

**THE GILLINGHAM COMMUNITY AND LEISURE TRUST LIMITED**

**STATEMENT OF ACCOUNTS**

**FOR THE YEAR ENDED 30 JUNE 2021**

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**FLETCHER & PARTNERS**

**CHARTERED ACCOUNTANTS**

**SALISBURY**

**THE GILLINGHAM COMMUNITY AND LEISURE TRUST LIMITED**

**COMPANY INFORMATION**

<b>Directors:</b>	Mr P J Barber	Resigned 27 May 2021
	Mr P L Andrews	Resigned 25 June 2021
	Mrs S K Barber	
	Mr A Wynter	Appointed 24 March 2021
	Mr B A Moore	Resigned 20 February 2021
	Mr A M Seldon	Resigned 25 June 2021
	Mrs K E Seldon	Resigned 25 June 2021
	Mr T C L Drake	Appointed 17 June 2021
	Mr H M Hebditch	Appointed 17 June 2021
	Mr R H Messer	Appointed 17 June 2021
	Mr B Von Clemens	Appointed 17 June 2021
Mr P P Wilson	Appointed 17 June 2021	

<b>Key Management Personnel</b>	Mr A Waistell	General Manager
	Mr J Parry	Operations Manager
	Mr W Magee	Finance Manager

**Registered Office** Riversmeet, Hardings Lane, Gillingham, Dorset, SP8 4HX

<b>Advisers:</b>	Bankers	Lloyds Bank plc
	Accountants	Fletcher & Partners, Crown Chambers, Bridge Street, Salisbury SP1 2LZ
	Solicitors	Wilsons LLP, Alexandra House, St Johns Street, Salisbury SP1 2SB

**Company Number:** Registered Company Number 06868510

**Charity Number:** Registered Charity Number 1138571

**THE GILLINGHAM COMMUNITY AND LEISURE TRUST LIMITED**  
**TRUSTEE DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

The Trustee Directors (hereinafter referred to as Trustees) present the Annual Report and Accounts for the year ended 30 June 2021, which have been prepared so as to comply with the provisions of the Companies Act 2006, the Charities Act 2011 and 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).

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Charity is a company limited by guarantee. It was incorporated in England on 3 April 2009. The company was registered as a Charity with the Charity Commission on 26 October 2010. The company (hereinafter referred to as the Trust or Charity) is operated by its Trustees who meet periodically. New Trustees are recruited from among people who have an interest in furthering the aims of the Charity with a view to ensuring that all the necessary competencies are represented within the trustee body.

## **BACKGROUND TO FORMATION OF THE TRUST, ITS ACTIVITIES AND OBJECTIVES**

The Charity is a subsidiary of The Three Rivers Partnership, a community partnership for Gillingham and the surrounding area of North Dorset. The Charity was established to initially manage the redevelopment and construction of the RiversMeet Centre in Gillingham, which was reopened in August 2010.

## **A SUMMARY OF THE OBJECTS OF THE CHARITY AS SET OUT IN ITS GOVERNING DOCUMENT**

The Charity's objects are: the promotion for the public benefit of community participation in healthy recreation for the benefit of the inhabitants of Gillingham, Dorset, and the surrounding areas in particular the provision of facilities for swimming, basketball, badminton, netball, indoor hockey, five a side football, gymnastics and fitness exercises and such other charitable healthy recreational sports or activities as the Trustees shall from time to time determine, and such other lawful charitable purposes for the public benefit as the Trustees shall from time to time determine.

## **SUMMARY OF MAIN ACTIVITIES OF THE CHARITY IN RELATION TO ITS OBJECTS**

The Charity operates the RiversMeet Centre in Gillingham which has been open to paying customers since August 2010. The Charity continues to provide the public with facilities for exercise and actively promotes the benefits of a healthy lifestyle. The Charity is managed on a self-sustaining basis. The Charity operates a café and sells a selection of swimming related items as part of the overall leisure centre offering to the public.

## **STRATEGIC REVIEW**

### **ACHIEVEMENTS AND PERFORMANCE OF THE CHARITY**

2020-2021 was a tough year for the whole of the Leisure Industry, which is noted as being one of the most severely hit by the Covid epidemic. This, however should not take away from the achievements of the charity throughout this tough period. During the period following national lockdowns, it was evident that our pivotal place within the community was enabling the Charity to 'bounce back' quicker than the majority. This coupled with effective management and cost savings endured that the cash position of the charity remains stable, despite the external pressures which were out of our control.

