

Charity registration number 1160374 (England and Wales)

Charity registration number SC048193 (Scotland)

**COMMUNITY LEISURE SERVICES PARTNERSHIP
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

COMMUNITY LEISURE SERVICES PARTNERSHIP

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J Beavis T Richardson H Braband
Charity number (England and Wales)	1160374
Charity number (Scotland)	SC048193
Principal address	43 Stickle Down Deepcut Surrey GU16 6GB
Auditor	Alliotts LLP Friary Court 13-21 High Street Guildford Surrey GU1 3DL

COMMUNITY LEISURE SERVICES PARTNERSHIP

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COMMUNITY LEISURE SERVICES PARTNERSHIP

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's constitution, 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)"

Objectives and activities

The charity's objects are:

- A. To provide or assist in the provision of facilities and services for the public benefit for recreational, sporting or other leisure time occupation in the interest of social welfare, health improvement, community development and/or
- B. To promote community participation in healthy activity and/or
- C. To advance the education of the public in the benefit of healthy lifestyles and/or
- D. To advance the arts, culture and heritage and/or
- E. Such other charitable purposes beneficial to the community consistent with the objects above as the trustees shall in their absolute discretion determine.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in the area of public benefit.

Achievements and performance

Significant activities and achievements against objectives

Following the COVID-19 pandemic and subsequent lockdowns, 2022 – 2023 was another difficult year with the impact of increased energy costs and the cost-of-living crisis affecting discretionary spend. Some areas have been more impacted than others and the Board made the very difficult decision to close Wallasey (one of the two Liverpool clubs) in January 2023 that was returning a significant deficit and could not recover post the lockdowns.

Chandlers Ford also closed in May 2023, again due to its continuing significant deficit and our Croydon also closed around June 2023 due to new landlords of the building seeking vacant possession.

We will continue to deliver high quality services at our remaining health clubs in Liverpool, Redditch, Scarborough, Aylesbury, Cupar and Bridlington.

Financial review

Reserves policy

The lockdowns followed by significantly higher energy costs has continued to impact cashflow and funds.

The Trustees continue to carefully monitor the financial position and, as noted in Achievements and Performance, take appropriate, difficult decisions where necessary.

Sadly, increased competition at Chandlers Ford resulted in reduced membership numbers and coupled with increasing costs the Board decided to close the club from May 2023. In addition, our Landlords gave notice that they would be, finally, ending the lease on Solutions in June 2023.

At the year-end, the charity had no restricted or unrestricted reserves and a deficit of £314,598.

Our biggest supplier continues to agree not to call for immediate payment of monies owed during the year and thus the charity had a sufficient cash level at the year end, of £51,814, to be able to operate.

With the closure of 2 loss-making clubs and the continued recovery at others the trustees have assessed the risks and are confident that the charity will be in surplus this coming year and will begin to reduce the debt.

COMMUNITY LEISURE SERVICES PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management

The charity is a Charitable Incorporated Organisation (CIO). The charity is governed by a constitution with the charity trustees as the only voting members.

If the CIO is wound up, the members of the CIO have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

The trustees who served during the year and up to the date of signature of the financial statements were:

J Beavis
T Richardson
H Braband

Recruitment and appointment of trustees

In selecting individual trustees for appointment, the charity trustees must have regard for the skills, knowledge and experience needed for the effective administration of the CIO.

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Organisational structure

The charity's Company Secretary, Clare Kennedy, oversees the duties and day to day management of the charity's work. Ms. Kennedy is responsible for the charity's banking and contractual relationships, reports to the trustees regularly and coordinates the trustee meetings.

No preference dividends were paid. The directors do not recommend payment of a final dividend.

The trustees' report was approved by the Board of Trustees.

T Richardson.
T Richardson, (Dec 21, 2023 12:03 GMT)

T Richardson
Trustee

Date: 21/12/2023

COMMUNITY LEISURE SERVICES PARTNERSHIP

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

The trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then 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 have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

COMMUNITY LEISURE SERVICES PARTNERSHIP

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF COMMUNITY LEISURE SERVICES PARTNERSHIP

Opinion

We have audited the financial statements of Community Leisure Services Partnership (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, 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 Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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.

Material uncertainty related to going concern

We draw your attention to Note 1.2 to the Financial Statements in relation to the current year's results, cashflow and future budgets. The budget forecasts for 23/24 and 24/25 show a return to a surplus result and improved cashflow position, however based on these forecasts the charity is unlikely to be in a position to repay a significant long term creditor balance within a period of less than one year, giving rise to the material uncertainty.

The Trustees have prepared forecasts that indicate the charity can continue to pay its debts as they fall due and the long-term creditor has confirmed they are willing to continue to support the charity. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements. Our opinion is not modified in this respect.

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 identified the material uncertainty above. We have not identified any further 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 trustees with respect to going concern are described in the relevant sections of this report.

