

Company registration number: 09515855

Charity registration number: 1167366

Love Withington Baths

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2024

The Moffatts Partnership LLP
Suite 1.1, First Floor
Jackson House
Sibson Road
Sale
M33 7RR

Love Withington Baths

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 7
Statement of Trustees' Responsibilities	8
Independent Auditors' Report	9 to 11
Statement of Financial Activities	12
Balance Sheet	13
Statement of Cash Flows	14
Notes to the Financial Statements	15 to 30

Love Withington Baths

Reference and Administrative Details

Trustees	Mr Paul David Smith, Managing Director
	Mr Saqib Mohammed Hussain
	Ms Alice De Araujo
	Mr David Robert Payne
	Ms Jennifer Claire Green
Secretary	Mr William Brock Russell Pinnock
Charity Registration Number	1167366
Company Registration Number	09515855
Registered Office	The charity is incorporated in England & Wales.
	30 Burton Road
	Withington
	Manchester
	M20 3EB
Auditor	The Moffatts Partnership LLP
	Suite 1.1, First Floor
	Jackson House
	Sibson Road
	Sale M33 7RR

Love Withington Baths

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2024.

Objectives and activities

Objects and aims

The objects and aims for Love Withington Baths are:

- To advance the education of the public, and the knowledge and appreciation of the heritage of South Manchester by the preservation of the buildings known as Withington Baths
- To advance education by the provision of facilities for physical education and swimming lessons at the Baths;
- To advance the health of the public by the provision of facilities for swimming, exercise and physical therapies at the Baths for the Intended Beneficiaries;
- To advance amateur sport by the provision of facilities for swimming and other sports at the Baths for the Intended Beneficiaries;
- To promote community development in an area of social and economic deprivation by the promotion of urban regeneration in particular in the areas of Withington and Old Moat, South Manchester, as follows:

- the creation of training and employment opportunities by the provision of workspace, buildings, and/or land for use on favourable terms;
- the maintenance, improvement or provision of public amenities;
- the preservation of buildings or sites of historic or architectural importance.

- The provision of recreational facilities for the public at large or those who by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, have need of such facilities.
- To promote for the benefit of the inhabitants of Withington and Old Moat in South Manchester and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Love Withington Baths

Trustees' Report

Strategy to achieve the objectives

Love Withington Baths took over the running of Withington Baths and Leisure Centre in June 2015 with a focus on providing varied services and affordable prices for the diverse community we serve. Nine years on we are now a well-established facility which has an increasingly positive impact on the people who use our services.

This year saw the completion of our major refurbishment project to restore the swimming pool hall and both studios back to their former glory. Tiling, brickwork and external stained glass were all repaired and we also installed a new AHU into the pool. Alongside the capital work, we also completed an engagement programme involving primary schools and adult SEND learners in the design of stained glass windows; oral history project, production of a timeline to show the history of the baths and other signage to help tell the story of the baths. The total project cost was around £2.8M.

We continued to deliver all of our services during the refurbishment which was no mean feat and there was a huge sense of relief for both swimmers and staff when the crash deck was removed from the pool hall. The cubicles were then installed and the facility looks fabulous. Heritage tours were then initiated and have been very popular. The feedback from members and community stakeholders has been hugely positive.

Love Withington Baths

Trustees' Report

Achievements and performance

Provision of our core leisure services.

- Provided gym services to approximately 3,500 members by year end. A growth of 850 over the year
- Provided approximately 120 classes each week once both studios were back in action in April
- Provided swimming for 480 children through our schools swimming programme and being the best performing pool in Manchester
- Provided after-school swimming for 950 – 1,050 children every week of the year
- Provided our Baby Swimming programme for over 100 Under 3's
- Delivered 1-2-1 swimming lessons for young people and adults
- Provided a Family Fun swim every Sunday morning

Additional services.

