

Charity Registration No. 1168520

Company Registration No. 09911905 (England and Wales)

**HALTWHISTLE SWIMMING & LEISURE CENTRE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

HALTWHISTLE SWIMMING & LEISURE CENTRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	A Sharp A Hugman M Teasdale A Mitchell J Clark J L Rickerby M Ridley
Secretary	M Wilson
Charity number	1168520
Company number	09911905
Principal address	Greencroft Haltwhistle Northumberland NE49 9DP
Registered office	Greencroft Haltwhistle Northumberland NE49 9DP
Independent examiner	Stokoe Rodger LLP St Matthews House Haugh Lane Hexham Northumberland NE46 3PU
Bankers	Cumberland Building Society Main Street Haltwhistle Northumberland NE49 0AZ

HALTWHISTLE SWIMMING & LEISURE CENTRE

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HALTWHISTLE SWIMMING & LEISURE CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

Purpose and aims

The Centre is the legacy from the former mine owners in 1975. Originally consisting of three heated outdoor swimming pools and changing area, it has grown incrementally to embrace a large multi-purpose indoor Sports Hall, a small café, gym and studio for classes. There is an outdoor Astro Turf area and car park. Further away, the Centre is responsible for the Village Green, which offers a variety of leisure and recreational facilities including a football pitch, a circuit for BMX bikes and a variety of fauna for walkers.

Our charity's purpose is to contribute to the health and wellbeing of the local community by encouraging participation in sport and exercise. It is described in the objects of our Articles of Association to improve the condition of life of the inhabitants of Haltwhistle and surrounding area by promoting and providing recreation facilities (or other leisure time activity) to meet social and economic needs, or for the public at large in the interests of social welfare. Haltwhistle is a small town located on the Northumberland/Cumbria border between Hadrian's Wall and the North Pennines. The nearest leisure centre facilities are in Hexham (17 miles distant) and Carlisle (24 miles away). Access to these facilities is difficult for the inhabitants of Haltwhistle and surrounding hamlets due to the rural area and infrequency of public transport.



HALTWHISTLE SWIMMING & LEISURE CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Making sure our work delivers our aims

We review our aims, objectives and activities each year. This review is different from previous years due to the Covid-19 pandemic. Leisure centres and swimming pools were required to close in March 2020, at the request of the government. Directors decided that it would not be in the Charity's best interests to open the swimming pools for the 2020/21 season. Some support funding was available, but uncertainties remained regarding the full impact of Covid-19 on income. The Directors subsequently decided to defer the reopening of the swimming pools and to limit the opening hours of the "dry" activities in line with government guidelines. This was continually reviewed by the directors on at least a monthly basis. This decision was taken reluctantly as our aim is always to strive to provide our community with the best possible services and activities. Meanwhile our objectives for the year include restoring members' use of the gym, classes and clubs as feasible.

The loss of income from our swimming pools, our main source of income, had a severe impact on the Charity. Complying with the Government guidance, we re-opened our sports and fitness activities with reduced opening hours from the 27th July, contributing to the recovery, health and wellbeing of our community.

The focus of our work

Our main objective for the year was to ensure that the centre remained viable and to continue to promote and provide recreational and sporting activities in Haltwhistle, contributing to the health, wellbeing and recovery of the community.

The strategies we used to meet these objectives included:

- providing outdoor sports facilities to create opportunities for participation in sports through our two sites in the town;
- providing coaching and leadership to enable progression in sport to meet individual goals by employing competent and ambitious staff;
- ensuring high quality management and maintenance of the facilities at both locations;
- exploring future needs of residents of Haltwhistle and the surrounding area.

How our activities deliver public benefit

The trustees have considered the guidance produced by the Charity Commission on the provision of public benefit and they confirm that public benefit has been provided by having aims that fall within the charitable purposes of the advancement of education, health and amateur sport. All our activities focus on promoting and providing leisure and recreational activities to improve the condition of life for residents.

HALTWHISTLE SWIMMING & LEISURE CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance

Who used and benefited from our services?

Our figures show that we had 5,790 users of the leisure centre (the principal venue) for the period from the 1 April 2020 to the 31 March 2021. This is a significant decrease on the previous year and is entirely due to Covid-19 lockdowns and restrictions. In addition to the principal venue, the Centre remains responsible for the Village Green in Haltwhistle, which was used by families and the community for recreational use during lockdown and restrictions.

