are offered so that customers requiring a carer to accompany them can participate at no cost to the carer.

The charity usually ensures that its staff undertakes equality, diversity and inclusivity training; however, this was put on hold in 2020-2022 by Covid-19 and was reinstated for all staff in 2022-2023.

The Trust also works with many groups representing disability, equality and inclusiveness such as Paul's Place, Avon Autistic Group and South Gloucestershire Chinese Association. We welcome the inclusion of all.

Clubs and Groups

Our facilities provide a home to over 180 local sports clubs and community groups providing everything from Aikido to Water Polo, and also hosted training sessions and competitions up to national standard on their behalf. These are all voluntary organisations – just like Circadian Trust.

GB Representative Athletes – The Trust offers complimentary memberships given to local individuals representing Great Britain at various sports, most GB athletes receive no funding to pursue their success. In 2022 – 23, 45 sportsmen or women including Gymnasts, Paralympians and Badminton players receive memberships whilst they represent their country to help them maintain their fitness.

Community Impact - Healthy Lifestyle Management and Partnerships

Healthy Lifestyle on Referral (HLOR)

The 'Healthy Lifestyle on Referral' project at our five Lifestyle Centres was created to help and support people with medical or long term conditions become more active had become a great success.

There are now referral pathways to all 27 local GP surgeries, Sirona Care and Health, North Bristol Trust, Southmead and Cosham Hospital.

In 2021-22, the Trust delivered 850 referrals. In 2022-23 1346 referrals were delivered which is a superb achievement.

In respect of Referral patients continuing to use services. This now exceeds 100% of the level we were in 2019-20 with 533 referrals converting to direct debit memberships and 168 regular pay as you go customers by Q4 of 2022-23. There are now 701 current live members compared to 502 in 2021-22.

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Exercise On Referral Programme

The HLOR team have continued to look at new opportunities. There are now a range of new contracts that focus on facility operation and physical activity service delivery. Some examples of what has already taken place is Escape Pain in partnership with the Integrated Care Board, and Healthy Weight Management in partnership with SGC Public Health. Following our Specialist Referral Staff obtaining further qualifications we can explore new partnerships and opportunities with McMillan, Cosham Hospital, North Bristol NHS Trust and Southmead Hospital.

Sirona Care and Health

Sirona Care and Health is a local large not for profit health care provider commissioned to deliver a range of services by the NHS in the sub region. They relocated to Thornbury Active Lifestyle Centre in 2018 having previously been based at Thornbury Hospital and are seeing over a thousand clients a month. Sirona confirm this partnership has been a real success.

The site and Sirona Care are working together to offer options for Sirona patients to come into the Trust's gyms, swimming pools and classes to continue strengthening and rehabilitation after their treatments.

Other Access and Community Groups

A number of groups continue to use our sites including Active Breathing, Reach, Impact Mentoring, Breakthrough Mentoring, Choices 4U, Osteoarthritis Exercise, Multiple Sclerosis / Parkinson Disease Classes, and Post Natal Classes.

Besides Health, Sports and Education our facilities managed and offered services to a wide range of community partners / organisations including Active Play for babies and toddlers extra needs – as prescribed by SGC Children's Services team and U3A which is a group formed of retired and semi-retired people.

Aquatics Management

As the major provider of public swimming facilities in the district, the Trust continues to work in partnership with Swim England to deliver our Aquatics Strategy, which aims to:

- Increase participation in all aquatic areas; but with special focus on adult swimming
- Improve access and opportunity for all
- Successful development (Learn to Swim to club) pathways.

The opportunity has been taken to further reprogram all 5 Centres swimming pools following consideration of the customer data from the last two years to better relate to our target markets and the fact that pools were able to reprogram due to the lifting of any Covid-19 restrictions. Sites still have to take into consideration a lack of Lifeguards (Leisure Assistants) and Swim Teachers due to the ongoing staff and recruitment issues affecting the whole industry.

Schools learn to swim and disability swim groups are fully re-engaged in 2022-23.

Free Swimming to Pregnant Women

This activity was started to offer free swimming to pregnant women during public swim sessions across all Active Lifestyle Centres. The 12-month pilot scheme began on 1st February 2020. This was suspended throughout 2020-21 financial year.

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The scheme has been set up to help overcome the increasing prevalence of obesity and in particular the effects of obesity during pregnancy, which increases the risk of adverse health outcomes to both mother and child. This has been identified as a particular problem in South Gloucestershire.

In addition, obesity during pregnancy increases the risk of life-long health problems in children, including obesity, type 2 diabetes, and heart disease. The scheme restarted again in April 2021 with over 450 women enrolled up until end March 2022. The Board made the decision to continue with this scheme on a permanent basis in May 2022 and it now had 690 women enrolled up until end March 2023.

ACHIEVEMENTS AND PERFORMANCE

The Trustee Board approved a new strategic plan "Reset" in May 2021. The focus for years 2021-23 is to RESET the business following the significant disruption to our organisation due to Covid-19. The Trust worked very hard to keep the charity viable for the future and to recover its customer base, to this end in 2022 – 23 the Trust:

- Managed to operate all our facilities and as many services as remain feasible given current operating restraints such as labour shortages.
- Worked hard to recover the customer and membership base in those services which have historically provided our sound finances, in order to support the charity in its further objectives.
- Not only re-established its Swim Academy after Covid but increased total customer numbers from 10,100 in April 2022 to 11,000 at the end of March 2023
- Continued to show adherence to all guidelines applied regarding the grant from Sport England's National Leisure Recovery Fund (NRLF) in partnership with South Gloucestershire Council to help our business and services recover in the post-pandemic restrictions period. This has included maintaining all activities for which the funding was specifically granted.
- Managed staffing shortages due to a nationwide shortage of staff across the country, in this and the remainder of the leisure and hospitality sector.
- Undertook a further staff pay and benefits review due to the increase in the National Minimum Wage including looking at staff pay differentials.
- HR and Finance Emergency Payroll process was developed and completed.
- The roll out of mandatory Training to all staff including Safeguarding, Data Protection and Health and Safety was nearly complete by the end of the financial year.
- Following the recruitment of an Events Manager, achieved a record year in event income and contracted with a new external catering company.
- Re-opened Thornbury café with a new leaseholder, Café Perk.
- Poolview Drowning Detection System in place at Bradley Stoke
- Upgraded our customer booking system to Leisurehub, the latest iteration of our CRM software focusing on more self-service and online bookings.
- Revised and re-launched our new fitness On Track product, which focused on making it easier and quicker for new and returning customers to access the facilities. This also included the recording of an online fitness video and the introduction of a new online fitness programme creation tool via our App.
- Following a full IT network systems review, we have changed and upgraded all our IT systems, network, and telephony, and moved to a scalable Cloud environment with a new supplier.