COMMUNITY LEISURE SERVICES PARTNERSHIP

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF COMMUNITY LEISURE SERVICES PARTNERSHIP

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, 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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

COMMUNITY LEISURE SERVICES PARTNERSHIP

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF COMMUNITY LEISURE SERVICES PARTNERSHIP

Extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with Trustees and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011, the Charities SORP 2019 and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- reviewed all transactions listed;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and the Christies Accounts (Scotland) Regulations 2006 (as amended). 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

COMMUNITY LEISURE SERVICES PARTNERSHIP

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF COMMUNITY LEISURE SERVICES PARTNERSHIP

Alliotts LLP

Alliotts LLP (Dec 21, 2023 12:20 GMT)

Alliotts LLP

21/12/2023

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Chartered Accountants

Statutory Auditor

Friary Court
13-21 High Street
Guildford
Surrey
GU1 3DL

Alliotts LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

COMMUNITY LEISURE SERVICES PARTNERSHIP

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income and endowments from:			
Donations and legacies	5	-	263,259
Charitable activities	3	2,480,523	2,123,055
Other trading activities	4	32,400	26,091
Other income	6	3,880	3,708
Total income		<u>2,516,803</u>	<u>2,416,113</u>
Expenditure on:			
Raising funds	7	44,820	42,687
Charitable activities	8	2,609,634	2,420,191
Total expenditure		<u>2,654,454</u>	<u>2,462,878</u>
Net expenditure and movement in funds		(137,651)	(46,765)
Reconciliation of funds:			
Fund balances at 1 April 2022		(176,947)	(130,182)
Fund balances at 31 March 2023		<u>(314,598)</u>	<u>(176,947)</u>

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

COMMUNITY LEISURE SERVICES PARTNERSHIP

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	13		230		7,630
Current assets					
Debtors	14	181,974		209,410	
Cash at bank and in hand		51,814		119,854	
		<u>233,788</u>		<u>329,264</u>	
Creditors: amounts falling due within one year	16	(513,231)		(470,608)	
Net current liabilities			(279,443)		(141,344)
Total assets less current liabilities			(279,213)		(133,714)
Creditors: amounts falling due after more than one year			(35,385)		(43,233)
Net liabilities			<u>(314,598)</u>		<u>(176,947)</u>
Income funds					
Unrestricted funds			(314,598)		(176,947)
			<u>(314,598)</u>		<u>(176,947)</u>

The accounts were approved by the Trustees on 21/12/2023

T Richardson
T Richardson, (Dec 21, 2023 12:03 GMT)
 T Richardson
 Trustee

COMMUNITY LEISURE SERVICES PARTNERSHIP

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	19		(61,549)		38,771
Net cash used in investing activities			-		-
Financing activities					
Repayment of bank loans		(6,491)		(2,589)	
Net cash used in financing activities			(6,491)		(2,589)
Net (decrease)/increase in cash and cash equivalents			(68,040)		36,182
Cash and cash equivalents at beginning of year			119,854		83,672
Cash and cash equivalents at end of year			51,814		119,854

COMMUNITY LEISURE SERVICES PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Community Leisure Services Partnership is a charitable incorporated organisation registered with the Charity Commission for England and Wales and the Scottish Charity Regulator. The registered office is 43, Stickle Down, Deepcut, Surrey, GU16 6GB.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and UK Generally Accepted Accounting Practice as it applies from 1 January 2019. The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements are prepared on the going concern basis. The trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future, however, the trustees are aware of certain material uncertainties which may cause doubt on the charity's ability to continue as a going concern. This relates to the current year results, cashflow and future budgets. The budget forecasts for 23/24 and 24/25 show a return to a surplus result and improved cashflow position, however based on these forecasts the charity is unlikely to be in a position to repay a significant long term creditor balance within a period of less than one year, giving rise to the material uncertainty.

The Trustees have prepared forecasts that indicate the charity can continue to pay its debts as they fall due and the long term creditor has confirmed they are willing to continue to support the charity. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements. Our opinion is not modified in this respect.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Shop income is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

The charity receives gym membership subscriptions and these are recognised in the accounts on receipt as there is no refund given for annual subscriptions should the member cease their membership.

COMMUNITY LEISURE SERVICES PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Trust to the expenditure and it can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of raising funds are those costs incurred in attracting voluntary income, the costs of trading for fundraising purposes, investment management and certain legal fees.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

Irrecoverable VAT is charged against the category or resources expended for which it was incurred.

Tax recovered from voluntary income received under gift aid is recognised in the Statement of Financial Activities when the income is receivable and is allocated to the income category to which the income relates.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Individual fixed assets costing £100 or more are capitalised at cost.