Exploratory professional investigations to assess the potential to use nearby mine water to heat the swimming pools and other buildings was completed. The study concluded that the development of a minewater heating scheme was not a viable proposition at this time, and should not be considered further.

A crowd funding appeal highlighted the support and importance of the centre to residents and visitors to Haltwhistle and the surrounding area raising £5,196.

We were successful in obtaining grant funding of £50,428 towards operational costs. We purchased a treadmill, outdoor lighting, tennis posts and nets and basketball hoops for the Astro pitch.

Financial review

The accounts for the year ended 31st March 2021 detail that the Charity reported net incoming resources of £775 (2020 - £15,686). This surplus was only achieved in this Covid-19 pandemic year because of grant support from local authorities and central government.

The trustees agreed to establish a target for reserves equivalent to 3 months expenses of £100,000, to cover any disruption or downturn in the Centre's income or unforeseen expenditure.

At the year end the Centre had unrestricted funds totalling £1,545,593. A substantial component of these were tangible assets, which the Centre is responsible for maintaining and developing, consisting of a large sports hall, fitness suite, studio, external AstroTurf area and outdoor swimming pools as well as a village green that includes an adult football pitch and BMX circuit. These assets are not convertible to cash without the consent of the Custodian Trustee, which is Haltwhistle Town Council. The Centre is likely to incur extensive legal costs and negotiation should it choose to pursue this purpose. Restricted and endowment funds amounting to £14,393 were on hand at the year end.

The strategy is to continue to build reserves through planned resource surpluses but trustees are aware that it is unlikely that the target can be reached for at least three years. In the short term the trustees have considered alternative measures to reduce expenditure should such circumstances arise.

Principal funding sources

A significant proportion of the income generated this year was from grant support. Continuing grant support for the Centre's core activities of £56,455 was provided by Northumberland County Council and £37,596 from Haltwhistle Town Council. Further support of £6,330 was received for additional drainage to the burn field football pitch.

We were pleased to be able to access the Coronavirus job retention scheme to cover staffing costs enabling us to maintain employment for all our staff, Covid-19 support from local authorities and other bodies equated to £115,784.

HALTWHISTLE SWIMMING & LEISURE CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2021**

Investment policy

Trustees are mindful of the seasonal nature of their operations. Balancing the impact of this against their financial responsibilities is a complicated task. Trustees are determined to make the most of their improving liquidity by increasing the return on investment of liquid funds. A review of investment policies is planned early in the new financial year.

Risk Management

The trustees have conducted a review of the major risks to which the Centre is exposed. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. The effectiveness of this is evidenced by the recently completed overhaul of the pools' infrastructure and formally linking the Centre to managers of the village green. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the centre. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity. The trustees seek appropriate advice, for example through their insurers, accountants, Northumberland County Council and Active Northumberland.

Haltwhistle Swimming & Leisure Centre complies with all sporting acting bodies recommendations and guidance on safe practices and follows the Health & Safety Executives guidance and law. Risk assessments are in place for the buildings and all activities that take place within the centre. The 'Pool Safety Operating Plan' is in place and reviewed regularly. Lifeguard training and qualifications meet RLSS standards and all staff receive instruction on health & safety as part of their induction.

HALTWHISTLE SWIMMING & LEISURE CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2021*

Plans for future periods

Many areas of the building and outdoor site have not been updated since 2003 and are in need of refurbishment and repair to ensure the safety of staff and customers and to keep facilities at a level that meets customer expectations.

Directors have carried out an improvement plan and aim to complete the following within the next two years:

- review gym equipment and memberships
- Replace existing lighting with LED lighting in all areas
- improve the BMX circuit; and enhance the village green
- Replace pool tiling
- Purchase swimming pool debris covers for learner and paddling pool.
- Repair leaking pump in plant
- Replace aging valves in plant
- Point steps to flume
- Purchase outdoor play equipment
- Add additional perimeter fencing around pool site
- Update reception area
- Repair café extractor fan
- Increase activities offered

Directors will set up a designated fund to carry out the improvements, however external funding will also be sought to supplement the works.



