

REGISTERED COMPANY NUMBER: 9204269 (England and Wales)

REGISTERED CHARITY NUMBER: 1163564

**REPORT OF THE TRUSTEES AND**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**  
**FOR**  
**SOUTH DOWNS LEISURE**  
**(A COMPANY LIMITED BY GUARANTEE)**

SOUTH DOWNS LEISURE  
(A COMPANY LIMITED BY GUARANTEE)

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FOR THE YEAR ENDED 31 MARCH 2021

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**SOUTH DOWNS LEISURE**  
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**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

2020-21 was dominated by the unprecedented challenges thrown up by the COVID Pandemic and various lockdowns and restrictions.

Very early on in this crisis South Downs Leisure had to close its doors to the public and then manage the influx of enquiries from customers and staff. This required a good strategy approach to the situation at hand with clear lines of communication about who would do what, when and how often. South Downs Leisure management team quickly learnt to draw up a plan and then be prepared to adapt the plan the next day, the wider workforce equally became very flexible and supportive in their approach to helping the charity through 2020.

The Management team found themselves working on exciting development projects one day, however unfortunately having to make some tough decisions on redundancies the next. During the first lockdown we made 58 staff (15%) redundant and 30% of staff took a reduction in hours. All staff volunteered to have their pay reduced from 100% to 80% from May 2020 for the rest of the year, with the exception of December 2020.

The various lockdowns saw the centres closed in:

April 2020 – July 2020

November 2020

January 2021 – March 2021

The months we opened were either a slow build or losing membership due to the pandemic back on the rise again.

Despite the challenges above we were a strong team and worked with and kept close communication with our partners and clubs. We also worked on the following projects:

- New HR and Payroll System
- Digital classes streamed to customers over our App increased the App download from 8,000 in April 2020 to 16,000 in 2021
- Adur Leisure contract and mobilisation
- Chanctonbury contract
- Mobilisation of Worthing
- Largest Fitness suite in the South East in our Sports Hall
- 6m screen during lockdown for virtual classes in Studio one at WLC
- Sealanes contract
- Palatine Football project
- Restructuring the Senior Management and Exec Management team

The Adur contract was a success with three additional centres added to South Downs Leisure. Whilst this can be seen as a risk it was a strategic risk based on being more efficient in the senior and exec teams having to work on more projects and centres. Our restructure also allowed for the acquisition of these sites as we had developed Group Facility and Development Managers. We found ourselves with an enthused team of staff that were not just returning to work to open the same old sites, they all had very new challenges ahead of them, new teams and in most cases new centres to operate.

South Downs Leisure Enterprises Ltd (the Enterprise) was looking forward to its busiest summer of weddings in 2020 partly due to winning the Wedding Industry regional awards in 2019 and we had just won the National awards in 2020 and now 2021. We initially moved our April weddings back to the late summer and early Autumn and some moved to 2021. The Enterprise has managed to reduce its costs significantly during the lockdown partly due to the venue being relatively cheap to mothball and staff moving on early during lockdown.

Over the next twelve months with the uncertainty of this virus we will be looking at potential opportunities and partnerships to put the organisation in a strong position in the future. We are working on a project to have classes at Level One, a new concept in Worthing, and continue to develop Sealanes.

The budget we have put in for Worthing and Adur are both deficit budgets as 2021-22 is a growth and recovery year for South Downs Leisure and the industry.

As well as constantly reviewing our systems and costs to ensure that we are as efficient as possible, we also continue to explore opportunities for new business and income streams. Our focus is always to make sure that SDL is business like with a strong and robust financial base, but we are a business with a purpose which is to provide excellent services that contribute to the social, community and health needs of residents in the area we serve. We are proud to do this in partnership with initiatives across the public, private, voluntary and community sectors.

Finally, I would like to thank our trustees for providing ongoing support and guidance for the South Downs Leisure team and I we also need to thank and bid farewell to Val Turner and Gillian Jackson who have given great support to the Trust.

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**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

The Trustees, who are also Directors of the Charitable Company for the purposes of the Companies Act 2006, present their report with the financial statement for the year ending 31 March 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

**REFERENCE & ADMINISTRATIVE DETAILS**

**Name of charity**

South Downs Leisure

**Name of subsidiary**

South Downs Leisure Enterprises Ltd

**Charity and company registration**

South Downs Leisure 09204269

South Downs Leisure Enterprises Ltd 09261501

Charity number 1163564

**Registered office**

Field Place Manor House, The Boulevard, Worthing, West Sussex BN13 1NP

Telephone and website

01903 905050

[www.southdownsleisure.co.uk](http://www.southdownsleisure.co.uk)

**Auditors**

McCabe Ford Williams

Statutory Auditors and Chartered Accountants

Bank Chambers, 1 Central Avenue, Sittingbourne, Kent ME10 4AE

**Bank**

Lloyds Banking Group

City Office

PO Box 72, Bailey Drive, Gillingham Business Park, Gillingham ME8 0L

**Solicitors**

Joanna Bussell

Winckworth Sherwood

Minerva House, 5 Montague Close, London SE1 9BB

**Trustees**

	<b>Appointed</b>	<b>Resigned</b>
G Jackson	5 February 2015	31 January 2021
K von Habsburg (Chair)	5 February 2015	
J Lawrence-Hall	5 February 2015	
S Price	3 November 2015	
A Fleetwood	1 July 2019	
R Ramdin (vice Chair)	16 October 2019	
P Griffin	24 August 2020	
P Newton	24 August 2020	
P Spencer-Snell	26 October 2020	
V Turner	26 October 2020	7 May 2021
C James	26 October 2020	



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**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

South Downs Leisure is a charitable company limited by guarantee constituted on 4 September 2014 and governed by articles and memorandum of association.

Charitable status was applied following the incorporation of the Trust and was awarded shortly after the Trust commenced trading on 1 May 2015. The trustees are also directors of the charity for the purposes of the Companies Act.

The charity has a wholly owned trading subsidiary, South Downs Leisure Enterprises Ltd which is used to support the activities of the Trust.

**Recruitment and Appointment of Trustees**

Unless otherwise determined by the company, the Board shall consist of at least three and not more than eleven individuals comprised as follows:

- Up to 8 Community Trustees
- Up to 2 Local Authority Trustees
- Up to 1 Employee Trustee

Community Trustees will always be a majority on the Board.

New community Trustees are recruited in accordance with the Board's agreement and with our Articles of Association. We will always look to complement and strengthen the skills and experience of the Trustee team on the Board. Community Trustees are appointed for three years with membership being reviewed annually.

Recruitment of the employee Trustee was initially by appointment by the senior management team in accordance with the Articles of Association but from 2016 this was changed to election by employees as agreed by the Board.

The Local Authority confirms its nominations and appointments as and when Local Authority vacancies arise.

**Organisational Structure**

The current Board consists of six community Trustees providing a range of experience and professional expertise.

Kris von Habsburg is Chair and Rachel Ramdin is vice Chair.

We have two sub groups which meet throughout the year to support the Board:

**Finance**

Andrew Fleetwood, Rachel Ramdin

**People and Governance**

Joanne Lawrence Hall, Rachel Ramdin, Paula Spencer-Snell

**Enterprise Directors**

Joanne Lawrence Hall, Kris von Habsburg, Duncan Anderson

We held the following meetings for the period ended 31 March 2021:

- 12 x Board meetings
- 5 x Finance meetings
- 3 x People and Governance meetings
- 3 x Enterprise meetings
- 1 x Remuneration

**SOUTH DOWNS LEISURE**  
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**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**STRUCTURE, GOVERNANCE AND MANAGEMENT – continued**

**South Downs Leisure Trustees**

Kris von Habsburg (Chair)  
Rachel Ramdin (Vice Chair)  
Joanne Lawrence Hall  
Sharon Price  
Andrew Fleetwood  
Paula Newton  
Phill Griffin  
Charles James (Councillor)  
Paula Spencer-Snell (Staff Trustee)

To facilitate the effective operation of the Charity the Board has delegated the responsibility of administering the Charity to a Senior Management Team:

- Chief Executive Officer
- Finance Director
- Sales and Marketing Director
- Operations Director
- Human Resources Manager

**Risk Management**

The Trustees have a duty to identify and review the risks to which the charity is exposed and ensure appropriate controls are in place. A risk report is part of each Board agenda. The following initiatives have been implemented to reduce risk and improve risk management:

- A risk report at each Board meeting.
- A SWOT analysis conducted annually to identify weaknesses and threats.
- A calendar of audits which include Health & Safety, Financial, Quality and Food & Beverage audits.
- Sales and Generic mystery visits and Net Promoter Score surveys to ensure we are delivering the service to expectation.
- Affiliation to the Quest industry accreditation scheme to maintain high standards across all sections of our business: The current position of each site is as below.

With closures of the sites in March 2020, the Quest assessment process has been placed on hold; neither assessments nor directional reviews will take place until the sites return pre Covid levels of footfall and overall membership. We anticipate this being a hiatus of around 18 months whilst the business focuses on the essential financial concerns. The underlying principles of the process remain in place, together with the mandatory Health and Safety compliance and we have instructed Quest Prime assessments at the two largest sites (in red as below) by way of a phased return to external monitoring and scrutiny.

Site	Current Full assessment	Last	Next	Directional Review	Last	Next
WLC	Excellent	Feb 2019	Sep 2021	Excellent	Feb 2018	TBC
Splashpoint	Excellent	April 2019	Sep 2021	Excellent	April 2018	TBC
Davison LC	Very Good	Nov 2017	TBC	Very Good	Aug 2018	TBC
Field Place	Very Good	Apr 2019	TBC	Very Good	April 2018	TBC

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**STRUCTURE, GOVERNANCE AND MANAGEMENT – continued**

**Health and Safety**

South Downs Leisure is committed to embedding a culture of proactive health and safety management throughout the organisation. The Operations Director oversees regular cross-site meetings with the Facility Managers, and we aim for each site to have an appointed NEBOSH (The National Examination Board in Occupational Safety and Health) representative in this area supported by IOSH (Institution of Occupational Safety and Health) trained duty staff.

With the addition of the Adur sites, SDL has appointed a number of group roles including that of a Group Health and Safety Manager to work with the Group Facilities Managers and take overall day-to-day responsibility for Health and Safety compliance across the 7 main sites. Site specific audits will recommence in 2021/22, but there will be H and S compliance reports included in the Quest Prime assessments for WLC and Splashpoint in September 2021.

**Accident and incident reporting**

Over the 12-month trading period (2020/21) only 17 accidents were reported across the 4 facilities with the (3) Covid lockdowns. This figure is below the industry standard benchmark indicator, which is 5 per 10,000 at 1.7, but not significant given the unique circumstances. Historical and comparative data is shown below:

	Total Accidents	Total visits	RIDDOR	Per 10,000
2017/18	763 (including 48 staff)	1,490,000	2	5.1
2018/19	692 (including 34 staff)	1,450,000	2	4.8
2019/20*	504 (including 36 staff)	1,350,000	0	4.2
2020/21*	17	100,000	0	1.7

\*Closed 21 March – 24 July and 5 November to 4 December 2020. 26 December 2020 – 31 March 2021.

No accidents have met the RIDDOR requirement for reporting in this financial year.

An EHO covid surprise visit to place– no action required.

