

CROOK COMMUNITY LEISURE LIMITED
COMPANY LIMITED BY GUARANTEE

FINANCIAL STATEMENTS FOR THE
YEAR ENDING 31ST AUGUST 2020

COMPANY NO. 8658805
CHARITY NO. 1156748

G. D. O'HEHIR & CO. LTD.
CHARTERED CERTIFIED ACCOUNTANTS,
22/23 CLYDE TERRACE,
SPENNYMOOR,
CO. DURHAM.
DL16 7SE

CROOK COMMUNITY LEISURE LTD.

FINANCIAL STATEMENTS

31ST AUGUST 2020

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CROOK COMMUNITY LEISURE LTD.

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISORS

Registered Charity Name	Crook Community Leisure
Charity Number	1156748
Company Registration Number	8658805
Principal Office	7 Royal Grove, Crook, DL15 9ER
Trustees	Linda Ayre MBE Jean Cowing JP Ashley Gary Pickering Maureen Blanche Stanton Dorothy Winter John Winter Sharon Spence Helen Roberts resigned 30/11/19 Lorraine Alison Dewison
Independent Examiner	G. D. O'Hehir & Co. Ltd. 22/23 Clyde Terrace, Spennymoor, Co. Durham. DL16 7SE
Bankers	Unity Trust Bank

Crook Community Leisure Ltd (CCL)

Report of the trustees for the year ending 31 August 2020

The trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 August 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 2015).

Chair's report

This year was a hugely exciting one. Crook Town and surrounding area now have a modern, fully equipped gym for these communities, and I am pleased to report that membership has continued to exceeded the figures anticipated in the business plan. However, it was obvious that the outside facilities (running track & football pitch) had suffered from a lack of care and maintenance for a long period of time and were in a very poor state. Sadly, there were health & safety issues which needed to be addressed and this resulted in the closure of the running track until floodlights can be installed to ensure safe use of this facility by users during the winter months.

It was quickly realised that the current facilities are too small to accommodate the number of members, in effect placing a 'glass ceiling' on income from indoor activities. This has seen a concerted effort by the Trustee's to raise funds for those facilities still to be provided to enable the Charity to expand its facilities to the local communities.

Wherever possible the Trustees endeavour to employ local tradesmen and contractors ensuring that any financial benefit remains within the local community.

During the winter of 2018 / 19 the Trustees have held meetings with the two largest schools in the Town who are keen to utilise the facilities (indoor & outdoor) on offer at the premises to enable them to meet several critical areas on their curriculum as well as developing other uses in partnership with the charity.

A walking group has been established and the charity have already begun the setting up a running section in addition to a cycling section. Good facilities are the key but above all, we believe that the breadth and accessibility of our programme will demonstrate without any doubt the public benefit that our work brings to the community.

At a time when the media has been focussed on people enjoying the fruits of a sustained recovery from these difficult economic times, we have seen the impact of the lack of health & fitness facilities. The team here at CCL seek to ensure our programmes remain affordable and attractive.

We are also seeking to run the facility as economically as possible and have introduced light saving technology which reduces our demand for carbon fuels and so helps, in a modest way, in the struggle against global warming.

In closing, I would like to thank our sponsors, the staff, and you, our users, for your support in making our work possible and as you read our report, remember, as we do, that it's all about people.

Our purposes and activities

The purposes of the charity are:

To advance the education for the public benefit of the community of Wear Valley and other surrounding districts.

To provide or assist in the provision of the facilities in the interest of the social welfare for the recreation and leisure time occupation of persons who have need to such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances with the object of improving their conditions of life.

The vision that shapes our annual activities remains the promotion and fostering of knowledge and appreciation of the provision of facilities for the education and recreation of the public in the fields of sport, health & wellbeing, educational, vocational and community activities. The charity also has the general aim of contributing to the quality of life of the people of Crook & District by expanding their horizons through the provision of exciting, challenging and accessible professional and community events.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'. The Centre relies on grants and the income from fees and charges to cover its operating costs. Affordability and access to our programme is important to us and is reflected in our pricing policy set out in detail later in this report.