HALTWHISTLE SWIMMING & LEISURE CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 10 December 2015, as amended by special resolution registered at Companies House on 25 July 2016, registered as a charity on 29 July 2016 and commenced its activities on 1 April 2017. The charitable company was established under a Memorandum of Association which established the objectives and powers of the charitable company and is governed by its Articles of Association.

On 6 March 2020, the Charity Commission confirmed that the charity called Haltwhistle Social Welfare Charity (HSWC) should be treated as a linked charity and treated as forming part of Haltwhistle Swimming and Leisure Centre, which would be the reporting charity, under Part 4 (registration) and Part 8 (accounting) of the Charities Act 2011. This charity was responsible for the land and recreational facilities at the town's village green.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

A Sharp

A Hugman

M Teasdale

A Mitchell

J Clark

J L Rickerby

J Hunter

M Ridley

(Resigned 30 October 2020)

Trustee Induction and Training

All of the trustees are familiar with the practical work of the charity and visit the centre regularly. Some of them help voluntarily at the centre. New trustees are introduced to our work by the chairman and centre manager to familiarise themselves with the charity and the context within which it operates. This covers:

- The obligations of trustee members.
- The main documents which set out the operational framework for the charity including the Memorandum and Articles.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.

Trustees are signposted to the Charity Commission website and the Commission's guide "the Essential Trustee" as a follow up to these sessions. A question & answer pack will be provided to all new trustees from the charity commission publication "the essential trustee". All new trustees are provided with the Articles of Association and the latest financial statements. An introduction to the services and activities of the Centre is provided by the centre manager.

HALTWHISTLE SWIMMING & LEISURE CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Organisational structure

The 7 trustees of Haltwhistle Swimming and Leisure Centre, who are also directors, meet monthly and are responsible for the strategic direction and policy of the charity. During the year the trustees have met via zoom on a regular basis and received full financial and administrative reports at each meeting.

The two sub committees for Finance and Staffing and Events and Fundraising, did not meet during this period. The Events Committee were unable to host any events.

The centre manager is responsible to the Board of trustees and hold regular meetings with the chairman to ensure that the charity delivers the services specified and the key objectives are met. The centre manager has responsibility for the staff team and also to ensure that the team continue to develop their skills and working practices in line with good practice. A scheme of delegation is in place and the day to day responsibility for the Centre rests with the duty managers.

Related parties

There are no related party transactions in the year, although members of Northumberland County Council and Haltwhistle Town Council have representation in the trustees of the Centre.



And finally...

HALTWHISTLE SWIMMING & LEISURE CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) ***FOR THE YEAR ENDED 31 MARCH 2021***

I would like to thank the staff, the trustees and our volunteers for their continued hard work and commitment to the Centre. We are very grateful for the financial support we have received from Northumberland County Council and Haltwhistle Town Council and the advice and support from Active Northumberland over the past year. We will continue to work closely with them, regarding the business and financial support we need to implement our ideas and to safeguard the future of the Centre.

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

A Sharp

Trustee

Dated: 17 November 2021

M Teasdale

Trustee

Dated: 17 November 2021

HALTWHISTLE SWIMMING & LEISURE CENTRE

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF HALTWHISTLE SWIMMING & LEISURE CENTRE

I report to the trustees on my examination of the financial statements of Haltwhistle Swimming & Leisure Centre (the charity) for the year ended 31 March 2021.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

J Hart
Stokoe Rodger LLP

St Matthews House
Haugh Lane
Hexham
Northumberland
NE46 3PU

Dated: 17 November 2021

HALTWHISTLE SWIMMING & LEISURE CENTRE

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

Current financial year

		Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total	Total
	Notes	2021 £	2021 £	2021 £	2021 £	2021 £	2020 £
Income and endowments from:							
Donations and legacies	3	105,512	-	50,482	-	155,994	117,670
Charitable activities	4	20,028	-	-	-	20,028	249,915
Investments	5	708	-	-	-	708	1,149
Other income	6	124,402	-	-	-	124,402	17,291
Total income and endowments		250,650	-	50,482	-	301,132	386,025
Expenditure on:							
Charitable activities	7	194,609	55,260	50,488	-	300,357	370,339
Net incoming/ (outgoing) resources before transfers		56,041	(55,260)	(6)	-	775	15,686
Gross transfers between funds		(21,932)	31,313	(9,381)	-	-	-
Net movement in funds		34,109	(23,947)	(9,387)	-	775	15,686
Fund balances at 1 April 2020		9,018	1,526,231	15,280	8,500	1,559,029	1,543,343
Fund balances at 31 March 2021		43,127	1,502,284	5,893	8,500	1,559,804	1,559,029

