

REGISTERED COMPANY NUMBER: 05206698 (England and Wales)
REGISTERED CHARITY NUMBER: 1120820

**Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 March 2021
for
Ashford Leisure Trust.**

(A company limited by guarantee)

Ardor Business Solutions Limited
Chartered Certified Accountants
South View
Lower Wall Road
West Hythe
Kent
CT21 4NW

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for the Year Ended 31 March 2021**

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Ashford Leisure Trust.

Report of the Trustees for the Year Ended 31 March 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
05206698 (England and Wales)

Registered Charity number
1120820

Registered office
South View
Lower Wall Road
West Hythe
Kent
CT21 4NW

Trustees

Mrs L Dodds	
Mr D J R Hill	- resigned 12.1.21
Mr B J Morrissey	- resigned 14.6.20
Mr C W A Vavasour	
Mr M W Bowles	- appointed 2.2.21
Mr P H Dawson	- appointed 2.2.21
Mr S Webber	- resigned 29.7.20

Chief Executive Officer

Mrs E Wood (until 31 August 2020)

Independent examiner

Ardor Business Solutions Limited
Chartered Certified Accountants
South View
Lower Wall Road
West Hythe
Kent
CT21 4NW

Solicitors

Winckworth Sherwood
Minerva House
5 Montague Close
LONDON
SE1 9BB

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Ashford Leisure Trust. is a company limited by guarantee and governed by its Memorandum and Articles of Association dated 16 August 2014. It became a charity registered with the Charity Commission on 12 September 2007.

Recruitment and appointment of new trustees

Trustees are appointed in accordance with the Memorandum and Articles of Association.

**Report of the Trustees
for the Year Ended 31 March 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

New trustees undergo an induction to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making process, the business plan and recent financial performance of the charitable company. During the induction process they meet trustees (if they have not met these already). Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisational structure

The board of trustees, which can have up to twelve members excluding representative trustees, administers the charitable company and manages the day to day operations of the charitable company. The Board meets as necessary to meet its charitable functions.

Risk management

The trustees have a duty to identify and review the risks to which the charitable company is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The trustees have a risk management document which is reviewed on an annual basis which includes action taken by the charitable company to mitigate significant risks. A key element in the management of financial risk is the setting of a reserves policy and its regular review by trustees.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The purposes of the charitable company as set out in the objects contained in the charitable company's Memorandum of Association are to:

- Benefit the public by providing facilities in the interests of social welfare and education with the objective of improving conditions of life through the provision of community leisure, sports centre, other recreational facilities and activities.
- Provide services to persons in need of such facilities living within the Borough of Ashford and the surrounding area.

Our aims, objectives and activities are reviewed each year to ensure that the charitable company remains focused on its stated purposes. We have referred to the guidance contained in the general guidance issued by the Charity Commission on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

During the year the Trustees decided to be a grant awarding trust using the reserves that would remain with them following the transfer of leisure operations to Wealden Leisure Limited . The objective changed to:

"To promote community participation in healthy recreational activity in the Borough of Ashford by providing grants, awards and/or financial assistance to individuals, clubs, organisations and/or sports teams"

How our activities deliver public benefit

All our charitable activities focus on the support of recreational and sporting facilities and services for the local community and are undertaken to further our charitable purpose for the benefit of the public.

Public Benefit Statement

The trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

**Report of the Trustees
for the Year Ended 31 March 2021**

OBJECTIVES AND ACTIVITIES

Grantmaking

Kent Community Foundation was identified as a suitable organisation to help manage and oversee the grant-giving process as well as to promote the grants during the year. £150,000 in Trust reserves were transferred to this organisation.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The main focus for the Trust during 2020/21 was the winding up of its operational functions following the outcome of a procurement process carried out with Ashford Borough Council (ABC), the leaseholder of the facilities, and the move towards its new function as a grant-giving entity.

The transfer of operational activities to Wealden Leisure Limited, trading as Freedom Leisure, which had been scheduled for 1st April 2020, finally took place on 1st September 2020 as a result of disruption due to Covid 19. During the transition period between April 2020 and July 2020, when leisure facilities remained closed due to the pandemic, staff were furloughed using Government funding. However, as July approached and furlough funding ceased temporarily, ABC requested that the Trust make most employees at the Stour Centre facility redundant, as they had made the decision with the new operator to fast track the planned refurbishments of the Stour Centre during the pandemic so that it would be ready for the summer of 2021 when it was hoped that leisure facilities would be fully operational again. This meant that rather than running the refurbishment alongside limited access to the Stour Centre, the Centre would be closed to expedite the work.

