

**WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021**

**Company Registered No: 04757263
Charity Registration No: 900380**

**WRITHLINGTON TRUST
(A COMPANY LIMITED BY GUARANTEE)**

AUDITED TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021

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**WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021**

Trustees	J Pilling, Chair C Sampson J Pike
Company secretary	Mrs C Hobbs
Company registered number	04757263
Charity registered number	1111515
Registered office	Dragonfly Leisure 1 Knobsbury Lane Radstock BA3 3HQ
Independent Auditors	Moore Scarrott Limited Calyx House South Road Taunton Somerset TA1 3DU

WRITHLINGTON TRUST FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report together with the audited financial statements of the Company for the year ended 31 March 2021. The Annual Report serves the purpose of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) 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).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013 has been omitted.

Objectives and activities

a) Policies and objectives

The Company's Objectives as stated in the Memorandum and Articles are:-

- To advance education;
- To advance the education of the students of the School by providing or assisting in the provision of sports facilities;
- To provide or assist in the provision of sports and leisure facilities for the inhabitants of the communities lying within the area of North East Somerset and the East Mendips in order to enhance the availability of opportunities to engage in sport and leisure activities and to promote community participation in healthy recreation; and
- To promote any other charitable purpose.

The Trustees have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in respect of the above activities.

b) Strategies for achieving objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

c) Activities undertaken to achieve objectives

In the year the priorities for the Trust were:

- To complete the upgrade the fitness gym at Writhlington Leisure Centre;
- To complete the upgrade and extend fitness gym at Midsomer Norton Leisure Centre; and
- To finish the extension to the car park at Midsomer Norton Leisure Centre.

Achievements and performance

a) Review of activities

The Trust has invested heavily in refurbishment at the Midsomer Norton Sports Centre in order to maximise income streams as early as possible.

Only essential infrastructure works were carried out during the year in order to prioritise customer experience.

**WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2021**

Achievements and performance (continued)

b) Investment policy and performance

The Trust will invest surplus funds in interest bearing accounts and charity bonds when this is possible. This year, there was no interest received.

Financial Review

a) Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Trustees have considered the outbreak of the COVID-19 pandemic and the impact it has had on the ongoing operations of the Charity and how working practices and centre procedures have had to change to reflect the changing legislation and safety guidance.

The Trustees have prepared forecasts which demonstrate the Charity will be able to operate for a period of at least 12 months within its anticipated cash resources. The Trustee's assumptions and outlook assumes that the COVID-19 pandemic causes no material unanticipated changes to the business model. The financial statements do not reflect the adjustments that would be necessary if the Charity's ability to operate is jeopardised due to a material issue with the availability of its income or work force. As such, there is a material uncertainty related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern.

Further details regarding the going concern basis can be found in the accounting policies.

b) Reserves policy

The Trust agreed to the use of reserves for the refurbishment at both sport centres as well as funding through borrowing. The Trust will aim to work back to a position of reserves for 3 months operating costs across both sites.

c) Principal risks and uncertainties

On 11 March 2020, the World Health Organisation declared COVID-19 a pandemic. The subsequent periods of lockdown have impacted on the charity's operations and therefore the pandemic continues to be a principal area of risk and uncertainty for the Charity.

Structure, governance and management

a) Constitution

Writhlington Trust is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

The principal activity of the company is to operate Writhlington and Midsomer Norton Sports Centres and to develop them as community facilities.

The Memorandum and Articles of Association of the Trust ensure that the objectives of the organisation are charitable and prevent the distribution of profits to individuals. The prime aim of the organisation is to promote education and sport in the community of Norton Radstock.

WRITHLINGTON TRUST FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

b) Methods of appointment or election of Trustees

The Memorandum and Articles define the Board structure as: Headteacher of Writhlington School and nominated Governor, 4 members from "partner" organisations and 3 independent members, by invitation of the Board.

c) Organisational structure and decision-making policies

Day to day operation of the centres is carried out by the Senior Leadership Team overseen by the CEO. This consists of:-

- Site General Managers;
- Group Retention Manager;
- Group Health & Safety Manager;
- Group Operations Manager; and
- Group Facilities Manager.

The Board meets bi-annually to plan developments and to receive reports from operational staff. The CEO and Company Secretary report to the Board on matters relating to the running of the Sports Centres.

The Directors of Writhlington Trust work strategically to guide the development of sport at Writhlington and Midsomer Norton. They also have a governance role. Directors do not have an operational role and none are paid for their work as Directors.