- Run heritage tours and workshops for young people and adults
- Established a volunteering programme for local people who are involved in maintaining and enhancing the external spaces and also running heritage tours
- Established Withington Works so that it now has approximately 25 regular monthly users
- Operated our community café which provides an additional service for members and other users and also provides an invaluable social function in providing a space for local people who are socially isolated or vulnerable
- Continued to provide a room for a physiotherapy business which remains very busy
- Delivered ten lifeguard training courses
- Continued to operate a Swim Assistants programme to provide employment and qualifications for young people and which enhances the quality of our after school swim-programme
- Hosted 3 PARS classes for the NHS each week for an average of 10 people per class
- Delivered 2 classes per week for older people free of charge (Silver Circuits) and 2 weekly table tennis sessions also targeting older people
- Ran a number of activities specifically targeting teenagers, including a boxing club, junior and family martial arts. These are run in association with local stakeholders including GMP and Southway Anti Social Behaviour Team
- Organised a number of activities for our members to improve social cohesion, including day trips, fashion shows, member nights out and walking groups

Additional achievements:

- Became an accredited Real Living Wage employer and participated in Council activities to promote the scheme
- Won the Locality Enterprising Organisation award
- Initiated repayments of the £1M loan from Manchester City Council towards the refurbishment costs and successfully renegotiated the terms of this facility to reduce 24/25 interest payments.
- Implemented a highly effective marketing and external communications plan, boosting engagement and our profile
- Commissioned a social impact report to measure the value we create through our work. This report identified a return of £21 for every £1 invested in the Baths.

Love Withington Baths

Trustees' Report

Trustee review

This has been an excellent year. The completion of the refurbishment project means we have a beautiful facility which adds considerable value to our members user experience as well as being a functioning heritage asset. The pool hall and studios are now restored for the next generation. The re-opening of the centre provided an opportunity to celebrate that success with project partners and other stakeholders.

All of our leisure services have grown in quality and/or numbers over the year. The growth in gym membership from 2,950 to 3,800 has been particularly pleasing and provides the foundation for our business, contributing significantly to the surplus we make and which we can re-invest back into the building, our staff and our community.

The implementation of the project was a significant challenge but ultimately very rewarding. Other key challenges related to the increasing operating costs, principally from rising electricity prices, but also from rises across the board.

Public benefit

Love Withington Baths is a public benefit entity. All services provided are for the benefit of the public of Withington and surrounding areas. Following a recent social impact study by an external consultancy, it has been calculated that for every £1 invested in the Baths, there is £22 of benefit to wider society.

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

Financial review

Total incoming resources amounted to £1,678,332 (2022/23 - £1,904,729) with unrestricted income of £1,472,705 and restricted income of £205,627.

Total resources expended amounted to £1,267,827 (2022/23 - £909,979).

All of the expenditure related to unrestricted funds. Transfers between funds relates to the release of restrictions on grants received once these have been expended on the capital projects that the restricted grants have been received for.

The total net result for the year was an operating surplus of £410,505 (2022/23 - £994,750). We received grants for refurbishment of £205,627 with the associated costs moved straight on to the balance sheet under fixed assets. Fixed assets are now £3,060,863 compared to £2,144,301 in March 2023.

Total retained funds carried forward at the end of the year amounted to £2,504,956 (2022/23 - £2,094,662), all funds being unrestricted.

Love Withington Baths

Trustees' Report

Policy on reserves

The Trustees objective is to maintain a level of reserves which ensures that all commitments can be met if the business was required to close at short notice. The trustees have set this level at £150,000 which has been achieved during this year.

Funds in deficit

There are no funds in deficit.

Principal funding sources

The principle funding sources is the income received for the services provided by the leisure facilities.

Plans for future periods

Aims and key objectives for future periods

The priorities for 2024/25 are:

- Carbon reduction measures, including the installation of a pool cover and the replacement of our 4 obsolete boilers and associated equipment. We will be introducing a range of practices to reduce our carbon footprint and reduce waste.
- Enhancement of our external space to establish a space which can accommodate our community events, café users and provide a better quality experience for gym members and users
- Bring forward a fully specified and costed project for the refurbishment of our gym roof. We may potentially initiate this project this year if funding is secured but it is more likely to be implemented early in 2025/26
- Continue to identify and pursue opportunities to take over local leisure facilities where we can add value
- Increasing the capacity of Withington Works with extra desk space and further facilities for private meetings

The forecast revenue for 24/25 is £1,338,000 with £1,057,000 of costs and a resulting operating surplus of £280,414. This includes the repayment of both interest and the principal sum borrowed from Manchester City Council. The expenditure forecast allows for the significant increase in our gas price from June 23 as we reach the end of our current deal.

For 25/26 onwards, we are forecasting a surplus of around £280,000, rising and falling around this mark over future years. Our surpluses will continue to be used to fund subsequent capital works and investments in plant.

Going concern

The trustees are satisfied that the charity remains a going concern for a period in excess of twelve months.