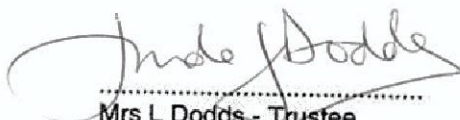
Although the Trustees were greatly saddened that this was being requested, they felt there was no option in the circumstances but to agree and the necessary arrangements were made for 110 members of staff to be made redundant. This was completed by the transfer date of September 1st. The cost of the redundancies was borne by ABC. A small number of staff (25) remained employed at the Julie Rose Stadium and were transferred to Freedom Leisure on September 1st, as this facility was opened for limited use whenever this was permitted by the government. As part of this operational transfer, the Trust agreed to donate £200,000 towards the refurbishment of the Stour Centre Facilities. This sum was deducted from the agreed purchase price for the remaining lease of the facilities held by ALT.

During the above process the Trustees focused on reviewing their objects for when they were no longer responsible for operational management of the leisure facilities. The Trustees decided to be a grant awarding trust using the reserves that would remain with them. The objective changed to:

"To promote community participation in healthy recreational activity in the Borough of Ashford by providing grants, awards and/or financial assistance to individuals, clubs, organisations and/or sports teams"

Two new trustees were appointed to the Board to assist in its new function. Kent Community Foundation was identified as a suitable organisation to help manage and oversee the grant-giving process as well as to promote the grants during the year. £150,000 in Trust reserves were transferred to this organisation and arrangements made to hold two grant-giving meetings each year, the first to be held in April 2021. The bulk of the remaining funds held by the Trust were invested in an expendable endowment with CCLA, an investment company specialising in managing investments for charities. This will enable the Trustees to draw down funds to support grant giving as needed in the future.

Approved by order of the board of trustees on 19 July 2021 and signed on its behalf by:


.....
Mrs L Dodds - Trustee
26/7/21

**Independent Examiner's Report to the Trustees of
Ashford Leisure Trust.**

I report on the accounts of the company for the year ended 31 March 2021, which are set out on pages five to thirteen.

Responsibilities and basis of report

As the charity's trustees (and also the directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, I have examined your charity's accounts as required under section 145 of the Charities Act 2011 ('the Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

My role is to state whether any material matters have come to my attention giving me cause to believe:

1. that accounting records were not kept as required by section 386 of the Companies Act 2006; or
2. that the accounts do not accord with those records; or
3. that the accounts do not comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the 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; or
4. that there is further information needed for a proper understanding of the accounts.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of FCCA FMAAT which is one of the listed bodies.

I have completed my examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the Directions of the Charity Commission I have found no matters that require drawing to your attention.



Bryan Michael Kemsley
FCCA FMAAT
Ardor Business Solutions Limited
Chartered Certified Accountants
South View
Lower Wall Road
West Hythe
Kent
CT21 4NW

Date: 19 July 2021

Statement of Financial Activities
(Incorporating an Income and Expenditure Account
and a Statement of Other Comprehensive Income)
for the Year Ended 31 March 2021

		Unrestricted funds £	Restricted funds £	31/3/21 Total funds £	31/3/20 Total funds £
	Not es				
INCOMING RESOURCES					
Incoming resources from generated funds					
Investment income	2	303	-	303	23,782
Incoming resources from charitable activities					
Operation of leisure and recreational sites		<u>833,506</u>	<u>-</u>	<u>833,506</u>	<u>2,861,538</u>
Total incoming resources		833,809	-	833,809	2,885,320
RESOURCES EXPENDED					
Charitable activities					
Operation of leisure and recreational sites		<u>961,649</u>	<u>4,921</u>	<u>966,570</u>	<u>2,923,822</u>
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS		(127,840)	(4,921)	(132,761)	(38,502)
Gross transfers between funds	11	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net incoming/(outgoing) resources before other recognised gains and losses		(127,840)	(4,921)	(132,761)	(38,502)
Other recognised gains/losses					
Gains/losses on investment assets		(7,958)	-	(7,958)	-
Scheme deficit transferred		1,331,000		1,331,000	
Actuarial gains/losses on defined benefit schemes		<u>-</u>	<u>-</u>	<u>-</u>	<u>408,000</u>
Net movement in funds		1,195,202	(4,921)	1,190,281	369,498
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>(510,795)</u>	<u>4,921</u>	<u>(505,874)</u>	<u>(875,373)</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>684,407</u></u>	<u><u>-</u></u>	<u><u>684,407</u></u>	<u><u>(505,875)</u></u>