South Downs Leisure retains the services of Right Directions and the Data Hub digital platform. Right directions are a recognised industry leader in the Health and Safety field and have provided excellent support during the Pandemic with over 20 specialist clinics. The site managers and sections heads are provided with up-to-date information and notifications of changes in legislation, together with the calendar of audits, advice, and support in respect of litigation claims.



**SOUTH DOWNS LEISURE**  
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**REPORT OF THE TRUSTEES**  
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**OBJECTIVES AND ACTIVITIES**

**Objectives and Activities**

The objectives of the charitable company are:

- To provide or assist in the provision of both outdoor facilities in the interest of social welfare for recreation or other leisure time occupation of individuals who have need of such reason by their youth, age, infirmity or disability, financial hardship or social circumstances or to the public at large with the object of improving their conditions of life, and/or
- To promote community participation in healthy recreational activities, and/or
- To provide or assist in the provision of community facilities to be available to all sections of the community without distinction, including use for meetings, lectures and classes and/or other forms of recreation and leisure time occupation with the object of improving the condition of life for all those who use the facilities, and/or
- To promote the education of the public through the provision of facilities for the provision of performing arts, and/or such other charitable purposes as the Trustees in their absolute discretion may determine.

**Public Benefit**

The Trustees confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. We have referred to this guidance when reviewing our business plan and planning new activities for the future.

**Our Vision and Mission**

The Trust established a Vision, Mission Statement and Values outlined below, with our Vision reflecting the UK Active National agenda.

**OUR VISION**

More People, More Active, More Often.

**MISSION**

To deliver an inclusive range of health and wellbeing initiatives whilst providing a clean, safe and happy leisure experience.

**OUR VALUES**

**Integrity**

We will be open, honest and friendly when communicating with customers and partners, treating everyone with respect.

**Equality, diversity and inclusion**

We aim to ensure that the opportunities the Trust provides are accessible, are available on a non-discriminatory basis and provide maximum health and wellbeing benefits for all.

**Continuous Improvement**

We will strive to make the experience of users and visitors better by continually reviewing our activities and procedures.

**Partnership working**

We will develop and sustain strong and effective partnerships with local and national organisations in pursuit of our vision: More People, More Active, More Often.

**Innovation**

We will explore the introduction of new products and services, driven by technology, industry research and best practice.

**Staffing**

We will ensure that all our staff are professionally qualified and/or appropriately trained to deliver the service required and respond effectively and quickly to customer enquiries.



**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**OBJECTIVES AND ACTIVITIES – continued**

**Environmental awareness**

We will endeavour to be an environmentally conscious organisation and will continually review our services to ensure best practice.

**A Strong Board**

Selection and recruitment of the Board was planned with a clear vision to provide a good range of interested, articulate and passionate volunteers with a strong mix of experience, age and gender. The Board has developed a deep understanding of the aims of the Trust and provide strong, but challenging, support and guidance.

**Executive Management Team**

The Exec Management Team is led by the Chief Executive and includes, Finance Director, Operations Director, Sales & Marketing Director, Group Facility Manager Worthing, Group Facility Manager Adur, HR Executive and the Group Development Manager. Below this we have a Senior Management team. During the various lockdowns and as a direct result of taking on an additional contract in Adur we have conducted a significant restructure. This was a once in a generation opportunity to make the staffing work for South Downs Leisure rather than South Downs Leisure fit around the staffing. As a result of this the vast majority of the SMT saw their grade increase.

We would normally hold various sub groups to ensure the business plan is delivered, but during 2020 the business needs and pandemic changed on a daily basis and our management team had to become agile and adapt accordingly.

**Remuneration policy for key management personnel**

A remuneration committee has been organised for future review of remuneration for key management personnel. Historically all changes in grade have been passed by the HR/people and Governance subgroup. Cost of living increases are passed by the Board.

**Training**

We are committed to understanding the sector we operate in and the local and national agenda. To achieve this, we must ensure staff have every opportunity to attend conferences and seminars and attend Continuous Professional Development courses.

We have committed to funding CIMSPA membership, which is our Chartered Institute.

We are committed to maintaining this budget for the future and looking to continue with the mentoring scheme and management training on alternate years. Many staff undertook training whilst on furlough which kept staff up-to-date and engaged.

**REPORT OF THE TRUSTEES**  
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**OBJECTIVES AND ACTIVITIES – continued**

**Workforce Make Up**

The total workforce at the time of TUPE was 367 employees. There was a total of 419 employees at this time in September 2020. The total workforce number does fluctuate monthly by approx. 25 employees due to two factors; seasonal variations around busy/school holiday periods and taking off the casual employees who have not worked within the organisation for the last three months which is an Inland Revenue requirement. The COVID-19 pandemic caused the business to close between 21 March and 25 July 2020. It was clear during this time that when the business re-opened there would be restrictions with social distancing and additional cleaning which would reduce the number of classes and activities we were able to offer. As a result of this all staff were placed at risk in May 2020; concluding in 58 redundancies being made, and variations made to many contracts to reduce hours and ensure the viability of the company once we were able to reopen.

**Gender Pay Gap Reporting**

On 6 April 2017, new regulations came into force requiring organisations with 250 or more employees to publish annual reports containing detailed information regarding the Gender Pay Gap (including bonus pay) between men and women across their workforce.

**Gender Pay Gap - March 2021**

	MALE				FEMALE			
	Number	Mean	Median	%	Number	Mean	Median	%
Whole Organisation	253	10.39	8.21	0.37	432	11.46	8.43	0.63
Upper Quartile	53	18.59	18.37	0.31	118	19.11	19.96	0.69
Upper Middle Quartile	63	10.46	9.63	0.37	109	10.56	9.72	0.63
Lower Middle Quartile	51	8.11	8.21	0.30	120	8.17	8.21	0.70
Lower Quartile	86	6.63	7.64	0.50	85	6.67	7.64	0.50
	<b>506</b>	<b>54.18</b>	<b>52.06</b>	<b>1.85</b>	<b>864</b>	<b>55.97</b>	<b>53.96</b>	<b>3.15</b>

In summary we are proud to report that there continues to be a fair balance of pay rates between male and female employees across the organisation.

**STAFF PROFILES**

**As of July 2021**

Total staff numbers	515
Ethnic minorities*	7%
Disabled	2%
Total posts	730

\* Ethnic Minorities is inclusive of anyone who has disclosed themselves as not being white British.

We continue to use fair recruitment practices and ensure open and transparent processes to encourage all interested parties to apply for roles.

We are proud that we have obtained again the Disability Confident accreditation.



**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**OBJECTIVES AND ACTIVITIES – continued**

**Continuous Improvement**

A key to the success of South Downs Leisure is in the desire to improve, reinvest and be at the forefront of new initiatives. We actively support CIMSPA membership (the Chartered Institute for the Management of Sport and Physical Activity) with several of the senior team holding Fellow and Associate memberships. This has been extended during 2020 to add more members of the 21 strong Senior Management Team.

Please see table below detailing the historical performance monitors since SDL was formed and the status of current audits. As previously mentioned, these audits will recommence once visitor numbers return and the overall financial position is clearer.

Audits	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
F&B Worthing LC	N/A	85%	92%	98%	99%	On hold	On hold
F&B Splashpoint	N/A	90%	96%	100%	100%	On hold	On hold
F&B Field Place	N/A	79%	91%	90%	85%	On hold	On hold
Management Audit WLC	N/A	69%	78%	80%	82%	On hold	On hold
Management Audit SP	N/A	73%	75%	89%	67%	On hold	On hold
Management Audit FP	N/A	70%	68%	84%	68%	On hold	On hold
Management Audit DLC	N/A	64%	75%	77%	74%	On hold	On hold
Quality Audits Worthing LC	63%	75%	88%	92%	90%	83%	On hold
Quality Audits Splashpoint	69%	85%	90%	93%	92%	89%	On hold
Quality Audits Field Place	65%	73%	78%	91%	88%	84%	On hold
Quality Audits Davison LC	85%	91%	88%	91%	87%	78%	On hold
H&S Audit Worthing LC	75%	84%	90%	91%	91%	90%	Quest Prime Sept 2021
H&S Audit Splashpoint	74%	90%	92%	93%	87%	91%	Quest Prime Sept 2021
H&S Audit Field Place	86%	92%	90%	94%	93%	94%	On hold
H&S Audit Davison LC	85%	91%	88%	86%	87%	92%	On hold
NPS Worthing LC	31%	31%	43%	38%	38%	41%	On hold
NPS Splashpoint	23%	19%	30%	39%	41%	41%	On hold
NPS Group	25%	23%	35%	39%	39%	41%	On hold

	On target
	<15%
	>15%



**REPORT OF THE TRUSTEES**  
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**OBJECTIVES AND ACTIVITIES – continued**

**CUSTOMER SATISFACTION**

South Downs Leisure recognises that the customer is at the heart of the business and continually monitors satisfaction ratings using the "Net Promoter Score" system. NPS is a management tool that can be used to gauge the loyalty of an organisation's customer relationships. It serves as an alternative to traditional customer satisfaction research and has been adopted by more than two thirds of Fortune 1,000 companies as well as many of the leisure industry providers.

With the 2020/21 closures monitoring has been suspended, but SDL has continued to remain in touch with customers via a variety of social media platforms. The use of the Leisure Net Solutions "E-Focus" online comment monitoring has allowed members to give feedback on SDL's digital course offering and to be alerted to government directives on the opening and closing of sites through the 3 lockdown periods.

**ACHIEVEMENTS AND PERFORMANCE**

COVID certainly had a significant effect on the leisure industry and South Downs Leisure was no exception. Our normal business hours would see us close for 1-2 days per year with the occasional closure in some areas for maintenance outside of these days. COVID closed all our sites for over 245 days in 2020-2021 and the 120 or so days that we were able to open, we did so on a limited and reduced operation.

Our focus was to protect the charity, protect jobs, look after staff and support the community.

In April 2020 we had to reduce our fixed costs with immediate effect and like all other businesses indulge ourselves in the numerous video calls and education on the new Furlough system which itself changed on four occasions. We set up weekly zoom calls which at its peak saw over 100 staff dial in to ask questions and listen to the CEO give updates on the business. By May 2020 we had also introduced a new Payroll system which allowed us to email staff wage slips.

Unfortunately, we had to make 14% of the team redundant which involved over 30 consultation meetings with staff. During the first lockdown we were always looking forwards at how we could position the charity to thrive as we come out of the pandemic. Initially, to protect the costs we moved all our fitness kit into one sports hall creating the largest gym on the South Coast, which was 17,000sqft. This allowed us to open one gym rather than three and create greater social distancing. We also installed a second 6m screen in one of our studios which meant we could put on more virtual classes and we developed our App, becoming a showcase in the UK with streaming classes from instructors' homes over the App into customer homes. The digital classes were free to all customers that had the App and we saw our App downloads double during lockdown from 8,000 to 16,000. During the second lockdown we opened this service up to the whole of the Adur and Worthing community using the Council Health & Wellbeing team to promote this.

During 2019 we had been reviewing the various teams and we were in the process of a restructure just as COVID hit. From May 2020 we continued with the re-organisation of the teams which saw several staff promoted into new positions, this coincided with our decision to take on the Adur contract and operate Lancing Leisure Centre, Wadurs and Southwick Leisure Centre. Taking these sites on did allow us to maintain more staff and create new jobs. This also gave us greater economies of scale at a time when we had scaled right down in Worthing.