The charity has in recent years focussed its activities on ensuring that the quality of service and equipment that is offered to the local community is of the highest standards. This is achieved through inwardly investing in the business, and despite the impact of Covid, the charity was able to invest in replacing the pool gullies and a number of tiles. This investment ensures that our pool is of, and will remain, the best quality facility within the area. GCLT also able to invest in extending our gym space, ensuring that we could maintain pre-Covid levels of usage and safety for our customers.

Whilst initial bounce back from Lockdown 1 was in line with industry expectations, GCLT saw parts of its business exceeding expectations significantly. Our swim school, buoyed by increase space within our timetable, expanded rapidly. By the end of the financial year and alongside the governments Covid vaccination programme, there is confidence that the whole business could return to pre-Covid membership numbers during the next financial year.

**THE GILLINGHAM COMMUNITY AND LEISURE TRUST LIMITED**  
**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

### **NATURE OF THE GOVERNING DOCUMENT AND CONSTITUTION OF THE CHARITY**

The Charity is constituted as a company limited by guarantee and is therefore governed by a memorandum and articles of association. The directors of the company are also trustees of the Charity. Eligibility for membership of the Charity, and of the board of trustees is governed by the memorandum and articles of association. The charity objects restrict the Charity to the operation of leisure facilities for the benefit of local residents.

### **THE METHODS ADOPTED FOR THE RECRUITMENT AND APPOINTMENT OF NEW TRUSTEES**

The board aims to have a minimum of five trustees serving at any particular time. At least one trustee shall also be a trustee of The Three Rivers Partnership, Dorset. New trustees are provided with training after they have been appointed.

### **THE ORGANISATIONAL STRUCTURE OF THE CHARITY AND HOW DECISIONS ARE MADE**

The board of trustees meets regularly as a full board. The board reviews the operation of the leisure centre and takes all the key strategic and investment decisions. The day-to-day operation of the leisure centre is delegated to the management team led by Alan Waistall, the General Manager.

The company is a subsidiary company of The Three Rivers Partnership, Dorset, which is a charity that works closely with statutory, non statutory and other representational bodies to promote community participation in healthy recreation.

### **POLICIES ON RESERVES**

The trustees have resolved to establish reserves to provide for future activities, and the trustees have wide powers of investment. The majority of the Charity's reserves are represented by fixed assets following the development of the RiversMeet Centre.

### **RISK**

The trustees have identified the major risks affecting the charity and regularly review these risks to ensure that the risks are managed effectively by the charity trustees and management.

### **FINANCIAL REVIEW**

The company received income of £839,241 (2020: £1,092,749) which was largely represented by £456,401 of income received from users of RiversMeet Leisure Centre (2020: £827,483). This greatly reduced level of income was a result of the centre being compulsorily closed for several months under government Covid 19 restrictions. During the year £302,371 of grant income was received from various Covid 19 support schemes (2020: £113,152). The company incurred expenditure of £1,002,885 (2020: £1,214,321). The company has recorded a deficit of £163,644 compared to a deficit of £121,572 for the previous year, but in both years there were operating surpluses before depreciation charges recognised.

The company had net assets at 30 June 2021 of £3,776,772 (2020: £3,940,416). Net assets have decreased reflecting the depreciation of the leisure centre and associated equipment. Cash at 30 June 2021 was £218,153 compared with £209,510 in the prior year.

### **THE FUTURE**

Whilst the site has been successful with its handling of the impact of Covid, this period also highlighted a number of issues that being a single site, fully independent provider of Leisure services will hold in the coming 10 years. With forward thinking these issues can be alleviated, but there is a need to start working on these changes early in order to ensure they have come to fruition before the charity suffers.

With this in mind, GCLT and 3RP have started working together in order to form a new CIC which will provide executive management services, not only for Riversmeet, but also other leisure providers throughout the industry. With the expansion of the business, additional revenue streams will open up and provide extra funds for investment back into community projects.

It has also been identified that as part of this process there is a requirement for expansion within the local community, bringing new facilities and further additional trading streams.

**THE GILLINGHAM COMMUNITY AND LEISURE TRUST LIMITED**  
**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**PUBLIC BENEFIT**

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 public benefit guidance published by the Charity Commission. Specifically, the trustees consider that the facilities for recreation and leisure will be available to all members of the community.