The notes form part of these financial statements

Balance Sheet
At 31 March 2021

		Unrestricted funds £	Restricted funds £	31/3/21 Total funds £	31/3/20 Total funds £
	Notes				
FIXED ASSETS					
Tangible assets	6	-	-	-	89,695
CURRENT ASSETS					
Stocks		-	-	-	11,787
Debtors	7	110,327	-	110,327	75,032
Investments	8	492,042	-	492,042	-
Cash at bank and in hand		<u>98,138</u>	<u>-</u>	<u>98,138</u>	<u>864,197</u>
		700,507	-	700,507	951,016
CREDITORS					
Amounts falling due within one year	9	(16,100)	-	(16,100)	(206,472)
NET CURRENT ASSETS		<u>684,407</u>	<u>-</u>	<u>684,407</u>	<u>744,544</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		684,407	-	684,407	834,239
CREDITORS					
Amounts falling due after more than one year	10	-	-	-	(9,114)
PENSION LIABILITY	12	-	-	-	(1,331,000)
NET ASSETS/(LIABILITIES)		<u>684,407</u>	<u>-</u>	<u>684,407</u>	<u>(505,875)</u>
FUNDS	11				
Unrestricted funds				684,407	(510,795)
Restricted funds				<u>-</u>	<u>4,921</u>
TOTAL FUNDS				<u>684,407</u>	<u>(505,875)</u>

The notes form part of these financial statements

Balance Sheet - continued
At 31 March 2021

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

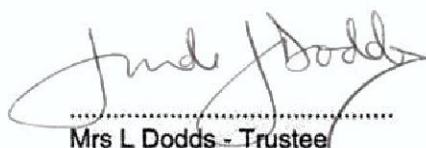
The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Trustees on 19 July 2021 and were signed on its behalf by:



.....
Mrs L Dodds - Trustee

20/7/21.

**Notes to the Financial Statements
for the Year Ended 31 March 2021**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

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

Plant and machinery etc	-	straight line over 3 years and 20% on cost
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Stocks

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

Taxation

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

Fund accounting

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

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

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

2. INVESTMENT INCOME

	31/3/21	31/3/20
	£	£
Rents received	-	21,731
Deposit account interest	<u>303</u>	<u>2,049</u>
	<u>303</u>	<u>23,782</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

3. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	31/3/21	31/3/20
	£	£
Depreciation - owned assets	15,119	36,424
Deficit on disposal of fixed asset	68,409	6,385
Other pension costs	24,277	150,643
Independent Examiner's remuneration	1,800	-
Auditors' remuneration	<u>-</u>	<u>8,705</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

5. STAFF COSTS

	31/3/21	31/3/20
	£	£
Wages and salaries	470,705	1,492,071
Social security costs	47,035	69,758
Other pension costs	<u>24,277</u>	<u>150,643</u>
	<u>542,017</u>	<u>1,712,472</u>

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

	31/3/21	31/3/20
Management	2	5
Support	3	7
Operational	<u>50</u>	<u>141</u>
	<u>55</u>	<u>153</u>

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

	31/3/21	31/3/20
£130,001 - £140,000	-	1
£220,001 - £230,000	<u>1</u>	<u>-</u>
	<u>1</u>	<u>1</u>

The total amount of employee benefits received by key management personnel during the year was £297,523 (2020: £231,662), including termination payments totalling £162,419. The charitable company considers that key personnel comprises of the Chief Executive Officer and the Centre Manager.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

6. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 April 2020	376,729
Additions	6,708
Disposals	<u>(383,437)</u>
At 31 March 2021	-
DEPRECIATION	
At 1 April 2020	287,034
Charge for year	15,119
Eliminated on disposal	<u>(302,153)</u>
At 31 March 2021	-
NET BOOK VALUE	
At 31 March 2021	-
At 31 March 2020	<u>89,695</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/3/21 £	31/3/20 £
Trade debtors	9,732	59,466
Other debtors	<u>100,595</u>	<u>15,566</u>
	<u>110,327</u>	<u>75,032</u>

8. CURRENT ASSET INVESTMENTS

	31/3/21 £	31/3/20 £
Other	<u>492,042</u>	-

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/3/21 £	31/3/20 £
Finance lease	-	6,462
Trade creditors	946	52,978
Taxation and social security	-	24,726
Other creditors	<u>15,154</u>	<u>122,306</u>
	<u>16,100</u>	<u>206,472</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31/3/21 £	31/3/20 £
Finance lease	<u>-</u>	<u>9,114</u>