Structure, governance and management

Nature of governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Love Withington Baths

Trustees' Report

Major risks and management of those risks

General Risk Policy

The Trustees regularly review all areas of activities to identify risks to the charity and potential risk areas.

The trustees have established appropriate levels of reporting and controls to mitigate both identified and potential risks.

Creditor payment policy

Invoices are paid by direct debit or usually within two weeks of receipt of invoice.

Disclosure of information to auditor

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

Reappointment of auditor

The auditors The Moffatts Partnership LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

The annual report was approved by the trustees of the charity on 30 July 2024 and signed on its behalf by:



Mr Paul David Smith
Managing Director and
Trustee

Love Withington Baths

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Love Withington Baths for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

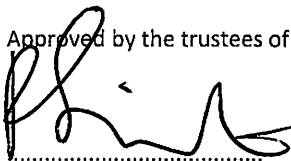
Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

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

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

Approved by the trustees of the charity on 30 July 2024 and signed on its behalf by:



Mr Paul David Smith
Managing Director and
Trustee

Love Withington Baths

Independent Auditor's Report to the Members of Love Withington Baths

Opinion

We have audited the financial statements of Love Withington Baths (the 'charity') for the year ended 31 March 2024, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Love Withington Baths

Independent Auditor's Report to the Members of Love Withington Baths

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

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 8), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Love Withington Baths

Independent Auditor's Report to the Members of Love Withington Baths

Auditor responsibilities for the audit of the financial statements

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

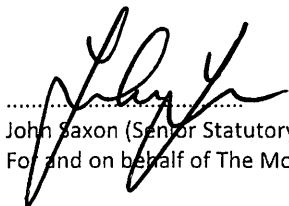
The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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.

Based on our understanding of the charity, we identified that the principle risks of non-compliance with laws and regulations related to breaches of the legal and regulatory framework that the charity operates in. We considered the extent to which non-compliance might have a material effect on the financial statements. The key laws and regulations we considered in this context included Charities Commission, employment law and health and safety.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



John Saxon (Senior Statutory Auditor)

For and on behalf of The Moffatts Partnership LLP, Statutory Auditor

Suite 1.1, First Floor
Jackson House
Sibson Road
Sale
M33 7RR

30 July 2024

Love Withington Baths

Statement of Financial Activities for the Year Ended 31 March 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income and Endowments from:					
Donations and legacies	3	16,898	205,627	222,525	686,820
Charitable activities	4	1,453,588	-	1,453,588	1,217,556
Investment income	5	2,509	-	2,509	353
Total income		<u>1,472,995</u>	<u>205,627</u>	<u>1,678,622</u>	<u>1,904,729</u>
Expenditure on:					
Raising funds		-	-	-	1,363
Charitable activities	6	<u>(1,268,327)</u>	<u>-</u>	<u>(1,268,327)</u>	<u>(911,342)</u>
Total expenditure		<u>(1,268,327)</u>	<u>-</u>	<u>(1,268,327)</u>	<u>(909,979)</u>
Net income		204,668	205,627	410,295	994,750
Transfers between funds		<u>205,627</u>	<u>(205,627)</u>	<u>-</u>	<u>-</u>
Net movement in funds		410,295	-	410,295	994,750
Reconciliation of funds					
Total funds brought forward		<u>2,094,662</u>	<u>-</u>	<u>2,094,662</u>	<u>1,099,912</u>
Total funds carried forward	22	<u>2,504,957</u>	<u>-</u>	<u>2,504,957</u>	<u>2,094,662</u>

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

The funds breakdown for 2023 is shown in note 22.

The notes on pages 15 to 30 form an integral part of these financial statements.

Love Withington Baths

(Registration number: 09515855)
Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	14	3,060,863	2,114,300
Investments	15	<u>100</u>	<u>-</u>
		<u>3,060,963</u>	<u>2,114,300</u>
Current assets			
Stocks	16	867	687
Debtors	17	10,826	24,218
Cash at bank and in hand	18	<u>529,239</u>	<u>440,805</u>
		540,932	465,710
Creditors: Amounts falling due within one year	19	<u>(154,023)</u>	<u>(93,412)</u>
Net current assets		<u>386,909</u>	<u>372,298</u>
Total assets less current liabilities		3,447,872	2,486,598
Creditors: Amounts falling due after more than one year	20	<u>(942,915)</u>	<u>(391,936)</u>
Net assets		<u>2,504,957</u>	<u>2,094,662</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>2,504,957</u>	<u>2,094,662</u>
Total funds	22	<u>2,504,957</u>	<u>2,094,662</u>

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

The financial statements on pages 12 to 30 were approved by the trustees, and authorised for issue on 30 July 2024 and signed on their behalf by:


.....
Mr Paul David Smith
Managing Director and
Trustee

The notes on pages 15 to 30 form an integral part of these financial statements.