**ACCOUNTING AND REPORTING RESPONSIBILITIES**

Charity law requires the Trustees to prepare financial statements, for each financial period, in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP) which give a true and fair view of the financial activities of the company during the year and of its financial position at the end of the period.

In preparing those statements, the Trustees are required to:

- 1) Select suitable accounting policies and then apply them consistently;
- 2) Make judgements and estimates that are reasonable and prudent;
- 3) State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- 4) Prepare the accounts on a going concern basis unless it is inappropriate to assume that the company will continue in operation.

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

The Trustees confirm that, so far as they are aware, there is no relevant audit information of which the company's auditors are unaware; and each Trustee has taken steps which he or she ought to have taken as a Trustee to make The Charity's objects are:  
that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Signed on behalf of the Trustees:



Approved by the Trustees on

29 June 2022

Mr T C L Drake

**THE GILLINGHAM COMMUNITY AND LEISURE TRUST LIMITED**  
**INDEPENDENT AUDITORS' REPORT**  
**TO THE TRUSTEES OF THE GILLINGHAM COMMUNITY & LEISURE TRUST LIMITED**

## **Opinion**

We have audited the financial statements of The Gillingham Community and Leisure Trust Limited (the "Charity") for the year ended 30 June 2021 which comprise the Statement of Financial Activities, Balance Sheet, the Cashflow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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:

- i) give a true and fair view of the state of the Charity's affairs as at 30 June 2021 and of its income and expenditure for the year then ended;
- ii) have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- iii) have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity 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.

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

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

We have nothing to report in this regard.

**THE GILLINGHAM COMMUNITY AND LEISURE TRUST LIMITED**  
**INDEPENDENT AUDITORS' REPORT**  
**TO THE TRUSTEES OF THE GILLINGHAM COMMUNITY & LEISURE TRUST LIMITED**  
**CONTINUED**

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- i) the information given in the trustee directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ii) the trustee directors' report have 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 Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustee directors' report.

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

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

**Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement on page 4, the trustees 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 they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

**THE GILLINGHAM COMMUNITY AND LEISURE TRUST LIMITED**  
**INDEPENDENT AUDITORS' REPORT**  
**TO THE TRUSTEES OF THE GILLINGHAM COMMUNITY & LEISURE TRUST LIMITED**  
**CONTINUED**

**Auditor's responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our work on income includes reviewing income streams for completeness and cut-off, which we consider gives good assurance over the accuracy of income and debtors in the accounts. Our work on creditors and expenditure is also considered capable of giving assurance that costs are valid business expenses and included in the correct accounting period. Work on compliance with laws and regulations is limited to inspection of correspondence and enquiry of management and so there are inherent limitations in these audit procedures.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [[www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities)]. This description forms part of our auditor's report.

This report is made solely to the Charity'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 Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Fletcher, Senior Statutory Auditor  
for and on behalf of Fletcher & Partners,  
Chartered Accountants and Statutory Auditors

Crown Chambers  
Bridge Street  
Salisbury

29 June 2022



**THE GILLINGHAM COMMUNITY AND LEISURE TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING INCOME & EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	<u>Notes</u>	<u>Unrestricted</u> <u>Fund</u> <u>2021</u> <u>£</u>	<u>Restricted</u> <u>Fund</u> <u>2021</u> <u>£</u>	<u>Total</u> <u>Funds</u> <u>2021</u> <u>£</u>	<u>Total</u> <u>Funds</u> <u>2020</u> <u>£</u>
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations, legacies and grants	2	337,371	-	337,371	113,152
Charitable activities	3	456,401	-	456,401	827,483
Other trading income	4	45,449	-	45,449	152,067
Investment income	5	20	-	20	47
<b>Total Income</b>		<b>839,241</b>	<b>-</b>	<b>839,241</b>	<b>1,092,749</b>
<b>EXPENDITURE ON:</b>					
Raising funds	6	29,112	-	29,112	86,921
Charitable activities	7	772,456	184,607	957,063	1,127,400
Other expenditure	7	16,710	-	16,710	-
<b>Total Expenditure</b>		<b>818,278</b>	<b>184,607</b>	<b>1,002,885</b>	<b>1,214,321</b>
<b>Net income/(expenditure)</b>		<b>20,963</b>	<b>(184,607)</b>	<b>(163,644)</b>	<b>(121,572)</b>
<b>Transfers between funds</b>	25	<b>3,432,745</b>	<b>(3,432,745)</b>	<b>-</b>	<b>-</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>3,453,708</b>	<b>(3,617,352)</b>	<b>(163,644)</b>	<b>(121,572)</b>
<b>RECONCILIATION OF FUNDS</b>					
Fund Balances brought forward	20	£298,064	£3,642,352	£3,940,416	£4,061,988
Fund Balances carried forward	20	£3,751,772	£25,000	£3,776,772	£3,940,416

The results derive from continuing activities and there are no gains or losses other than those shown above.

