

**LYDNEY RECREATION TRUST**  
**ANNUAL REPORT AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

# LYDNEY RECREATION TRUST

## CONTENTS

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	<b>Page</b>
Trustees' report	1
Independent examiner's report	2
Statement of financial activities	3
Balance sheet	4
Statement of cash flows	8
Notes to the financial statements	5 - 12

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# LYDNEY RECREATION TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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**Trustees** Lydney Town Council

**Charity number** 301569

**Address** Claremont House  
High Street  
Lydney  
Gloucestershire  
GL15 5DX

**Independent examiner** Ian Price  
20 Newerne Street  
Lydney  
Gloucestershire  
GL15 5RA

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# LYDNEY RECREATION TRUST

## TRUSTEES' REPORT

### *FOR THE YEAR ENDED 31 MARCH 2022*

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The trustees present their annual report and financial statements for the year ended 31 March 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Charities Act 2011 and the Statement of Recommended Practice, "Accounting and Reporting by Charities" (applicable to charities preparing their accounts in accordance with the FRS102 ).

#### **Objectives and activities**

The objectives of the charity as set out in its governing document are the provision and maintenance of playing fields, and other recreational premises providing public benefit through healthful and enjoyable recreational activities.

The trustees' have complied with their duty to have regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### **Achievements and performance**

The charity has continued its work in maintaining Lydney Recreation Ground in furtherance of Public Benefit. A drainage scheme has been put in place across all the sporting pitches.

#### **Financial review**

The trustees believe that the charity has adequate reserves to finance its activities for the immediate future.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level sufficient to ensure that, in the event of a significant drop in funding, the charity's current activities can be continued while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year. No funds are in deficit.

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The plans for future periods are to continue the charity's existing work.

#### **Structure, governance and management**

The charity was established by a charitable trust deed on 3 April 1946 and an order dated 6 June 1968.

The trustees, who served during the year were:  
Lydney Town Council

No other trustees will be recruited or appointed.

The trustees' report was authorised by the Trust Secretary and signed on behalf of the Trust.

Trust Secretary  
Dated: 27 July 2022

# LYDNEY RECREATION TRUST

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF LYDNEY RECREATION TRUST

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I report to the trustees on my examination of the financial statements of Lydney Recreation Trust (the charity) for the year ended 31 March 2022.

#### **Responsibilities and basis of report**

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of 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**

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 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

#### **Ian Price**

20 Newerne Street  
Lydney  
Gloucestershire  
GL15 5RA

Dated: 27 July 2022

# LYDNEY RECREATION TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 MARCH 2022**

		Unrestricted funds 2022 £	Unrestricted funds 2021 £
	Notes		
<b><u>Income and endowments from:</u></b>			
Donations and legacies	3	20,515	30,515
Charitable activities	5	25,742	19,801
Investments	4	19	736
Other income	6	-	184
<b>Total income</b>		46,276	51,236
<b><u>Expenditure on:</u></b>			
Charitable activities	7	59,912	56,788
Net gains/(losses) on investments	10	-	13,340
<b>Net movement in funds</b>		(13,636)	7,788
Fund balances at 1 April 2021		353,814	346,026
<b>Fund balances at 31 March 2022</b>		340,178	353,814

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

All income and expenditure is unrestricted, and derives from continuing activities.

# LYDNEY RECREATION TRUST

## BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	11		120,601		139,758
<b>Current assets</b>					
Debtors	12	10,516		7,133	
Cash at bank and in hand		209,891		210,032	
		<u>220,407</u>		<u>217,165</u>	
<b>Creditors: amounts falling due within one year</b>	13	(830)		(3,109)	
Net current assets			219,577		214,056
<b>Total assets less current liabilities</b>			<u>340,178</u>		<u>353,814</u>
<b>Income funds</b>					
<u>Unrestricted funds</u>					
Designated funds		67,488		37,699	
General unrestricted funds		<u>272,690</u>		<u>316,115</u>	
			340,178		353,814
			<u>340,178</u>		<u>353,814</u>

The financial statements were approved by the Trustees on 27 July 2022

Lydney Town Council  
Trustee

# LYDNEY RECREATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

##### Charity information

Lydney Recreation Trust is a charitable trust.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 accounts are prepared in sterling, which is the functional currency of the charity.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. 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.

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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

##### 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 recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Resources expended are recognised in the period in which they are incurred.



# LYDNEY RECREATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

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### **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.