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

HALTWHISTLE SWIMMING & LEISURE CENTRE

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Prior financial year

		Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total
		2020 £	2020 £	2020 £	2020 £	2020 £
	Notes					
<u>Income and endowments from:</u>						
Donations and legacies	3	101,274	-	16,396	-	117,670
Charitable activities	4	249,915	-	-	-	249,915
Investments	5	1,149	-	-	-	1,149
Other income	6	8,791	-	-	8,500	17,291
Total income and endowments		361,129	-	16,396	8,500	386,025
<u>Expenditure on:</u>						
Charitable activities	7	365,254	-	5,085	-	370,339
Net incoming/(outgoing) resources before transfers		(4,125)	-	11,311	8,500	15,686
Gross transfers between funds		(1,411,777)	1,526,231	(114,454)	-	-
Net movement in funds		(1,415,902)	1,526,231	(103,143)	8,500	15,686
Fund balances at 1 April 2019		1,424,920	-	118,423	-	1,543,343
Fund balances at 31 March 2020		9,018	1,526,231	15,280	8,500	1,559,029

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

HALTWHISTLE SWIMMING & LEISURE CENTRE

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	All income funds	
	2021	2020
	£	£
Gross income	301,132	377,525
Total expenditure from income funds	300,357	370,339
Net income for the year	<u>775</u>	<u>7,186</u>

HALTWHISTLE SWIMMING & LEISURE CENTRE

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	11		1,468,064		1,507,162
Current assets					
Stocks	12	2,364		3,620	
Debtors	13	1,550		13,466	
Cash at bank and in hand		163,426		111,964	
			167,340		129,050
Creditors: amounts falling due within one year	15		(31,225)		(26,213)
Net current assets			136,115		102,837
Total assets less current liabilities			1,604,179		1,609,999
Creditors: amounts falling due after more than one year	16		(44,375)		(50,970)
Net assets			1,559,804		1,559,029
Capital funds					
Endowment funds	17		8,500		8,500
Income funds					
Restricted funds	18		5,893		15,280
<u>Unrestricted funds</u>					
Designated funds	19	1,493,593		1,526,231	
General unrestricted funds		51,818		9,018	
			1,545,411		1,535,249
			1,559,804		1,559,029

HALTWHISTLE SWIMMING & LEISURE CENTRE

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 17 November 2021

A Sharp
Trustee

M Teasdale
Trustee

Company Registration No. 09911905

HALTWHISTLE SWIMMING & LEISURE CENTRE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Haltwhistle Swimming & Leisure Centre is a private company limited by guarantee incorporated in England and Wales. The registered office is Greencroft, Haltwhistle, Northumberland, NE49 9DP.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

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

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Designated funds are unrestricted funds set aside by the trustees for a specific purposes and do not form part of 'free funds'.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

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

1.5 Expenditure

Expenditure is accounted for on an accruals basis, Expenditure includes any VAT that cannot be fully recovered and is classified under the heading of the financial statements to which it relates.

HALTWHISTLE SWIMMING & LEISURE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Expenditure on items that are over £1,000 and capital in nature are capitalised.

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

Buildings	2.7% straight line
Land	No depreciation
Plant and equipment	10% straight line
Fixtures and fittings	20% reducing balance
Solar Panels	7.1% straight line
Sports equipment	50% reducing balance

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

1.7 Impairment of fixed assets

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

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

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

1.10 Financial instruments

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

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

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

HALTWHISTLE SWIMMING & LEISURE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.11 Employee benefits

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

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

1.12 Retirement benefits

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

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

HALTWHISTLE SWIMMING & LEISURE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