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- In January 2023 we achieved Cyber Essentials Plus accreditation
- Further improved our staff systems including communications and payroll to keep our staff involved, informed, and consulted.
- Completed and submitted a bid to operate Bristol City Council and Hanger 16U, Filton leisure facilities.
- Started investing in environmental and energy projects such as reinstating the gas turbine CHP at Longwell Green
- Continued to nurture successful partnerships with:
 - South Gloucestershire Council
 - Sirona Health and Care
 - Bristol, Bath, North Somerset, and South Gloucestershire Integrated Care Board
 - Southern Brooks Community Partnerships
 - Swim England
 - Local GP Practices

These partnerships continue to develop and will enable the creation of new services in Health and education to deepen our social impact delivery in future.

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STRATEGIC REPORT

BUSINESS PERFORMANCE

The Executive Management Team (consisting of the Chief Executive and 4 Directors) reviews the performance of the Charity on a monthly basis to ensure that the organisation is hitting key targets in relation to business performance and other factors. Performance and results are scrutinised on a quarterly basis by Trustees.

Coronavirus (Covid-19) and the Cost of Living Crisis

The last of the personal and business restrictions around Covid 19 were not removed until March 2022. This meant that we began the financial year (for the first time in 2 years) without any restrictions in place. Nonetheless, there was a general wariness amongst the public and the business continued "in recovery" throughout the period.

The charity which is reliant for its income on the expenditure of customers whose incomes have been affected by the significant inflation caused by the spike in energy and supply costs driven by the Ukraine invasion and subsequent shock to commodity prices. This has undoubtedly choked off some demand for our services and, of course, added significantly to own our business costs.

Performance measurement

The Trust's management team and Board developed a new balanced scorecard for use from 2022 – 23 which was designed to measure performance of the business against both the Rest Strategy and key strategic success factors.

For the purpose of this report selected measures which focus on customer "physical activity" uptake, visitor experience, quality, financial performance and social value scores have been selected from both the balanced scorecard and Sport England's national social value benchmarking tool known as the "Moving Communities" portal.

Table 1 shows the following extracts from the balanced scorecard with explanations given below:

Measurement / Metric (Source)	Target	2022 – 3 Actual
Total Profit / Surplus (Balanced Scorecard)	£73,000	£326,000
Total Physical Activity Visits (Moving Communities)	1,873,293	2,079,799
Social Value Score £'s (Moving Communities)	£10,698,000	£13,992,000
Average Quest Assessment Score (Moving Communities)	Very Good	Very Good
Net Promoter Score (Balanced Scorecard)	42	42
DEC Certification (Balanced Scorecard)	B	B

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Table 2 gives a more detailed breakdown of participation by physical activity area.

Category	Total Visits 2022 – 23	2021– 22
Health and Fitness (Gym)		459,023
Swimming Lessons		401,693
Group Exercise Classes		131,304
Swimming Activities		400,876
Sports Hall Hire		68,507
Other Activities (Inc. Commercial)		411,890
Total		1,873,293

These tables show:

We achieved a surplus (profit) for the first time since 2019 – 02 and this was ahead of target.

An 11% growth in our physical or leisure activity visits in 2022 – 23 when compared to 2020 - 21. In the last quarter of the financial year, visitor numbers were almost back on par with the pre-pandemic period. These figures correlate well with the national average return rates, which are available from Sport England via its Moving Communities portal. We are amongst the higher performers.

Our social value score measured in £'s via the moving communities hub increased by 30%. This added value is driven by participation in physical activity and the benefits derived from improvements in health, prevention of ill health, crime diversion, education, and subjective well-being. This is weighted by gender, age, and other information anonymously collected from our membership database about visitors when they book or attend a session. Those of greater (or younger) age, with disabilities, or with other registered health conditions will score higher on the social value scale. Such a large increase this year has been made possible as all vulnerable groups and sessions have returned to centres following the pandemic.

Quest is the Sport England recognised strategic and quality management accreditation based on the EFQM (European Foundation for Quality Management) framework. Our aim is to have all centres in the upper quartile of this scheme and we achieved this with three sites accredited as very good and two as excellent (putting them in the top 10% in the country).

Our net promoter score (how well our customer rates us based on whether they would recommend our services) is on par with service providers from our sector who subscribe to the scheme.

Finally the Display Energy Certification (DEC) Scheme measures our energy (gas and electricity) consumption and benchmarks this with all public sector leisure providers, the certification is based on an A – G scheme (similar to that used on electrical appliances) where D is the average. Our aim is to have all sites rated B or better. Currently we have three sites rated B and two rated A putting our stock at the lower end for consumption and higher end for energy efficiency.

2022 – 23 has been a very successful period following the havoc wreaked by Covid 19 restrictions in the previous two financial years. It sets the Trust on a firm footing for the future.

Circadian Trust

Group Report of the Trustees for the Year Ended 31 March 2023

Capital Investment

The company is committed when funds allow; to invest in improvements to the facilities it manages, the equipment it provides for customers and staff; and the services it delivers across the business.

We budgeted for a capital investment programme in 2022-23, and this is covered in the plans for the future section below.

FINANCIAL REVIEW

Total income for the year rose to just under £12m (2021-22 £10m) due to the leisure centres recovering from Covid-19 restrictions and some reprogramming at sites.

As a result, trading income was also over £0.3m higher than in 2021-22; although remained £0.3 million lower than 2019-20. The Company continued to control costs through careful management of staffing levels and utilisation of energy and other resources.

Overall, the Charity made a surplus of £390k in its unrestricted funds with net current assets increasing by over 40%. Cash Balances had been high at the beginning of the pandemic due to an unpaid rent debt to the council.

South Gloucestershire Council have supported the charity by converting the debt to a long-term liability thus ensuring the solvency of the charity. Cash Balances at the end of the year were at just over £3m.

Before the FRS 102 adjustment to take account of the Pension movement, the group showed a surplus for the year of £62k. The Board are reviewing Pension arrangements as part of their long-term strategy to meet the challenges of rising staff costs due to increases in the national minimum and living wages.

The Company intends to begin to rebuild its reserves and net current assets to protect the business during 2023 – 4; and has budgeted to make a surplus of £236k.