The Adur contract was a challenge within the pandemic but one that the staff took to with enthusiasm and optimism. As well as creating good morale for the teams this gave the staff a clear focus and a sense of a positive future ahead.

Throughout the lockdown we continued to support the community where it was possible, encouraging staff to help out with the food bank service in Worthing, donating food and other supplies to a local homeless charity at the start of lockdown, volunteering at vaccination hubs and supporting community groups as we came out of lockdown, one being Eastbrook gardening group with a small donation to support a project at one of our new Adur sites.

We have continued to look ahead and in July 2021 we hope to start the building works on a new football centre in Palatine Park. We have also just been named as the preferred operator for the 50m Lido in Brighton which is expected to open in the Spring/Summer of 2022.



**REPORT OF THE TRUSTEES**  
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**ENVIRONMENT AND SUSTAINABILITY**

Whilst SDL is primarily a charitable trust focusing on the delivery of leisure services for WBC, the values of community focus, wellbeing and sustainability are very much at the heart of the business ethos. In addition to caring about plastics and engaging in the above initiatives, we also deliver a number of other environmentally friendly activities including the following:

- Ground source heat pumps at Splashpoint Leisure Centre
- Solar panels on Splashpoint, Davison, Lancing manor and Southwick leisure centres
- Paper – utilising double-sided, black and white printing as default and using recycled paper wherever possible
- Wildlife – Beehives at both Splashpoint and Worthing Leisure Centre and bee friendly planting. Additionally, local marine species are showcased on the paddling pool wall
- Recycling – stations available at all our sites
- Toilets – reclaimed water powers our toilets at Splashpoint which are also fitted with reduced flush mechanisms
- Movable Pool Floors – energy savings of 30%
- UV filtration system – reducing the need for chemicals
- Showers – timed to reduce water consumption
- LED lighting - already in place at some sites with the aim to replace all by 2021
- Champions – site specific energy champions are in place
- Working in partnership and funding with the Goodgym project
- Working with the Conservation Volunteers
- Various transport related initiatives for staff and customers.

**Actions towards a Plastic Free Business accreditation to date:**

- SDL lead on the Green Dreams festival – encouraging local and sustainable products
- SDL impose a surcharge on disposable cups in our café and provision of an eco-cup. Water bottles are available to customers
- Ongoing environmental focus and encouragement within our internal monthly staff newsletters e.g. Proactive about Paper
- Holiday programme additions encouraging recycling (through recycling relays), beach awareness and conservation sessions
- Recycling stations available at all 7 SDL sites
- Removal of plastic straws within our cafes
- Replacement of plastic promotional bags with paper bags

**Proposed Actions for the future:**

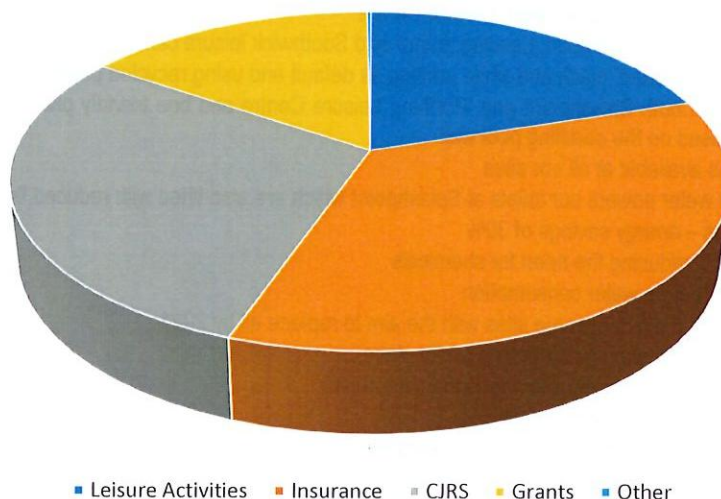
- Further joint working with Adur and Worthing Council on shared initiatives such as a solar install at Field Place
- Target specific articles within our quarterly staff newsletter
- Looking to work with BPR (Brighton Paper Round) to reduce recycling around cups, food, mixed paper and coffee grounds). A proposal is being prepared for 2022/23
- SDL have adopted the Sugar Swap option and replace all wet vending with a zero-sugar option (IPro). This product is accredited as 100% recyclable packaging. Vending machines are now installed in 6 of the sites
- The pandemic has certainly impacted on SDL's ability to deliver some of the more community based projects, but these will again come in to focus as financial certainty and customers number return

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2021

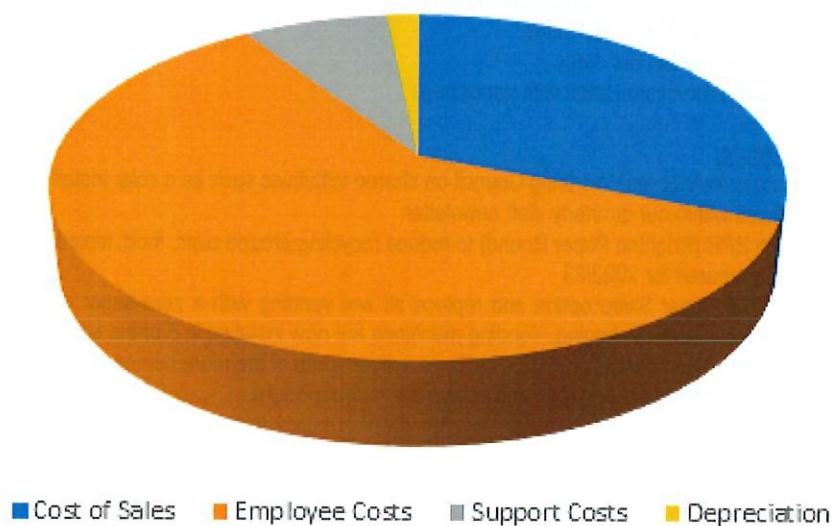
**FINANCIAL REVIEW**

The following charts show which sites produced our income and how that money was spent.

Where our income came from in 2020-2021



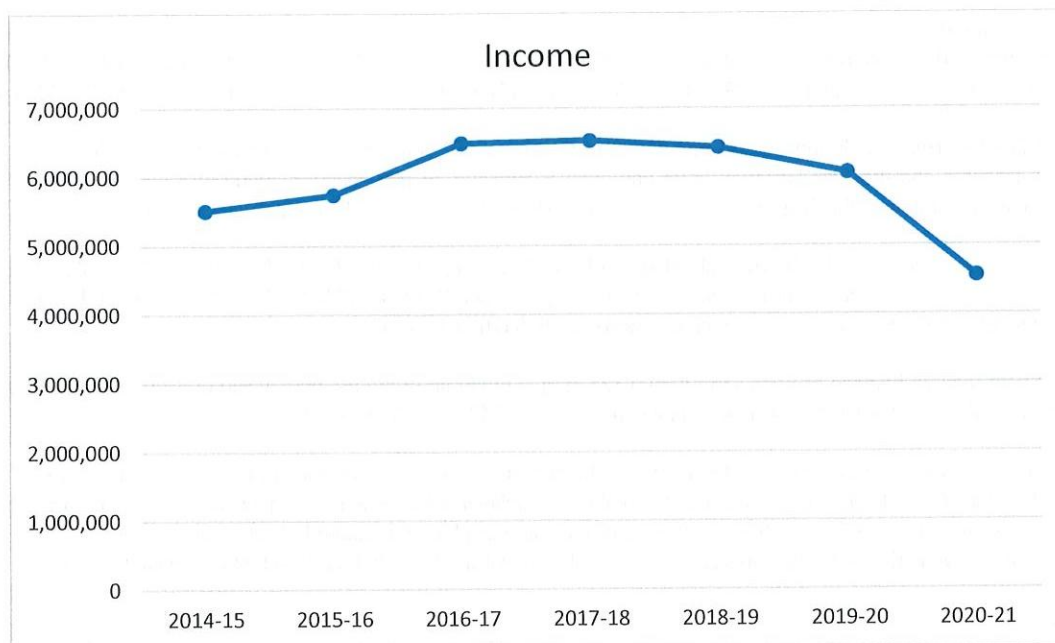
What the money was spent on in 2020-2021



**SOUTH DOWNS LEISURE**  
**(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**FINANCIAL REVIEW – continued**



The above chart shows the income year on year. 2013-2015 we were a council Direct Service Organisation.



The above chart shows staff costs as a % of income. 2018-21 figures include Head Office costs.

**Reserves**

Surpluses on trading and charitable activities will be transferred to a risk reserve and an improvement reserve. After the accumulation of 891k into the risk reserve, then the Trust shall transfer up to £100,000 of any surplus generated into a designated account, the Improvement Reserve.



**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**FINANCIAL REVIEW – continued**

**Reserves - continued**

The group has returned a surplus of £679,785 (2020: £91,790 deficit). The accumulated reserves for the group amounted to £1,603,857 (2020: £924,072), including restricted funds of £34,615 (2020: £33,311) and unrestricted funds of £1,569,242 (2020: £890,761).

In the event that the Trust meets the agreed Risk Reserve target of £891,000 and after £100,000 has been transferred into the Improvement Reserve and the Risk Reserve target has been maintained for a continuous period of 3 months, then 50% of any additional surplus generated by the Trust in any Service Year shall be shared with Worthing Borough Council.

The Trust had total reserves at the balance sheet date of £1,368,801 (2020: £807,067). £891,000 (2020: £450,365) has been designated as the risk reserve in accordance with the reserves policy and £443,186 (2020: £323,391) has been designated as the improvement reserve. Restricted funds at the year end were £34,615 (2020: £33,311).

The improvement reserve balance of £443,186 (2020: £323,391) is made up of the net book value of fixed asset purchases since incorporation of £229,595 (2020: £256,441) and unspent reserves of £213,591 (2020: £66,950).

The COVID-19 crisis saw the reserves depleted between March and October 2020 resulting in the need for a government backed CBILS bank loan for £750,000. No repayments are due for the first twelve months, giving the organisation time for recovery before the first repayment is due. In December 2020 the insurance claim was accepted and ensured stability with a cover of £2.5m. To date £1.8m has been received. The certainty of this support will enable the CBILS loans to be repaid before any interest is due.

**Going concern**

The COVID-19 pandemic has had, and will continue to have, a material impact on the trading position of the Charitable Company. As we move forward a number of uncertainties over the extent of the impact still exist, and these are detailed below:

- **Customer's behaviour**  
Since the centres re-opened in April and May 2021 the membership numbers have gradually been rebuilding. The measures that we and the industry have put in place to mitigate risk has clearly given customers the confidence to resume using the facilities. During the pandemic a virtual class was provided to members and the community at large for free during lockdowns. There was a good take up for this which has encouraged us to provide a digital membership in addition to our traditional FIT4 membership. Providing an in person and a virtual service gives us the opportunity to retain those customers not yet confident enough to return to our centres but also to gain customers who do not enjoy or are not able to take part in traditional leisure activities.
- **Continued presence of COVID-19**  
The world is learning to live with COVID-19 and, due to the success of the vaccination programme, there is a decreasing concern that an increase in cases over the winter months may lead to another nationwide lockdown. We continue to use increased cleaning and optional mask wearing around the centres. Our dedicated Group Health and Safety Manager ensures that we are always on top of government guidelines as well as industry best practice.
- **Financial Support**  
Support has been secured during the period from Worthing Borough Council, in the form of a Coronavirus Business Interruption Loan (CBIL) and an insurance claim based on the loss of earnings during the period. We have also been in receipt of the Coronavirus Job retention Scheme (furlough) grant along with a number of other central government support grants made available to the leisure industry.