11. MOVEMENT IN FUNDS

	At 1/4/20 £	Net movement in funds £	Scheme deficit transferred £	At 31/3/21 £
Unrestricted funds				
General fund	820,204	(135,797)	-	684,407
Pension reserve	<u>(1,331,000)</u>	<u>-</u>	<u>1,331,000</u>	<u>-</u>
	(510,796)	(135,797)	1,331,000	684,407
Restricted funds				
North School Funding of Ashford School				
Games	3,015	(3,015)	-	-
The Heart Group	<u>1,906</u>	<u>(1,906)</u>	<u>-</u>	<u>-</u>
	4,921	(4,921)	-	-
TOTAL FUNDS	<u>(505,875)</u>	<u>(140,719)</u>	<u>1,331,000</u>	<u>684,407</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	833,809	(961,649)	(7,958)	(135,798)
Restricted funds				
North School Funding of Ashford School				
Games	-	(3,015)	-	(3,015)
The Heart Group	<u>-</u>	<u>(1,906)</u>	<u>-</u>	<u>(1,906)</u>
	-	(4,921)	-	(4,921)
TOTAL FUNDS	<u>833,809</u>	<u>(966,570)</u>	<u>(7,958)</u>	<u>(140,719)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

11. MOVEMENT IN FUNDS - continued**Comparatives for movement in funds**

	At 1/4/19 £	Net movement in funds £	At 31/3/20 £
Unrestricted Funds			
General fund	725,657	94,547	820,204
Pension reserve	<u>(1,611,000)</u>	<u>280,000</u>	<u>(1,331,000)</u>
	(885,343)	374,547	(510,796)
Restricted Funds			
North School Funding of Ashford School Games	7,589	(4,574)	3,015
The Heart Group	<u>2,381</u>	<u>(475)</u>	<u>1,906</u>
	9,970	(5,049)	4,921
TOTAL FUNDS	<u><u>(875,373)</u></u>	<u><u>369,498</u></u>	<u><u>(505,875)</u></u>

Comparative 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	2,849,623	(2,755,076)	-	94,547
Pension reserve	<u>-</u>	<u>(128,000)</u>	<u>408,000</u>	<u>280,000</u>
	2,849,623	(2,883,076)	408,000	374,547
Restricted funds				
North School Funding of Ashford School Games	35,187	(39,761)	-	(4,574)
Ashford & District Heart Funding	510	(510)	-	-
The Heart Group	<u>-</u>	<u>(475)</u>	<u>-</u>	<u>(475)</u>
	35,697	(40,746)	-	(5,049)
TOTAL FUNDS	<u><u>2,885,320</u></u>	<u><u>(2,923,822)</u></u>	<u><u>408,000</u></u>	<u><u>369,498</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

11. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/19 £	Net movement in funds £	Scheme deficit transferred £	At 31/3/21 £
Unrestricted funds				
General fund	725,657	(41,250)		684,407
Pension reserve	<u>(1,611,000)</u>	<u>280,000</u>	<u>1,331,000</u>	<u>-</u>
	(885,343)	374,547	-	374,547
Restricted funds				
North School Funding of Ashford School Games	7,589	(7,589)	-	-
The Heart Group	<u>2,381</u>	<u>(2,381)</u>	<u>-</u>	<u>-</u>
	9,970	(9,970)	-	-
TOTAL FUNDS	<u>(875,373)</u>	<u>228,780</u>	<u>1,331,000</u>	<u>684,407</u>

A current year 12 months and prior year 12 months combined 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	3,683,429	(3,844,721)	400,042	238,750
Restricted funds				
North School Funding of Ashford School Games	35,187	(42,776)	-	(7,589)
Ashford & District Heart Funding	510	(510)	-	-
The Heart Group	<u>-</u>	<u>(2,381)</u>	<u>-</u>	<u>(2,381)</u>
	35,697	(45,667)	-	(9,970)
TOTAL FUNDS	<u>3,719,126</u>	<u>(3,890,388)</u>	<u>400,042</u>	<u>228,780</u>

12. PENSION COMMITMENTS

The charitable company operated a pension scheme providing benefits based on final pensionable pay. Contributions to the defined benefit scheme were charged to the Statement of Financial Activities in order to allocate the cost of providing the pension, recognising any actuarial surplus or deficit (where appropriate) over the working lives of the relevant employees as assessed in accordance with the advice of professionally qualified actuaries. The assets of the defined benefit pension scheme were held separately in an independently administered fund administered by Kent County Council.

The fund deficit was transferred to Ashford Borough Council upon transfer of facilities operations to Wealden Leisure Limited on 01 September 2020.