The notes on pages 11 - 19 form part of these accounts

**THE GILLINGHAM COMMUNITY AND LEISURE TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**

**COMPANY NUMBER: 06868510**

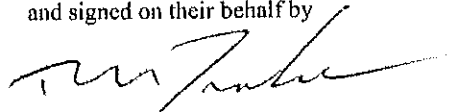
**BALANCE SHEET**

**AS AT 30 JUNE 2021**

	<u>Notes</u>	2021 £	2020 £
<b>FIXED ASSETS</b>	11	4,473,117	4,585,020
<b>CURRENT ASSETS</b>			
Stock	12	3,847	3,749
Debtors	13	131,392	73,981
Cash at bank and in hand		218,153	209,510
		<u>353,392</u>	<u>287,240</u>
<b>CREDITORS : amounts falling due within one year</b>			
Creditors	14	(181,702)	(146,823)
<b>NET CURRENT ASSETS</b>		<u>171,690</u>	<u>140,417</u>
<b>CREDITORS : amounts falling due after more than one year</b>	15	(812,657)	(749,387)
<b>PROVISIONS</b>	16	(55,378)	(35,634)
<b>NET ASSETS</b>		<u>£3,776,772</u>	<u>£3,940,416</u>
Representing :			
<b>UNRESTRICTED INCOME FUNDS</b>			
General fund	20	3,751,772	298,064
<b>RESTRICTED INCOME FUNDS</b>			
Restricted funds	20	25,000	3,642,352
		<u>£3,776,772</u>	<u>£3,940,416</u>

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

Approved by the Trustees on  
and signed on their behalf by

  
Mr T C L Drake

Director

The notes on pages 11 - 19 form part of these accounts

**THE GILLINGHAM COMMUNITY AND LEISURE TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**COMPANY NUMBER: 06868510**

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021**

	2021	2020
	£	£
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net cash provided by (used in) operating activities a	9,325	204,027
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	20	47
Proceeds from the sale of property, plant and equipment	-	-
Purchase of property, plant and equipment	(72,702)	(418,690)
Net cash provided by (used in) investing activities	(72,682)	(418,643)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
New borrowing	165,000	388,200
Repayment of borrowing	(93,000)	(73,000)
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD</b>	£8,643	£100,584
Cash and cash equivalents at the beginning of the reporting period	209,510	108,926
Cash and cash equivalents at the end of the reporting period	<u>£218,153</u>	<u>£209,510</u>

**NOTES TO THE CASH FLOW STATEMENT**

<b>a. Reconciliation of net income/(expenditure) with net cash flow from operating activities</b>	<b>2021</b>	<b>2020</b>
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(163,644)	(121,572)
Adjustments for:		
Depreciation and impairment charges	184,530	201,059
Dividends and interest from investments	(20)	(47)
(Profit)/loss on disposal of fixed assets	77	-
(Increase)/decrease in stock	(98)	515
(Increase)/decrease in debtors	(57,411)	29,892
Increase/(decrease) in creditors	26,147	58,546
Increase/(decrease) in provision	19,744	35,634
Net cash flow provided by (used in) operating activities	<u>£9,325</u>	<u>£204,027</u>
<b>b. Components of cash and cash equivalents:</b>	<b>2021</b>	<b>2020</b>
Cash at bank and in hand	<u>£218,153</u>	<u>£209,510</u>

The notes on pages 11 to 19 form part of these accounts.

**THE GILLINGHAM COMMUNITY AND LEISURE TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

## 1. ACCOUNTING POLICIES

### a. Basis of accounting

The Accounts have been prepared in accordance with 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 January 2019) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Having reviewed the finances of the company, together with the expected on-going demand for service and future projected cashflows, the Trustees have a reasonable expectation that there are adequate resources to continue its activities for the foreseeable future, and that there are no material uncertainties of continuing as a going concern.

