



**LEVEL
WATER**

Annual Report and
Audited Consolidated
Financial Statements
2022 – 2023

Level Water

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Level Water

Reference and Administrative Details

Directors and Trustees	Stuart Rhodes Mark Haslam Gemma Jennings
Chief Executive Officer	Ian Thwaites
Charity Registration Number	1151510
Company Registration Number	08091814
Registered Office	The House Monson Road Tunbridge Wells TN1 1LS
Statutory Auditor	RBCA Limited Linenhall Exchange 26 Linenhall Street Belfast BT2 8BG

Level Water

Chair's Statement for the Year Ended 30 September 2023

Our fastest year of growth

2022-23 has been our fastest-ever year of growth, providing 30,000 one-to-one swimming lessons and working at 126 swimming pools by September 2023. We are now working to increase the number of children at each pool through the provision of small group lessons and dedicated "Inclusion Specialist" teachers.



Joy in the water

Learning to swim gives you access to experiences in, on, and around the water for the rest of your life. Whether it's river swims, jumping off cliffs, riding the water slides, surfing or simply playing in the pool on holiday, learning to swim makes many other activities possible and safe. Our aim for Level Water's swimmers is to enjoy their lessons and learn to swim, but also to experience some of the benefits that swimming offers you. We now offer a range of indoor and outdoor fun experiences to show the benefits of swimming throughout a lifetime.

New normal for our pools

Leisure operators continue to work through challenging times with ageing facilities, higher power prices and more competition in other parts of their businesses. Together these all increase pressure on the revenue from swimming lessons, and make it harder to commit teacher resource and water time to our adaptive swimming lessons. We are grateful to have partners who share our belief in equality and inclusion in the face of these challenges.

Event and fundraising growth

We now operate one of the largest and most popular swimming event organisations in the country, with the Bantham Swoosh substantially oversubscribed. We have moved the Dart10k finish to Lower Greenway Farm - part of Agatha Christie's estate - with the support of the National Trust. Our series of 24-hour relay swims has grown to four, and these have a unique atmosphere without competition but full of friendship, community and joy.

Capacity to solve the problem

We piloted a new approach with an "Inclusion Specialist" teacher in Sunderland, with our swim school partners "in at the deep end". Level Water is funding an additional teacher to be available any time during the swimming lesson timetable (similar to a classroom assistant in a school). This gives us capacity for one-to-one and small-group lessons throughout the week. We now have 67 children swimming in Sunderland, and at this scale can provide adaptive swimming for any child who needs it. This means in Sunderland, we are now able to offer lessons to children with any disability. We are now rolling out this model across the country, with support from Sport England.

The Chair's report was approved by the Chair of the charity on18 Apr 2024

Stuart Rhodes

.....
Stuart Rhodes
Chairman and trustee

Level Water

Trustees' Report for the Year Ended 30 September 2023

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 30 September 2023. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006 in preparing the annual report and the financial statements of the charity.

Objectives and activities

Public benefit

The Charity's Objects are for the Public Benefit to promote community participation in healthy recreation by providing or assisting in the provisions of facilities for swimming lessons for children with disabilities.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Financial Review

On 11 February 2022, the charity acquired 100% of the equity of Swim Collective Limited. The results of the company are consolidated with the Charity's results. The total income for the year was £1,045,437 (2022: £1,093,518) and expenditure £1,002,985 (2022: £991,585) resulting in a net surplus of £42,452 (2022: £101,933).

At the year end the balance of restricted funds held were £78,826. At the year end the balance of unrestricted general funds held was £339,769, with unrestricted designated funds of £200,000 also held. Unrestricted designated funds are held in order to ensure adequate cash flow during months where income is reduced, due to the seasonal nature of the Charity's activities.

Reserves policy

We run a cyclical charity, with the vast majority of our fundraising coming during the summer but consistent costs across the year. In summer we have a surplus and in winter we have a deficit. We aim to maintain minimum cash reserves at 20-40% of annual turnover. This gives the charity and our programmes some resilience if there is a period of increased costs or fundraising shortfall. After the summer fundraising season, reserves at year end (September) should be sufficient to cover our winter deficit, with target reserves at year end of 30-50% of our annual turnover.