The Trustees expect the charity to continue making surpluses, enabling further investment in facilities and services into the future.

Reserves Policy

The Trustees have reviewed the risks to the Company and established a Reserves Policy to ensure that the Company has sufficient “free reserve” funds to guard against longer term risks. This was reviewed in May 2022.

In the short term, reserves will continue to be built to cover any requirements as a result of the effects of the cost-of-living crisis. This has been set at C. £940k. This is made up of 3% loss of trade (£365k), one month’s salary bill (£475k) and the cost of the annual pension deficit repayment (£100k) in 2022 – 23. The Charity will aim to rebuild free reserves of up to 2 months trading expenses (£2million).

The general reserve at the end of the year was £1.944m (2021-22: £1.5m) (before FRS102 pension adjustments) This is now almost in line with the higher target. The Trust’s longer-term ambitions require significant capital investment, and the availability of free reserves allows us to do this.

This year the FRS102 Pension Valuation showed a pension deficit of £489k (2021-22: £6.2m). This is now lower than our general reserves and Trustees continue to review the pension arrangements and ways to limit the costs of the scheme are being explored.

Circadian Trust

Group Report of the Trustees for the Year Ended 31 March 2023

PLANS FOR THE FUTURE

Short Term (2023–24)

- Our 2-year Covid recovery strategy “Reset” comes to an end at the end of 2022 – 23, by the end of the financial year we were in the process of developing a new 5-year strategy covering the period 2023– 28. This will be in place by summer 2023.
- Completion of outstanding lease and contract documentation with SGC; and as part of this review our membership of the Local Government Pension Scheme.
- Continue developing our new customer journey to encompass our new product suite including developing its structure, developing our workforce to deliver this, and reframing the messages to our customers.
- Work hard to recover the customer and membership base in those services which have historically provided our sound finances, to support the charity in its further objectives.
- Continue to improve customer booking and entry systems to simplify processes for our customers with a special focus to Yate and Kingswood Active Lifestyle Centres.
- Delivering agreed environmental and energy projects by installing large Photo Voltaic units at our Bradley Stoke and Yate centres in 2023.
- Implement Poolview Drowning detection system at Yate Active Lifestyle Centre.
- Continue to manage increasing costs including energy costs, the National Living Wage, pension costs and increased inflation.
- Working up any bids for new or extended contracts where this is in our interest.

Medium Term (2024–26)

Develop our teams so that we “grow our own” technically qualified and professional staff.

Working with partners and stakeholders to ensure that lessons and opportunities arising from the Covid-19 pandemic are applied locally. For example, the very important part that physical activity and fitness play in physical and mental resilience both preventing and reducing the severity of illness and improving mental health and wellbeing across the population.

Working to reduce the impact of high energy costs on the business by working with the owner of our buildings South Gloucestershire Council to invest in energy saving technology and reducing our carbon footprint.

Long Term

To continually improve the range of services available to customers and ensure they match demand including significant facility development (as our estate of facilities is ageing).

To continue to develop and deliver activities which encourage all sections of the population to undertake healthy active lifestyles, being innovative in our approach and intervening for public benefit where necessary to do so.

To ensure that our long-term strategy is congruent with our stakeholders’ plans.

To develop the range of Business and Partnerships opportunities to improve the overall business performance of Circadian Trust.

Circadian Trust

Group Report of the Trustees
for the Year Ended 31 March 2023

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

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

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

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

In so far as the trustees are aware:

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

AUDITORS

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

Group Report of the Trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 8 November 2023 and signed on the board's behalf by:



V Lee - Chair

Report of the Independent Auditors to the Members of
Circadian Trust

Opinion

We have audited the financial statements of Circadian Trust (the group and the parent charity) for the year ended 31 March 2023 which comprise the consolidated Statement of Financial Activities, the consolidated Statement of Financial Position, the charity Statement of Financial Position, the consolidated 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable group and charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

Report of the Independent Auditors to the Members of
Circadian Trust

Other information

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.

Opinion 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.

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 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the 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.

Report of the Independent Auditors to the Members of
Circadian Trust

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK Financial Reporting Standards and UK taxation legislation.

We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.

We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

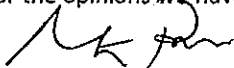
We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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 and to the charity's Trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members and the charity's Trustees 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, the charitable company's members as a body, and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.


Mark Powell (Senior Statutory Auditor)
for and on behalf of Moore
Chartered Accountants and Statutory Auditor
30 Gay Street
Bath
BA1 2PA

Date: 14 / 11 / 2023

Circadian Trust

Group Statement of Financial Activities
for the Year Ended 31 March 2023

		Unrestricted funds	Pension reserve	Restricted funds	31.3.23 Total funds	31.3.22 Total funds
	Notes	£	£	£	£	£
INCOME AND						
ENDOWMENTS FROM						
Donations and grants	2	-	-	-	-	298,442
Charitable activities	4					
Leisure activities		10,842,079	-	-	10,842,079	9,009,442
Generated Funds						
Commercial Trading		1,142,393	-	-	1,142,393	840,176
Investment income	3	13,320	-	-	13,320	16
Total		11,997,792	-	-	11,997,792	10,148,076
EXPENDITURE ON						
Generated Funds	12					
Commercial Trading		440,143	-	-	440,143	347,271
Charitable activities	5					
Leisure activities		11,166,566	264,000	64,498	11,495,064	10,094,103
Total		11,606,709	264,000	64,498	11,935,207	10,441,374
NET						
INCOME/(EXPENDITURE)		391,083	(264,000)	(64,498)	62,585	(293,298)
Transfers between funds	18	-	-	-	-	-
Other recognised						
gains/(losses)						
Actuarial gains/losses on defined benefit schemes		-	6,014,000	-	6,014,000	1,556,000
Net movement in funds		391,083	5,750,000	(64,498)	6,076,585	1,262,702
RECONCILIATION OF FUNDS						
Total funds brought forward		1,553,768	(6,239,000)	323,907	(4,361,325)	(5,624,027)
TOTAL FUNDS CARRIED FORWARD		1,944,851	(489,000)	259,409	1,715,260	(4,361,325)