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:

Land and buildings	10% straight line basis
Fixtures, fittings & equipment	20% straight line basis

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 the statement of financial activities.

#### **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 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.

#### **1.9 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.

#### **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.

# LYDNEY RECREATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies

(Continued)

#### ***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.

#### **1.10 Employee benefits**

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

#### **1.11 Restricted Funds**

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

#### **1.12 Unrestricted Funds**

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

# LYDNEY RECREATION TRUST

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	16		64		25,732
<b>Investing activities</b>					
Purchase of tangible fixed assets		(224)		(20,610)	
Proceeds on disposal of investments		-		58,507	
Investment income received		19		736	
<b>Net cash (used in)/generated from investing activities</b>			(205)		38,633
<b>Net cash used in financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(141)		64,365
Cash and cash equivalents at beginning of year			210,032		145,667
<b>Cash and cash equivalents at end of year</b>			209,891		210,032

# LYDNEY RECREATION TRUST

## STATEMENT OF CASH FLOWS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

### 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.

### 3 Donations and legacies

	<b>Unrestricted funds</b>	<b>Total</b>
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Lydney Town Council & other grants	20,515	30,515

### 4 Investments

	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Income from listed investments	-	712
Interest receivable	19	24
	19	736

### 5 Charitable activities

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Charitable rental income	25,742	19,801

# LYDNEY RECREATION TRUST

## STATEMENT OF CASH FLOWS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 6 Other income

	<b>Total</b>	<b>Unrestricted funds</b>
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Other income	-	184

### 7 Charitable activities

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Depreciation and impairment	19,381	19,359
Office costs	432	109
Insurance	5,788	5,983
Water, electricity, rates	2,194	3,631
Grass cutting, grounds, general maintenance	11,269	13,088
Litter picking, dog waste bins & bags	12,025	12,210
Skateboard park maintenance	7,172	918
Health and safety (incl tree works)	821	700
Independent examiners fees	830	790
	<u>59,912</u>	<u>56,788</u>

### 8 Trustees

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

### 9 Employees

The average monthly number of employees during the year was:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Total	-	-

There were no employees whose annual remuneration was more than £60,000.

# LYDNEY RECREATION TRUST

## STATEMENT OF CASH FLOWS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 10 Net gains/(losses) on investments

	<b>Total</b>	Unrestricted funds
	<b>2022</b>	2021
	<b>£</b>	<b>£</b>
Revaluation of investments	-	13,340

### 11 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Total
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 April 2021	294,804	4,187	298,991
Additions	-	224	224
At 31 March 2022	294,804	4,411	299,215
<b>Depreciation and impairment</b>			
At 1 April 2021	156,601	2,632	159,233
Depreciation charged in the year	18,712	669	19,381
At 31 March 2022	175,313	3,301	178,614
<b>Carrying amount</b>			
At 31 March 2022	119,491	1,110	120,601
At 31 March 2021	138,203	1,555	139,758

### 12 Debtors

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	1,688	1,011
Other debtors	589	855
Prepayments and accrued income	8,239	5,267
	10,516	7,133

### 13 Creditors: amounts falling due within one year

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Accruals and deferred income	830	3,109

# LYDNEY RECREATION TRUST

## STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 14 Designated Funds

The income funds of the charity include the following designated funds, all held within current assets, which have been set aside out of unrestricted funds by the trustees for specific purposes:

	b/f 2021	Transfers	Inc/exp	c/f 2022
	£	£	£	£
Drainage	37,699	9,883	-	47,582
Projects	-	16,906	-	16,906
Garage Repair	-	2,000	-	2,000
Path	-	1,000	-	1,000
Total	37,699	29,789	-	67,488

### 15 Related party transactions

Income for the year ended 31 March 2022 includes £20,515 (2021-£20,515) grant income from Lydney Town Council.

16 Cash generated from operations	2022 £	2021 £
(Deficit)/surplus for the year	(13,636)	7,788
Adjustments for:		
Investment income recognised in statement of financial activities	(19)	(736)
Fair value gains and losses on investments	-	(13,340)
Depreciation and impairment of tangible fixed assets	19,381	19,359
Movements in working capital:		
(Increase)/decrease in debtors	(3,383)	10,412
(Decrease)/increase in creditors	(2,279)	2,249
<b>Cash generated from operations</b>	<b>64</b>	<b>25,732</b>

### 17 Analysis of changes in net funds

The charity had no debt during the year.