Going concern

The Trustees have reviewed the applicability of the going concern principle and have determined that it is appropriate to prepare the charity's accounts on the basis that it will continue as a going concern for a foreseeable future.

Level Water

Trustees' Report for the Year Ended 30 September 2023

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Stuart Rhodes Gemma Jennings Mark Haslam Laura Batty (appointed 16 January 2024) Toby Radcliffe (appointed 16 January 2024)
Chairman:	Stuart Rhodes
Chief Executive Officer:	Ian Thwaites

Structure, governance and management

Nature of governing document

Level Water is a company limited by guarantee governed by its Memorandum and Articles of Association dated 26 March 2013. It is registered as a charity with the Charity Commission.

Recruitment and appointment of trustees

New trustees are appointed by the existing trustees on the basis of the skills and experience required.

Major risks and management of those risks

The trustees have assessed the major risks to which the charitable company is exposed and are satisfied that systems are in place to mitigate exposure to these risks.

Induction and training of trustees

New trustees meet with the Chair of Trustees and relevant eligibility checks are undertaken to confirm their appointment. Then they are given an induction to help them thrive in their new role. They are given information to help and support them to perform well and develop as a trustee on the board.

Arrangements for setting key management personnel remuneration

The Trustees determine all forms of consideration paid by the charity including all remuneration, salary, benefits, profit-sharing and bonuses, employer's pension contributions and any termination payments made.

Relationships with related parties

Swim Collective Limited

Swim Collective Limited is Level Water's wholly owned subsidiary. On 11 February 2022, the charity acquired 100% of the equity of Swim Collective Limited.

The company number is 07671591.

Level Water

Trustees' Report for the Year Ended 30 September 2023

Statement of trustees' responsibilities

The trustees (who are also the directors of Level Water 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. 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 charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 18 Apr 2024 and signed on its behalf by:

Stuart Rhodes.....

Stuart Rhodes
Director and Chair of Trustees

Level Water

Independent Auditor's Report to the Members of Level Water for the Year Ended 30 September 2023

Opinion

We have audited the consolidated financial statements of Level Water (the 'charity') for the year ended 30 September 2023, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor 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.

Conclusions relating to going concern

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

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

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

Other information

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

Level Water

Independent Auditor's Report to the Members of Level Water for the Year Ended 30 September 2023

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.

Opinion on other matter 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 Chair's Statement and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Chair's Statement and Trustees' Report have 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Chair's Statement and the Trustees' Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities (set out on page 5), 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 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 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.

Level Water

Independent Auditor's Report to the Members of Level Water for the Year Ended 30 September 2023

Auditor 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the Trustees and other management (as required by auditing standards).
- We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting (including related trade union legislation) and taxation legislation. We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.
- With the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the Trustees.
- We communicated applicable laws and regulations throughout our audit team and remained alert to any indications of non-compliance throughout the audit.
- We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries, and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential basis; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's trustees, 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 trustees 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Level Water

Independent Auditor's Report to the Members of Level Water for the Year Ended 30 September 2023

Brian Stewart

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Brian Stewart FCA
(Senior Statutory Auditor)
For and on behalf of RBCA Limited
Statutory Auditor
Linenhall Exchange
26 Linenhall Street
Belfast
BT2 8BG

Date:..... 19 Apr 2024

Level Water

Consolidated Statement of Financial Activities for the Year Ended 30 September 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

		Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 (15 months) £ (As restated)
	Note				
Income and Endowments from:					
Donations and legacies	3	691,627	-	691,627	757,585
Grants, including capital grants	3	-	101,251	101,251	102,212
Other trading activities	4	252,559	-	252,559	233,560
Other income		-	-	-	161
Total income	4	<u>944,186</u>	<u>101,251</u>	<u>1,045,437</u>	<u>1,093,518</u>
Expenditure on:					
Raising funds	5	(193,294)	-	(193,294)	(248,200)
Charitable activities	5	(552,056)	(58,863)	(610,919)	(469,978)
Other trading activities	5	(198,772)	-	(198,772)	(273,407)
Total expenditure		<u>(944,122)</u>	<u>(58,863)</u>	<u>(1,002,985)</u>	<u>(991,585)</u>
Net income		<u>64</u>	<u>42,388</u>	<u>42,452</u>	<u>101,933</u>
Net movement in funds		64	42,388	42,452	101,933
Reconciliation of funds					
Total funds brought forward		<u>539,705</u>	<u>36,438</u>	<u>576,143</u>	<u>474,210</u>
Total funds carried forward	13	<u><u>539,769</u></u>	<u><u>78,826</u></u>	<u><u>618,595</u></u>	<u><u>576,143</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 13.

