

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2021
for
Holywell Leisure Centre Canolfan Hamdden Treffynnon

J V Banks
Chartered Accountants and Statutory Auditors
Banks House
Paradise Street
Rhyl
Denbighshire
LL18 3LW

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for the Year Ended 31 March 2021

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Holywell Leisure Centre Canolfan Hamdden Treffynnon

Report of the Trustees for the Year Ended 31 March 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of 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). Holywell Leisure Centre - Canolfan Hamdden Treffynnon (HLC-CHT) is a Charitable Incorporated Organisation (CIO) registered with the Charity Commission (registration number 1170729). Its constitution was adopted on 12 October 2016 and it was entered on the Charity Commission Register on 13 December 2016. The transfer of the asset from Flintshire County Council (FCC) was completed on 1 April 2017.

Structure, governance and management

Type of governing document

The charity is governed by its constitution dated 12 October 2016. The charity is a Charitable Incorporated Organisation (CIO) Registered charity number 1170729.

Trustees

The working group was set up in 2015 by six volunteers and the centre manager who negotiated the transfer of the asset from Flintshire County Council. They gained charitable status in December 2016 and had 7 trustees as of March 2021 who were the only voting members. Since then, Tudor Jones has retired as Chair (May 2021) and Paul Islip has succeeded him. We have also recruited 2 new Trustees this Spring, Dr Mark Rowlands and Carmel McCarth. The board is assisted by non-voting voluntary associates who provide specialist and expert assistance (when required) and the contracted centre management team of three.

The board members during the year and since the year end are:

Tudor Jones – Chair	appointed	12 Oct 16	resigned 26 May 21
Paul Islip – Secretary	appointed	12 Oct 16	
Magali Lovell-Pascal – Treasurer	appointed	12 Oct 16	
Anne Blundell	appointed	12 Oct 16	resigned 26 May 21
Helen Crich	appointed	1 Apr 17	
Daniel Oliver	appointed	12 Oct 16	
Adam Parry	appointed	12 Oct 16	
Theresa Murray	appointed	21 Feb 19	
Carmel McCarth	appointed	1 Apr 21	
Dr Mark Rowlands	appointed	1 Apr 21	

There must be at least four trustees with the maximum number at twelve at any given time. The board of trustees meets once a month to direct the management and governance of the enterprise. This includes reviews of matters relating to health and safety, finance, risks, maintenance, staff, volunteers, activities, marketing, compliance with regulations, grants and the development of the business. There are specific subcommittees for the oversight of finance, human resources and marketing.

The trustees oversee the affairs of the CIO and exercise all the powers of the CIO including the appointment of new trustees, staff and consultants.

Objectives of the CIO

The objectives of the charity are to provide a range of leisure, sporting, health and social facilities primarily run by the community for the community, seeking to deliver these activities with inclusivity for all. In so doing, it aims to cater and improve upon the physical and mental wellbeing of all its members and visitors whatever their economic circumstances.

Activities of the CIO

The centre provides a wide range of various competitive and personal fitness sports, leisure pursuits, social activities and health benefits to all age groups and abilities and strives to be as inclusive as possible. Users can access a variety of facilities, swimming pools, sports hall, community/dance studio, café, soft play, squash courts, library, meeting rooms, health suite and fitness gym as well as access to sports facilities at Ysgol Treffynnon High School (sports hall and 4G AstroTurf pitch).

Report of the Trustees
for the Year Ended 31 March 2021

Public benefit

The trustees have referred to guidance contained in the Charity Commission's general guidance on public benefit when reviewing their aims and objectives and in planning future activities. In particular they have considered how the activities offered will contribute to the aims and objectives set. The trustees are committed to equal access for all.

Investment policy

The trustees intend that all future surplus income is retained by HLC-CHT and reinvested back into the facility. Funds are held by HSBC which although at low interest rates allow for easy access and management of accounts.

Reserves policy

The centre has a general contingency fund to guard against unforeseen events. 3% of each month's balance was set aside for this purpose however this process was paused in May 2020 due to the draw on funds created by the pandemic. We used some of the fund to support the centre and the current value is £15,723. We plan to resume adding the 3% to the fund each month from March 2022.

Restricted funds

We had one restricted grant of £100,000 for capital works provided through the European Regional Development Fund via the Welsh Government in 2019 for the replacement of boilers, pumps, control systems and related works. Payments were made on presentation of invoices and were settled in total in January 2021.