Although the COVID-19 pandemic has affected South Downs Leisure, as it has the rest of the leisure industry, we believe that the steps we have taken to reduce costs and to increase sales by connecting with the community through technology, even if they are not comfortable in using our centres, will give the Trust a stable base moving forwards. Support from Worthing Borough Council contributes greatly to the ability of South Downs Leisure to continue to provide a service to the local community. There is also an ongoing insurance claim based on loss of earnings throughout the pandemic. Currently the insurers have accepted liability of £1,800,000 based on the possible group earnings for the year ended 31 March 2021. This will be an ongoing review until the 2021 figures are finalised and then there will be a review of the year ended 31 March 2022 figures.

During the pandemic we have made use of the Coronavirus Job Retention Scheme and will be utilising other furlough schemes as necessary. We also secured a CBILS loan of £750,000 for the Charitable Company and £100,000 for South Downs Leisure Enterprises Limited to provide support while the pandemic takes its course.



**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**FINANCIAL REVIEW – continued**

**Going concern – continued**

The Kickstart scheme was introduced to provide work placements for 16 to 24 year olds who were claiming Universal Credit. South Downs Leisure has utilised this scheme, which helps both the employee and the employer, to reduce staffing costs whilst creating more jobs in the local area.

The Board of Trustees has taken into account the uncertainty caused by COVID-19 and are satisfied that, assuming the Group with the confirmed support, customers behaviour is in line with industry expectations, and there aren't further spikes in COVID-19 which results in enforced lockdowns, then it will be able to meet all its obligations as and when they fall due. Accordingly, whilst drawing the reader's attention to the underlying uncertainties that the COVID-19 pandemic has caused, they consider it appropriate to continue to prepare the financial statements on a going concern basis.

**Plans for the future**

By restructuring the business and taking on the additional Adur contract we feel that the business is poised to deal with the changing business environment. We have shown our agility and flexibility in coping with the Covid crisis, which we will continue to use in the growth and reinforcement of the Trust. The opportunities of Palatine Park and Sealanes are already being embraced by the team. At the same time, we are committed to sustainability and the environmental impact of the Trust. From recycling to larger projects, like installing solar panels at Field Place, we will continue to strive for a business financially successful, creating stability for our staff, whilst prioritising the environment.

**ACCOUNTABLE AND TRANSPARENT**

The work of the Trust sits largely in the public domain and through its values, club and customer focus groups, surveys & feedback mechanisms it strives to engage with all interested parties. The business plan and objectives are published and subject to public scrutiny.

As part of the service agreement with Worthing Borough Council, the Trust provides regular reports to the Council on its performance through monitoring Key Performance Indicators (KPIs).

**FUNDRAISING**

As a charity our income is derived from charitable trading and as such, we do not undertake any specific campaigns which require donations.

**DISABLED PERSONS**

The parent Charitable Company and its subsidiary undertakings' policy is to give full and fair consideration to applications for employment by disabled persons, having regard for their particular aptitudes and abilities. Disabled employees receive appropriate training to promote their career within the organisation. Employees who become disabled are retained in their existing posts where possible or retrained for suitable alternative posts.

**ENGAGEMENT WITH EMPLOYEES**

Communication with employees has been paramount during the COVID-19 pandemic. Weekly Zoom calls with the CEO for all staff have been instigated, and have continued since reopening, as we recognise how important it is for staff to see the CEO and have the opportunity to ask questions directly. There are weekly staff newsletters and social media posts.

It was recognised at the start of the pandemic that reopening would be under various restrictions and the service would need to be reduced accordingly. A number of redundancies were made and variations to contracts to reduce hours. These measures, alongside all staff only receiving 80% of their salaries between May 2020 and March 2021, have contributed greatly towards the survival of the Trust.

The effect of the pandemic, redundancies, variations in contract, shielding and social distancing have all affected the staff in different ways. To acknowledge the effects suffered by staff and to provide support we have appointed a number of Workplace Champions. These are volunteers who have been given training to support staff, provide a means of signposting staff to additional support and coordinating with management as necessary.

Worthing Counselling Service was employed as the Employee Assistance Programme provider during 2019/20. This is a local charitable service which has already proved more popular than the previous, more generic, service. We are helping our staff and another local charity which fits perfectly with our ethos.

Our board of Trustees also includes a Staff Trustee to represent the staff.

**SOUTH DOWNS LEISURE**  
**(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees (who are also the directors of South Downs Leisure for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which 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 the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;  
state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware: and
- the trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**ON BEHALF OF THE BOARD:**



K von Habsburg – Chair

Date: 23 August 2021



**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**SOUTH DOWNS LEISURE**

**Opinion**

We have audited the financial statements of South Downs Leisure (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2021 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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 attention to note 3 in the financial statements which indicates that the effects of the COVID-19 pandemic has had a detrimental impact on the trading results of the Group and Charitable Company. As stated in note 3 these events or conditions, along with other matters as set forth in note 3 indicate that a material uncertainty exists which may cast significant doubt on the Group's and Charitable Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the group annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**Opinion on other matters 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.



## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SOUTH DOWNS LEISURE

### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the group and parent Charitable Company and their environment obtained in the course of the audit, we have not identified material misstatements in the Report of Trustees.

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 by the parent charitable company and its subsidiary, or returns adequate for our audit have not been received from branches not visited by us; or
- the group and parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made;
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the accounts in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 group's and the parent charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

### **Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our 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 Charitable Company through discussions with trustees and our 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 Group and Charitable Company, including, but not limited to, the Companies Act (2006), UK tax legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; 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 Group's and 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;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.



**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**SOUTH DOWNS LEISURE**

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- reviewed management contracts where contract variations had arisen;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 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:

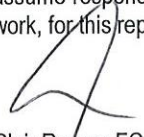
- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the relevant regulator.

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

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Clair Rayner FCA DChA (Senior Statutory Auditor)  
for and on behalf of McCabe Ford Williams  
Statutory Auditors and Chartered Accountants  
Bank Chambers  
1 Central Avenue  
Sittingbourne  
Kent  
ME10 4AE

Date: ..... 23 August 2021

**SOUTH DOWNS LEISURE**  
**(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted Funds	Restricted Funds	31.3.21 Total Funds	31.3.20 Total Funds
		£	£	£	£
<b>INCOME</b>					
Donation income	5	-	1,324,623	1,324,623	50,889
<i>Income from charitable activities:</i>					
Operation of leisure, recreation sites and health activities	6	1,612,765	4,283	1,617,048	5,951,772
<i>Income from other trading activities:</i>					
Commercial trading operations	7	266,189	54,983	321,172	565,064
<i>Other income</i>	8	1,608,634	-	1,608,634	-
<b>TOTAL INCOME</b>		<b>3,487,588</b>	<b>1,383,889</b>	<b>4,871,477</b>	<b>6,567,725</b>
<b>EXPENDITURE</b>					
<i>Costs of raising funds:</i>					
Commercial trading operations	7	142,719	54,983	197,702	548,685
<i>Expenditure on charitable activities:</i>					
Operation of leisure, recreation sites and health activities	10	2,666,388	1,327,602	3,993,990	6,110,830
<b>TOTAL EXPENDITURE</b>		<b>2,809,107</b>	<b>1,382,585</b>	<b>4,191,692</b>	<b>6,659,515</b>
<b>NET (EXPENDITURE) / INCOME BEFORE TAXATION AND TRANSFERS</b>		<b>678,481</b>	<b>1,304</b>	<b>679,785</b>	<b>(91,790)</b>
<b>GROSS TRANSFERS BETWEEN FUNDS</b>		-	-	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>678,481</b>	<b>1,304</b>	<b>679,785</b>	<b>(91,790)</b>
<b>RECONCILIATION OF FUNDS:</b>	26				
<b>FUNDS BROUGHT FORWARD</b>		<b>890,761</b>	<b>33,311</b>	<b>924,072</b>	<b>1,015,862</b>
<b>FUNDS CARRIED FORWARD</b>		<b>1,569,242</b>	<b>34,615</b>	<b>1,603,857</b>	<b>924,072</b>

All incoming resources and resources expended arise from continuing activities. The group has no other recognised gains and losses other than those stated above.

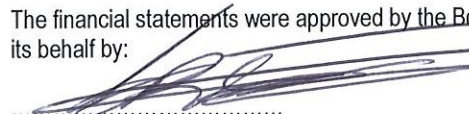
**SOUTH DOWNS LEISURE**  
**(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED BALANCE SHEET**  
**AT 31 MARCH 2021**

	Notes	31.3.21 Total Funds £	31.3.21 Total Funds £	31.3.20 Total Funds £	31.3.20 Total Funds £
<b>FIXED ASSETS</b>					
Intangible assets	16		54,666		77,756
Tangible assets	17		263,582		337,421
Investments	18		-		-
			<u>318,248</u>		<u>415,177</u>
<b>CURRENT ASSETS</b>					
Stocks	19	33,819		8,409	
Debtors	20	1,087,760		301,795	
Cash at bank and in hand		1,746,455		869,651	
		<u>2,868,034</u>		<u>1,179,855</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	21	<u>(793,343)</u>		<u>(639,151)</u>	
<b>NET CURRENT ASSETS</b>			<u>2,074,691</u>		<u>540,704</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>2,392,939</u>		<u>955,881</u>
<b>CREDITORS</b>					
Amounts falling due after one year	22	<u>(762,500)</u>	(762,500)	-	-
<b>PROVISIONS FOR LIABILITIES</b>	15		(26,582)		(31,809)
<b>NET ASSETS</b>			<u>1,603,857</u>		<u>924,072</u>
<b>FUNDS</b>					
Unrestricted income funds			235,056		117,005
Unrestricted designated funds			1,334,186		773,756
Restricted funds			34,615		33,311
<b>TOTAL FUNDS</b>	26		<u>1,603,857</u>		<u>924,072</u>

The financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 23 August 2021 and were signed on its behalf by:

  
 K von Habsburg – Chair

Company Registered number: 09204269  
 Registered Charity number: 1163564

The notes form part of these financial statements




**SOUTH DOWNS LEISURE**  
**(A COMPANY LIMITED BY GUARANTEE)**

**COMPANY BALANCE SHEET**  
**AT 31 MARCH 2021**

	Notes	31.3.21 Total Funds £	31.3.21 Total Funds £	31.3.20 Total Funds £	31.3.20 Total Funds £
<b>FIXED ASSETS</b>					
Intangible assets	16		54,666		77,756
Tangible assets	17		123,678		170,006
Investments	18		<u>1</u>		<u>1</u>
			178,345		247,763
<b>CURRENT ASSETS</b>					
Stocks	19	33,819		8,409	
Debtors:	20	1,137,081		514,257	
Cash at bank and in hand		<u>1,499,898</u>		<u>538,823</u>	
		2,670,798		1,061,489	
<b>CREDITORS</b>					
Amounts falling due within one year	21	<u>(817,842)</u>		<u>(502,185)</u>	
<b>NET CURRENT ASSETS</b>			<u>1,852,956</u>		<u>559,304</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			2,031,301		807,067
<b>CREDITORS</b>					
Amounts falling due within one year	22	<u>(662,500)</u>	(662,500)	-	-
<b>NET ASSETS</b>			<u>1,368,801</u>		<u>807,067</u>
<b>FUNDS</b>					
Unrestricted designated funds			1,334,186		773,756
Restricted funds			<u>34,615</u>		<u>33,311</u>
<b>TOTAL FUNDS</b>	26		<u>1,368,801</u>		<u>807,067</u>

The financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

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Company Registered number: 09204269  
 Registered Charity number: 1163564

The notes form part of these financial statements

**SOUTH DOWNS LEISURE**  
**(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

		Group 31.3.21 £	Group 31.3.20 £	Company 31.3.21 £	Company 31.3.20 £
<b>Cash flows from operating activities</b>	<b>1</b>	87,098	172,089	230,566	15,583
<b>Cash flows from investing activities</b>					
Purchase of tangible fixed assets		(19,800)	(122,307)	(19,800)	(106,320)
Purchase of intangible fixed assets		-	(62,638)	-	(62,638)
Finance charges		(40,494)	(40,152)	(36,710)	(36,756)
Interest receivable		-	-	5,419	7,081
Net cash from investing activities		(60,294)	(225,097)	(51,092)	(198,633)
<b>Cash flows from financing activities</b>					
Loan to Enterprises		-	-	31,600	31,600
New loan		850,000	-	750,000	-
		850,000	-	781,600	31,600
<b>(Decrease)/Increase in cash and cash equivalents in the reporting period</b>		876,804	(53,008)	961,075	(151,450)
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>2</b>	869,651	922,659	538,823	690,273
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>2</b>	1,746,455	869,651	1,499,898	538,823

The notes form part of these financial statements

**SOUTH DOWNS LEISURE**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**1. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	Group 31.3.21 £	Group 31.3.20 £	Company 31.3.21 £	Company 31.3.20 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	679,785	(91,790)	561,734	(101,088)
Depreciation/amortisation charges	116,730	160,574	89,220	133,372
Finance costs	40,494	40,152	36,710	36,756
Interest received	-	-	(5,419)	(7,081)
(Decrease) / Increase in stock	(25,410)	38,215	(25,410)	38,215
(Increase) / Decrease in debtors	(785,965)	53,849	(809,974)	13,093
Decrease / (Increase) in intercompany	-	-	310,709	(81,206)
Increase / (Decrease) in creditors	61,464	(28,911)	72,996	(16,478)
<b>Net cash flow from operating activities</b>	<b>87,098</b>	<b>172,089</b>	<b>230,566</b>	<b>15,583</b>

**2. ANALYSIS OF CASH AND CASH EQUIVALENTS**

**Group**

	31.3.21 £	31.3.20 £
Cash in hand and at bank	1,746,455	869,651
	<u>1,746,455</u>	<u>869,651</u>

**Company**

	31.3.21 £	31.3.20 £
Cash in hand and at bank	1,499,898	538,823
	<u>1,499,898</u>	<u>538,823</u>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**1. STATUTORY INFORMATION**

South Downs Leisure (A Company Limited by Guarantee) is a registered charity. The Charity's registered number and registered office address can be found on the Charity Information page.

**2. STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

**3. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the provisions of FRS 102 (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. There were no material departures from that standard.

The group's functional currency is British Pound Sterling (GBP), which is also the presentation currency for the group. The financial statements are therefore presented in British Pound Sterling.

**Going concern**

The outbreak of COVID-19 in 2020 has resulted in a pandemic causing extensive disruption across the globe. The COVID-19 pandemic developed rapidly in 2020 and 2021. The resulting impact of the virus on the operations of the Charitable Company and its subsidiary, and measures taken by various governments to contain the virus, have negatively affected the Charitable Company and its subsidiary's results in the current financial year. The currently known impacts of COVID-19 on the Charitable Company and subsidiary are:

**South Downs Leisure**

- A significant reduction in income from April 2020 to date.
- The closure of all leisure facilities in the United Kingdom by the various governments periodically throughout the year from April 2020.
- The closure of all leisure facilities in the United Kingdom in January 2021 with outdoor leisure sites reopening from April 2021 and indoor leisure sites reopening from May 2021.
- A reduction in income compared to previous years when open due to the measures that are required to ensure our facilities are COVID secure. The required measures limit the services offered and capacity of leisure sites.
- On 19 July 2021 these restrictions were removed.

The full extent of the impact of COVID-19 on the Charitable Company is still unknown.

- The impact of changes in customers behaviour and confidence levels as a result of the continued existence of the pandemic in our society is currently unknown and, if customers do not return to sites as anticipated, this will have a significant impact on revenue generation.
- Whilst restrictions were lifted on 19 July 2021, the government may need to implement measures in the future to limit the spread of the virus.
- The impact of new variants of the virus on government policy and the vaccination program are uncertain.

In response to these matters, the entity has taken the following actions:

- We have taken and continue to take advantage of the Coronavirus Job Retention Scheme
- We were successful in receiving £750,000 through the Coronavirus Business Interruption Loan Scheme
- We have successfully negotiated financial support from Worthing Borough Council for a total of £674,619 in 2020/21
- We have applied for, and been successful in receiving, a loss of income claim through our insurance company of £1,800,000 in 2020/21.

**SOUTH DOWNS LEISURE**  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**3. ACCOUNTING POLICIES – continued**

**Going concern - continued**

- We have put new hygiene measures in place at our gyms, pools and fitness classes in line with coronavirus regulations.
- We have established across all of our services a minimum viable offering of services from re-opening.
- We have introduced virtual exercise classes on our APP; live streaming plus a back catalogue.

**South Downs Leisure Enterprises Limited**

- The closure of Field Place on 23 March 2020 in line with the UK Government restrictions resulted in no income from the trading activities from 23 March 2020 to the reopening of the venue.
- The venue was permitted to reopen on 15 August 2020 with functions restricted to 30 guests.
- From 28 September 2020 the numbers of guests permitted to attend a wedding ceremony was reduced to 15.
- Receptions and celebrations had to be a sit-down meal.
- Venues hosting wedding receptions and celebrations had to be closed between 10pm and 5am.
- Groups of more than 6 people from different households could not meet up in England thus preventing the booking of parties at the venue.
- From 19 July 2021 there are no longer any restrictions on weddings and venue hire.

The full extent of the impact of COVID-19 on the subsidiary is still unknown:

- Whilst restrictions have now been lifted the government may at some point need to implement measures to limit the spread of the virus and the possibility of another local or nationwide lockdown with no government support package would have a significant impact on the subsidiary's ability to realise its assets and settle its liabilities in the ordinary course of business.

In response to these matters, the entity has taken the following actions:

- We have limited costs to only those that are essential in keeping the venue running and in a reasonable state of repair throughout the periods of closure and limited activity.
- Capital purchases will only be made as necessitated by business need as, and when, returning numbers make these investments feasible.
- We have a continued relationship with the parent, South Downs Leisure, with funds that can be utilised if absolutely necessary.
- We were successful in receiving support of £100,000 through the Coronavirus Business Interruption Loan Scheme.

Cash flow forecasts and budgets have been produced up to March 2024 based on a gradual improvement over the next few years which we feel will be the appropriate length of time to recover to pre-Covid levels. Management carried out an extensive review of the underlying cost base of the business and restructured during 2020-2021, creating a strong, agile management team that will ensure the success of South Downs Leisure over the recovery period and beyond.

These forecasts indicate that the Charitable Company will remain within its financing facilities for the foreseeable future and will be able to meet its financial obligations as they fall due. However, in the current climate, it is extremely difficult to arrive at reliable expectations on which to base assumptions. If the key assumptions are not achieved as a result of the uncertainties noted above, this may cast doubt on the Charitable Company's ability to continue to operate.

Although it is not certain that these efforts will be successful, the board and executive management team has determined that the actions taken are sufficient to mitigate the uncertainties and has therefore prepared the financial statements on a going concern basis.

There are material uncertainties related to the events and conditions set out above that may cast significant doubt upon the group and Charitable Company's ability to continue as a going concern and therefore whether the group will realise its assets and settle its liabilities in the ordinary course of business at the amounts recorded in the financial statements.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**3. ACCOUNTING POLICIES – continued**

**Preparation of consolidated financial statements**

The financial statements consolidate the results of the Charitable Company and its wholly owned subsidiary South Downs Leisure Enterprises Limited on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account is not presented for the Charitable Company itself in accordance with the exemptions afforded by paragraph 397 of the SORP.

**Income recognition**

All incoming resources from recreation and leisure sites are included on the Statement of Financial Activities when the charitable company is legally entitled to the income, the amount can be quantified with reasonable accuracy and it is probable that the charitable company will receive the income. Income represents net sales of goods and services and management fees excluding value added tax, to customers during the year. Certain income is received in advance of the provision of the relevant service and as such is deferred until the service commences. Some services are provided in advance of an invoice being raised and as such is accrued until the invoice has been raised and the income recognised in the income and expenditure account. Income for annual memberships is accounted for over the membership year.

**Grants receivable**

Grants receivable in respect of a specified period relating to the general activities of the charitable company are recognised in the Statement of Financial Activities in the period in which they become receivable. Where related expenditure has not been incurred the grant is deferred only when the donor has imposed restrictions on the expenditure of resources which amount to pre-conditions for use.

**Government grants**

Government grants are recognised when it is reasonably certain that the conditions attached to the grant are met. Income from grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

During the year the Charitable Company received the following revenue based grant:

- Coronavirus Job Retention Scheme (CJRS) to cover a portion of employees' wages who were furloughed due to the coronavirus pandemic. The amount received in respect of the parent has been included in donations (note 5) and in respect of the subsidiary in commercial trading operations (note 7).
- Local Restrictions Support Grant (LRSG) to support businesses during the lockdown from 5 January 2021. The amount received has been included in income (note 6).
- Business Rate Grant to cover business rates for retail, hospitality and leisure due to coronavirus. The amount received has been included in income (note 6).
- Local Authority support in respect of the re-opening of the facilities including Splashpoint. The income received has been included in income (note 6).
- Local Authority support in respect of reduced service charges, reduced maintenance costs and the refund of the 2018/19 gain share charge. The income received has been included in income (note 6).
- The Charitable Company and subsidiary both applied for the Coronavirus Business Interruption Loan Scheme (CBILS) to support them during the COVID-19 pandemic. As the Government guarantees a proportion of the loan and the interest due within the first year is paid by the Government, the Business Interruption Payment has been included in income (note 6) and commercial trading operations (note 7).

**Unrestricted Funds**

Unrestricted funds are incoming resources receivable or generated for the objects of the charitable company without further specified purpose and are available as general funds.

**Restricted Funds**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the funds.

**Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Resources expended include attributable VAT which cannot be recovered.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**3. ACCOUNTING POLICIES – continued**

**Support costs**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative, and payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

**Tangible fixed assets**

Fixed assets costing in excess of £5,000 are shown in the financial statements at cost including irrecoverable VAT in respect of these assets. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and Fittings	- straight line over 5 years, straight line over 23 years
Exercise Equipment	- straight line over 5 years
IT, Audio & Visual Equipment	- straight line over 5 years

**Irrecoverable VAT**

Given the nature of the Charitable Company's activities it attracts exempt supplies, which results in the Charitable Company falling under the partial exemption scheme. Input VAT is fully recovered on taxable supplies, together with a proportion of non-attributable input VAT. Irrecoverable VAT is written off to the Statement of Financial Activities.

