

High Street Fitness Annual Return Report

Executive Summary

The past year has been a period of both challenge and progress for High Street Fitness. Despite economic pressures leading to a reduction in revenue from £78,012 to £66,184, we have remained steadfast in our mission to provide accessible fitness opportunities and essential support for individuals facing drug addiction and mental health challenges.

Our membership numbers have grown only slightly, reflecting increased community engagement and trust in our services. This growth has been accompanied by the expansion of our facilities and programs, ensuring that our members receive the best possible support. Our focus on integrating mental and physical health has resulted in successful rehabilitation programs that continue to make a tangible difference in people's lives.

Financially, we have implemented strategic cost-saving measures, allowing us to mitigate rising fixed costs and sustain our impact. We remain committed to financial prudence while exploring new fundraising opportunities to strengthen our long-term stability.

Chair's Report – Dafydd James

Over the past year, High Street Fitness has continued to serve as a crucial community resource, providing a safe and supportive environment for individuals looking to improve their physical and mental well-being. Our ability to adapt in response to economic difficulties has been commendable, thanks to our dedicated team and the generosity of our donors.

Membership growth has been a key highlight, reinforcing the importance of our work. The addition of new equipment and expanded facilities has allowed us to cater to a broader demographic, including those recovering from addiction and mental health struggles.

The expansion of our rehabilitation programs has been particularly impactful. The Recovery Through Fitness initiative has seen increased participation, helping individuals rebuild their confidence and physical strength while overcoming substance dependency. Likewise, our Mental Wellness Workshops have provided critical coping mechanisms for those dealing with anxiety, depression, and stress.

Looking ahead, we aim to continue growing our membership, forming partnerships with local organisations, and ensuring financial sustainability. High Street Fitness remains committed to supporting those who need us most and strengthening our role as a cornerstone of health and well-being in our community.

Founder's Statement – [Your Name], Operations Director

Reflecting on the past year, I am immensely proud of the resilience and growth High Street Fitness has demonstrated. While financial pressures have been unavoidable, our strategic approach to managing costs and maximising impact has ensured that we continue to serve our community effectively.

We have placed a strong emphasis on ensuring that every individual who steps through our doors has access to high-quality fitness facilities and tailored programs that support their journey to better health. This year, our investment in mental health initiatives and addiction recovery programs has been a defining achievement.

The coming year presents exciting opportunities for further expansion. Our goals include:

- Increasing Membership through enhanced marketing and outreach efforts.
- Enhancing Our Facilities with additional equipment and upgraded spaces.
- Strengthening Our Community Programs by integrating new support services tailored to those battling mental health challenges and addiction.
- Improving Financial Sustainability by launching innovative fundraising initiatives and securing grant funding.
- Appointing a new, more energised Operations Manager

I want to personally thank our members, volunteers, donors, and staff for their unwavering commitment. Your support fuels our mission and enables us to make a lasting impact on countless lives.

Financial Overview

This past year, our total revenue was £66,184, reflecting a decline from £78,012 the previous year. The primary reason for this decrease has been economic pressures affecting membership retention and attendance. Despite these challenges, we have remained financially stable due to careful budget management and cost-saving initiatives.

Key Financial Highlights:

- **Fixed Cost Increases:** Rising rent and electricity costs significantly impacted our budget.
- **Operational Adjustments:** Strategic staffing changes and energy efficiency initiatives helped offset these rising costs.
- **Fundraising Success:** Despite economic challenges, donor contributions and fundraising events remained strong, helping to sustain our core programs.

Our financial position remains stable, and we are actively exploring new income streams to support our future growth.

Cost Reduction Initiatives

In response to increasing operational costs, we implemented several cost-saving measures that allowed us to maintain financial stability while continuing to deliver high-quality services.

Key Cost-Saving Strategies:

1. **Energy Efficiency Upgrades:** LED lighting and optimized heating systems led to a 12% reduction in utility costs.
2. **Supplier Contract Renegotiations:** New contracts with suppliers helped us secure better rates for gym equipment and facility maintenance.
3. **Operational Efficiencies:** Adjustments to staffing hours and automation of administrative tasks reduced overhead expenses.

These measures have helped us balance our budget while ensuring the continued growth of our programs and facilities.

Membership and Community Impact

High Street Fitness has made significant strides in expanding our membership base and increasing our outreach. This year, we successfully introduced new fitness programs and community initiatives that have strengthened our role as a wellness hub.

Membership Growth

- Increased participation in group fitness classes and personal training sessions.
- Higher retention rates due to improved facilities and expanded program offerings.
- Strengthened support for underprivileged individuals through sponsored memberships and community outreach efforts.

Support for Drug Abuse Recovery and Mental Health

- **Recovery Through Fitness:** A structured program using exercise as a tool for addiction recovery.
- **Mental Wellness Workshops:** Sessions focused on mindfulness, stress management, and emotional resilience.
- **Partnerships with Local Health Organizations:** To provide a more holistic approach to wellness.