The notes on pages 15 to 24 form an integral part of these financial statements.

Level Water

Statement of Financial Activities of the Charity Alone for the Year Ended 30 September 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 (15 months) £ (As restated)
Income and Endowments from:				
Donations and legacies	691,627	-	691,627	757,585
Grants, including capital grants	-	101,251	101,251	102,212
Other income	53,787	-	53,787	161
Total income	747,414	101,251	846,665	859,958
Expenditure on:				
Raising funds	(193,294)	-	(193,294)	(183,359)
Charitable activities	(521,020)	(58,863)	(579,883)	(550,078)
Total expenditure	(714,314)	(58,863)	(773,177)	(733,437)
Net income	31,100	42,388	73,488	126,521
Net movement in funds	31,000	42,388	73,488	126,521
Reconciliation of funds				
Total funds brought forward	564,293	36,438	600,731	474,210
Total funds carried forward	595,393	78,826	674,219	600,731

The notes on pages 15 to 24 form an integral part of these financial statements.

Level Water

(Registration number: 08091814)

Consolidated Balance Sheet as at 30 September 2023

	Note	2023 £	2022 (15 months) £ (As restated)
Fixed assets			
Intangible assets	8	239,781	270,816
Current assets			
Debtors	9	98,353	12,543
Cash at bank and in hand	10	342,109	457,282
		440,462	469,825
Creditors: Amounts falling due within one year	11	(61,648)	(164,498)
Net current assets		378,814	305,327
Net assets		618,595	576,143
Funds of the charity:			
Restricted income funds			
Restricted funds		78,826	36,438
Unrestricted income funds			
Designated Funds		200,000	-
General Funds		339,769	539,705
Total unrestricted funds		539,769	539,705
Total funds	13	618,595	576,143

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 10 to 24 were approved by the trustees, and authorised for issue on 18 Apr 2024 and signed on their behalf by:

Stuart Rhodes
 Stuart Rhodes
 Chairman and trustee

The notes on pages 15 to 24 form an integral part of these financial statements.

Level Water

(Registration number: 08091814) Charity Balance Sheet as at 30 September 2023

	2023 £	2022 £ (As restated)
Fixed assets		
Intangible assets	316,620	316,620
Current assets		
Debtors	93,112	12,543
Cash at bank and in hand	311,670	456,807
	404,782	469,350
Creditors: Amounts falling due within one year	(47,183)	(185,239)
Net current assets	357,599	284,111
Net assets	674,219	600,731
Restricted income funds		
Restricted funds	78,826	84,925
Unrestricted income funds		
Designated Funds	200,000	-
General Funds	395,393	515,806
Total unrestricted funds	595,393	515,806
Total funds	674,219	600,731

The notes on pages 15 to 24 form an integral part of these financial statements.

Level Water

Statement of Cash Flows for the Year Ended 30 September 2023

	Note	2023 £	2022 (15 months) £
Cash flows from operating activities			
Net cash income		42,452	101,933
Adjustments to cash flows from non-cash items			
Amortisation		<u>31,035</u>	<u>39,532</u>
		73,487	141,465
Working capital adjustments			
Increase in debtors	9	(85,810)	(43)
(Decrease)/increase in creditors	11	<u>(102,850)</u>	<u>154,769</u>
Net cash flows from operating activities		(115,173)	296,191
Cash flows from investing activities			
Acquisition of subsidiaries		<u>-</u>	<u>(310,348)</u>
Net decrease in cash and cash equivalents		(115,173)	(14,157)
Cash and cash equivalents at 1 October		<u>457,282</u>	<u>471,439</u>
Cash and cash equivalents at 30 September		<u><u>342,109</u></u>	<u><u>457,282</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 15 to 24 form an integral part of these financial statements.