3 Donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Donations and gifts	6,462	-	6,462	3,319	-	3,319
Grant income	99,050	50,482	149,532	97,955	16,396	114,351
	<u>105,512</u>	<u>50,482</u>	<u>155,994</u>	<u>101,274</u>	<u>16,396</u>	<u>117,670</u>
Donations and gifts						
Donations	208	-	208	-	-	-
Crowd Funding	5,196	-	5,196	-	-	-
Co Op - Pool Cover	758	-	758	-	-	-
Cumbernauld Building Society	300	-	300	-	-	-
Other	-	-	-	3,319	-	3,319
	<u>6,462</u>	<u>-</u>	<u>6,462</u>	<u>3,319</u>	<u>-</u>	<u>3,319</u>
Grants receivable for core activities						
Community Foundation	-	2,500	2,500	-	-	-
Football Foundation	-	1,500	1,500	-	-	-
Northumberland County Council	56,454	4,920	61,374	56,455	4,000	60,455
Haltwhistle Town Council	42,596	6,330	48,926	36,500	-	36,500
CSAF funding	-	-	-	5,000	-	5,000
Tees Valley Combined Authority	-	30,000	30,000	-	10,000	10,000
North East Active Partnership	-	-	-	-	2,396	2,396
Karbon Homes	-	1,992	1,992	-	-	-
Smiths Trust	-	2,500	2,500	-	-	-
Joicey Trust	-	740	740	-	-	-
	<u>99,050</u>	<u>50,482</u>	<u>149,532</u>	<u>97,955</u>	<u>16,396</u>	<u>114,351</u>

HALTWHISTLE SWIMMING & LEISURE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4 Charitable activities

	Leisure activities 2021 £	Leisure activities 2020 £
Sales within charitable activities	20,028	238,512
Other income	-	11,403
	<u>20,028</u>	<u>249,915</u>

5 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	708	1,149
	<u>708</u>	<u>1,149</u>

6 Other income

	Unrestricted funds 2021 £	Unrestricted funds 2020 £	Endowment funds 2020 £	Total 2020 £
Solar Panel Income	8,618	8,791	-	8,791
HSWC Land under Endowment (note 18)	-	-	8,500	8,500
Coronavirus Job Retention Scheme & Covid-19 Support from Local Authorities and Other Bodies	115,784	-	-	-
	<u>124,402</u>	<u>8,791</u>	<u>8,500</u>	<u>17,291</u>

HALTWHISTLE SWIMMING & LEISURE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

7 Charitable activities

	Leisure activities 2021 £	Leisure activities 2020 £
Staff costs	108,782	156,381
Leisure activities	126,219	137,996
	<u>235,001</u>	<u>294,377</u>
Share of support costs (see note 8)	59,192	66,126
Share of governance costs (see note 8)	6,164	9,836
	<u>300,357</u>	<u>370,339</u>
Analysis by fund		
Unrestricted funds	194,609	365,254
Designated funds	55,260	-
Restricted funds	50,488	5,085
	<u>300,357</u>	<u>370,339</u>

8 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Depreciation	55,260	-	55,260	56,497	-	56,497
Office costs	3,974	-	3,974	7,915	-	7,915
Bank charges	(42)	-	(42)	1,714	-	1,714
Legal and professional	-	5,025	5,025	-	8,345	8,345
Loan interest	-	1,139	1,139	-	1,491	1,491
	<u>59,192</u>	<u>6,164</u>	<u>65,356</u>	<u>66,126</u>	<u>9,836</u>	<u>75,962</u>
Analysed between Charitable activities	<u>59,192</u>	<u>6,164</u>	<u>65,356</u>	<u>66,126</u>	<u>9,836</u>	<u>75,962</u>

Governance costs includes Independent Examination fees of £3,750.

9 Trustees

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

HALTWHISTLE SWIMMING & LEISURE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

10 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	12	27
	<u> </u>	<u> </u>
Employment costs	2021 £	2020 £
Wages and salaries	102,688	148,002
Social security costs	1,646	3,289
Other pension costs	4,448	5,090
	<u> </u>	<u> </u>
	<u>108,782</u>	<u>156,381</u>

Remuneration and benefits received by key management personnel who have authority and responsibility for planning, directing and controlling the activities of the charity, amount to £27,429 (2020 - 29,083).