Commitments and liabilities

There are legal requirements for the business to meet predetermined standards and for regular testing and certification related to the safety of our customers and workforce. These include chlorine levels in the swimming pool, Legionella in the water supply, alarm testing and fire equipment inspections. The fitness gym loan, which was taken out five years ago, concludes this financial year with a balance of £11,825 paid in January 2021.

Achievement and performance

Transfer of ownership

HLC-CHT took control of the leisure centre on 1 April 2017 from Flintshire County Council with a lease of 27 years, 2017 – 2044. Achievements prior to March 2020 can be reviewed in previous annual reports of the charity.

Achievements in the year ended 31 March 2021

This financial year was seriously impacted by the Covid pandemic and the centre spent periods completely closed, or operating under Welsh Government restrictions.

20 March 20 to 16 August 20	– Closed
17 August 20 to 23 October 20	– Open under Covid restrictions
24 October 20 to 8 November 20	– Closed
9 November 20 to 19 December 20	– Open under Covid restrictions
20 December 20 to 3 May 21	– Closed

Covid 19 restrictions and impact

Each time the centre closed, we cleaned and mothballed all areas ready for the next re-opening announcement from the Welsh Government. The management team did an excellent job to ensure that each time the centre opened, it could operate under the latest Covid restrictions. For example:

- One way system throughout the centre
- Social distancing
- Specific activities allowed and others not.
- Restricted numbers for each activity.

Throughout this period, the health and safety of our staff and customers was paramount in all the decisions made.

Report of the Trustees
for the Year Ended 31 March 2021

From the outset of the Covid restrictions, we took action to reduce costs to ensure the future sustainability of the business by taking the following measures:

- Reduce outgoings
- Freeze all direct debits (customers have been incredibly supportive with only a handful of complaints received)
- Reduce services and purchase costs
- Reduce immediate staffing costs and utilise the Coronavirus Job Retention Scheme (Furlough)
- To reduce future staffing costs by granting holiday leave during furlough periods.
- Apply for every grant support available from the UK Government, Welsh Government, Local Authority and Town Council.

Given the ever changing Covid situation, and the potential for irreparable damage to the business, the board decided to be clear on our actions should we be faced with insolvency.

Should the financial forecast show that in 3 months' time, of any given date, that the centre is no longer viable and has exhausted all reserves and financial support, then the process to wind up the charity would begin. It would be our intention to be debt free at the point of closure and the landlord, sub-tenants and staff would be informed at the start of the process. Prior to this point, the trustees, management team and staff will do all they can to remain viable.

Thankfully, the trigger was not reached in the financial year and we remained a viable business, albeit with significant Covid support funding.

Financial impact in the year

In a normal trading year, the centre would have expected sales income to be in the region of £695,000. Sales income in this year due to the impact of Covid was £83,786, a reduction of 87%.

"Income Loss Support", "Economic Resilience Funding" and the "Coronavirus Job Retention Scheme" were all successfully applied for from the Welsh and UK Governments and were essential to our survival. We worked closely with Flintshire County Council to provide transparency of our finances by completing a quarterly "Financial Tracker" to demonstrate the support required. During the spring, we were also approached by the local NHS Maternity Unit to take over part of the centre to run their operations from April to August for which we received £7,800 rent.

The statement of Financial Activities below confirms a recorded total income to 31 March 2021 of £698,891 in sales turnover and grant support. This includes sales income of £83,786 with grants of £597,554 in total. Expenditure totalled £637,362 which has resulted in a surplus of £61,529 of which; after three years gives us a contingency bank balance of £15,723 and a carry forward of £165,178 (Business Account) and £6,094 (Grants Account) which is a total of £186,994 as of 31 March 2021.

There is also £31,563 release from High School AstroTurf reserve (a fund we put aside to eventually replace the pitch surface that is no longer required)

This was a remarkable result under the circumstances and reflects the work that the Board and Management team instigated to reduce costs, safely manage the closures and openings of the centre under Covid restrictions and successfully apply for Covid support funding.

Current financial situation

At the time of writing this report, the centre has regained 78% of the pre-Covid income and is on track to achieve the 100% target by the end of March 2022 at the latest. We still operate under people capacity restrictions in certain areas, such as swimming, however we have also introduced some new income streams such as new classes (Boot Camp, Yoga, Spin) and partnerships with the local Health Board.

Local grant funding

In addition to the Government "Income Loss Support" funding which continues to the end of March 2022, we also continue to receive grants from the local town and county councils

Flintshire County Council - £90,357

Holywell Town Council £12,000

We have also recently approached 13 local village councils for support and have received £2,000 to date.