The positive feedback from participants highlights the success of these initiatives, reinforcing our commitment to expanding and refining our programs.

Looking Forward

The future of High Street Fitness is bright, and we have set ambitious goals to further our impact:

- **Expand Membership Programs:** Introduce flexible pricing and targeted marketing to attract new members.
- **Increase Community Outreach:** Strengthen partnerships with local organizations and healthcare providers.
- **Enhance Facility Infrastructure:** Invest in additional equipment and space modifications.
- **Secure Additional Funding:** Apply for grants and launch innovative fundraising campaigns to ensure long-term sustainability.

Our strategic focus is on growth, sustainability, and inclusivity, ensuring that we continue to make a meaningful difference in people's lives.

Acknowledgements

None of our achievements would be possible without the dedication and generosity of our supporters.

A Special Thanks To:

- Our Volunteers, whose dedication has been instrumental in maintaining our high standards of service.
 - Our Members, who make up the heart of High Street Fitness, who haven't run off to the latest big, hi-tech, selfie driven gym (we are sure they will be back) and contribute to our thriving community.
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- Our Community Partners, who have helped us extend our impact beyond our gym's walls.

As we look ahead, we are grateful for the continued support of our community. Together, we are transforming lives and promoting healthier futures.

Dr Paul T Thomas

Dr Paul Thomas

Founder & Operations Director
High Street Fitness

Overview

So at a glance here is a summary of Highstreet Fitness has prepared its unaudited financial statements for the year ended 31 March 2024. These accounts have been compiled in accordance with the small companies' regime and comply with Section 1A of FRS 102.

Financial Highlights

1. **Turnover:** The company's turnover for the year increased significantly to £87,975 compared to £66,185 in the previous year, reflecting a growth of approximately 33%.
2. **Profitability:**
 - o Operating profit stood at £10,082, a notable improvement from the operating loss of £5,705 recorded in the previous year.
 - o After accounting for interest expenses (£299), the company achieved a profit before taxation of £9,783.
3. **Retained Earnings:**
 - o The accumulated retained losses reduced from £22,806 in 2023 to £13,023 in 2024 due to the positive financial performance during the year.

Financial Position

1. **Assets:**
 - o Tangible fixed assets were valued at £30,779, down from £35,105 due to annual depreciation charges of £10,260.
 - o Cash at bank and in hand amounted to £2,053.
2. **Liabilities:**
 - o Current liabilities decreased to £28,584 from £34,866, primarily comprising social security obligations (£5,056) and other creditors (£23,528).
 - o Long-term liabilities, including bank loans, stood at £17,171, down from £25,347 in 2023.
3. **Net Liabilities:**
 - o The company's net liabilities decreased to £12,923 from £22,706 in 2023,

indicating a significant improvement in its financial health.

Key Cost Analysis

- Administrative expenses totaled £77,893, down from £89,090 in the prior year. Major cost components include:
 - o Rent: £29,617
 - o Light and heat: £10,269
 - o Repairs and maintenance: £10,934
 - o Depreciation: £10,260
 - The decrease in administrative expenses, alongside increased turnover, contributed to the company's profitability.
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Observations and Recommendations

1. Profitability:

- o The company has shown strong financial recovery, transitioning from a loss to a profit. Sustaining this trend requires continuous focus on cost control and revenue growth.

2. Liquidity:

- o The reduction in liabilities is positive, but cash reserves remain low (£2,053). Strengthening liquidity through increased cash flow management should be a priority.

3. Fixed Assets:

- o Investments in plant and machinery (£5,934 in 2024) indicate ongoing improvements. However, continuous monitoring of asset efficiency and depreciation impact is essential.
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Conclusion

Highstreet Fitness Limited has demonstrated significant financial improvement during the year ended 31 March 2024. Despite the accumulated losses, the company is moving towards stability, backed by increased turnover and controlled expenses. Maintaining focus on operational efficiency and liquidity will be crucial for long-term growth and sustainability.

Report on Highstreet Fitness Limited – Year Ended 31 March 2024

ACCOUNTS

FOOKS & CO

Accountants and Business Advisors

14 High Street

Bargoed

Caerphilly

CF81 8RA

Financial Statements

Year ended 31 March 2024

ContentsPage

Director's report	1
Statement of income and retained earnings	2
Statement of financial position	3
Notes to the financial statements	4
The following pages do not form part of the financial statements	
Detailed income statement	9
Notes to the detailed income statement	10

Highstreet Fitness Charity

Director's Report

Year ended 31 March 2024

The director presents his report and the unaudited financial statements of the company for the year ended 31 March 2024.