**Investments in subsidiaries**

Investments in subsidiary undertakings are recognised at cost.

**Service Concession Arrangements**

The charitable company has a Service Contract with Worthing Borough Council for the operation of leisure centres owned by the Council to which it has lease and management service contracts. Worthing Borough Council has rights under the contracts to specify the activities offered by the centres and has influence over the prices charged for them and specifies minimum standards for the services to be provided.

*Property, plant and equipment*

The buildings and plant at the centres are leased to the charitable company as part of the overall contractual relationship with Worthing Borough Council but the Council maintains ultimate control of these assets. Accordingly the access which the charitable company has in the use of these assets is to enable it to operate the leisure centres, so that the charitable company can provide the public service it is contracted to provide, not to effectively own these public service assets. These assets are therefore not recognised on the charitable company's Balance Sheet.

**Stocks**

Stocks are valued at the lower of cost and estimated selling price less costs to sell, on a first in first out basis, after making due allowance for obsolete and slow moving items.

**Debtors receivable and creditors payable within one year**

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.

**Debtors receivable and creditors payable over one year**

Debtors and creditors are stated at value due as an appropriate interest/discount rate is effectively applied.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities as incurred.

**Allocation and apportionment of costs**

Charitable activities are those costs incurred directly in the running of each of the recreation and leisure sites and in performance of the health activities. Charitable activities are split into recreation, leisure site and health activities costs, which are those costs incurred directly in the running of each of the sites and health activities, and support costs which are those costs incurred directly in support of expenditure on the objects of the Charitable Company.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**3. ACCOUNTING POLICIES – continued**

**Financial Instruments**

The charitable company and subsidiary enter into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

**a) Trade and other debtors**

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

**b) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand.

**c) Impairment of financial assets**

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

**d) Trade and other creditors**

Debt instruments like loans and other accounts payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable within one year, typically trade payables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an 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.

**Taxation**

The Charitable Company is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**Pension costs and other post-retirement benefits**

In respect of those defined benefit pension schemes where the local authority has indemnified the Charitable company against changes in the employer contribution rate and any liability which may become payable as a result of the termination or expiry of a contract, the amount charged to the statement of financial activities represents the contribution payable to the scheme in the accounting period without any actuarial adjustment.

Contributions to defined contribution pension schemes are charged to the Statement of Financial Activities as incurred.

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

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



**SOUTH DOWNS LEISURE**  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**3. ACCOUNTING POLICIES – continued**

**Critical accounting judgements and key sources of estimation uncertainty – continued**

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

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are the depreciation charges that are calculated with reference to the useful economic life of fixed assets and the deferred income relating to memberships and bookings for the following year.

**4. FINANCIAL ACTIVITIES OF THE CHARITY**

The financial activities shown in the Group Statement of Financial Activities include those of the Charitable Company's wholly owned subsidiary South Downs Leisure Enterprises Limited.

A summary of the financial activities undertaken by the Charitable Company is set out below:

		31.3.21 £	31.3.20 £
Gross incoming resources	- Operation of leisure centres	915,429	5,951,772
	- Grants (note 6)	701,619	-
	- Donations (note 5)	1,324,623	50,889
	- Other income (note 8)	1,608,634	-
		<u>4,550,305</u>	<u>6,002,661</u>
Total expenditure on charitable activities		(3,993,990)	(6,110,830)
Loan interest from subsidiary		<u>5,419</u>	<u>7,081</u>
Net incoming / (outgoing) resources		<u>561,734</u>	<u>(101,088)</u>

**5. DONATION INCOME**

	31.3.21 £	31.3.20 £
Donation income	<u>1,324,623</u>	<u>50,889</u>

The Group received £1,324,623 (2020: £50,889) of grant funding from the government's Coronavirus Job Retention Scheme (CJRS).

Income from donations was £1,324,623 (£50,889) of which £1,324,623 (2020: £Nil) was attributable to restricted funds.

**6. INCOME FROM CHARITABLE ACTIVITIES**

		31.3.21 £	31.3.20 £
Gross incoming resources	- Operation of leisure centres	915,429	5,951,772
	- Grants	701,619	-
Net incoming / (outgoing) resources		<u>1,617,048</u>	<u>5,951,772</u>

Income from charitable activities was £1,617,048 (2020: £5,951,772) of which £4,283 (2020: £21,375) was attributable to restricted funds and £1,612,765 (2020: £5,930,397) was attributable to unrestricted funds.

**SOUTH DOWNS LEISURE**  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**6. INCOME FROM CHARITABLE ACTIVITIES - continued**

Grants received, included in the above, are as follows:

	31.3.21	31.3.20
	£	£
Local Restrictions Support Grant (LRSG)	17,285	-
Business Rate Grant	89,427	-
Coronavirus Business Interruption Loan Scheme (CBILS) Interest grant	27,000	-
Other Local Authority grants	567,907	-
	<u>701,619</u>	<u>-</u>
Net incoming / (outgoing) resources		

**7. INCOMING / (OUTGOING) RESOURCES FROM COMMERCIAL TRADING OPERATIONS**

A summary of the trading results of the wholly owned subsidiary South Downs Leisure Enterprises Limited is shown below:

	31.3.21	31.3.20
	£	£
Turnover	321,172	565,064
Cost of sales and administration costs	(197,702)	(548,685)
Interest on inter-group loan	(5,419)	(7,081)
	<u>118,051</u>	<u>9,298</u>
Net profit		

Included within turnover is £54,983 (2020: £Nil) of grant funding from the government's Coronavirus Job Retention Scheme (CJRS), £191,366 (2020: £Nil) of business interruption insurance claim based on the loss of earnings for the year ended 31 March 2021 and £2,400 (2020: £Nil) for the Coronavirus Business Interruption Loan Scheme (CBILS) interest covered by the Government for the first year.

**8. OTHER INCOME**

	31.3.21	31.3.20
	£	£
Business Interruption insurance claim	1,608,634	-
	<u>1,608,634</u>	<u>-</u>

Other income relates to a business interruption insurance claim based on the loss of earnings for the year ended 31 March 2021 (2020: £Nil).

Other income was £1,608,634 (2020: £Nil) of which £1,608,634 (2020: £Nil) was attributable to unrestricted funds.

**9. NET INCOME/EXPENDITURE OF THE PARENT CHARITABLE COMPANY**

As permitted by section 408 of the Companies Act 2006, the income and expenditure account of the parent Charitable Company is not presented as part of these financial statements. The parent Charitable Company's net incoming resources was £561,734 (2020: £101,088 net outgoing).

**10. RESOURCES EXPENDED ON CHARITABLE ACTIVITIES COSTS**

	Direct Costs	Direct Staff Costs	Support Costs (see note 11)	31.3.21 Total Charitable Activities	31.3.20 Total Charitable Activities
	£	£	£	£	£
Leisure, recreation and health activities	<u>1,301,008</u>	<u>2,388,685</u>	<u>304,297</u>	<u>3,993,990</u>	<u>6,110,830</u>

£1,327,602 (2020: £35,205) of the above costs were attributable to restricted funds and £2,666,388 (2020: £6,075,625) of the above costs were attributable to unrestricted funds.

**SOUTH DOWNS LEISURE**  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**11. SUPPORT COSTS**

Support costs, included in the above, are as follows:

	31.3.21	31.3.20
	Operation of leisure, recreation sites and health activities £	Operation of leisure, recreation sites and health activities £
External support services	113,253	105,969
Premises expenses	-	22,355
Advertising & marketing	9,718	46,769
Office administration	59,039	57,343
Consultancy	48,775	21,546
Training	498	28,949
Finance costs	36,710	36,756
Governance costs	24,618	24,974
Other support costs	11,686	15,161
	<u>304,297</u>	<u>359,822</u>

All support costs relate to the sole activity of the Charitable Company, being the provision of leisure, recreation and health services.

**12. NET INCOMING/(OUTGOING) RESOURCES**

Net resources are stated after charging/ (crediting):

	31.3.21	31.3.20
	£	£
Hire of equipment	69,563	76,113
Depreciation	93,639	142,565
Amortisation	23,091	18,009
Auditors' remuneration	20,777	22,159
Auditors' remuneration for non-audit work	<u>3,400</u>	<u>3,400</u>

**13. TRUSTEES' REMUNERATION AND BENEFITS**

Staff trustees only receive remuneration in respect of services they provide undertaking the roles of staff and not in respect of their services as trustees. Other trustee did not receive any payments from the Trust in respect of their roles as trustees.

The value of trustees' remuneration was as follow:

P Spencer-Snell (Staff trustee):

Remuneration £15,000 - £20,000 (2020: £Nil)

Employer's pension contributions £0 - £5,000 (2020: £Nil)

C Hunter (Staff trustee):

Remuneration £Nil (2020: £30,000 - £35,000)

Employer's pension contributions £Nil (2020: £9,000 - £9,500)

**Trustees' Expenses**

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



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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**14. STAFF COSTS**

	31.3.21 £	31.3.20 £
<b>Company</b>		
Wages and salaries	2,061,759	3,128,039
Social security costs	94,674	145,948
Defined benefit pension costs	187,493	309,434
Redundancy and severance payments	44,759	-
	<u>2,388,685</u>	<u>3,583,421</u>
<b>Subsidiary</b>		
Wages and salaries	79,456	144,319
Social security costs	4,854	10,044
Other pension costs	7,121	14,483
	<u>91,431</u>	<u>168,846</u>
	<u>2,480,116</u>	<u>3,752,267</u>

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

31.3.21	31.3.20
<u>295</u>	<u>440</u>

The total amount of employee benefits received by key management personnel was £302,196 (2020: £408,279). The Charitable Company considers its key management personnel to be the Chief Executive, Finance Director, Operations Director, HR Executive, Sales and Marketing Director and the staff trustees.

The number of employees whose emoluments fell within the following bands was:

	31.3.21	31.3.20
£60,001 - £70,000	1	2
£80,001 - £90,000	1	-
£100,001 - £110,000	-	1
	<u>2</u>	<u>3</u>

The number of employees earning in excess of £60,000 (for the year) to whom retirement benefits are accruing:

31.3.21	31.3.20
<u>2</u>	<u>3</u>

**15. TAXATION**

The Charitable Company paid no corporation tax during the year. Provisions for £nil (2020: £nil) have been made at 31 March 2021 for corporation tax due in respect of the surplus from trading activities recorded in the year ended 31 March 2021. During the year ended 31 March 2021 all trading activities were conducted by the wholly owned subsidiary, South Downs Leisure Enterprises Limited.