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

Circadian Trust

Group Statement of Financial Position
At 31 March 2023

		Unrestricted funds	Pension reserve	Restricted funds	31.3.23 Total funds	31.3.22 Total funds
	Notes	£	£	£	£	£
FIXED ASSETS						
Intangible assets	13	74,567	-	-	74,567	-
Tangible assets	13a	1,366,028	-	259,409	1,625,437	1,789,604
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		1,440,595	-	259,409	1,700,004	1,789,604
CURRENT ASSETS						
Stocks		113,965	-	-	113,965	80,228
Debtors	15	407,547	-	-	407,547	428,896
Cash in hand		<u>3,152,238</u>	<u>-</u>	<u>-</u>	<u>3,152,238</u>	<u>2,302,375</u>
		3,673,750	-	-	3,673,750	2,811,499
CREDITORS						
Amounts falling due within one year	16	(2,059,494)	-	-	(2,059,494)	(1,393,428)
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET CURRENT ASSETS		<u>1,614,256</u>	<u>-</u>	<u>-</u>	<u>1,614,256</u>	<u>1,418,071</u>
TOTAL ASSETS LESS CURRENT LIABILITIES						
		3,054,851	-	259,409	3,314,260	3,207,675
CREDITORS						
Amounts falling due after more than one year	16	(1,110,000)	-	-	(1,110,000)	(1,330,000)
PENSION LIABILITY	19	-	(489,000)	-	(489,000)	(6,239,000)
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET ASSETS/(LIABILITIES)		<u>1,944,851</u>	<u>(489,000)</u>	<u>259,409</u>	<u>1,715,260</u>	<u>(4,361,325)</u>
FUNDS						
Unrestricted funds:	18					
General fund					1,944,851	1,553,768
Pension reserve					<u>(489,000)</u>	<u>(6,239,000)</u>
					1,455,851	(4,685,232)
Restricted funds					<u>259,409</u>	<u>323,907</u>
TOTAL FUNDS					<u>1,715,260</u>	<u>(4,361,325)</u>

Circadian Trust

Statement of Financial Position - continued
At 31 March 2023

The financial statements were approved by the Board of Trustees on 8 November 2023 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'V. Lee', is written over a horizontal dotted line.

V Lee - Chair

Circadian Trust Ltd

Charity Statement of Financial Position

31 March 2023

	Notes	Unrestricted funds £	Pension reserve £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
FIXED ASSETS						
Intangible assets	11	74,567	-	-	74,567	-
Tangible assets	12	1,334,528	-	259,409	1,593,937	1,745,753
Investments	13	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
		1,409,096	-	259,409	1,668,505	1,745,754
CURRENT ASSETS						
Stocks	14	80,394	-	-	80,394	53,322
Debtors	15	595,775	-	-	595,775	656,510
Cash in hand		<u>2,958,614</u>	<u>-</u>	<u>-</u>	<u>2,958,614</u>	<u>2,048,808</u>
		3,634,783	-	-	3,634,783	2,758,640
CREDITORS						
Amounts falling due within one year	16	(2,005,521)	-	-	(2,005,521)	(1,319,212)
		<u>1,629,262</u>	<u>-</u>	<u>-</u>	<u>1,629,262</u>	<u>1,439,428</u>
NET CURRENT ASSETS						
		<u>1,629,262</u>	<u>-</u>	<u>-</u>	<u>1,629,262</u>	<u>1,439,428</u>
TOTAL ASSETS LESS CURRENT LIABILITIES						
		3,038,358	-	259,409	3,297,767	3,185,182
CREDITORS						
Amounts falling due after more than one year	17	(1,110,000)	-	-	(1,110,000)	(1,330,000)
PENSION LIABILITY						
	19	<u>-</u>	<u>(489,000)</u>	<u>-</u>	<u>(489,000)</u>	<u>(6,239,000)</u>
NET ASSETS/(LIABILITIES)						
		<u>1,928,358</u>	<u>(489,000)</u>	<u>259,409</u>	<u>1,698,767</u>	<u>(4,383,818)</u>


Circadian Trust Ltd

Charity Statement of Financial Position - continued
31 March 2023

FUNDS	18		
Unrestricted funds:			
General fund		1,928,358	1,531,275
Pension reserve		<u>(489,000)</u>	<u>(6,239,000)</u>
		<u>1,439,358</u>	<u>(4,707,725)</u>
Restricted funds		<u>259,409</u>	<u>323,907</u>
TOTAL FUNDS		<u><u>1,698,767</u></u>	<u><u>(4,383,818)</u></u>

The net income for the charity for the year was £68,585 (2022: Net expenditure of £292,253). After pension scheme adjustments the net movement in funds were £6,082,585 (2022: £1,263,747).

The financial statements were approved by the Board of Trustees and authorised for issue on 8 November 2023 and were signed on its behalf by:


.....
V Lee - Chair

Circadian Trust

Statement of Cash Flows
for the Year Ended 31 March 2023

	Notes	31.3.23 £	31.3.22 £
Cash flows from operating activities:			
Cash generated from operations	21	<u>1,273,975</u>	<u>1,433,443</u>
Net cash provided by operating activities		<u>1,273,975</u>	<u>1,433,443</u>
Cash flows from investing activities:			
Purchase of intangible and tangible fixed assets		(437,432)	(165,664)
Sale of intangible and tangible fixed assets		-	1,600
Interest received		<u>13,320</u>	<u>15</u>
Net cash used in investing activities		<u>(424,112)</u>	<u>(164,049)</u>
Change in cash and cash equivalents in the reporting period		849,863	1,269,394
Cash and cash equivalents at the beginning of the reporting period		<u>2,302,375</u>	<u>1,032,981</u>
Cash and cash equivalents at the end of the reporting period		<u>3,152,238</u>	<u>2,302,375</u>

Circadian Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006 and where applicable Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

Under FRS 102, the deficit on the Charity's pension scheme has been included in the Financial Statements and the Charity's funds have therefore been reduced by the pension deficit. The Trustees are satisfied that the Charity will be able to meet all of its obligations as and when they fall due.

Having taken into consideration the level of employer contributions required to fund the defined benefit obligation for the foreseeable future, the Trustees consider that contributions do not compromise the Charity's ability to operate. Accordingly, the Trustees have concluded that it remains appropriate to prepare the accounts on the basis that the Charity is a going concern.

Group Financial Statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary Sphere Ltd on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity have not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Income

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

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.

Membership Income is deferred over the life of the membership period. Swimming lessons are deferred over the course duration.

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.

Circadian Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Intangible and tangible fixed assets costing more than £1,000 are capitalised and included at cost including any incidental expenses of acquisition.