Report of the Trustees
for the Year Ended 31 March 2021

Future plans

Throughout the pandemic and up to the present date, the board and management have continued to meet either by Zoom or a blended meeting of face to face and Zoom and staff have been kept up to date with monthly newsletters. Our main focus this year has been to restore all activities as quickly and as safely as possible for the health, social and wellbeing benefit of the local community after spending over a year under lockdown restrictions.

As well as introducing new classes and facilities, we have some exciting new plans to improve the centre, the overall offer to the customer and our income.

- The current centre manager and admin manager (Chris and Jill Travers) retired at the end of the year. One of the current deputy managers has been appointed to take over and we are using the opportunity to re-structure the management team.
- We are advertising for 4 new trustees to strengthen the current board of 8.
- We continue to search and apply for appropriate grant funding.
- We are planning significant investment in a new health suite and spa which will be as accessible to everyone as possible. This will increase income and be financed from a low cost loan provided through the County Council.
- We have received the low cost “Bounceback Loan” of £50,000 and will use this to further increase income by providing new equipment next year.
- We have engaged the services of a marketing company to ensure that all promotions, facilities and classes are advertised to the local community on social media, print and banners.
- The 5-aside pitch will have a new surface installed in the spring, all funded by Flintshire County Council.
- We look to develop closer business and local organisation partnerships.

We are currently preparing our new 5 year business plan and assume that there will no longer be any Covid support funding from March 2022 onwards. The board and management team are confident that the new staff structure, income initiatives and greater inclusivity of the centre will secure the future of the charity for the benefit of the community as a whole.

Paul Islip
Chair of Trustees
31 December 2021

Opinion

We have audited the financial statements of Holywell Leisure Centre Canolfan Hamdden Treffynnon (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, the 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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 Report of the Independent Auditors 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.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

The extent to which the audit was considered capable of detecting irregularities including fraud

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

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

Report of the Independent Auditors to the Trustees of
Holywell Leisure Centre Canolfan Hamdden Treffynnon

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

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

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

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

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

C E Davies

J V Banks

Chartered Accountants and Statutory Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Banks House

Paradise Street

Rhyl

Denbighshire

LL18 3LW

31 December 2021

Holywell Leisure Centre Canolfan Hamdden Treffynnon

Statement of Financial Activities
for the Year Ended 31 March 2021

	Notes	31.3.21 Unrestricted fund £	31.3.20 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2	597,554	134,072
Other trading activities	3	83,786	663,296
Investment income	4	<u>17,551</u>	<u>27,914</u>
Total		698,891	825,282
EXPENDITURE ON			
Raising funds	5	<u>637,362</u>	<u>792,747</u>
NET INCOME		61,529	32,535
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>138,939</u>	<u>106,404</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>200,468</u></u>	<u><u>138,939</u></u>

The notes form part of these financial statements

Holywell Leisure Centre Canolfan Hamdden Treffynnon

Statement of Financial Position
31 March 2021

	Notes	31.3.21 Unrestricted fund £	31.3.20 Total funds £
FIXED ASSETS			
Tangible assets	11	292,468	60,673
CURRENT ASSETS			
Stocks	12	200	600
Debtors	13	93,140	35,313
Cash at bank and in hand		<u>218,759</u>	<u>272,566</u>
		312,099	308,479
CREDITORS			
Amounts falling due within one year	14	(98,437)	(146,575)
		<u>213,662</u>	<u>161,904</u>
NET CURRENT ASSETS			
		<u>213,662</u>	<u>161,904</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		506,130	222,577
CREDITORS			
Amounts falling due after more than one year	15	(305,662)	(83,638)
		<u>200,468</u>	<u>138,939</u>
NET ASSETS			
		<u>200,468</u>	<u>138,939</u>
FUNDS	17		
Unrestricted funds		<u>200,468</u>	<u>138,939</u>
TOTAL FUNDS		<u>200,468</u>	<u>138,939</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The financial statements were approved by the Board of Trustees and authorised for issue on 31 December 2021 and were signed on its behalf by:

Paul Islip
Chair of Trustees

The notes form part of these financial statements

Holywell Leisure Centre Canolfan Hamdden Treffynnon

Statement of Cash Flows
for the Year Ended 31 March 2021

	Notes	31.3.21 £	31.3.20 £
Cash flows from operating activities			
Cash generated from operations	1	157,859	194,205
Interest paid		<u>(1,680)</u>	<u>-</u>
Net cash provided by operating activities		<u>156,179</u>	<u>194,205</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(249,903)	(26,845)
Interest received		<u>62</u>	<u>175</u>
Net cash used in investing activities		<u>(249,841)</u>	<u>(26,670)</u>
Cash flows from financing activities			
New loans in year		50,000	-
Loan repayments in year		<u>(10,145)</u>	<u>(15,768)</u>
Net cash provided by/(used in) financing activities		<u>39,855</u>	<u>(15,768)</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		(53,807)	151,767
Cash and cash equivalents at the beginning of the reporting period		<u>272,566</u>	<u>120,799</u>
Cash and cash equivalents at the end of the reporting period		<u><u>218,759</u></u>	<u><u>272,566</u></u>