HALTWHISTLE SWIMMING & LEISURE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

11 Tangible fixed assets

	Buildings	Land	Plant and equipment	Fixtures and fittings	Solar Panels	Sports equipment	Total
	£	£	£	£	£	£	£
Cost							
At 1 April 2020	1,486,161	8,500	136,296	3,916	24,724	1,881	1,661,478
Additions	-	-	6,160	-	-	10,001	16,161
	<u>1,486,161</u>	<u>8,500</u>	<u>142,456</u>	<u>3,916</u>	<u>24,724</u>	<u>11,882</u>	<u>1,677,639</u>
At 31 March 2021	1,486,161	8,500	142,456	3,916	24,724	11,882	1,677,639
Depreciation and impairment							
At 1 April 2020	123,205	-	24,910	131	5,285	784	154,315
Depreciation charged in the year	41,064	-	11,136	756	1,752	552	55,260
	<u>164,269</u>	<u>-</u>	<u>36,046</u>	<u>887</u>	<u>7,037</u>	<u>1,336</u>	<u>209,575</u>
At 31 March 2021	164,269	-	36,046	887	7,037	1,336	209,575
Carrying amount							
At 31 March 2021	<u>1,321,892</u>	<u>8,500</u>	<u>106,410</u>	<u>3,029</u>	<u>17,687</u>	<u>10,546</u>	<u>1,468,064</u>
At 31 March 2020	<u>1,362,956</u>	<u>8,500</u>	<u>111,386</u>	<u>3,785</u>	<u>19,439</u>	<u>1,096</u>	<u>1,507,162</u>

HALTWHISTLE SWIMMING & LEISURE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Tangible fixed assets

(Continued)

The custodial trustees of the land, upon which the buildings have been constructed, are the Haltwhistle Town Council, with a permanent endowment to the charity, who are responsible for the management of the land and buildings.

The land is owned by the charity, Haltwhistle Social Welfare Centre which is a linked charity, reporting under Haltwhistle Swimming and Leisure. Further information can be found in note 18.

12 Stocks

	2021 £	2020 £
Raw materials and consumables	2,364	3,620

13 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	-	12,053
Other debtors	1,193	443
Prepayments and accrued income	357	970
	1,550	13,466

14 Loans and overdrafts

	2021 £	2020 £
Bank loans	50,971	57,431
Payable within one year	6,596	6,461
Payable after one year	44,375	50,970
Amounts included above which fall due after five years:		
Payable by instalments	16,589	23,752

The fixed rate unsecured loan from Northumberland County Council is repayable by quarterly instalments until 30/6/2028, with interest fixed at 2.07%. Haltwhistle Town Council act as guarantors for the loan.

HALTWHISTLE SWIMMING & LEISURE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

15 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank loans	14	6,596	6,461
Other taxation and social security		654	-
Trade creditors		8,928	2,106
Other creditors		8,382	8,851
Accruals and deferred income		6,665	8,795
		<u>31,225</u>	<u>26,213</u>

16 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	14	<u>44,375</u>	<u>50,970</u>

HALTWHISTLE SWIMMING & LEISURE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

17 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Movement in funds					Balance at 31 March 2021
	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	
	£	£	£	£	£	£
Permanent endowments						
Burnfield land (HSWC)	8,500	-	-	-	-	8,500
	<u>8,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,500</u>
	<u><u>8,500</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>8,500</u></u>

Burnfield Land (HSWC)

On 6 March 2020, the Charity Commission confirmed that the charity called Haltwhistle Social Welfare Charity (HSWC) should be treated as a linked charity and treated as forming part of Haltwhistle Swimming and Leisure Centre, which would be the reporting charity, under Part 4 (registration) and Part 8 (accounting) of the Charities Act 2011.

The effect of linking the charities is:

- the charities are registered under a single registration number; and
- the trustees are required to prepare a single set of accounts for the reporting charity and the linked charity, which within the individual funds of the linked charity are reported as endowment funds.

The linking of charities under section 12 is an administrative linkage, for reporting purposes only. It does not change the separate legal entity of the charities, or the nature of endowment funds and it does not constitute a merger. The trustees are under a duty to ensure that the funds of each charity are applied solely in accordance with the respective trusts.

As such the land held on endowment in HSWC has been introduced into the accounts for Haltwhistle Swimming and Leisure.