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

Improvements to property	- 10% on cost
Fixtures and fittings	- 10% on cost
Sports equipment	- 20% on cost
Computer equipment	- 33% on cost
Computer Software (Intangible)	- 33% on cost

Stocks

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

Critical Accounting Estimates

The only significant accounting estimates are the depreciation policy and the defined benefit pension scheme. The details of which are expressed in the notes to the financial statements below.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees, in furtherance of the general objectives of the Charity. Restricted funds are subject to specific restrictive conditions imposed by donors. The purpose and use of each restricted fund are set out in the notes to the financial statements. When the conditions attached to the donation have been met, a transfer is made to Unrestricted Income Funds. All income and expenditure is shown in the Statement of Financial Activities.

Pension costs and other post-retirement benefits

The Charity operates a local government pension scheme providing benefits based on final pensionable pay. The trust also operates a defined contribution scheme for auto enrolment purposes.

The Avon Pension Fund is a multi-employer defined benefit scheme administered for the benefit of Local Authorities and other bodies and is managed in accordance with the Local Government Pension Scheme Regulations 1997 (as amended). Past and present employees are covered by the provisions of the County Pension Scheme.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each reporting date. Actuarial gains and losses arising from experience adjustments and changes in assumptions are recognised immediately in other comprehensive income. All costs related to the defined benefit plan are recognised in the income statement within employee benefit costs.

The retirement benefit obligation recognised in the statement of financial position represents the present value of the defined benefit obligation as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the plan.

1. ACCOUNTING POLICIES - continued

Operating leases

The charity classifies the lease of printing, service agreements and gym equipment as operating leases; the title to the equipment remains with the lessor and the equipment is replaced every 5 years whilst the economic life of such equipment is normally 10 years.

Longer operating lease agreements of 15 years are in place for CHP equipment which is standard for this type of equipment.

Creditors and provisions

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

Financial Instruments

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

Taxation

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

Going concern

During the period under review and continuing to the date that the Financial Statements were approved, the world wide inflation spike and resulting cost of living crisis continues to cause disruptions to the charitable group as well as to businesses and economic activities globally.

The trustees have considered the financial resources and commitments of the charity and have concluded that they have sufficient resources to meet liabilities as they fall due for a period of at least 12 months from the date of signing these financial statements. The trustees' therefore consider it appropriate to prepare the financial statements on the going concern basis.

In arriving at this conclusion, the trustees' have considered a number of factors including the regularly updated forecasts for cashflow and profits, the financial facilities currently available to the charity and the agreed deferral of rent payments by the council.

Legal status of the Trust

The Trust is a company limited by guarantee and incorporated in the UK. It has no share capital. 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 Registered office is:

Bradley Stoke Leisure Centre
Bradley Stoke
Bristol
South Gloucestershire
BS32 9BS

Circadian Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

2. DONATIONS AND LEGACIES

	31.3.23	31.3.22
	£	£
Donations	-	3,533
Grants	-	<u>294,909</u>
	<u>-</u>	<u>298,442</u>

During the periods of lockdown, when the leisure facilities were unavailable due to restrictions, customers continued to support the charity by giving their monthly direct debit as a donation.

Grants received to support leisure services during Covid lockdown periods, included in the above, are as follows:

	31.3.23	31.3.22
	£	£
South Gloucestershire Council	-	93,423
Government Grants re Covid 19	-	<u>201,486</u>
	<u>-</u>	<u>294,909</u>

3. INVESTMENT INCOME

	31.3.23	31.3.22
	£	£
Deposit account interest	<u>13,320</u>	<u>16</u>
	<u>13,320</u>	<u>16</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.23	31.3.22
		£	£
Leisure income	Leisure activities	<u>10,842,079</u>	<u>9,009,442</u>

Circadian Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

5. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 6)	Totals
	£	£	£
Leisure activities – 31.03.22	<u>6,894,808</u>	<u>3,199,295</u>	<u>10,094,103</u>
Leisure activities – 31.03.23	<u>7,706,103</u>	<u>3,788,961</u>	<u>11,495,064</u>

6. SUPPORT COSTS

	Management	Information technology	Central Support Costs	Governance costs	Totals
	£	£	£	£	£
Leisure activities – 2022	<u>1,170,041</u>	<u>1,301,623</u>	<u>566,631</u>	<u>161,000</u>	<u>3,199,295</u>
Leisure activities – 2023	<u>1,312,317</u>	<u>1,691,954</u>	<u>615,690</u>	<u>169,000</u>	<u>3,788,961</u>

7. NET INCOME/(EXPENDITURE)

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

	31.3.23	31.3.22
	£	£
Auditors' remuneration	14,500	12,000
Depreciation and amortisation	523,393	432,103
Rental costs	<u>370,000</u>	<u>370,000</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There was no trustee remuneration paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Circadian Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

9. STAFF COSTS

	31.3.23	31.3.22
	£	£
Wages and salaries	5,105,629	4,110,098
Social security costs	286,163	235,027
Other pension costs	489,688	793,849
	<u>5,881,480</u>	<u>5,138,974</u>

Included within wages, salaries and pension costs is £136,503 (2022 £Nil) in redundancy costs.

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

	31.3.23	31.3.22
Number of leisure staff	158	138
Number of marketing staff	1	1
Number of support staff	<u>39</u>	<u>34</u>
	<u>198</u>	<u>173</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.3.23	31.3.22
£60,001 - £70,000	2	-
£80,001 - £90,000	-	1
£90,001 - £100,000	<u>1</u>	<u>-</u>
	<u>3</u>	<u>1</u>

Key Management Personnel

The aggregated earnings (excluding pension contributions) of the key management personnel was £345,587 (2022 - £340,240).

Circadian Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

		Unrestricted funds £	Pension reserve £	Restricted funds £	31.3.22 Total funds £	31.3.21 Total funds £
	Notes					
INCOME AND						
ENDOWMENTS FROM						
Donations and grants	2	96,956	-	201,486	298,442	3,399,795
Charitable activities	4					
Leisure activities		9,009,442	-	-	9,009,442	2,200,165
Generated Funds						
Commercial Trading		840,176	-	-	840,176	141,117
Investment income	3	16	-	-	16	190
Total		9,946,590	-	201,486	10,148,076	5,741,267
EXPENDITURE ON						
Generated Funds	12					
Commercial Trading		347,271	-	-	347,271	87,774
Charitable activities	5					
Leisure activities		9,547,119	281,000	265,984	10,094,103	8,064,728
Total		9,894,390	281,000	265,984	10,441,374	8,152,502
NET						
INCOME/(EXPENDITURE)		52,200	(281,000)	(64,498)	(293,298)	(2,411,235)
Transfers between funds	18	-	-	-	-	-
Other recognised gains/(losses)						
Actuarial gains/losses on defined benefit schemes		-	1,556,000	-	1,556,000	(1,125,000)
Net movement in funds		52,200	1,275,000	(64,498)	1,262,702	(3,536,235)
RECONCILIATION OF FUNDS						
Total funds brought forward		1,501,568	(7,514,000)	388,405	(5,624,027)	(2,087,792)
TOTAL FUNDS CARRIED FORWARD						
		1,553,768	(6,239,000)	323,907	(4,361,325)	(5,624,027)

Circadian Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

11. FINANCIAL PERFORMANCE OF THE CHARITY

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary, Sphere Leisure, which operates the Cafe and bar facilities as well as the retail and lease income.