The Directors meet bi-annually for the following purposes:-

- To determine long-term strategy in relation to the development of community sports and leisure activities;
- To work collaboratively with other organisations to promote the development of sport and to widen participation in the Norton Radstock area;
- To plan the long-term development of sports facilities across the two sites;
- To ensure the facilities are properly maintained;
- To make long-term provision for the renewal and refurbishment of premises and associated equipment;
- To ensure finances are properly managed and that provision is made for future income streams;
- To approve the business plan and budget and to regularly monitor performance; and
- To ensure that the Trust is meeting statutory obligations in terms of Statutory Acts and Regulations, including Health & Safety.

d) Pay policy for key management personnel

Senior staff pay is reviewed on an annual basis by the Trust Board or delegated trustees.

e) Financial risk management

The Trustees have assessed the major risks to which the Company is exposed, in particular those related to the operations and finances of the Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Statement of Trustees' responsibilities

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

WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2021

Statement of Trustees' responsibilities (continued)

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation.

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:-

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Moore Scarrott Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Jeremy Pilling

J Pilling
 Chair of Trustees

Date: 03-03-22

**WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021**

Opinion

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

In our opinion, the financial statements:-

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

Basis of 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 2.2 in the financial statements, which indicates that the significant challenges and uncertainties caused by the current Coronavirus (COVID-19) pandemic may cast significant doubt on the charitable company's ability to continue as a going concern. As stated in note 2.2, these events or conditions, along with the other matters as set forth in note 2.2, indicate that a material uncertainty exists that may cast significant doubt on the charitable company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WRITHLINGTON TRUST (continued)
FOR THE YEAR ENDED 31 MARCH 2021**

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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.

Auditors' responsibilities for the audit of the financial statements

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

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 Auditors' Report.

**WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WRITHLINGTON TRUST (continued)
FOR THE YEAR ENDED 31 MARCH 2021**

Use of our report

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

Duncan Nicholas

Duncan Nicholas FCA (Senior Statutory Auditor)

For an on behalf of
Moore Scarrott Limited
Chartered Accountant & Statutory Auditors
Calyx House
South Road
Taunton
TA1 3DU

Dated: 03-03-22

WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Incoming resources					
Donations and legacies	3	10,000	-	10,000	-
Charitable activities	4	1,752,052	-	1,752,052	3,231,495
Other trading activities	5	3,792	-	3,792	31,034
Total incoming resources		1,765,844	-	1,765,844	3,262,529
Resources expended					
Charitable activities	6	2,054,349	4,000	2,058,349	3,002,413
Total resources expended		2,054,349	4,000	2,058,349	3,002,413
Net movement in funds before other recognised gains/(losses)		(288,505)	(4,000)	(292,505)	260,116
Other recognised gains/(losses):					
Actuarial losses on defined benefit pension schemes	17	-	651,000	651,000	(285,000)
Net movement in funds		(288,505)	647,000	358,495	(24,884)
Recognition of funds					
Total funds brought forward	17	1,800,122	(601,600)	1,198,522	1,223,406
Net movement in funds	17	(288,505)	647,000	358,495	(24,884)
Total funds carried forward	17	1,511,617	45,400	1,557,017	1,198,522

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 13 to 26 form an integral part of these financial statements.

WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021

BALANCE SHEET
AS AT 31 MARCH 2021

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	10	<u>1,821,572</u>	<u>1,920,979</u>
		1,821,572	1,920,979
Current assets			
Stocks	11	14,955	14,378
Debtors	12	244,918	231,290
Cash at bank and in hand		<u>208,065</u>	<u>490,552</u>
		467,938	736,220
Creditors: amounts falling due within one year	13	<u>(370,432)</u>	<u>(425,936)</u>
Net current assets		97,506	310,284
Total assets less current liabilities		1,919,078	2,231,263
Creditors: amounts falling due after one year	14	<u>(393,061)</u>	<u>(416,741)</u>
Net assets excluding pension liability		1,526,017	1,814,522
Defined benefit pension scheme asset/(liability)	16	31,000	(616,000)
Total assets		<u>1,557,017</u>	<u>1,198,522</u>
Charity funds			
Restricted funds:			
Restricted funds	16	<u>14,400</u>	<u>14,400</u>
Restricted funds excluding pension asset		<u>14,400</u>	<u>14,400</u>
Pension reserve	16	<u>31,000</u>	<u>(616,000)</u>
Total restricted funds		45,400	(601,600)
Unrestricted funds	16	1,511,617	1,800,122
Total funds	16	<u>1,557,017</u>	<u>1,198,522</u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies' regime.