South Downs Leisure Enterprises Limited has provisions included of £26,582 (2020: £31,809) in respect of deferred taxation and a corporation tax creditor of £32,918 (2020: £4,312) in respect of corporation tax payable on profits relating to trading income. The analysis of the tax charge on the profit for the year was as follows:

	31.3.21 £	31.3.20 £
<b>Current tax:</b>		
UK corporation tax	32,918	4,312
<b>Deferred taxation movement</b>	<u>(5,227)</u>	<u>(2,131)</u>
<b>Tax on trading profit</b>	<u>27,691</u>	<u>2,181</u>

**SOUTH DOWNS LEISURE**  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**16. INTANGIBLE FIXED ASSETS**

**Group and company**

	Computer software £
<b>COST</b>	
At 1 April 2020	112,984
Additions	-
Disposals	-
At 31 March 2021	112,984
<b>AMORTISATION</b>	
At 1 April 2020	35,228
Charge for year	23,090
Eliminated on disposal	-
At 31 March 2021	58,318
<b>NET BOOK VALUE</b>	
At 31 March 2021	54,666
At 31 March 2020	77,756

**17. TANGIBLE FIXED ASSETS**

**Group**

	Exercise Equipment £	Fixtures and fittings £	IT, audio and visual equipment £	Totals £
<b>COST</b>				
At 1 April 2020	333,365	441,124	105,423	879,912
Additions	14,320	-	5,480	19,800
Disposals	-	-	-	-
Reclassification	(3,600)	-	3,600	-
At 31 March 2021	344,085	441,124	114,503	899,712
<b>DEPRECIATION</b>				
At 1 April 2020	260,242	180,189	102,060	542,491
Charge for year	30,196	61,672	1,771	93,639
Eliminated on disposal	-	-	-	-
Reclassification	(3,600)	-	3,600	-
At 31 March 2021	286,838	241,861	107,431	636,130
<b>NET BOOK VALUE</b>				
At 31 March 2021	57,247	199,263	7,072	263,582
At 31 March 2020	73,123	260,935	3,363	337,421

**SOUTH DOWNS LEISURE**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**17. TANGIBLE FIXED ASSETS - continued**

**Company**

	Exercise Equipment £	Fixtures and fittings £	IT, audio and visual equipment £	Totals £
<b>COST</b>				
At 1 April 2020	333,365	216,462	105,423	655,250
Additions	14,320	-	5,480	19,800
Disposals	-	-	-	-
Reclassification	(3,600)	-	3,600	-
At 31 March 2021	344,085	216,462	114,503	675,050
<b>DEPRECIATION</b>				
At 1 April 2020	260,242	122,942	102,060	485,244
Charge for year	30,196	34,161	1,771	66,128
Eliminated on disposal	-	-	-	-
Reclassification	(3,600)	-	3,600	-
At 31 March 2021	286,838	157,103	107,431	551,372
<b>NET BOOK VALUE</b>				
At 31 March 2021	57,247	59,359	7,072	123,678
At 31 March 2020	73,123	93,520	3,363	170,006

**18. FIXED ASSET INVESTMENTS**

**Company**

	Shares in group undertakings
	£
<b>MARKET VALUE</b>	
At 1 April 2020 and 31 March 2021	1
<b>NET BOOK VALUE</b>	
At 31 March 2020 and 31 March 2021	1

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies included the following:

**South Downs Leisure Enterprises Limited (company number 09261501)**

Nature of business: Operation of an events venue

	% holding		
Class of share:			
Ordinary	100		
		31.3.21	31.3.20
		£	£
Aggregate capital and reserves		235,056	117,005
Profit for the year		118,051	9,298



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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**19. STOCKS**

	Group		Company	
	31.3.21	31.3.20	31.3.21	31.3.20
	£	£	£	£
Stocks	<u>33,819</u>	<u>8,409</u>	<u>33,819</u>	<u>8,409</u>

Stock amounts recognised within expenditure for the current period are £36,864 (2020: £291,315).

**20. DEBTORS**

	Group		Company	
	31.3.21	31.3.20	31.3.21	31.3.20
	£	£	£	£
Trade debtors	265,948	124,573	254,624	100,293
Other debtors	2,653	65,849	2,653	64,640
Loan to associate under 1 year	-	-	31,600	31,600
Prepayments and accrued income	819,159	111,373	816,604	98,976
Amounts owed by group undertakings	-	-	-	155,548
	<u>1,087,760</u>	<u>301,795</u>	<u>1,105,481</u>	<u>451,057</u>
Loan to associate over 1 year	-	-	31,600	63,200
Aggregate amounts	<u>1,087,760</u>	<u>301,795</u>	<u>1,137,081</u>	<u>514,257</u>

**21. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	31.3.21	31.3.20	31.3.21	31.3.20
	£	£	£	£
Trade creditors	89,826	236,550	89,182	233,194
Taxation	32,918	4,312	-	-
Social security and other tax	77,866	124,266	75,431	109,951
Other creditors	78,700	1,702	78,700	1,702
Accrued expenses	116,763	87,803	107,582	68,819
Deferred income	309,770	184,518	224,287	88,519
Amounts due to group undertakings	-	-	155,160	-
Bank loans	87,500	-	87,500	-
	<u>793,343</u>	<u>639,151</u>	<u>817,842</u>	<u>502,185</u>

**Deferred Income**

	Group		Company	
	31.3.21	31.3.20	31.3.21	31.3.20
	£	£	£	£
Deferred income at 1 April 2020/19	184,518	181,825	88,519	96,971
Deferred during the period	309,770	184,518	224,287	88,519
Amounts released to income from prior periods	<u>(184,518)</u>	<u>(181,825)</u>	<u>(88,519)</u>	<u>(96,971)</u>
Deferred income at 31 March 2021/20	<u>309,770</u>	<u>184,518</u>	<u>224,287</u>	<u>88,519</u>

Deferred income at 31 March 2021 for the Charitable Company represents annual leisure membership income, where the consideration has been received in the year ended 31 March 2021 but the services were only provided following the year end. The Group deferred income also includes venue hire income under the same principles.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**22. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	Group		Company	
	31.12.21	31.12.20	31.12.21	31.12.20
	£	£	£	£
Bank loans (see note 23)	762,500	-	662,500	-
	762,500	-	662,500	-

**23. LOANS**

An analysis of the maturity of loans is given below:

	Group		Company	
	31.12.21	31.12.20	31.12.21	31.12.20
	£	£	£	£
Amounts falling due within one year on demand:				
Bank loans	87,500	-	87,500	-
	87,500	-	87,500	-
Amounts falling due between one and two years:				
Bank loans	170,000	-	150,000	-
	170,000	-	150,000	-
Amounts falling due between two and five years:				
Bank loans	340,000	-	300,000	-
	340,000	-	300,000	-
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans	252,500	-	212,500	-
	252,500	-	212,500	-

The bank loans consist of an unsecured bank loan of £750,000 and a secured bank loan of £100,000.

The unsecured bank loan of £750,000 is over a term of 6 years with an interest rate of 3.5% above the Bank of England base rate. Monthly repayments will begin 1 year after the drawdown of the loan (September 2021) over 60 months.

The secured bank loan of £100,000 is over a term of 6 years with an interest rate of 2.3% above the Bank of England base rate. Monthly repayments will begin 1 year after the drawdown of the loan (April 2022) over 60 months. The bank loan is secured on the assets of South Downs Leisure Enterprises Limited by way of fixed and floating charges.

**24. OPERATING LEASE COMMITMENTS**

Minimum lease payments fall due as follows:

	Non-cancellable operating leases	
	31.3.21	31.3.20
Due < 1 year	44,483	67,062
Due 1-2 years	-	44,483
Due 2-5 years	-	-
	44,483	111,545

Operating lease amounts recognised within expenditure for the current period are £69,563 (2020: £76,113).



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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**25. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

Group			31.3.21	31.3.20
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Fixed Assets	318,248	-	318,248	415,177
Current Assets	2,833,419	34,615	2,868,034	1,179,855
Current Liabilities	(793,343)	-	(793,343)	(639,151)
Long Term Liabilities	(789,082)	-	(789,082)	(31,809)
	<u>1,569,242</u>	<u>34,615</u>	<u>1,603,857</u>	<u>924,072</u>
<b>Company</b>				
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Fixed Assets	178,344	-	178,344	247,762
Investment	1	-	1	1
Current Assets	2,636,183	34,615	2,670,798	1,061,489
Current Liabilities	(817,842)	-	(817,842)	(502,185)
Long Term Liabilities	(662,500)	-	(662,500)	-
	<u>1,334,186</u>	<u>34,615</u>	<u>1,368,801</u>	<u>807,067</u>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**25. ANALYSIS OF NET ASSETS BETWEEN FUNDS - continued**

Comparative information in respect of the preceding period is as follows:

Group			31.3.20	31.3.19
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Fixed Assets	415,177	-	415,177	390,806
Current Assets	1,146,544	33,311	1,179,855	1,324,927
Current Liabilities	(639,151)	-	(639,151)	(665,931)
Long Term Liabilities	(31,809)	-	(31,809)	(33,940)
	<u>890,761</u>	<u>33,311</u>	<u>924,072</u>	<u>1,015,862</u>

Company			31.3.20	31.3.19
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Fixed Assets	247,762	-	247,762	212,176
Investment	1	-	1	1
Current Assets	1,028,178	33,311	1,061,489	1,228,134
Current Liabilities	(502,185)	-	(502,185)	(532,156)
Long Term Liabilities	-	-	-	-
	<u>773,756</u>	<u>33,311</u>	<u>807,067</u>	<u>908,155</u>



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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**26. MOVEMENT IN FUNDS**

<b>Group</b>	<b>At 1.4.20</b>	<b>Net movement in funds</b>	<b>At 31.3.21</b>
<b>Unrestricted funds</b>			
General	117,005	118,051	235,056
Designated	773,756	560,430	1,334,186
	<u>890,761</u>	<u>678,481</u>	<u>1,569,242</u>
<b>Restricted funds</b>			
Short Breaks Buddy PT	6,311	(153)	6,158
Walking Football	759	-	759
Disability Fun Day	5,770	(68)	5,702
Awards for all	9,950	-	9,950
Green Dreams	1,417	1,190	2,607
Winter Pressures Chair Based Pilates	3,922	382	4,304
Aiming High Trampoline Equipment	1,575	(47)	1,528
Safe in Sussex Community Grant	2,500	-	2,500
Dementia Friendly Pottery	440	-	440
Disability Disco	667	-	667
	<u>33,311</u>	<u>1,304</u>	<u>34,615</u>
<b>TOTAL FUNDS</b>	<u>924,072</u>	<u>679,785</u>	<u>1,603,857</u>
<b>Company</b>	<b>At 1.4.20</b>	<b>Net movement in funds</b>	<b>At 31.3.21</b>
<b>Unrestricted funds</b>			
Designated	773,756	560,430	1,334,186
	<u>773,756</u>	<u>560,430</u>	<u>1,334,186</u>
<b>Restricted funds</b>			
Short Breaks Buddy PT	6,311	(153)	6,158
Walking Football	759	-	759
Disability Fun Day	5,770	(68)	5,702
Awards for all	9,950	-	9,950
Green Dreams	1,417	1,190	2,607
Winter Pressures Chair Based Pilates	3,922	382	4,304
Aiming High Trampoline Equipment	1,575	(47)	1,528
Safe in Sussex Community Grant	2,500	-	2,500
Dementia Friendly Pottery	440	-	440
Disability Disco	667	-	667
	<u>33,311</u>	<u>1,304</u>	<u>34,615</u>
<b>TOTAL FUNDS</b>	<u>807,067</u>	<u>561,734</u>	<u>1,368,801</u>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**26. MOVEMENT IN FUNDS - continued**