The summary financial performance of the charity alone is:

	31.3.23	31.3.22
	Total funds	Total funds
	£	£
INCOME	11,382,047	9,545,554
Investment income from subsidiary company	<u>181,602</u>	<u>256,296</u>
Total	11,563,649	9,801,850
 EXPENDITURE	 <u>11,495,064</u>	 <u>10,094,103</u>
 NET INCOME/(EXPENDITURE)	 68,585	 (292,253)
Other recognised gains/(losses)		
Actuarial gains/losses on defined benefit schemes	<u>6,014,000</u>	<u>1,556,000</u>
Net Movement in funds	6,082,585	1,263,747
 Total funds brought forward	 <u>(4,383,818)</u>	 <u>(5,647,565)</u>
 TOTAL FUNDS CARRIED FORWARD	 <u>1,698,767</u>	 <u>(4,383,818)</u>

Circadian Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

12. INCOME EARNED FROM OTHER TRADING ACTIVITIES

The wholly owned trading subsidiary Sphere Leisure Limited is incorporated in the United Kingdom (company number 05449293) and pays profits up to its taxable threshold to the charity through dividends. Sphere Leisure Limited operates the cafes and all other commercial trading operations on behalf of the Trust. A summary of the trading results is shown below.

The summary financial performance of the subsidiary alone is:

	31.3.23	31.3.22
	£	£
TURNOVER	1,142,393	840,176
Cost of sales	(608,866)	(418,242)
Administrative expenses	(359,219)	(166,699)
Interest receivable and similar income	<u>1,294</u>	<u>14</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>175,602</u>	<u>255,249</u>
PROFIT FOR THE FINANCIAL YEAR	175,602	255,249
	31.3.23	31.3.22
	£	£
FIXED ASSETS	31,500	43,851
CURRENT ASSETS	260,356	319,887
CURRENT LIABILITIES	<u>(275,362)</u>	<u>(341,244)</u>
TOTAL NET ASSETS	16,494	22,494
CAPITAL AND RESERVES		
Called up share capital	1	1
Retained earnings	<u>16,493</u>	<u>22,493</u>
SHAREHOLDERS' FUNDS	<u>16,494</u>	<u>22,494</u>

On 23rd July 2018 a deed of memorandum was signed stating the company wishes to make covenanted donations of its annual profits to its parent Circadian Trust.

The dividend in respect of the 22/23 year is £181,602 (21/22 £256,294).

Circadian Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

12. INCOME EARNED FROM OTHER TRADING ACTIVITIES (Cont.)

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2021	1	23,538	23,359
Total comprehensive income	-	255,249	255,249
Dividends	-	(256,294)	(256,294)
Balance at 31 March 2022	1	22,493	22,494
Total comprehensive income	-	175,602	175,602
Dividends	-	(181,602)	(181,602)
Balance at 31 March 2023	1	16,493	16,494

13. INTANGIBLE FIXED ASSETS

Group and Charity

	Computer software £
COST	
At 1 April 2022	64,498
Additions	113,305
Reclassification/transfer	50,337
At 31 March 2023	228,140
AMORTISATION	
At 1 April 2022	64,498
Charge for year	38,738
Reclassification/transfer	50,337
At 31 March 2023	153,573
NET BOOK VALUE	
At 31 March 2023	74,567
At 31 March 2022	-

Circadian Trust

Notes to the Financial Statements - continued

for the Year Ended 31 March 2023

13a. TANGIBLE FIXED ASSETS

i) Group

	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 April 2022	1,848,027	3,448,169	436,958	5,733,154
Reclassification	267,806	(268,348)	(49,795)	(50,337)
Additions	55,878	209,380	59,969	325,227
Disposals	<u>(25,535)</u>	<u>(121,783)</u>	<u>(225,310)</u>	<u>(372,628)</u>
At 31 March 2023	<u>2,146,176</u>	<u>3,267,418</u>	<u>221,822</u>	<u>5,635,416</u>
DEPRECIATION				
At 1 April 2022	1,435,958	2,084,110	423,482	3,943,550
Reclassification	(138,486)	139,353	(51,204)	(50,337)
Charge for year	294,747	164,898	26,110	485,755
Eliminated on disposal	<u>(25,535)</u>	<u>(118,144)</u>	<u>(225,310)</u>	<u>(368,989)</u>
At 31 March 2023	<u>1,566,684</u>	<u>2,270,217</u>	<u>173,078</u>	<u>4,009,979</u>
NET BOOK VALUE				
At 31 March 2023	<u>579,492</u>	<u>997,201</u>	<u>48,744</u>	<u>1,625,437</u>
At 31 March 2022	<u>412,069</u>	<u>1,364,059</u>	<u>13,476</u>	<u>1,789,604</u>

Circadian Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

13a. TANGIBLE FIXED ASSETS (Cont.)

ii) Charity

	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 April 2022	1,848,027	3,099,639	436,958	5,384,624
Additions	55,878	199,860	59,969	315,707
Disposals	(25,535)	(94,098)	(225,310)	(344,943)
Reclassification	<u>267,806</u>	<u>(268,348)</u>	<u>(49,795)</u>	<u>(50,337)</u>
At 31 March 2023	<u>2,146,176</u>	<u>2,937,053</u>	<u>221,822</u>	<u>5,305,051</u>
DEPRECIATION				
At 1 April 2022	1,435,958	1,779,431	423,482	3,638,871
Charge for year	294,747	143,027	26,110	463,884
Eliminated on disposal	(25,535)	(90,459)	(225,310)	(341,304)
Reclassification	<u>(138,486)</u>	<u>139,353</u>	<u>(51,204)</u>	<u>(50,337)</u>
At 31 March 2023	<u>1,566,684</u>	<u>1,971,352</u>	<u>173,078</u>	<u>3,711,114</u>
NET BOOK VALUE				
At 31 March 2023	<u>579,492</u>	<u>965,701</u>	<u>48,744</u>	<u>1,593,937</u>
At 31 March 2022	<u>412,069</u>	<u>1,320,208</u>	<u>13,476</u>	<u>1,745,753</u>

14. FIXED ASSET INVESTMENTS

Charity

	Shares in group undertakings £
MARKET VALUE	
At 1 April 2022 and 31 March 2023	<u>1</u>
NET BOOK VALUE	
At 31 March 2023	<u>1</u>
At 31 March 2022	<u>1</u>

There were no investment assets outside the UK.