This is explained in more detail in Note 24.

### Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, the Trustees are required to make judgements, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

### b. Tangible Fixed Assets

Capital assets are capitalised at cost. Tangible fixed assets are depreciated on a straight line basis over their anticipated useful economic lives, using the following annual rates:

Freehold property	2% straight line
General plant and equipment	25% reducing balance
Heat exchanger	5% straight line

Impairment reviews are undertaken to identify the carrying value of fixed assets is appropriate.

**THE GILLINGHAM COMMUNITY AND LEISURE TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**c. Income**

All income is recognised on the receivable basis, unless it is deferred, and is exclusive of VAT. Leisure centre membership subscriptions have been recognised in the period that they are paid. Income received that relates to future accounting periods is treated as deferred income and is treated as a liability. Income is allocated to the appropriate accounting period.

**d. Grants and donations**

Grants received are generally accounted for using the 'performance' model. Grants and Donations receivable for general purposes are credited to Unrestricted Income when entitlement arises, the amount can be quantified, and when receipt is probable. Capital grants are released over the life of the associated assets. Grants and donations for specific purposes are accounted for as receivable and are treated as forming restricted funds.

**e. Charitable activities**

Charitable expenditure shall include all expenditure directly related to the objects of the Charity.

**f. Expenditure**

Expenditure is recognised on an accruals basis as a liability is incurred. The Charity is able to partially recover VAT and irrecoverable VAT is reported as part of the expenditure to which it relates.

**g. Pensions**

Employer pension contributions are paid under a defined contribution pension scheme. The assets of the scheme are held separately. Contributions are charged as expenditure in the period for which they become payable to the pension scheme.

**h. Governance costs**

These costs represent the costs incurred by the Charity in respect of management and administrative expenditure and compliance with statutory and legal requirements.

**i. Fund Accounting**

Funds held by the charity fall into the following categories:

- (i) **Unrestricted general funds:**  
These are funds which can be used, at the discretion of the trustees, in accordance with the charitable objects of the Charity.
- (ii) **Restricted funds:**  
These are funds which can only be used by the Charity for particular purposes. Restrictions arise either when they are specified by the donor or when funds are raised for a specific purpose. The restriction is that the funds have to be spent on a specific project. It is the policy of the board of trustees to carefully monitor the application of these funds in accordance with the restrictions placed on them.

**j. Financial Instruments**

The Company only enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, and loans from third parties.

**k. Stock**

Stock held comprises goods held for resale in the shop and catering supplies for the Café. These are recognised at the lower of cost and net realisable value.

**THE GILLINGHAM COMMUNITY AND LEISURE TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**2. VOLUNTARY INCOME**

	<u>2021</u>	<u>2020</u>
Donations	35,000	-
Grants - Public sector (CJRS, CLRF, and Covid-support)	302,371	113,152
	<u>£337,371</u>	<u>£113,152</u>

**3. INCOME FROM CHARITABLE ACTIVITIES**

	<u>2021</u>	<u>2020</u>
Leisure centre memberships and admission fees	456,401	827,483
	<u>£456,401</u>	<u>£827,483</u>

**4. OTHER TRADING ACTIVITIES**

	<u>2021</u>	<u>2020</u>
Café, shop and other activities	40,416	136,201
Rental income	5,033	15,866
	<u>£45,449</u>	<u>£152,067</u>

**5. INVESTMENT INCOME**

	<u>2021</u>	<u>2020</u>
Bank deposit interest	20	47
	<u>£20</u>	<u>£47</u>

**6. RAISING FUNDS**

	<u>2021</u>	<u>2020</u>
	29,112	86,921
Café, shop and other activities expenditure	<u>£29,112</u>	<u>£86,921</u>

**7. CHARITABLE ACTIVITIES****a. Costs of Charitable Activities**

	<u>Direct Costs</u>	<u>Support Costs</u>	<u>Total 2021</u>	<u>Total 2020</u>
Operation of RiversMeet Leisure Centre	860,259	113,514	973,773	1,127,400
	<u>£860,259</u>	<u>£113,514</u>	<u>£973,773</u>	<u>£1,127,400</u>

**b. Support Costs**

These constitute management and administrative costs which are incurred to enable the charity to carry out its activities. They are made up as follows:

	<u>2021</u>	<u>2020</u>
Management	63,655	61,919
Finance	7,856	10,953
Central office expenses	34,997	72,373
Governance (audit and accountancy)	8,305	5,900
	<u>£114,813</u>	<u>£151,145</u>

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**7. CHARITABLE ACTIVITIES****b. Support Costs (Continued)**

These costs have been allocated to the charity's charitable activities and governance on the basis of the usage of these resources by the various activities, as follows:

	<u>2021</u>	<u>2020</u>
Charitable activities	113,514	144,607
Other trading activities	1,299	6,538
	<u>£114,813</u>	<u>£151,145</u>

**c. Other Expenditure**

The charity incurred strategic planning costs of £16,710 relating to work on new income streams and a proposed restructuring.

**8. NET EXPENDITURE FOR THE YEAR**

This is stated after charging (crediting):

	<u>2021</u>	<u>2020</u>
Depreciation	184,530	201,059
Auditor's remuneration	4,000	4,000
Accountancy services provided by Auditor	4,305	1,900
	<u>                    </u>	<u>                    </u>

**9. STAFF COSTS**

	<u>2021</u>	<u>2020</u>
Wages and salaries	543,775	589,174
National insurance	23,031	29,150
Pension contributions	7,100	7,564
	<u>£573,906</u>	<u>£625,888</u>
Average number of employees: Leisure Centre	<u>58</u>	<u>56</u>

No employees were paid £60,000 or higher in either year.

Key management personnel employee benefits (including Employers NI and Pension) were £97,930 (2020: £95,204).

Pension commitments outstanding at the year end were £698 (2020: £1,231)

**10. OPERATING LEASES**

The total of future minimum lease payments under non-cancellable operating leases were:

	<u>2021</u>	<u>2020</u>
Not later than one year;	2,400	1,440
Later than one year and not later than five years;	9,000	5,400
Later than five years; and	-	-
	<u>11,400</u>	<u>6,840</u>

Lease payments recognised as an expense in year were £2,026 (2020: £4,169).

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**11. TANGIBLE FIXED ASSETS**

	<u>Freehold</u> <u>Property</u>	<u>Equipment</u>	<u>Total</u>
<b>COST</b>			
At 1 July 2020	4,962,134	981,656	5,943,790
Additions	-	72,702	72,702
Disposals	-	(181)	(181)
At 30 June 2021	<u>4,962,134</u>	<u>1,054,177</u>	<u>6,016,311</u>
<b>DEPRECIATION</b>			
At 1 July 2020	999,461	359,309	1,358,770
Charge for the year	106,590	77,940	184,530
Disposals	-	(106)	(106)
At 30 June 2021	<u>1,106,051</u>	<u>437,143</u>	<u>1,543,194</u>
<b>NET BOOK VALUE</b>			
At 1 July 2020	<u>£3,962,673</u>	<u>£622,347</u>	<u>£4,585,020</u>
At 30 June 2021	<u>£3,856,083</u>	<u>£617,034</u>	<u>£4,473,117</u>

**12. STOCK**

	<u>2021</u>	<u>2020</u>
Stock - café and retail	3,847	3,749
	<u>£3,847</u>	<u>£3,749</u>

**13. DEBTORS**

	<u>2021</u>	<u>2020</u>
Trade debtors	64,236	2,546
Other debtors within one year	11,206	10,000
Other debtors falling due after one year	50,000	54,824
Prepayments and accrued income	5,950	6,611
	<u>£131,392</u>	<u>£73,981</u>

**14. CREDITORS: Amounts falling due within one year**

	<u>2021</u>	<u>2020</u>
Loans	25,367	44,130
Trade creditors	21,549	17,120
Other taxes and social security	8,091	4,856
Obligations under finance leases	45,793	31,508
Other creditors	7,918	6,509
Accruals and deferred income	72,984	42,700
	<u>£181,702</u>	<u>£146,823</u>

The loan balance constitutes the proportion of the CBILS Loan of £165,000 repayable within one year.



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**15. CREDITORS: Amounts falling after more than one year**

	<u>2021</u>	<u>2020</u>
Obligations under finance leases	7,912	52,051
Other creditors	155,185	138,539
Loan account	649,560	558,797
	<u>£812,657</u>	<u>£749,387</u>

The loan account is made up of three balances:

- North Dorset District Council interest free loan, repayable in equal instalments over 22 years. The final repayment was due in 2039 but the arrangement is being reviewed in the wake of the COVID pandemic and the remaining balance of £267,727 is all disclosed as falling due after one year, and repayable after more than five years, until the review is complete.
- Unsecured loan of £242,200 from unrelated party for purchase of the new heat exchanger. All disclosed as due after one year.
- CIBLS loan of £140,588 for which repayments begin in November 2021.