Tangible fixed assets are depreciated over their estimated useful lives as follows:

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	depreciated over 2 to 5 years
Fixtures and fittings	depreciated over 2 to 5 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

COMMUNITY LEISURE SERVICES PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

COMMUNITY LEISURE SERVICES PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The key judgement within these accounts relates to the treatment of deferred income. The charity receives some income relating to annual gym membership which is paid upfront. Per the terms and conditions of membership any amounts paid are non-refundable in the case of membership being cancelled before the year has finished. Therefore the income has been recognised as income in full upon receipt and not deferred.

3 Income from charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Membership fees	2,480,523	2,123,055

4 Income from other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Shop income	32,400	26,091

COMMUNITY LEISURE SERVICES PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

5 Donations and legacies

	Total	Unrestricted funds
	2023	2022
	£	£
Government grant income	-	263,259

In the prior year funds were received under the government backed Coronavirus Job Retention Scheme (CJRS), Small Business Grant and and Hospitality and Leisure Grant Schemes. These funds were used to cover the salaries of staff furloughed under the scheme and overheads.

6 Other income

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Other income	3,880	3,708

7 Expenditure on raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Fundraising and publicity		
Advertising	44,820	42,687

8 Charitable activities

	2023	2022
	£	£
Staff costs	1,076,252	917,307
Depreciation and impairment	7,400	24,283
Charitable expenditure	1,509,255	1,465,156
	2,592,907	2,406,746
Share of governance costs (see note 9)	16,727	13,445
	2,609,634	2,420,191

COMMUNITY LEISURE SERVICES PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Support costs

	Support costs £	Governance costs £	2023 £	Support costs £	Governance costs £	2022 £
Audit fees	-	10,727	10,727	-	7,445	7,445
Governance costs	-	6,000	6,000	-	6,000	6,000
	-	16,727	16,727	-	13,445	13,445
Analysed between Charitable activities	-	16,727	16,727	-	13,445	13,445

Governance costs comprises fees for managing the charity.

10 Trustees

None of the trustees or any connected persons received any remuneration or benefits from the charity during the year.

11 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	72	76
Employment costs	2023 £	2022 £
Wages and salaries	1,004,010	866,140
Social security costs	57,791	38,759
Other pension costs	14,451	12,408
	1,076,252	917,307

There were no employees whose annual remuneration was more than £60,000.

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

COMMUNITY LEISURE SERVICES PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

13 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Total £
Cost			
At 1 April 2022	15,762	136,434	152,196
At 31 March 2023	15,762	136,434	152,196
Depreciation and impairment			
At 1 April 2022	15,523	129,043	144,566
Depreciation charged in the year	239	7,161	7,400
At 31 March 2023	15,762	136,204	151,966
Carrying amount			
At 31 March 2023	-	230	230
At 31 March 2022	239	7,391	7,630

14 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	35,889	36,933
Other debtors	54,123	41,610
Prepayments and accrued income	91,962	130,867
	181,974	209,410

15 Loans and overdrafts

	2023 £	2022 £
Bank loans	40,920	47,411
Payable within one year	5,535	4,178
Payable after one year	35,385	43,233

The long-term loans are not secured as this is for a Bounce back loan which is a 100% government backed guarantee loan.

COMMUNITY LEISURE SERVICES PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Bank loans	15	5,535	4,178
Other taxation and social security		9,408	9,259
Trade creditors		387,112	364,787
Other creditors		61,912	27,301
Accruals and deferred income		49,264	65,083
		<u>513,231</u>	<u>470,608</u>

Included within creditors, an amount £212,059 (2022: £158,839) owed to 3D Leisure Limited which included an amount of £425 relates to a hire purchase agreement that was taken out by 3D Leisure Limited on behalf of Community Leisure Services Partnership.

Community Leisure Services Partnership have an agreement with 3D Leisure Limited committing Community Leisure Services Partnership to paying the hire purchase agreement on behalf of 3D Leisure Limited. The legal title of the assets will be transferred upon completion of the hire purchase agreement to Community Leisure Services Partnership.

The assets covered by the hire purchase agreement are included within these accounts as fixed assets.

3D Leisure Limited provide this charity with facilities management and all transactions are on an arms length basis.

17 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	206,692	177,081
Between two and five years	390,815	378,245
	<u>597,507</u>	<u>555,326</u>

COMMUNITY LEISURE SERVICES PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

18 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	6,000	6,000

19 Cash generated from operations

	2023 £	2022 £
Deficit for the year	(137,651)	(46,765)
Adjustments for:		
Depreciation and impairment of tangible fixed assets	7,400	24,283
Movements in working capital:		
Decrease/(increase) in debtors	27,436	(85,657)
Increase in creditors	41,266	146,910
Cash (absorbed by)/generated from operations	(61,549)	38,771

20 Analysis of changes in net funds

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	119,854	(68,040)	51,814
Loans falling due within one year	(4,178)	(1,357)	(5,535)
Loans falling due after more than one year	(43,233)	7,848	(35,385)
	72,443	(61,549)	10,894