Level Water

Notes to the Financial Statements for the Year Ended 30 September 2023

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The charity is registered as a charity with the Charity Commission of England and Wales.

The Charity number is 1151510.

The Company Number is: 08091814.

The address of its registered office is:

The House, Monson Road

Tunbridge Wells

TN1 1LS

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Level Water

Notes to the Financial Statements for the Year Ended 30 September 2023

Basis of preparation

Level Water 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 notes.

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 30 September 2023.

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The results of subsidiaries acquired or disposed of during the period are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Presentational currency and level of rounding

The presentational currency is £ and the level of rounding is to the nearest £.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Disclosure of long or short period

The prior period covered in the financial statements is 1 July 2021 to 30 September 2022, hence the comparatives are not entirely comparable.

Level Water

Notes to the Financial Statements for the Year Ended 30 September 2023

Income and endowments

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Gift aid tax recoverable is recognised on the date of the respective donation.

Fundraising income is recognised on the date of the event taking place.

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in fundraising events.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Level Water

Notes to the Financial Statements for the Year Ended 30 September 2023

Goodwill

Goodwill is amortised over its useful life of 10 years.

At the start of the current period, the Charity changed its estimation of the useful life of its goodwill from 5 years to 10 years, as it better estimated the useful life of the goodwill.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Goodwill	10% straight line

Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Prior year adjustment

In the prior year, consolidated restricted funds were overstated by £8,640 and consolidated unrestricted funds were understated by £8,640. In the prior year, charity alone restricted funds were overstated by £48,487 and charity alone unrestricted funds were understated by £48,487.

Adjustments to correct the above error have been made to the comparative financial information.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Level Water

Notes to the Financial Statements for the Year Ended 30 September 2023

3 Income from donations and grants

	Unrestricted funds Designated £	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Donations and legacies;					
Donations from individuals	200,000	491,627	-	691,627	757,585
Grants, including capital grants;					
Grants from companies	-	-	101,251	101,251	102,212
	<u>200,000</u>	<u>491,627</u>	<u>101,251</u>	<u>792,878</u>	<u>859,797</u>

4 Income from other trading activities

	Unrestricted funds £	Total 2023 £
Income from subsidiary	252,559	252,559
	<u>252,559</u>	<u>252,559</u>

Level Water

Notes to the Financial Statements for the Year Ended 30 September 2023

5 Expenditure on raising funds, charitable activities and other trading activities

	Unrestricted funds	Restricted funds	2023 Total	2022 Total
	£	£	£	£
Expenditure on:				
Raising funds				
Fundraising costs	193,294	-	193,294	248,200
	193,294	-	193,294	248,200
Charitable activities				
Provision of swimming lessons	481,930	58,863	540,793	346,900
Insurance	6,812	-	6,812	6,901
Accountancy	17,164	-	17,164	12,288
Office costs	9,868	-	9,868	48,125
Travel expenses	21,904	-	21,904	23,058
Marketing	14,378	-	14,378	32,706
	552,056	58,863	610,919	469,978
Other trading activities				
Expenditure by subsidiary	198,772	-	198,772	273,407
Total expenditure	944,122	58,863	1,002,985	991,585

Level Water

Notes to the Financial Statements for the Year Ended 30 September 2023

6 Staff costs

The aggregate payroll costs were as follows:

	£
Salaries and wages	316,380
National insurance	30,289
Pension scheme	16,297
	<hr/>
	362,966
	<hr/>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2023 No	2022 No
Average number of staff during year	<hr/> 7 <hr/>	<hr/> 4 <hr/>

One employee received emoluments of between £100,000 and £110,000 during the year.

The key management personnel of the charity comprise the trustees and the Chief Executive Officer. The total remuneration of key management personnel during the year was £105,575 (2022 (15 months): £112,597).