HALTWHISTLE SWIMMING & LEISURE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds				
	Balance at 1 April 2019	Incoming resources	Resources expended	Transfers	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Balance at 31 March 2021
	£	£	£	£	£	£	£	£	£
Plant Room Fund	109,318	-	-	(109,318)	-	-	-	-	-
Burnfield Fund	9,105	-	(3,085)	(5,136)	884	7,830	(8,714)	-	-
Mine water	-	10,000	(2,000)	-	8,000	30,000	(38,000)	-	-
UV Sports Club	-	2,396	-	-	2,396	-	(1,782)	-	614
BMX Track	-	2,000	-	-	2,000	-	-	-	2,000
Tread Mill	-	2,000	-	-	2,000	3,240	-	(5,240)	-
Astro Pitch	-	-	-	-	-	4,920	-	(4,141)	779
Astro Lighting	-	-	-	-	-	1,992	(1,992)	-	-
Lifeguard Course	-	-	-	-	-	2,500	-	-	2,500
	<u>118,423</u>	<u>16,396</u>	<u>(5,085)</u>	<u>(114,454)</u>	<u>15,280</u>	<u>50,482</u>	<u>(50,488)</u>	<u>(9,381)</u>	<u>5,893</u>

HALTWHISTLE SWIMMING & LEISURE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

18 Restricted funds

(Continued)

Plant Room Fund:

Funding received to refurbish the boiler and plant room. This expenditure was spent and the refurbishment was completed and fully functional in the previous year.

Burnfield Fund:

Original funding provided to assist with the costs of maintaining the football field at Burnfield. This fund has now been fully expended.

Mine water

Funding from Tees Valley Combined Authority to investigate the potential to use nearby mine water to heat the swimming pool and other buildings. This fund has now been fully expended.

UV Sports Club

North East Active Partnership funding to develop a Ultra Violet Sports Club to encourage children not normally engaging with sporting activities.

BMX Track

Northumberland County Council Community Chest funding to develop a BMX track on the Burnfield site.

Treadmill

Northumberland County Council Community Chest funding to purchase a new treadmill.

Astro Pitch

Funding from Karbon Homes and Northumberland Community Chest to provide lighting and purchase tennis and basket ball equipment. Lighting complete and upgrade still in process.

Lifeguard Course

Community Foundation Grant, provided by Newcastle Building Society to train new lifeguards for the Summer Season.

HALTWHISTLE SWIMMING & LEISURE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2019 £	Transfers £	Balance at 1 April 2020 £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Fixed Assets less						
Liabilities	-	1,441,231	1,441,231	(55,260)	22,622	1,408,593
Set aside Reserves	-	85,000	85,000	-	-	85,000
	<u>-</u>	<u>1,526,231</u>	<u>1,526,231</u>	<u>(55,260)</u>	<u>22,622</u>	<u>1,493,593</u>

Fixed Assets less Loan Liabilities

The trustees have set aside funds equating to the fixed assets less outstanding loans, which represent assets which are not liquid and cannot be easily realised.

Set aside Reserves

The trustees agreed to establish a target reserve of £100,000 to cover any disruption or downturn in the centre's income or unforeseen expenditure. The trustees are mindful of the impact of COVID-19 on the Centre operating income in future years and will carefully consider the level of this fund on a regular basis.

HALTWHISTLE SWIMMING & LEISURE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

20 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total
	2021	2021	2021	2021	2021	2020	2020	2020	2020	2020
	£	£	£	£	£	£	£	£	£	£
Fund balances at 31 March 2021 are represented by:										
Tangible assets	-	1,459,564	-	8,500	1,468,064	-	1,498,662	-	8,500	1,507,162
Current assets/(liabilities)	49,020	87,095	-	-	136,115	9,018	78,539	15,280	-	102,837
Long term liabilities	(5,893)	(44,375)	5,893	-	(44,375)	-	(50,970)	-	-	(50,970)
	<u>43,127</u>	<u>1,502,284</u>	<u>5,893</u>	<u>8,500</u>	<u>1,559,804</u>	<u>9,018</u>	<u>1,526,231</u>	<u>15,280</u>	<u>8,500</u>	<u>1,559,029</u>

HALTWHISTLE SWIMMING & LEISURE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

21 Operating lease commitments

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

	2021 £	2020 £
Within one year	4,775	5,579
Between two and five years	15,688	16,541
In over five years	980	4,902
	<hr/>	<hr/>
	21,443	27,022
	<hr/>	<hr/>

22 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).