See note 12 for more information on the subsidiary undertaking relating to this investment.

Circadian Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	31.3.23	31.3.22	31.3.23	31.3.22
	£	£	£	£
Trade debtors	68,944	71,301	35,783	33,962
Amounts owed by subsidiary undertaking	-	-	221,389	267,028
Other Debtors	-	2,075	-	-
Prepayments	<u>338,603</u>	<u>355,520</u>	<u>338,603</u>	<u>355,520</u>
	<u>407,547</u>	<u>428,896</u>	<u>595,775</u>	<u>656,510</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	31.3.23	31.3.22	31.3.23	31.3.22
	£	£	£	£
Trade creditors	308,835	183,659	287,793	163,195
Social security and other taxes	107,900	83,542	106,919	83,542
Other creditors	69,679	91,649	37,729	37,897
Accruals and deferred income	<u>1,573,080</u>	<u>1,034,578</u>	<u>1,573,080</u>	<u>1,034,578</u>
	<u>2,059,494</u>	<u>1,393,428</u>	<u>2,005,521</u>	<u>1,319,212</u>

CREDITORS: AMOUNTS FALLING DUE GREATER THAN ONE YEAR

Group and Charity	31.3.23	31.3.22
	£	£
Accruals and deferred income	<u>1,110,000</u>	<u>1,330,000</u>

The amount above reflects the rent accrual owed to South Gloucestershire Council. Due to a combination of factors, including covid, a formal rent agreement has not been agreed with the council. Verbal conversations suggesting an annual rent charge of £370,000 have been provisionally agreed. On this basis, the total amount in both current and non-current accruals owed to South Gloucestershire Council amount to £2,220,000. Current discussions, which provide the best estimate at the point of approval of these accounts, are that £1,110,000 of this will be repaid during the next 12 months. The remaining £1,110,000 is proposed to be paid over the period of 2028 and 2033.

Circadian Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

17. LEASING AGREEMENTS

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

Group and Charity	31.3.23	31.3.22
	£	£
Within one year	380,006	526,239
Between one and five years	606,386	906,391
In more than five years	<u>172,712</u>	<u>252,932</u>
	<u>1,159,104</u>	<u>1,685,562</u>

18. MOVEMENT IN FUNDS

Group	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	1,553,768	391,083	-	1,944,851
Pension reserve	<u>(6,239,000)</u>	<u>5,750,000</u>	-	<u>(489,000)</u>
	(4,685,232)	6,141,083	-	1,455,851
Restricted funds				
ESC Grant	323,907	(64,498)	-	259,409
TOTAL FUNDS	<u>(4,361,325)</u>	<u>6,076,585</u>	-	<u>1,715,260</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	11,997,792	(11,606,709)	-	391,083
Pension reserve	-	<u>(264,000)</u>	<u>6,014,000</u>	<u>5,750,000</u>
	11,997,792	(11,870,709)	6,014,000	6,141,083
Restricted funds				
ESC Grant	-	<u>(64,498)</u>	-	<u>(64,498)</u>
TOTAL FUNDS	<u>11,997,792</u>	<u>(11,935,207)</u>	<u>6,014,000</u>	<u>6,076,585</u>

Circadian Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

18. MOVEMENT IN FUNDS (Cont.)

ESC Grant fund

The Esc Grant is a restricted fund from the English sports council to provide energy saving efficiencies, through the use of harvesting rainwater and the recollection of heat to generate electricity and heat for the client.

Charity

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	1,531,275	397,083	1,928,358
Pension reserve	(6,239,000)	5,750,000	(489,000)
	(4,707,725)	6,147,083	1,439,358
Restricted funds			
ESC Grant	323,907	(64,498)	259,409
TOTAL FUNDS	<u>(4,383,818)</u>	<u>6,082,585</u>	<u>1,698,767</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	11,563,649	(11,166,566)	-	397,083
Pension reserve	-	(264,000)	6,014,000	5,750,000
	11,563,649	(11,430,566)	6,014,000	6,147,083
Restricted funds				
ESC Grant	-	(64,498)	-	(64,498)
TOTAL FUNDS	<u>11,563,649</u>	<u>(11,495,064)</u>	<u>6,014,000</u>	<u>6,082,585</u>

Circadian Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

18. MOVEMENT IN FUNDS (Cont.)

Comparative movement in Funds
Group

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	1,501,568	52,200	-	1,553,768
Pension reserve	<u>(7,514,000)</u>	<u>1,275,000</u>	-	<u>(6,239,000)</u>
	(6,012,432)	1,327,200	-	(4,685,232)
Restricted funds				
ESC Grant	388,405	(64,498)	-	323,907
TOTAL FUNDS	<u>(5,624,027)</u>	<u>1,262,702</u>	-	<u>(4,361,325)</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	9,946,589	(9,894,389)	-	52,200
Pension reserve	-	<u>(281,000)</u>	<u>1,556,000</u>	<u>1,275,000</u>
	9,946,589	(10,175,389)	1,556,000	1,327,200
Restricted funds				
ESC Grant	-	(64,498)	-	(64,498)
Government Covid Job Retention Scheme	<u>201,486</u>	<u>(201,486)</u>	-	-
	201,486	(265,984)	-	(64,498)
TOTAL FUNDS	<u>10,148,075</u>	<u>(10,441,373)</u>	<u>1,556,000</u>	<u>1,262,702</u>