The notes form part of these financial statements

Notes to the Statement of Cash Flows
for the Year Ended 31 March 2021

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.21 £	31.3.20 £
Net income for the reporting period (as per the Statement of Financial Activities)	61,529	32,535
Adjustments for:		
Depreciation charges	18,108	9,970
Interest received	(62)	(175)
Interest paid	1,680	-
Decrease in stocks	400	-
(Increase)/decrease in debtors	(57,827)	6,664
Increase in creditors	<u>134,031</u>	<u>145,211</u>
Net cash provided by operations	<u><u>157,859</u></u>	<u><u>194,205</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20 £	Cash flow £	At 31.3.21 £
Net cash			
Cash at bank and in hand	<u>272,566</u>	<u>(53,807)</u>	<u>218,759</u>
	<u>272,566</u>	<u>(53,807)</u>	<u>218,759</u>
Debt			
Debts falling due within 1 year	(10,145)	10,145	-
Debts falling due after 1 year	<u>-</u>	<u>(50,000)</u>	<u>(50,000)</u>
	<u>(10,145)</u>	<u>(39,855)</u>	<u>(50,000)</u>
Total	<u><u>262,421</u></u>	<u><u>(93,662)</u></u>	<u><u>168,759</u></u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

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

Expenditure

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 20% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

2. GRANTS, DONATIONS AND LEGACIES

	31.3.21 £	31.3.20 £
Grants	423,306	134,072
CJRS	<u>174,248</u>	<u>-</u>
	<u>597,554</u>	<u>134,072</u>

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

	31.3.21 £	31.3.20 £
Other grants	<u>423,306</u>	<u>134,072</u>

3. OTHER TRADING ACTIVITIES

	31.3.21 £	31.3.20 £
Sales	<u>83,786</u>	<u>663,296</u>

4. INVESTMENT INCOME

	31.3.21 £	31.3.20 £
Rents received	17,489	27,739
Deposit account interest	<u>62</u>	<u>175</u>
	<u>17,551</u>	<u>27,914</u>

5. RAISING FUNDS

Other trading activities

	31.3.21 £	31.3.20 £
Opening stock	600	600
Purchases	1,434	6,081
Closing stock	(200)	(600)
Bad debts	1,670	-
Support costs	<u>633,858</u>	<u>786,666</u>
	<u>637,362</u>	<u>792,747</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

6. SUPPORT COSTS

	Finance £	Other £	Governance costs £	Totals £
Other trading activities	<u>3,930</u>	<u>622,876</u>	<u>7,052</u>	<u>633,858</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.21 £	31.3.20 £
Auditors' remuneration	1,896	1,800
Depreciation - owned assets	18,108	9,969
Hire of plant and machinery	7,825	8,016
Other operating leases	<u>827</u>	<u>827</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

9. STAFF COSTS

	31.3.21 £	31.3.20 £
Wages and salaries	338,928	401,908
Social security costs	14,805	21,319
Other pension costs	<u>38,440</u>	<u>44,295</u>
	<u>392,173</u>	<u>467,522</u>

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

	31.3.21	31.3.20
Leisure centre staff	<u>38</u>	<u>40</u>

No employees received emoluments in excess of £60,000.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	134,072
Other trading activities	663,296
Investment income	<u>27,914</u>
Total	825,282
 EXPENDITURE ON	
Raising funds	792,747
	<hr/>
NET INCOME	32,535
 RECONCILIATION OF FUNDS	
Total funds brought forward	106,404
	<hr/>
TOTAL FUNDS CARRIED FORWARD	<u>138,939</u>

11. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 April 2020	22,967	63,435	8,348	94,750
Additions	<u>240,949</u>	<u>8,954</u>	<u>-</u>	<u>249,903</u>
At 31 March 2021	<u>263,916</u>	<u>72,389</u>	<u>8,348</u>	<u>344,653</u>
 DEPRECIATION				
At 1 April 2020	957	29,046	4,074	34,077
Charge for year	<u>8,989</u>	<u>8,264</u>	<u>855</u>	<u>18,108</u>
At 31 March 2021	<u>9,946</u>	<u>37,310</u>	<u>4,929</u>	<u>52,185</u>
 NET BOOK VALUE				
At 31 March 2021	<u>253,970</u>	<u>35,079</u>	<u>3,419</u>	<u>292,468</u>
At 31 March 2020	<u>22,010</u>	<u>34,389</u>	<u>4,274</u>	<u>60,673</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