The notes on pages 13 to 26 form an integral part of these financial statements.

**WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021**

**BALANCE SHEET (continued)
AS AT 31 MARCH 2021**

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Jeremy Pilling

J Pilling
Chair

Dated: 03-03-22

The notes on pages 13 to 26 form an integral part of these financial statements.

**WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1 General information

Writhlington Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Writhlington School, 1 Knobsbury Lane, Radstock, B&NES, BA3 34NQ.

2 Accounting Policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Writhlington Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

The Trustees have considered the outbreak of the COVID-19 pandemic and what impact it has had on the ongoing operations of the Charity. The Trustees have prepared forecasts which demonstrate the Charity will be able to operate for a period of at least 12 months within its anticipated cash resources. The Trustee's assumptions and outlook assumes that the COVID-19 pandemic causes no material unanticipated changes to the business model.

The financial statements do not reflect the adjustments that would be necessary if the Charity's ability to operate is jeopardised due to a material issue with the availability of its income or work force. As such, there is a material uncertainty related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern.

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet, where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

2 Accounting Policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:-

Leasehold improvement	- 10.0% straight line
Sports equipment	- 20.0% straight line
Fixtures and fittings	- 25.0% straight line
Computer equipment	- 33.3% straight line
Soft play area	- 5.0% straight line

2.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.7 Debtors

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

2.8 Cash at bank and in hand

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

**WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021**

2 Accounting Policies (continued)

2.9 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation, where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.10 Financial instruments

The Company 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.

2.11 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance leases are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Company. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.12 Pensions

The Company operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2021.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aims and uses of each restricted fund are set out in the notes to the financial statements.

WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

3 Income from donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Grants	10,000	-	10,000	-

4 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Charity incoming resources	1,752,052	-	1,752,052	3,231,495

5 Income from other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Income from fundraising events				
Shop income	3,792	-	3,792	31,034

6 Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total Funds 2021 £	Total Funds 2020 £
Provision of sports facilities	1,866,105	188,244	2,054,349	3,002,413
Total analysis – 2020	2,630,305	372,108	3,002,413	

WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

6 Analysis of expenditure by activities (continued)

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Analysis of direct costs				
Pension finance costs	-	15,000	15,000	8,000
Staff costs	1,298,649	(11,000)	1,287,649	1,681,458
Depreciation	347,084	-	347,084	297,430
Café expenditure	11,383	-	11,383	141,164
Equipment expenditure	53,203	-	53,203	117,380
Travel costs	2,506	-	2,506	1,149
Premises costs	153,280	-	153,280	345,162
Other costs	-	-	-	38,562
Total Direct Costs	1,866,105	4,000	1,870,105	2,630,305

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Analysis of support costs				
Advertising	2,241	-	2,241	21,931
Office costs	55,648	-	55,648	96,976
Legal and professional costs	19,151	-	19,151	68,952
Direct course fees	1,655	-	1,655	59,437
Accountancy training costs	14,580	-	14,580	8,124
Insurance	45,088	-	45,088	51,699
Bank charges and interest	49,881	-	49,881	64,989
Total Support Costs	188,244	-	188,244	372,108

7 Net income/(expenditure)

This is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets:		
- Owned by the charity	248,918	234,793
- Held under finance lease	98,166	62,638
Auditors' remuneration – audit	5,750	5,500

WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

8 Staff costs

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Analysis of staff costs				
Wages and salaries	1,239,139	(73,000)	1,166,139	1,456,768
Social security costs	49,789	-	49,789	71,157
Contribution to defined contribution pension schemes	9,721	-	9,721	13,533
Operating costs of defined benefit pension schemes	-	62,000	62,000	140,000
Total Support Costs	1,298,649	(11,000)	1,287,649	1,681,458

The average number of persons employed by the Company during the year was as follows:-

	2021 No.	2020 No.
Staff	130	152

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

	2021 No.	2020 No.
In the band £70,001 - £80,000	-	1

The key management personnel of the Trust comprise the sport centre management team. The total amount of employee benefits (including employee pension contributions) received by key management personnel for their services to the Academy Trust was £110,954 – 3 staff (2020: £140,033 – 3 staff).

9 Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £Nil).

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £Nil).

WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

10 Tangible fixed assets

	Plant & Machinery £
Cost or valuation	
At 1 April 2020	3,343,577
Additions	247,676
As at 31 March 2021	<u>3,591,253</u>
Depreciation	
At 1 April 2020	1,422,598
Charge for the year	347,083
As at 31 March 2021	<u>1,769,681</u>
Net book value	
At 31 March 2021	<u>1,821,572</u>
At 31 March 2020	<u>1,920,979</u>

11 Stocks

	2021 £	2020 £
Finished goods and goods for resale	<u>14,955</u>	<u>14,378</u>

12 Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	22,538	46,543
Other debtors	188,870	130,488
Prepayments and accrued income	33,510	54,259
	<u>244,918</u>	<u>231,290</u>

WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

13 Creditors: Amounts falling due within one year

	2021	2020
	£	£
Bank loans	64,512	29,307
Trade creditors	42,187	80,982
Other taxation and social security	17,425	21,797
Obligations under finance lease and hire purchase contracts	146,868	150,887
Other creditors	5,380	4,292
Accruals and deferred income	94,060	138,671
	370,432	425,936

Included within bank loans due within one year is £59,512 (2020: £29,307) secured by a fixed and floating charge over all assets of the charitable company. Interest is charged on this loan at 3.18% over the Bank of England Base Rate. The Bank of England Base Rate prevailing at 31 March 2021 was 0.1%.

Hire purchase liabilities are secured against the assets to which they relate.

14 Creditors: Amounts falling due after one year

	2021	2020
	£	£
Bank loans	168,517	72,953
Obligations under finance lease and hire purchase contracts	224,544	343,788
	393,061	416,741

Also included within bank loans due more than one year is £123,517 (2020: £72,953) secured by a fixed and floating charge over all assets of the charitable company. Interest is charged on this loan at 3.67% over the Bank of England Base Rate. The Bank of England Base Rate prevailing at 31 March 2021 was 0.1%.

Hire purchase liabilities are secured against the assets to which they relate.

WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

15 Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets measured at fair value through income and expenditure	208,065	490,552
Financial assets that are debt instruments measured at amortised cost	56,048	82,476
	<u>264,113</u>	<u>573,029</u>
	2021 £	2020 £
Financial liabilities		
Financial liabilities measured at amortised cost	(718,150)	(804,601)

Financial assets measured at fair value through income and expenditure comprise of cash at bank.

Financial assets that are debt instruments measured at amortised cost comprise of trade debtors and accrued income.

Financial liabilities measured at amortised cost comprise of trade creditors, loans, HP obligations, accruals and other creditors.

16 Statement of funds

Statement of funds – current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2021 £
Unrestricted funds					
General funds	<u>1,800,122</u>	<u>1,765,844</u>	<u>(2,054,349)</u>	<u>-</u>	<u>1,511,617</u>
Restricted funds					
LTA tennis court resurfacing fund	14,400	-	-	-	14,400
Pension reserve	<u>(616,000)</u>	<u>-</u>	<u>(4,000)</u>	<u>651,000</u>	<u>31,000</u>
	<u>(601,600)</u>	<u>-</u>	<u>(4,000)</u>	<u>651,000</u>	<u>45,400</u>
Total of funds	<u>1,198,522</u>	<u>1,765,844</u>	<u>(2,058,349)</u>	<u>651,000</u>	<u>1,557,017</u>

Restricted funds include a grant from the Lawn Tennis Association (LTA) towards the cost of future tennis court resurfacing and grants from the LTA and other charitable bodies for the furtherance of sports education within the local community.

WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

16 Statement of funds (continued)

Statement of funds – current year (continued)

The pension reserve represents the charitable company's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on acquisition of the operations of the South Wansdyke Sports Centre. The charitable company is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

Statement of funds – prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2020 £
Unrestricted funds					
General funds	1,453,006	3,262,529	(2,915,413)	-	1,800,122
Restricted funds					
LTA tennis court resurfacing fund	14,400	-	-	-	14,400
Pension reserve	(244,000)	-	(87,000)	(285,000)	(616,000)
	(229,600)	-	(87,000)	(285,000)	(601,600)
Total of funds	1,223,406	3,262,529	(3,002,413)	(285,000)	1,198,522

17 Summary of funds

Statement of funds – current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2021 £
General funds	1,800,122	1,765,844	(2,054,349)	-	1,511,617
Restricted funds	(601,600)	-	(4,000)	651,000	45,400
Total of funds	1,198,522	1,765,844	(2,058,349)	651,000	1,557,017

Statement of funds – prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2020 £
General funds	1,453,006	3,262,529	(2,915,413)	-	1,800,122
Restricted funds	(229,600)	-	(87,000)	(285,000)	(601,600)
Total of funds	1,223,406	3,262,529	(3,002,413)	(285,000)	1,198,522

WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

18 Analysis of net assets between funds

Analysis of net assets between funds – current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	1,821,572	-	1,821,572
Current assets	453,538	14,400	467,938
Creditors due within one year	(370,432)	-	(370,432)
Creditors due in more than one year	(393,061)	-	(393,061)
Provisions for liabilities and charges	-	31,000	31,000
Total	1,511,617	45,400	1,557,017

Analysis of net assets between funds – prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	1,920,979	-	1,920,979
Current assets	721,820	14,400	736,220
Creditors due within one year	(425,936)	-	(425,936)
Creditors due in more than one year	(416,741)	-	(416,741)
Provisions for liabilities and charges	-	(616,000)	(616,000)
Total	1,800,122	(601,600)	1,198,522

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

	2021 £	2020 £
Net income for the period (as per Statement of Financial Activities)	(321,634)	260,116
Adjustments for:		
Depreciation charges	347,084	297,431
Loss on the sale of fixed assets	-	-
Decrease/(increase) in stocks	(577)	3,616
Decrease/(increase) in debtors	(13,628)	(70,651)
Increase/(decrease) in creditors	(79,184)	180,364
Defined benefit pension movements	62,000	79,000
Net cash provided by operating activities	(5,939)	749,876

WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

20 Analysis of cash and cash equivalents

	2021	2020
	£	£
Cash in hand	208,065	432,583
Total cash and cash equivalents	208,065	432,583

21 Analysis of changes in net debt

	At 1 April 2020	Cash flows £	New finance leases £	At 31 March 2021 £
Cash at bank and in hand	490,552	(282,487)	-	208,065
Bank overdrafts repayable on demand	-	-	-	-
Debt due within 1 year	(29,307)	69,231	(104,436)	(64,512)
Debt due after 1 year	(72,953)	-	(95,564)	(168,517)
Finance leases	(494,675)	123,263	-	(371,412)
	(106,383)	(89,993)	(200,000)	(396,376)

22 Pension commitments

The Company operates a defined benefit pension scheme.

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the period ended 31 March 2021 was £95,382 of which employer's contributions totalled £68,716 and employee's contributions totalled £26,666. The agreed contribution rates for future years are 21.4% for employers and 5.5% to 6.5% for employees.

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	At 31 March 2021	At 31 March 2020
	%	%
Discount rate at 31 March	2.20%	2.30
Expected return on scheme assets at 31 March	2.70%	2.10
Future salary increases	4.20%	3.60
Future pension increases	2.80%	2.20
	At 31 March 2021	At 31 March 2020
	Years	Years
Mortality rates (in years)		
- For a male aged 65 now	23.3	23.2
- At 65 for a male aged 45 now	24.8	24.7
- For a female aged 65 now	25.4	25.3
- At 65 for a female aged 45 now	27.4	27.3

WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

22 Pension commitments (continued)

The Company's share of the assets in the scheme was:

	At 31 March 2021	At 31 March 2020
	£	£
Other	2,323,000	1,152,000

The actual return on scheme assets was £1,087,000 (2020: £298,000).

The amounts recognised in the Statement of Financial Activities are as follows:-

	2021	2020
	£	£
Current service cost	(62,000)	(79,000)
Past service cost	-	(61,000)
Interest income	27,000	37,000
Interest cost	(41,000)	(45,000)
Total amount recognised in the Statement of Financial Activities	(76,000)	(148,000)

Movements in the present value of the defined benefit obligation were as follows:

	2021
	£
Opening defined benefit obligation	1,768,000
Current service costs	62,000
Interest cost	41,000
Contributions by scheme participants	13,000
Actuarial (gains)/losses	408,000
Past service costs	-
Closing defined benefit obligation	2,292,000

Movements in the fair value of the Company's share of scheme assets were as follows:

	2021
	£
Opening fair value of scheme assets	1,152,000
Expected return on assets	26,000
Actuarial (losses)/gains	1,059,000
Contributions by employer	73,000
Contributions by scheme participants	13,000
Closing fair value of scheme assets	2,323,000

WRITHLINGTON TRUST
FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

23 Operating lease commitments

At 31 March 2021 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Not later than 1 year	4,503	4,503
Later than 1 year and not later than 5 years	-	4,503
	<u>4,503</u>	<u>9,006</u>

24 Members liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

25 Related party transactions

The Company has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Company at 31 March 2021.

26 Controlling party

The Trust is controlled jointly by the Trustees. There is no controlling party.