Circadian Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

18. MOVEMENT IN FUNDS (Cont.)

Comparative movement in Funds
Charity

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	1,478,030	53,245	1,531,275
Pension reserve	<u>(7,514,000)</u>	<u>1,275,000</u>	<u>(6,239,000)</u>
	(6,035,970)	1,328,245	(4,707,725)
Restricted funds			
ESC Grant	388,405	(64,498)	323,907
TOTAL FUNDS	<u>(5,647,565)</u>	<u>1,263,747</u>	<u>(4,383,818)</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	9,600,363	(9,547,119)	-	53,245
Pension reserve	<u>-</u>	<u>(281,000)</u>	<u>1,556,000</u>	<u>1,275,000</u>
	9,600,363	(9,828,119)	1,556,000	1,328,245
Restricted funds				
ESC Grant	-	(64,498)	-	(64,498)
Government Covid Job Retention Scheme	<u>201,486</u>	<u>(201,486)</u>	<u>-</u>	<u>-</u>
	201,486	(265,984)	-	(64,498)
TOTAL FUNDS	<u>9,801,849</u>	<u>(10,094,103)</u>	<u>1,556,000</u>	<u>1,263,747</u>

Circadian Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

19. EMPLOYEE BENEFIT OBLIGATIONS

The Charity is an admitted body to the Avon Pension Fund, a defined benefit pension scheme for all permanent employees.

Contributions to the scheme are based on pension costs determined by independent qualified actuaries and are charged to the income and expenditure account so as to spread the cost of pensions over members' working lives.

In accordance with actuarial advice to the trustees of the scheme, pension contributions were set at 21.2% from April 2020.

Each year end the administrators undertake an actuarial valuation of the scheme according to the provisions of Financial Reporting Standard (FRS) 102: Retirement Benefits.

The FRS102 valuation was carried out by the actuaries of the fund, Mercer Human Resource Consulting Ltd, as at 31 March 2021.

South Gloucestershire Council has given a legal undertaking indemnifying the Charity in respect of the pension contributions in so far as and to the extent that these may affect pension benefits accrued before 1 November 2005, the transfer date of the leisure services from South Gloucestershire Council to the Charity.

At 1 November 2005 the pension liability for which the Council has indemnified the Charity amounted to £911,000. As this indemnity represents a contingent asset it has not been reflected in within the financial statements.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	31.3.23	31.3.22
	£	£
Present value of funded obligations	(13,111,000)	(20,206,000)
Fair value of plan assets	<u>12,622,000</u>	<u>13,967,000</u>
Liability	<u>(489,000)</u>	<u>(6,239,000)</u>

Circadian Trust Ltd

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

19. EMPLOYEE BENEFIT OBLIGATIONS
- continued

The amounts recognised in the statement of financial activities are as follows:

	Defined benefit pension plans	
	31.3.23	31.3.22
	£	£
Current service cost	421,000	450,000
Net interest from net defined benefit asset/liability	169,000	161,000
Past service cost	-	-
Gains/losses on settlements and curtailments	-	12,000
Admin Expenses	<u>7,000</u>	<u>7,000</u>
	<u>597,000</u>	<u>630,000</u>
Actual return on plan assets	<u>(1,035,000)</u>	<u>(1,255,000)</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31.3.23	31.3.22
	£	£
Opening defined benefit obligation	20,206,000	19,974,000
Current service cost	421,000	450,000
Contributions by scheme participants	74,000	77,000
Interest cost	563,000	438,000
Actuarial losses/(gains)	(9,615,000)	(621,000)
Benefits paid	(185,000)	(168,000)
Curtailments	-	12,000
Actuarial (gains)/losses from changes in financial assumptions	<u>1,647,000</u>	<u>44,000</u>
	<u>13,111,000</u>	<u>20,206,000</u>

Circadian Trust Ltd

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

19. EMPLOYEE BENEFIT OBLIGATIONS
- continued

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31.3.23	31.3.22
	£	£
Opening fair value of scheme assets	13,967,000	12,460,000
Interest on plan assets	394,000	277,000
Contributions by employer	333,000	349,000
Contributions by scheme participants	74,000	77,000
Administration Expenses	(7,000)	(7,000)
Benefits paid	(185,000)	(168,000)
Return on plan assets (excluding interest income)	(1,954,000)	979,000
	<u>12,622,000</u>	<u>13,967,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	31.3.23	31.3.22
	£	£
Actuarial (gains)/losses from changes in financial assumptions	(1,647,000)	(44,000)
Return on plan assets (excluding Interest income)	(1,954,000)	979,000
Actuarial gains/(losses)	<u>9,615,000</u>	<u>621,000</u>
	<u>6,014,000</u>	<u>1,556,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

19. EMPLOYEE BENEFIT OBLIGATIONS
- continued

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	31.3.23	31.3.22
	£	£
Equities	4,405,000	5,656,000
Bonds - Government	2,423,000	1,732,000
Bonds - Other	1,123,000	1,048,000
Cash	240,000	223,000
Property	808,000	936,000
Other	3,623,000	4,372,000
	<u>12,622,000</u>	<u>13,967,000</u>

Principal actuarial assumptions at the Statement of Financial Position date (expressed as weighted averages):

	31.3.23	31.3.22
Inflation	2.70%	3.20%
Rate of increase in pensions	2.80%	3.30%
Discount rate of liabilities	4.80%	2.80%
Rate of increase in salaries	1.70%	2.20%

20. RELATED PARTY DISCLOSURES

The charity has a close relationship with South Gloucestershire Council, who provide funding and support services to enable the charity to carry out its financial objectives and have nominated trustees on the board.

The following related party transactions occurred during the year ended:

2023

Entity	Income (£'000)	Purchases (£'000)	Debtor (£'000)	Creditor (£'000)
South Gloucestershire Council	172	66	7	2,220

2022

Entity	Income (£'000)	Purchases (£'000)	Debtor (£'000)	Creditor (£'000)
South Gloucestershire Council	210	370	-	1,841

Circadian Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

21. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.23	31.3.22
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	62,585	(293,298)
Adjustments for:		
Depreciation and amortisation charges	523,393	432,103
Interest received	(13,320)	(15)
Loss on Disposal of fixed assets	3,639	-
Decrease/(Increase) in stocks	(33,737)	17,087
Decrease/(Increase) in debtors	21,349	683,679
Increase/(Decrease) in creditors	446,066	312,887
Difference between pension charge and cash contributions	264,000	281,000
Net cash used in operating activities	<u>1,273,975</u>	<u>1,433,443</u>

22. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22	Cash flow	At 31.3.23
	£	£	£
Net cash			
Cash at bank and in hand	<u>2,302,375</u>	<u>849,863</u>	<u>3,152,238</u>
Total	<u>2,302,375</u>	<u>849,863</u>	<u>3,152,238</u>