We endeavour to encourage all within our community to take part in our activities and to attend our activities and/or to view our exhibitions, especially by all from those attending local schools or the higher education colleges through to our programmes with particular appeal to our older residents"

The strategies employed to achieve the charity's aims and objectives are to:

- To build, develop, maintain and operate sports facilities and other associated facilities for the playing of sports as well as other activities based around the needs of the community:

- To promote healthy living by way of delivery, and promotion of healthy living issues that impact on the general welfare of the community
- To arrange, promote and provide courses, classes, seminars, lectures, coaching, skills development, examinations and certification schemes, competitions, tournaments, festivals and the like
- To promote other such purposes for public recreation or other leisure time occupation in the interests of social welfare with the objective of improving their conditions of life
- To collaborate and work in partnership with and to advise and assist sports organisations, local authorities, schools and colleges, educational institutions, local and international businesses, community groups, charities and charitable bodies, government departments, official bodies and others

Putting these strategies into action we have three major areas of activity which are: Sports Activities; educational programmes, including health & wellbeing; Non-sporting community activities. Our programme of activities described below focuses very much on bringing opportunities to the community.

Achievements and performance

The number of Users of the facility has surpassed the envisaged figures for a year within six months of opening and has continued to increase. This was a major achievement given the economic backdrop and is a tribute to the quality of the facilities and the place it has in the community and underpinned a challenging financial and creative year. Our staff deserve credit and praise for their skilful and enthusiastic efforts to provide a successful creative programme for our patrons.

A range of non-sporting activities also added to success, these included children's school holiday activity days, Halloween and Christmas parties as well as birthday parties for adults and children. Maintaining a balance between patrons paying full price, accessibility for those of modest means, the encouraging of new young participants, and maintaining a financial balance is an ongoing challenge. Our key financial aim remains a financially sustainable facility.

Financial review

The completion of the building adaptations and alterations in July 2017 enabled the Charity to provide facilities required by a modern multi-purpose / sports facility but did not add to our capacity for the use of the outdoor facilities.

The Charity moved from a zero funds position in 2013 to the financial position it is in today. The principal funding sources of income to the Trust itself are gym fees. The support of our users continues to be essential to maintaining such a varied programme.

Our pricing policy

Our pricing policy reflects our strategy of enabling all within our community, whatever their means, to take part in our activities, to attend our facility and to view our exhibitions.

Reserves policy and going concern

Reserves are needed to bridge the gap between the spending and receiving of income and to cover unplanned emergency repairs and other expenditure. The Trust had no reserves on unrestricted funds after allowing for those resources designated for property and setting aside funds to cover professional fees.

The trustees are endeavouring to ensure the success with a combination of measures by offering a creative programme that caters for broader audiences, Our consolidated balance sheet remains strong with net current assets of £516,624 and the ownership of the facility. The trustees have reviewed the circumstances and consider that adequate resources continue to be available to fund the activities of the Trust and group for the foreseeable future. The trustees are of the view that Trust and group are a going concern.

Plans for future periods

The strategic plan envisaged a second stage which will consist of classroom and further multi-purpose / community rooms studios is in the early process of planning with discussions taking place with funders and contractors. This stage of development is in addition to the planned Swimming Pool, the funding of which is more difficult to achieve. However, following initial discussions this is now moving forward

A major financial concern for the trust will be ongoing financial sustainability and hence it is important that a varied income stream is developed to ensure success in the future as well as meeting the needs of the community.

Reference and administrative details

Charity number:	1156748
Company number:	8658805
Registered Office:	Crook Community Leisure Ltd, 7 Royal Grove, Crook, Co. Durham DL15 9ER

Our advisers

Accountants	G.D. O’Hehir & Co. Ltd, Chartered Certified Accountants 22-23 Clyde Terrace, Spennymoor DL16 7SE
Bankers	Unity Trust Bank, 9 Brindlyplace, Birmingham
Solicitors	Smith Roddam, Church Street, Crook, Co. Durham DL15 9NE

Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

Linda Ayre MBA

Jean Cowing JP

Ashley Gary Puckering

Lorraine Dewison

Sharon Spence

Maureen Blanche Stanton - appointed 1/9/2019

Dorothy Winter

John Winter

Governing Document

Crook Community Leisure Ltd is a company limited by guarantee governed by its Memorandum and Articles of Association dated 11th December 2015. It is registered as a charity with the Charity Commission. Anyone over the age of 18 can become a member of the Company and there are currently 8 members, each of whom agrees to contribute £1 in the event of the charity winding up.

Appointment of trustees

As set out in the Articles of Association the chair of the trustees is nominated by the Trustees. The trustees have the power to co-opt up to two further members to fill specialist roles.

When considering co-opting trustees, the Board has regard to the requirement for any specialist skills needed.