Loan repayable after more than five years £267,727 (2020: £267,727).

**16. PROVISIONS**

	<u>2021</u>	<u>2020</u>
Brought forward 01 July 2020	35,634	-
Provision made in year for income reclaims	24,569	35,634
Provision used in year	(4,825)	-
Carried forward 30 June 2021	<u>55,378</u>	<u>35,634</u>

**17. DEFERRED INCOME**

	<u>2020</u>	<u>To SOFA</u>	<u>Movement</u>	<u>2021</u>
Creditors less than one year	9,169	(9,169)	44,794	44,794
Creditors greater than one year	138,539	(8,347)	23,151	153,343
	<u>£147,708</u>	<u>(£17,516)</u>	<u>67,945</u>	<u>£198,137</u>

Deferred income is comprised of income paid in advance for services in future years and grants deferred, either over the life of the related asset (capital) or relating to costs incurred in future accounting periods (revenue).

**18. ULTIMATE CONTROLLING PARTY**

The Gillingham Community and Leisure Trust Limited is a wholly owned subsidiary company of The Three Rivers Partnership (based in the UK in Gillingham, Dorset - Charity Registration number 1106977 Company number 04801788) and is ultimately controlled by the trustees and members of that company. Its objects are to promote the benefit of those who live and work in Gillingham and the surrounding area, including the provision of facilities in the interests of social welfare for recreation and leisure time occupation. Copies of the consolidated accounts can be obtained by writing to Riversmeet, Gillingham.

**THE GILLINGHAM COMMUNITY AND LEISURE TRUST LIMITED**  
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**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

Fund balances at 30 June 2021 were represented by the following assets and liabilities:

	Unrestricted Funds 2021	Restricted Funds 2021	Total 2021	Total Funds 2020
Tangible fixed assets	4,473,117	-	4,473,117	4,585,020
Current assets	328,392	25,000	353,392	287,240
Current liabilities	(181,702)	-	(181,702)	(146,823)
Long term liabilities	(812,657)	-	(812,657)	(749,387)
Provisions	(55,378)	-	(55,378)	(35,634)
	<u>£3,751,772</u>	<u>£25,000</u>	<u>£3,776,772</u>	<u>£3,940,416</u>

**19. COMPARATIVE YEAR - ANALYSIS OF NET ASSETS BETWEEN FUNDS**

Fund balances at 30 June 2020 were represented by the following assets and liabilities:

	Unrestricted Funds 2020	Restricted Funds 2020	Total 2020
Tangible fixed assets	13,833	4,571,187	4,585,020
Current assets	284,231	3,009	287,240
Current liabilities	-	(146,823)	(146,823)
Long term liabilities	-	(749,387)	(749,387)
Provisions	-	(35,634)	(35,634)
	<u>£298,064</u>	<u>£3,642,352</u>	<u>£3,940,416</u>

**20. FUNDS**

	Balance 30.06.2020	Income	Expenditure	Transfers (See note 25)	Balance 30.06.2021
<b>Unrestricted funds</b>					
General fund	298,064	839,241	(818,278)	3,432,745	3,751,772
<b>Restricted funds</b>					
Leisure Centre refurbishment	3,642,352	-	(184,607)	(3,432,745)	25,000
	<u>£3,940,416</u>	<u>£839,241</u>	<u>(£1,002,885)</u>	<u>£3,432,745</u>	<u>£3,776,772</u>

**Purposes of Restricted Funds**

Leisure Centre refurbishment:

The charity is responsible for the refurbishment and operation of the RiversMeet leisure centre.

**COMPARATIVE YEAR - FUNDS**

	Balance 30.06.2019	Income	Expenditure	Balance 30.06.2020
<b>Unrestricted funds</b>				
General fund	218,577	1,092,749	(1,013,262)	298,064
<b>Restricted funds</b>				
Leisure Centre refurbishment	3,843,411	-	(201,059)	3,642,352
	<u>£4,061,988</u>	<u>£1,092,749</u>	<u>(£1,214,321)</u>	<u>£3,940,416</u>

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**21. TRUSTEE REMUNERATION & RELATED PARTY TRANSACTIONS**

Following Board approval, payments totalling £11,250 were made to Wyndham Software for work on prospective business development plans. Mr P J Barber is a director of the company.