Love Withington Baths

Statement of Cash Flows for the Year Ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash income		502,412	993,727
Adjustments to cash flows from non-cash items			
Depreciation		67,653	75,558
Investment income		<u>(2,219)</u>	<u>(353)</u>
		567,846	1,068,932
Working capital adjustments			
Increase in stocks	16	(180)	(687)
Decrease in debtors	17	13,392	38,838
Increase/(decrease) in creditors	19	<u>60,511</u>	<u>(50,933)</u>
Net cash flows from operating activities		<u>641,569</u>	<u>1,056,150</u>
Cash flows from investing activities			
Interest received		2,219	353
Acquisitions of tangible assets		<u>(1,106,333)</u>	<u>(1,706,563)</u>
Net cash flows from investing activities		(1,104,114)	(1,706,210)
Cash flows from financing activities			
Repayment of other borrowings		<u>550,979</u>	<u>432,167</u>
Net increase/(decrease) in cash and cash equivalents		88,434	(217,893)
Cash and cash equivalents at 1 April		<u>440,805</u>	<u>658,698</u>
Cash and cash equivalents at 31 March		<u><u>529,239</u></u>	<u><u>440,805</u></u>

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

The notes on pages 15 to 30 form an integral part of these financial statements.

Love Withington Baths

Notes to the Financial Statements for the Year Ended 31 March 2024

1 Charity status

The charity is limited by guarantee, incorporated in England & Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

30 Burton Road
Withington
Manchester
M20 3EB

These financial statements were authorised for issue by the trustees on 30 July 2024.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Love Withington Baths meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

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

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Love Withington Baths

Notes to the Financial Statements for the Year Ended 31 March 2024

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

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

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Charitable activities

Income from charitable activities includes any income received which is a payment for goods and services provided for the benefit of the charity's beneficiaries.

Expenditure

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

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

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

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Love Withington Baths

Notes to the Financial Statements for the Year Ended 31 March 2024

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

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

Tangible fixed assets

Individual fixed assets costing £1.00 or more are initially recorded at cost.

Depreciation and amortisation

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

Asset class	Depreciation method and rate
Restoration Improvements	Over the remaining years of the lease
Other property improvements	15% reducing balance basis
Furniture, fittings and equipment	25% reducing balance basis

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Love Withington Baths

Notes to the Financial Statements for the Year Ended 31 March 2024

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

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

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Love Withington Baths

Notes to the Financial Statements for the Year Ended 31 March 2024

Fund structure

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

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured 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 only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Love Withington Baths

Notes to the Financial Statements for the Year Ended 31 March 2024

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Donations and legacies;				
Donations from individuals	876	-	876	2,328
Grants, including capital grants;				
Government grants	16,022	205,627	221,649	684,492
	<u>16,898</u>	<u>205,627</u>	<u>222,525</u>	<u>686,820</u>

4 Income from charitable activities

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Membership Fees	848,968	848,968	694,399
Swimming pool and swimming lessons	539,208	539,208	457,331
Gym, PT and other classes	16,828	16,828	17,604
Room hire	29,956	29,956	33,382
Shop and Cafe income	17,629	17,629	14,841
	<u>1,452,589</u>	<u>1,452,589</u>	<u>1,217,557</u>

5 Investment income

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Interest receivable and similar income;			
Interest receivable on bank deposits	2,509	2,509	353

Love Withington Baths

Notes to the Financial Statements for the Year Ended 31 March 2024

6 Expenditure on charitable activities

	Unrestricted funds General £	Total 2024 £	Total 2023 £ (As restated)
Instructors and classes	109,714	109,714	84,933
Shop and Cafe purchases	9,018	9,018	11,592
Staff costs	562,581	562,581	459,405
Rates and water	17,680	17,680	21,142
Light, power and heating	108,780	108,780	81,099
Insurance	18,549	18,549	15,548
Cleaning	19,528	19,528	26,122
Equipment	5,319	5,319	2,071
Repairs and maintenance	38,510	38,510	36,907
Depreciation	159,769	159,769	75,899
Licenses	5,219	5,219	3,073
Networking & Entertainment	1,698	1,698	769
	<u>1,056,365</u>	<u>1,056,365</u>	<u>818,560</u>

In addition to the expenditure analysed above, there are also governance costs of £29,949 (2023 - £22,853) which relate directly to charitable activities. See note 7 for further details.