Trustee induction and training

New trustees undergo an orientation day to brief them on: their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. During the induction day they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The board of trustees, which can have up to 9 members, administers the charity. The board normally meets quarterly and there are sub-committees covering development, membership, finance and audit which normally meet monthly.

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

The charity's wholly owned subsidiary, CCL (Events) Ltd was established to operate the commercial bar, catering, conferencing facilities and outdoor activities. CCL (Events) Ltd has a licence from the charity to operate those facilities and gift aids the majority of its profits to the charity.

Pay policy for senior staff

The directors consider the board of directors, who are the Trust's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day to day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in notes to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the directors benchmark against pay levels in other facilities of a similar size run on a voluntary basis.

Risk management

The trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity faces;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that financial sustainability is the major financial risk for both the charity and its subsidiary. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison with the bank, and active management of trade debtors and creditors balances to ensure sufficient working capital by the Trust and its subsidiary company.

Attention has also been focussed on non-financial risks arising from fire, health and safety, management of performing rights and food hygiene. These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place, and regular awareness training for staff working in these operational areas.

Signed on behalf of the Board of Trustees.



..... John Winter – Trustee

..... Ashley Gary Puckering – Trustee

Date 28th May 2021

CROOK COMMUNITY LEISURE LTD.

INDEPENDENT EXAMINERS' REPORT TO THE TRUSTEES OF
CROOK COMMUNITY LEISURE LTD.
YEAR ENDED 31ST AUGUST 2020

To the Trustees of Crook Community Leisure Ltd. on the accounts for the year-ended 31/8/2020 set out in pages 10-16.

Respective Responsibilities of trustees and examiners

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under S.144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to: -

- Examine the accounts under S.145 of the Charities Act
- To follow the procedure laid down in the general Directions given by the Charity Commission (under S. 145 (5)(b) of the Charities Act, and
- To state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also included consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts provide a "true and fair" view and the report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect: -

- Accounting records were not kept in accordance with S.130 of the Charities Act or
- The accounts do not accord with the accounting records.

I have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Signed Date27/05/2021.....

P. W. O'Hehir FCCA
G. D. O'Hehir & Co. Ltd.
Chartered Certified Accountants,
22/23 Clyde Terrace,
Spennymoor. DL16 7SE

CROOK COMMUNITY LEISURE LTD.
Statement of Financial Activities (incorporating the Income and Expenditure Account)
for the year ended 31st August 2020

	Note	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2019 £	Total Funds 2020 £
<u>Income</u>					
Voluntary Income	1	93,229	-	16,307	93,229
Bank Interest		-	-	-	-
Covid related support payments		47,803	-	-	47,803
Subscriptions		-	-	-	-
<u>Total Income</u>		<u>£ 141,032</u>	<u>£ -</u>	<u>£16,307</u>	<u>£140,570</u>
<u>Expenditure</u>					
Costs of raising funds.					
-Commercial trading operations		26,581	-	19,301	
-Expenditure on charitable activities		-	-	-	-
<u>Total Expenditure</u>		<u>£26,581</u>	<u>£ -</u>	<u>£19,301</u>	
Net Income/(Expenditure)and Net movement in funds for the year		114,451	-	(2,994)	114,451
Reconciliation of funds					
Total funds brought forward		£6,533	£43,495	53,022	50,028
<u>Total funds carried forward</u>		<u>£120,984</u>	<u>£43,495</u>	<u>£50,028</u>	<u>£164,479</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

CROOK COMMUNITY LEISURE LTD.

BALANCE SHEET AS AT 31/8/2020

FIXED ASSETS	Notes	2019 £	2020 £
Tangible Assets	2	367,430	378,245
CURRENT ASSETS			
Cash at bank		9,738	105,662
Cash in hand		-	-
VAT		1,541	2,309
Prepayments		632	-
CCL Events Ltd.		29,489	33,218
		<u>41,400</u>	<u>141,189</u>
LIABILITIES			
Creditors fall due within one year	3	(6,657)	(2,810)
NET CURRENT ASSETS		<u>£34,743</u>	<u>£138,379</u>
		<u> </u>	<u> </u>
TOTAL ASSETS LESS LIABILITIES		<u>£402,173</u>	<u>£516,624</u>
		<u> </u>	<u> </u>
The funds of the Charity			
Unrestricted income funds	4	6,533	120,984
Restricted income funds		43,495	43,495
Revaluation Reserve		352,145	352,145
Total Charity Funds		<u>£402,173</u>	<u>£516,624</u>
		<u> </u>	<u> </u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st August 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st August 2019 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) Ensuring that the company keeps accounting records which 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 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 company.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on ...27/05/2021.....
And were signed on its behalf by:



.....
J. Winter
Director

CROOK COMMUNITY LEISURE LTD.