No trustee or person related to the charity had any personal interest in any contract or transaction entered into by the charity during the period.

The charity has repaid the £20,000 loan from its parent, the Three Rivers Partnership, in year.

**22. SUBSIDIARY COMPANY**

Thrive Community Services Limited is a wholly owned subsidiary company of The Gillingham Community and Leisure Trust Limited. The subsidiary company is dormant and has never traded. Thrive Community Services Limited is a company limited by guarantee and has no share capital. As the company has no assets or liabilities and has no transactions there is no requirement to prepare consolidated accounts.

**23. CAPITAL COMMITMENTS**

The charity has no capital commitments at 30 June 2021.

**24. IMPACT OF COVID-19**

In ordinary times the charity derives virtually all its income from the operation of the Riversmeet leisure centre. This activity has been greatly curtailed as a result of the Covid-19 pandemic and in particular the measures taken by the government with the aim of mitigating its effects. The leisure centre was again closed for much of the year and during those periods the charity relied on government support including the Coronavirus Job Retention Scheme, although this support is not sufficient to make up for all of the income, and on other support grants available to the sector. The charity has also taken advantage of funding available under the Coronavirus Business Interruption Loan Scheme.

The trustees have prepared budgets and cashflow forecasts up to 30 June 2023. These are considered to reflect prudent assumptions about the rate at which leisure centre users will return, and to model realistic future refinancing plans. In light of this, the Trustees have concluded that the charity is a going concern and therefore the accounts have therefore been prepared on the going concern basis.

**25. FUND TRANSFERS**

Historically the bulk of restricted funds related to grants and loans to fund the refurbishment and operation of the leisure centre. This funding has been expended on fixed assets, either the leisure centre building and equipment. The trustees are satisfied that the expenditure has been in line with the conditions of the restricted grants and so the restriction is deemed to have been met, and that it is appropriate to treat the net assets as unrestricted funds. Accordingly the balance was transferred at the year end, apart from the £25k of funds transferred from the Three Rivers Partnership for the provision of community facilities. In the event of the charitable company being wound up or dissolved the remaining net assets will be transferred to a charity with similar charitable objects.

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**26. COMPARATIVE YEAR STATEMENT OF FINANCIAL ACTIVITIES**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING INCOME & EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 30 JUNE 2020**

	<u>Notes</u>	<u>Unrestricted</u> <u>Fund</u> <u>2020</u> <u>£</u>	<u>Restricted</u> <u>Fund</u> <u>2020</u> <u>£</u>	<u>Total</u> <u>Funds</u> <u>2020</u> <u>£</u>	<u>Total</u> <u>Funds</u> <u>2019</u> <u>£</u>
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations, legacies and Government grants	2	113,152	-	113,152	129
Charitable activities	3	827,483	-	827,483	935,880
Other trading income	4	152,067	-	152,067	206,598
Investment income	5	47	-	47	38
<b>Total Income</b>		<u>1,092,749</u>	<u>-</u>	<u>1,092,749</u>	<u>1,142,645</u>
<b>EXPENDITURE ON:</b>					
Raising funds	6	86,921	-	86,921	87,548
Charitable activities	7	926,341	201,059	1,127,400	1,146,457
<b>Total Expenditure</b>		<u>1,013,262</u>	<u>201,059</u>	<u>1,214,321</u>	<u>1,234,005</u>
<b>Net income/(expenditure)</b>		<u>79,487</u>	<u>(201,059)</u>	<u>(121,572)</u>	<u>(91,360)</u>
<b>NET MOVEMENT IN FUNDS</b>		<u>79,487</u>	<u>(201,059)</u>	<u>(121,572)</u>	<u>(91,360)</u>
<b>RECONCILIATION OF FUNDS</b>					
Fund Balances brought forward	20	<u>£218,577</u>	<u>£3,843,411</u>	<u>£4,061,988</u>	<u>£4,153,348</u>
Fund Balances carried forward	20	<u>£298,064</u>	<u>£3,642,352</u>	<u>£3,940,416</u>	<u>£4,061,988</u>

The results derive from continuing activities and there are no gains or losses other than those shown above.