7 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Level Water

Notes to the Financial Statements for the Year Ended 30 September 2023

8 Intangible fixed assets

	Goodwill £	Total £
Cost		
At 1 October 2022	310,348	310,348
At 30 September 2023	310,348	310,348
Amortisation		
At 1 October 2022	39,532	39,532
Charge for the year	31,035	31,035
At 30 September 2023	70,567	70,567
Net book value		
At 30 September 2023	239,781	239,781
At 30 September 2022	270,816	270,816

9 Debtors

	2023 £	2022 £
Prepayments	43,794	-
Accrued income	54,559	12,543
	98,353	12,543

10 Cash and cash equivalents

	2023 £	2022 £
Cash at bank	342,109	457,282

11 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	2,721	9,849
Other taxation and social security	10,632	8,501
VAT grant repayable	-	349
Other creditors	464	88,352
Accruals	47,831	57,447
	61,648	164,498

Level Water

Notes to the Financial Statements for the Year Ended 30 September 2023

12 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £16,297 (2022: £13,334).

Contributions totalling £463 (2022: £371) were payable to the scheme at the end of the year and are included in creditors.

13 Funds

	Balance at 1 October 2022 (Restated) £	Incoming resources £	Resources expended £	Balance at 30 September 2023 £
Unrestricted funds				
General	539,705	744,186	(944,122)	339,769
Designated	-	200,000	-	200,000
Total unrestricted funds	539,705	944,186	(944,122)	539,769
Restricted funds	36,438	101,251	(58,863)	78,826
Total funds	576,143	1,045,437	(1,002,985)	618,595

The designated funds are held in order to ensure adequate cash flow during months where income is reduced, due to the nature of the Charity's activities.

Level Water

Notes to the Financial Statements for the Year Ended 30 September 2023

14 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds at 30 September 2023
	£	£	£
Intangible fixed assets	239,781	-	239,781
Current assets	338,408	102,054	440,462
Current liabilities	(38,420)	(23,228)	(61,648)
Total net assets	539,769	78,826	618,595

	Unrestricted funds	Restricted funds	Total funds at 30 September 2022
	£	£	£
Intangible fixed assets	270,816	-	270,816
Current assets	469,350	71,095	540,445
Current liabilities	(200,461)	(34,658)	(235,119)
Total net assets	539,705	36,438	576,143

15 Related party transactions

Swim Collective Limited is a related party as it is a wholly owned subsidiary of Level Water. Included in debtors is £24,231 (2022: £(45,544)). The amount repaid by the related party in the period was £81,938. The amount advanced to the related party in the period was £12,163.

Level Water

Detailed Statement of Consolidated Financial Activities for the Year Ended 30 September 2023

	Total 2023 £	Total 2022 (15 months) £ (As restated)
Income and Endowments from:		
Donations and legacies (analysed below)	792,878	859,797
Other trading activities (analysed below)	252,559	233,560
Other income (analysed below)	-	161
Total income	<u>1,045,437</u>	<u>1,093,518</u>
Expenditure on:		
Raising funds (analysed below)	(193,294)	(248,200)
Charitable activities (analysed below)	(610,919)	(469,978)
Other expenditure (analysed below)	<u>(198,772)</u>	<u>(273,407)</u>
Total expenditure	<u>(1,002,985)</u>	<u>(991,585)</u>
Net income	<u>42,452</u>	<u>101,933</u>
Net movement in funds	42,452	101,933
Reconciliation of funds		
Total funds brought forward	<u>576,143</u>	<u>474,210</u>
Total funds carried forward	<u><u>618,595</u></u>	<u><u>576,143</u></u>

Level Water

Detailed Statement of Consolidated Financial Activities for the Year Ended 30 September 2023

	Total 2023 £	Total 2022 (15 months) £
<i>Donations and legacies</i>		
Income from subsidiary	200,000	-
Appeals and donations	491,627	757,585
Grants - other agencies	101,251	102,212
	<u>792,878</u>	<u>859,797</u>
<i>Other trading activities</i>		
Other income	252,559	233,560
	<u>252,559</u>	<u>233,560</u>
<i>Other income</i>		
Other income	-	161
	<u>-</u>	<u>161</u>
<i>Raising funds</i>		
Direct costs	(193,294)	(248,200)
	<u>(193,294)</u>	<u>(248,200)</u>
<i>Charitable activities</i>		
Restricted	(58,863)	(96,709)
Unrestricted	(521,021)	(333,737)
Amortisation of goodwill	(31,035)	(39,532)
	<u>(610,919)</u>	<u>(469,978)</u>
<i>Other expenditure</i>		
Exceptional costs	(198,772)	(273,407)
	<u>(198,772)</u>	<u>(273,407)</u>