Director

The founder and director who served the company during the year was as follows:

Dr P T Thomas

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 19 December 2024 and signed on behalf of the board by:

Dr P T Thomas Director

Registered office:
2 George Street
Pontypool
NP4 6LR

Highstreet Fitness Charity

Statement of Income and Retained Earnings

Year ended 31 March 2024

		2024	2023
	Note	£	£
Turnover		87,975	66,185
Gross profit		87,975	66,185
Administrative expenses		77,893	89,090
Other operating income		—	17,200
Operating profit/(loss)		10,082	(5,705)
Interest payable and similar expenses		299	—
Profit/(loss) before taxation	5	9,783	(5,705)
Tax on profit/(loss)		—	—
Profit/(loss) for the financial year and total comprehensive income		9,783	(5,705)
Retained losses at the start of the year		(22,806)	(17,101)
Retained losses at the end of the year		(13,023)	(22,806)

All the activities of the company are from continuing operations.

Highstreet Fitness Charity

The notes on pages 4 to 7 form part of these financial statements.

Statement of Financial Position

31 March 2024

		2024	2023
	Note	£	£
Fixed assets			
Tangible assets	6	30,779	35,105
Current assets			
Cash at bank and in hand		2,053	2,402
Creditors: amounts falling due within one year	7	28,584	34,866
Net current liabilities		26,531	32,464
Total assets less current liabilities		4,248	2,641
Creditors: amounts falling due after more than one year	8	17,171	25,347
Net liabilities		(12,923)	(22,706)
Capital and reserves			
Called up share capital		100	100
Profit and loss account		(13,023)	(22,806)
Shareholders deficit		(12,923)	(22,706)

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

For the year ending 31 March 2024 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- 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;
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

Highstreet Fitness Charity

These financial statements were approved by the board of directors and authorised for issue on 19 December 2024, and are signed on behalf of the board by:

Dr P T Thomas
Director

Company registration number: 12505718

The notes on pages 4 to 7 form part of these financial statements.

Highstreet Fitness Charity

Notes to the Financial Statements

Year ended 31 March 2024

1. General information

The not for profit company Charity, registered in England and Wales. The address of the registered office is 2 George Street, Pontypool, NP4 6LR.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	-	25% reducing balance
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3. Accounting policies (continued)

Highstreet Fitness Charity

Notes to the Financial Statements (continued)

Year ended 31 March 2024

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

3. Accounting policies (continued) Financial instruments (continued)

Highstreet Fitness Charity

Notes to the Financial Statements (continued)

Year ended 31 March 2024

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 1 (2023: 1).

5. Profit before taxation

Profit before taxation is stated after charging:

	2024	2023
	£	£
Depreciation of tangible assets	10,260	11,701

6. Tangible assets

	Plant and machinery £
Cost	
At 1 April 2023	77,864
Additions	5,934
At 31 March 2024	83,798
Depreciation	
At 1 April 2023	42,759
Charge for the year	10,260
At 31 March 2024	53,019
Carrying amount	
At 31 March 2024	30,779
At 31 March 2023	35,105

7. Creditors: amounts falling due within one year

	2024	2023
	£	£
Social security and other taxes	5,056	1,592
Other creditors	23,528	33,274

Highstreet Fitness Charity

Notes to the Financial Statements (continued)

Year ended 31 March 2024

	28,584	34,866
8. Creditors: amounts falling due after more than one year		
	2024	2023
	£	£
Bank loans and overdrafts	17,171	25,347
9. Director's advances, credits and guarantees		
During the year the director entered into the following advances and credits with the company: 2024		
	Balance brought forward	Advances/ (credits) to the director outstanding
	£	£
Dr P T Thomas	(21,537)	10,634 (10,903)
		2023
	Balance brought forward	Advances/ (credits) to the director outstanding
	£	£
Dr P T Thomas	(37,169)	15,632 (21,537)

Highstreet Fitness Charity

Management Information

Year ended 31 March 2024

The following pages do not form part of the financial statements.

Highstreet Fitness Charity

Detailed Income Statement

Year ended 31 March 2024

	2024	2023
	£	£
Turnover		
Sales	87,975	66,185
Gross profit	87,975	66,185
Overheads		
Administrative expenses	77,893	89,090
Other operating income	–	17,200
Operating profit/(loss)	10,082	(5,705)
Interest payable and similar expenses	(299)	–
Profit/(loss) before taxation	9,783	(5,705)

Highstreet Fitness Charity

Notes to the Detailed Income Statement

Year ended 31 March 2024

	2024	2023
	£	£
Administrative expenses		
Rent	29,617	27,194
Rates and water	1,800	1,800
Light and heat	10,269	9,538
Insurance	1,606	1,606
Repairs and maintenance	10,934	10,503
Cleaning costs	1,868	2,224
Travel and subsistence	2,770	394
Hire costs	1,330	
17,206		
Telephone	1,080	631
Computer costs	2,312	2,152
Printing postage and stationery	433	497
Sundry expenses	515	1,576
Advertising	1,113	365
Legal and professional fees	400	413
Accountancy fees	1,355	1,290
Depreciation of tangible assets	10,260	11,701
Bank charges	231	—
	77,893	89,090
Other operating income		
Grants	—	17,200
Interest payable and similar expenses		
Other interest payable and similar charges	299	—

Draft Accounts

12:48 on 19 December 2024