Comparative information in respect of the preceding period is as follows:

Group	At 1.4.19	Net movement in funds	At 31.3.20
<b>Unrestricted funds</b>			
General	107,707	9,298	117,005
Designated	861,014	(87,258)	773,756
	<u>968,721</u>	<u>(77,960)</u>	<u>890,761</u>
<b>Restricted funds</b>			
Short Breaks Buddy PT	8,720	(2,409)	6,311
Walking Football	8,587	(7,828)	759
Disability Fun Day	15,892	(10,122)	5,770
Football Mash up grant	800	(800)	-
Leisure Futures	3,000	(3,000)	-
Awards for all	9,950	-	9,950
Green Dreams	192	1,225	1,417
Winter Pressures Chair Based Pilates	-	3,922	3,922
Aiming High Trampoline Equipment	-	1,575	1,575
Safe in Sussex Community Grant	-	2,500	2,500
Dementia Friendly Pottery	-	440	440
Disability Disco	-	667	667
	<u>47,141</u>	<u>(13,830)</u>	<u>33,311</u>
<b>TOTAL FUNDS</b>	<u>1,015,862</u>	<u>(91,790)</u>	<u>924,072</u>
<b>Company</b>	<b>At 1.4.19</b>	<b>Net movement in funds</b>	<b>At 31.3.20</b>
<b>Unrestricted funds</b>			
Designated	861,014	(87,258)	773,756
	<u>861,014</u>	<u>(87,258)</u>	<u>773,756</u>
<b>Restricted funds</b>			
Short Breaks Buddy PT	8,720	(2,409)	6,311
Walking Football	8,587	(7,828)	759
Disability Fun Day	15,892	(10,122)	5,770
Football Mash up grant	800	(800)	-
Leisure Futures	3,000	(3,000)	-
Awards for all	9,950	-	9,950
Green Dreams	192	1,225	1,417
Winter Pressures Chair Based Pilates	-	3,922	3,922
Aiming High Trampoline Equipment	-	1,575	1,575
Safe in Sussex Community Grant	-	2,500	2,500
Dementia Friendly Pottery	-	440	440
Disability Disco	-	667	667
	<u>47,141</u>	<u>(13,830)</u>	<u>33,311</u>
<b>TOTAL FUNDS</b>	<u>908,155</u>	<u>(101,088)</u>	<u>807,067</u>



**SOUTH DOWNS LEISURE**  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**26. MOVEMENT IN FUNDS – continued**

<b>Group</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>Net movement in funds</b>
<b>Unrestricted funds</b>				
General	266,189	(142,719)	(5,419)	118,051
Designated	3,221,399	(2,666,388)	5,419	560,430
	<u>3,487,588</u>	<u>(2,809,107)</u>	<u>-</u>	<u>678,481</u>
<b>Restricted funds</b>				
Short Breaks Buddy PT	-	(153)	-	(153)
Disability Fun Day	1,212	(1,280)	-	(68)
Green Dreams	2,688	(1,499)	-	1,189
Winter Pressures Chair Based Pilates	383	-	-	383
Aiming High Trampoline Equipment	-	(47)	-	(47)
HMRC Job Retention Scheme Grant	1,379,606	(1,379,606)	-	-
	<u>1,383,889</u>	<u>(1,382,585)</u>	<u>-</u>	<u>1,304</u>
<b>TOTAL FUNDS</b>	<u>4,871,477</u>	<u>(4,191,692)</u>	<u>-</u>	<u>679,785</u>
<b>Company</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>Net movement in funds</b>
<b>Unrestricted funds</b>				
Designated	3,226,818	(2,666,388)	-	560,430
	<u>3,226,818</u>	<u>(2,666,388)</u>	<u>-</u>	<u>560,430</u>
<b>Restricted funds</b>				
Short Breaks Buddy PT	-	(153)	-	(153)
Disability Fun Day	1,212	(1,280)	-	(68)
Green Dreams	2,688	(1,499)	-	1,189
Winter Pressures Chair Based Pilates	383	-	-	383
Aiming High Trampoline Equipment	-	(47)	-	(47)
HMRC Job Retention Scheme Grant	1,324,623	(1,324,623)	-	-
	<u>1,328,906</u>	<u>(1,327,602)</u>	<u>-</u>	<u>1,304</u>
<b>TOTAL FUNDS</b>	<u>4,555,724</u>	<u>(3,993,990)</u>	<u>-</u>	<u>561,734</u>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**26. MOVEMENT IN FUNDS – continued**

Comparative information in respect of the preceding period is as follows

Group	Income	Expenditure	Transfers	Net movement in funds
<b>Unrestricted funds</b>				
General	565,064	(548,685)	(7,081)	9,298
Designated	5,981,286	(6,075,625)	7,081	(87,258)
	<u>6,546,350</u>	<u>(6,624,310)</u>	<u>-</u>	<u>(77,960)</u>
<b>Restricted funds</b>				
Short Breaks Buddy PT	3,960	(6,369)	-	(2,409)
Walking Football	7	(7,835)	-	(7,828)
Disability Fun Day	-	(10,122)	-	(10,122)
Football Mash up grant	-	(800)	-	(800)
Leisure Futures	-	(3,000)	-	(3,000)
Awards for all	-	-	-	-
Green Dreams	2,500	(1,275)	-	1,225
Winter Pressures Chair Based Pilates	5,000	(1,078)	-	3,922
Aiming High Trampoline Equipment	1,575	-	-	1,575
Safe in Sussex Community Grant	2,500	-	-	2,500
Dementia Friendly Pottery	440	-	-	440
Disability Disco	5,393	(4,726)	-	667
	<u>21,375</u>	<u>(35,205)</u>	<u>-</u>	<u>(13,830)</u>
<b>TOTAL FUNDS</b>	<u>6,567,725</u>	<u>(6,659,515)</u>	<u>-</u>	<u>(91,790)</u>
<b>Company</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>Net movement in funds</b>
<b>Unrestricted funds</b>				
Designated	5,988,367	(6,075,625)	-	(87,258)
	<u>5,988,367</u>	<u>(6,075,625)</u>	<u>-</u>	<u>(87,258)</u>
<b>Restricted funds</b>				
Short Breaks Buddy PT	3,960	(6,369)	-	(2,409)
Walking Football	7	(7,835)	-	(7,828)
Disability Fun Day	-	(10,122)	-	(10,122)
Football Mash up grant	-	(800)	-	(800)
Leisure Futures	-	(3,000)	-	(3,000)
Awards for all	-	-	-	-
Green Dreams	2,500	(1,275)	-	1,225
Winter Pressures Chair Based Pilates	5,000	(1,078)	-	3,922
Aiming High Trampoline Equipment	1,575	-	-	1,575
Safe in Sussex Community Grant	2,500	-	-	2,500
Dementia Friendly Pottery	440	-	-	440
Disability Disco	5,393	(4,726)	-	667
	<u>21,375</u>	<u>(35,205)</u>	<u>-</u>	<u>(13,830)</u>
<b>TOTAL FUNDS</b>	<u>6,009,742</u>	<u>(6,110,830)</u>	<u>-</u>	<u>(101,088)</u>

**Big Lottery Over 50s Grant**

Funding from the Big Lottery to encourage the community's over 50s to get together and get active.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**26. MOVEMENT IN FUNDS – continued**

**Sportivate Rugby**

A Big Lottery funded project to encourage more young people to take part in rugby.

**Short Breaks Buddy PT**

Discounted PT sessions and gym access for children with disabilities aged 14-18 years.

**Walking Football**

A lower impact, slower version of the game aimed at those over 50.

**Exercise Referrals**

A programme of GP referrals funded by Adur District Council.

**Disability Holiday Programme**

A programme of fun, sporting holiday activities for children with disabilities.

**Sensory Room**

A Big Lottery funded project to create a soft play area for children on the autism spectrum with staff receiving specialist autism training.

**Bruce Wakefield Trust – Gym Accessibility**

Funding to look into gym access for the disabled and update to ensure accessibility.

**Sussex FA Disability Sessions**

A funded project to encourage disabled people to take part in football.

**Leisure Futures**

A funded project to look into the building of a new leisure centre to replace Worthing Leisure Centre.

**Winter Pressures Chair Based Pilates**

The overarching aim of the programme is to improve health outcomes and reduce the demand for services by reducing the risk of falls in older people.

**Aiming High Trampoline Equipment**

Funding for equipment to support children and young people with disabilities and mobility issues to take part in trampolining session.

**Safe in Sussex Community Grant**

The grant is aimed at providing local organisations financial support to reduce crime and improve safety in their local areas using various initiatives.

**Dementia Friendly Pottery**

Funding for the provision of regular 'relaxed' pottery sessions for people with Dementia and Alzheimer's.

**Disability Disco**

A funded project to host 'Silent Discos' for young people with learning difficulties and physical disabilities.

**Transfers between funds**

The transfers in the year represent a reallocation between unrestricted funds and designated funds due to the interest charged on the subsidiary's loan to the Charitable Company.

**HMRC Job Retention Scheme Grant**

HMRC Job Retention Scheme Grant to support businesses through the COVID-19 pandemic by covering a portion of employees' wages who were furloughed due to the coronavirus pandemic



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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**27. CAPITAL COMMITMENTS**

	<b>Group</b>		<b>Company</b>	
	31.3.21	31.3.20	31.3.21	31.3.20
	£	£	£	£
Contracted for but not provided for in the financial statements	-	-	-	-

**28. LEGAL STATUS**

The Charity is a Company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

**29. RELATED PARTY TRANSACTIONS**

During the year South Downs Leisure engaged in services from Inspace Fitness Limited, a company in which Phillip Griffin, a trustee, is a director. £4,200 (2020: £Nil) was paid for the removal and relocation of gym equipment. As at 31 March 2021, South Downs Leisure owed £Nil (2020: £Nil) to Inspace Fitness Limited.

**South Downs Leisure Enterprises Limited**

During 2018 a loan of £158,000 was made to South Downs Leisure Enterprises Limited, a company fully owned by South Downs Leisure, at a commercial rate of 6% per annum. During the year £31,600 was repaid (2020: £31,600) which incurred interest of £5,419 (2020: £7,081). At 31 March 2021 £63,200 (2020: £94,800) was outstanding and is included in creditors in the Charitable Company.

During the year costs were recharged to South Downs Leisure Enterprises for wages, rent, management charges and VAT, as at 31 March 2021 South Downs Leisure Enterprises was owed £155,160 from the parent (2020: £155,548 owed to the parent).

**30. POST BALANCE SHEET EVENTS**

The worldwide outbreak of COVID-19 resulted in the UK Government requiring the British public to enter a number of national and regional lockdowns during the year. Following the year end the government have now permitted leisure centres, gyms and indoor pools to reopen on 12 April 2021. The number of people able to attend weddings, receptions and commemorative events rose to 15.

From 17 May 2021 further restrictions were lifted to allow indoor adult group sports and exercise classes. It has also allowed the number of people to attend weddings, receptions and commemorative events to rise to 30.

Finally, on 19 July 2021 all remaining restrictions that had been in place through the pandemic were lifted.

The continued existence of COVID-19 in our society, which may have an impact on the behaviours of the group's customers is as of yet unknown.