Love Withington Baths

Notes to the Financial Statements for the Year Ended 31 March 2024

7 Analysis of governance and support costs

Charitable activities expenditure

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Payment collection service fees	18,465	18,465	11,951
IT software and consumables	16,575	16,575	11,023
Advertising	32,954	32,954	13,583
Telephone	2,202	2,202	1,969
Printing, postage and stationery	2,970	2,970	3,149
General expenses	2,543	2,543	5,737
Travel & Subsistence	1,517	1,517	1,017
Bank fees	2,368	2,368	104
Loan interest	72,448	72,448	6,580
Consulting	24,238	24,238	8,281
Subscriptions	5,233	5,233	5,513
Donations	500	500	-
	<u>182,013</u>	<u>182,013</u>	<u>68,907</u>

Governance costs

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Audit fees			
Audit of the financial statements	6,600	6,600	6,000
Other fees paid to auditors	10,332	10,332	10,008
Legal fees	13,017	13,017	6,504
Depreciation, amortisation and other similar costs	-	-	341
	<u>29,949</u>	<u>29,949</u>	<u>22,853</u>

Love Withington Baths

Notes to the Financial Statements for the Year Ended 31 March 2024

8 Government grants

Grants have been received to fund the capital restoration project of the buildings and restart grants after the Covid pandemic.

The amount of grants recognised in the financial statements was £221,649 (2023 - £684,492).

9 Net incoming/outgoing resources

Net incoming resources for the year include:

	2024	2023
	£	£
Audit fees	6,600	6,000
Depreciation of fixed assets	<u>159,769</u>	<u>75,899</u>

10 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

Mr Paul David Smith

Mr Paul David Smith received remuneration of £10,676 (2023: £10,121) during the year.

No trustees have received any other benefits from the charity during the year.

Love Withington Baths

Notes to the Financial Statements for the Year Ended 31 March 2024

11 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	514,067	422,058
Social security costs	31,007	26,258
Pension costs	8,298	7,264
Other staff costs	<u>9,209</u>	<u>3,825</u>
	<u><u>562,581</u></u>	<u><u>459,405</u></u>

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

	2024 No	2023 No
Average employees	<u>45</u>	<u>35</u>

24 (2023 - 18) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £8,982 (2023 - £7,264).

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £69,962 (2023 - £59,395).

The chief executive officer, as the highest paid member of staff, received benefits totalling £59,153 (2023 - £49,274).

12 Auditors' remuneration

	2024 £	2023 £
Audit of the financial statements	<u>6,600</u>	<u>6,000</u>
Other fees to auditors		
All other non-audit services	<u><u>10,332</u></u>	<u><u>10,008</u></u>

Love Withington Baths

Notes to the Financial Statements for the Year Ended 31 March 2024

13 Taxation

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

14 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 April 2023	2,346,699	39,272	2,385,971
Additions	<u>1,091,546</u>	<u>14,787</u>	<u>1,106,333</u>
At 31 March 2024	<u>3,438,245</u>	<u>54,059</u>	<u>3,492,304</u>
Depreciation			
At 1 April 2023	249,495	22,176	271,671
Charge for the year	<u>151,793</u>	<u>7,977</u>	<u>159,770</u>
At 31 March 2024	<u>401,288</u>	<u>30,153</u>	<u>431,441</u>
Net book value			
At 31 March 2024	<u><u>3,036,957</u></u>	<u><u>23,906</u></u>	<u><u>3,060,863</u></u>
At 31 March 2023	<u><u>2,097,204</u></u>	<u><u>17,096</u></u>	<u><u>2,114,300</u></u>

Included within the net book value of land and buildings above is £Nil (2023 - £Nil) in respect of freehold land and buildings and £3,036,957 (2023 - £2,097,204) in respect of leasehold improvements.

15 Fixed asset investments

	2024 £
Shares in group undertakings and participating interests	<u><u>100</u></u>

Love Withington Baths

Notes to the Financial Statements for the Year Ended 31 March 2024

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
Additions	100	100
At 31 March 2024	100	100
Net book value		
At 31 March 2024	100	100

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity	
			2024	2023		
Subsidiary undertakings						
LWB Trading Ltd	England & Wales	Ordinary Shares	£1	100%	0%	Management of real estate and catering activities

Subsidiaries

The profit for the financial period of LWB Trading Ltd was £Nil (2023 - £Nil) and the aggregate amount of capital and reserves at the end of the period was £100 (2023 - £Nil).