Notes on the accounts

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows: -

a) Basis of Preparation

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) effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

b) Reconciliation with previous Generally Accepted Accounting Practice

In Preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

d) Fund Accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Trust's work or for specific artistic projects bring undertaken by the Trust.

e) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading including the bar and coffee lounge and their associated support costs.
- Expenditure on charitable activities includes the costs of performances, exhibitions and other educational activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

f) Operating leases

The charity classifies the lease of equipment as operating leases; the title to the equipment remains with the lessor. Rental charges are charged on a straight-line basis over the term of the lease.

g) Tangible Fixed Assets

Individual fixed assets costing £1000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight-line basis as follows: -

Asset Category	Annual rate
Freehold buildings	2%
Plant and Equipment	15%

h) Stock

Stock is included at the lower of cost or net realisable value.

i) Debtors

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

j) Creditors and provisions

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

CROOK COMMUNITY LEISURE LTD.

2. TANGIBLE FIXED ASSETS

	Freehold Property £	Plant & Machinery £	Total £
<u>COST</u>			
As at 1/9/2019	367,463	-	367,463
Additions	-	11,285	11,285
Revaluations during year	-	-	-
	<u>367,463</u>	<u>11,285</u>	<u>378,715</u>
<u>Less Grants & Donations</u>	-	-	-
As at 31/8/2020	<u>367,463</u>	<u>-</u>	<u>378,715</u>
<u>DEPRECIATION</u>			
As at 1/9/2019	-	-	-
Charge for year	-	(470)	(470)
As at 31/8/2020	<u>-</u>	<u>(470)</u>	<u>(470)</u>
<u>NET BOOK VALUE</u>			
As at 1/9/2019	£367,430	£ -	£367,430
As at 31/8/2020	<u>£367,430</u>	<u>£10,815</u>	<u>£378,245</u>

The freehold land and buildings were revalued at 28th March 2018 by Addisons, Chartered Surveyors, 5 South Street, Crook, Co. Durham. DL15 8NE

The basis of the valuation was of Fair Value in accordance with the International Accounting Standards Board in IFRS13.

The valuation amount was £918,000.

3. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2020 £
Bank Overdraft	-	-
Accrued Expenses	1,125	1,125
PAYE/NIC	5,532	1,578
Trade Creditors	-	107
	<u>£6,657</u>	<u>£2,810</u>

4. Movement on The Funds of the Charity

	Unrestricted Funds £	Restricted Funds £	Total £
As at 1/9/2019	6,533	43,495	50,028
53022			
Excess of (Expenditure)over Income in the year	114,451	-	114,451
As at 31/8/2020	<u>£120,984</u>	<u>£43,495</u>	<u>£164,479</u>

5. Debtors: Due within one year

	2019 £	2020 £
Payments & Accrued Income	632	-
Inter Company Account	29,489	33,218
VAT	1,541	2,309
	<u>£31,662</u>	<u>£35,527</u>

CROOK COMMUNITY LEISURE LTD.

DETAILED INCOME AND EXPENDITURE ACCOUNT FOR
THE YEAR ENDED 31ST AUGUST 2020

	2019	2020
	£	£
<u>Turnover</u>		
Takings	-	-
<u>Less Cost of Sales</u>		
Purchases	-	462
Closing Stock	-	-
	<u>-</u>	<u>(462)</u>
<u>Other Income</u>		
Subscriptions	-	-
Grants & Donations	11,407	93,229
Other Income	4,900	47,803
	<u>16,307</u>	<u>140,570</u>
<u>Expenditure</u>		
Wages	-	2,797
Subcontractor costs	-	305
Leasing Costs	4494	6,111
Light & Heat	2793	3,308
Telecoms	650	-
Insurance	-	632
Legal Expenses	-	5,355
Accountancy	899	1,754
Bank Charges	80	72
Bookkeeping	500	375
Licence Fees	155	3,076
Subscriptions	-	30
Sundry Expenses	4774	2
Repairs & Maintenance	4751	1,455
Postage & Stationery	-	119
Credit Card Charges	18	122
Depreciation	-	470
Cleaning	187	136
	<u>19301</u>	<u>(24,119)</u>
<u>Excess of Income over (Expenditure)</u>	<u>£ (2994)</u>	<u>£114,451</u>