12. STOCKS

	31.3.21	31.3.20
	£	£
Stocks	<u>200</u>	<u>600</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.3.20
	£	£
Trade debtors	12,374	18,701
Prepayments and accrued income	<u>80,766</u>	<u>16,612</u>
	<u>93,140</u>	<u>35,313</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.3.20
	£	£
Other loans (see note 16)	-	10,145
Trade creditors	59,388	29,873
Social security and other taxes	2,906	6,230
Other creditors	4,108	4,866
Accruals and deferred income	30,139	90,537
Accrued expenses	<u>1,896</u>	<u>4,924</u>
	<u>98,437</u>	<u>146,575</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.21	31.3.20
	£	£
Bank loans (see note 16)	50,000	-
Accruals and deferred income	31,437	63,000
Deferred government grants	<u>224,225</u>	<u>20,638</u>
	<u>305,662</u>	<u>83,638</u>

16. LOANS

An analysis of the maturity of loans is given below:

	31.3.21	31.3.20
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>-</u>	<u>10,145</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>50,000</u>	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

17. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	138,939	61,529	200,468
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>138,939</u>	<u>61,529</u>	<u>200,468</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	698,891	(637,362)	61,529
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>698,891</u>	<u>(637,362)</u>	<u>61,529</u>

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	106,404	32,535	138,939
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>106,404</u>	<u>32,535</u>	<u>138,939</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	825,282	(792,747)	32,535
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>825,282</u>	<u>(792,747)</u>	<u>32,535</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

17. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.19 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	106,404	94,064	200,468
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>106,404</u>	<u>94,064</u>	<u>200,468</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,524,173	(1,430,109)	94,064
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>1,524,173</u>	<u>(1,430,109)</u>	<u>94,064</u>

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.

Holywell Leisure Centre Canolfan Hamdden Treffynnon

Detailed Statement of Financial Activities
for the Year Ended 31 March 2021

	31.3.21 £	31.3.20 £
INCOME AND ENDOWMENTS		
Grants, donations and legacies		
Grants	423,306	134,072
CJRS	<u>174,248</u>	<u>-</u>
	597,554	134,072
Other trading activities		
Sales	83,786	663,296
Investment income		
Rents received	17,489	27,739
Deposit account interest	<u>62</u>	<u>175</u>
	<u>17,551</u>	<u>27,914</u>
Total incoming resources	698,891	825,282
EXPENDITURE		
Other trading activities		
Opening stock	600	600
Purchases	1,434	6,081
Bad debts	1,670	-
Closing stock	<u>(200)</u>	<u>(600)</u>
	3,504	6,081
Support costs		
Finance		
Bank charges	2,250	3,772
Bank interest	<u>1,680</u>	<u>-</u>
	3,930	3,772
Other		
Wages	338,928	401,908
Social security	14,805	21,319
Pensions	38,440	44,295
Hire of plant and machinery	7,825	8,016
Other operating leases	827	827
Rates and water	6,892	28,911
Insurance	20,537	27,317
Light and heat	100,328	118,373
Telephone	3,847	1,600
Postage and stationery	447	1,977
Sundries	-	82
Carried forward	532,876	654,625

This page does not form part of the statutory financial statements

Holywell Leisure Centre Canolfan Hamdden Treffynnon

Detailed Statement of Financial Activities
for the Year Ended 31 March 2021

	31.3.21 £	31.3.20 £
Other		
Brought forward	532,876	654,625
Staff training	377	4,217
Cleaning	10,106	7,742
Chemicals	4,328	8,841
Work wear	-	1,695
Service contracts	15,571	14,447
Licenses	4,246	4,413
IT hardware and software	19,123	8,492
Repairs and renewals	17,284	58,269
Travel	-	31
External instructors	857	3,101
Short leasehold	8,989	957
Plant and machinery	8,264	7,944
Fixtures and fittings	<u>855</u>	<u>1,069</u>
	622,876	775,843
Governance costs		
Auditors' remuneration	1,896	1,800
Accountancy and legal fees	3,466	2,285
Legal fees	<u>1,690</u>	<u>2,966</u>
	<u>7,052</u>	<u>7,051</u>
Total resources expended	<u>637,362</u>	<u>792,747</u>
Net income	<u><u>61,529</u></u>	<u><u>32,535</u></u>