16 Stock

	2024 £	2023 £
Stocks	867	687

Love Withington Baths

Notes to the Financial Statements for the Year Ended 31 March 2024

17 Debtors

	2024	2023
	£	£
Trade debtors	3,103	3,483
Prepayments	7,723	1,964
Accrued income	-	17,965
Other debtors	-	806
	<u>10,826</u>	<u>24,218</u>

18 Cash and cash equivalents

	2024	2023
	£	£
Cash on hand	-	2,395
Cash at bank	<u>529,239</u>	<u>438,410</u>
	<u>529,239</u>	<u>440,805</u>

19 Creditors: amounts falling due within one year

	2024	2023
	£	£
Bank loans	40,231	40,231
Trade creditors	28,271	4,424
Other taxation and social security	15,154	15,318
Other creditors	1,798	1,437
Accruals	<u>68,569</u>	<u>32,002</u>
	<u>154,023</u>	<u>93,412</u>

20 Creditors: amounts falling due after one year

	2024	2023
	£	£
Bank loans	<u>942,915</u>	<u>391,936</u>

Love Withington Baths

Notes to the Financial Statements for the Year Ended 31 March 2024

21 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £8,298 (2023 - £7,264).

22 Funds

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Unrestricted funds					
<i>General</i>					
General funds	2,094,662	1,472,995	(1,268,327)	205,627	2,504,957
Restricted funds					
Heritage Lottery Fund	-	205,627	-	(205,627)	-
Total funds	<u>2,094,662</u>	<u>1,678,622</u>	<u>(1,268,327)</u>	<u>-</u>	<u>2,504,957</u>
	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Unrestricted funds					
<i>General</i>					
General funds	1,099,912	1,291,737	(909,979)	612,992	2,094,662
Restricted					
Heritage Lottery Fund	-	612,992	-	(612,992)	-
Total funds	<u>1,099,912</u>	<u>1,904,729</u>	<u>(909,979)</u>	<u>-</u>	<u>2,094,662</u>

The specific purposes for which the funds are to be applied are as follows:

National Lottery Heritage Fund - Grants are received from the Heritage Fund specifically for the repairs and refurbishment of Withington Baths.

Love Withington Baths

Notes to the Financial Statements for the Year Ended 31 March 2024

23 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Restricted funds £ Total funds at 31 March 2023 £
Tangible fixed assets	2,113,278	-	2,113,278
Current assets	465,710	-	465,710
Current liabilities	(93,412)	-	(93,412)
Creditors over 1 year	(391,936)	-	(391,936)
Total net assets	<u>2,093,640</u>	<u>-</u>	<u>2,093,640</u>

24 Analysis of net funds

	At 1 April 2023 £	At 31 March 2024 £
Cash at bank and in hand	<u>440,805</u>	<u>440,805</u>
Net debt	<u>440,805</u>	<u>440,805</u>
	At 1 April 2022 £	At 31 March 2023 £
Cash at bank and in hand	<u>658,698</u>	<u>442,874</u>
Net debt	<u>658,698</u>	<u>442,874</u>

Love Withington Baths

Notes to the Financial Statements for the Year Ended 31 March 2024

25 Related party transactions

During the year the charity made the following related party transactions:

David Payne

(David Payne is a trustee)

David Payne is providing project management\planning work Re Withington Baths refurbishment & transformation project in a professional capacity. During the year he has been paid £4,388 (2023 - £3,881) for services supplied. At the balance sheet date the amount due to/from David Payne was £Nil (2023 - £Nil).

Glaisyers

(William Pinnock, the company secretary, is a partner at the above firm of solicitors)

Legal services have been provided to the charity during the year. Amounts paid to Glaisyers in the year are £Nil (2023 - £Nil). At the balance sheet date the amount due to/from Glaisyers was £Nil (2023 - £Nil).

Mr Dennis Anthony Shannon

(Dennis Shannon is a Director)

Mr Dennis Shannon received remuneration of £57,907 (2023: £49,274) during the year. At the balance sheet date the amount due to/from Mr Dennis Anthony Shannon was £Nil (2023 - £Nil).