

**Formby Pool Trust**  
**Company Limited by Guarantee**  
**Financial Statements**  
**31 March 2014**

**Charity Number 1099941**

**CHAMPION ACCOUNTANTS LLP**

Chartered Accountants and Statutory Auditor  
71/73 Hoghton Street  
Southport  
Merseyside  
PR9 0PR



# **Formby Pool Trust Company Limited by Guarantee**

## **Financial Statements**

**Year Ended 31 March 2014**

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# **Formby Pool Trust Company Limited by Guarantee**

## **Trustees Annual Report**

**Year Ended 31 March 2014**

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The trustees, who are also directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2014.

### **REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity Name** Formby Pool Trust

**Charity Registration Number** 1099941

**Company Registration Number** 04479074

**Registered Office** Elbow Lane  
Formby  
Merseyside  
L37 4AB

### **The Trustees**

The trustees who served the charity during the period were as follows:

Mr N Edwards (Chairman)  
Mr R Pontefract (nominee of Formby Land Trust)  
Mr D V Pugh (Company Secretary)  
Dr D Edwards  
Mr F Venables (Treasurer)  
CLLR C Page (nominee of Sefton MBC)  
Mr G Gee (Resigned 28 October 2013)  
Mr R Boylin (Company Secretary) (Resigned 28 October 2013)  
Dr K McNamara (Resigned 25 November 2013)  
Miss B Rice (Resigned 1 April 2013)  
Mrs R Critchley (Resigned 31 March 2014)

### **TRUSTEE APPOINTMENT**

The objects of the charity provide that the number of trustees shall be between 3 and 12; one Trustee can be appointed by Formby Land Trust and up to 2 by Sefton MBC, one of whom should be an officer of the Council.

There are provisions about retirement and rotation and details can be obtained from the Company Secretary.

**Secretary** D V Pugh

# **Formby Pool Trust Company Limited by Guarantee**

## **Trustees Annual Report *(continued)***

**Year Ended 31 March 2014**

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**Auditor**

Champion Accountants LLP  
Chartered Accountants and Statutory Auditor  
71/73 Hoghton Street  
Southport  
Merseyside  
PR9 0PR

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Trust is a charitable company limited by guarantee. The Board of Trustees meets on a monthly basis and has overall responsibility for the management of the business. There is a scheme of delegation in place, setting out the responsibilities of the Chief Executive and the powers reserved for the Board.

A strategic plan setting out the intentions of the board over a five year period is produced supported by an annual budget which approves all income and expenditure for the coming financial year. Performance against the budget is reported to the Board on a monthly basis. Financial transactions undergo independent checks by the trustees, particularly cashflow, expenditure and income trends. Cheques are signed by two authorised persons.

The accounts and supporting records have been reviewed by the Trust's auditors.

### **OBJECTIVES AND ACTIVITIES**

In the interests of social welfare and health, The Trust operates a Leisure Centre in an urban park setting and provides a swimming pool, fitness facility and café for the use of the Formby community and the surrounding area. The Trust works in partnership with Formby Land Trust (as owners of the building) and Sefton Metropolitan Borough Council.

In setting the objectives and planning activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The trustees have examined the major strategic and operational risks which the charity faces and confirm that systems have been established to mitigate risks.

### **ACHIEVEMENTS AND PERFORMANCE**

The Trust continues to perform well and provide a service to the community. Income continues to increase, and a further surplus has been recorded. Negotiations are now underway with our partners to extend the period of the Operating Agreement. The existing agreement now has just three years left to run, therefore an extension is essential to provide security and facilitate future strategic planning. The Swim School continues to prosper, with the creation of a new Swim Academy for those who wish to further develop their swim techniques. Gym and exercise classes have increased significantly.

### **FINANCIAL REVIEW**

Mirroring the continuing popularity of the Centre, income for the year again exceeded £1.0m, reaching £1.4m and showing an increase of almost 14% in the year over the budget. A surplus of £2.5k was generated in the year.

Tight budgetary control over spending was once again a feature. It was essential to invest heavily in the IT infrastructure and spend on the repair and maintenance of the facilities to recognise the increased usage. However, expenditure was 15% more than budgeted.

### **RESERVES**

Our policy is to maintain a reserve of at least £70k to cover three months operating costs. At the year end, there were free reserves of £140k. All the charity's funds are unrestricted. The level of reserves is reviewed regularly by the trustees.

# Formby Pool Trust Company Limited by Guarantee

## Trustees Annual Report *(continued)*

**Year Ended 31 March 2014**

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### PLANS FOR FUTURE PERIODS

The current ten year Operating Agreement now has just three years remaining. The first seven years has seen tremendous strides in the efficiency of the Trust and it is now essential that steps are taken to secure the future of the Trust. Negotiations with Sefton MBC are now well advanced with regard to a twenty year extension of the lease and it is hoped that this can be concluded within the next financial year. The security of a new long term lease will provide the Trust with the platform from which to further develop the facility and its activities.

### TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also the directors of Formby Pool Trust for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the income and expenditure of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as each trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Registered office:  
Elbow Lane  
Formby  
Merseyside  
L37 4AB

Signed on behalf of the trustees



Mr N Edwards  
Chairman

27.10.14...

# **Formby Pool Trust Company Limited by Guarantee**

## **Independent Auditor's Report to the Members of Formby Pool Trust**

**Year Ended 31 March 2014**

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We have audited the financial statements of Formby Pool Trust for the year ended 31 March 2014 on pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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

### **RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR**

As explained more fully in the Trustees Annual Report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **OPINION ON FINANCIAL STATEMENTS**

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 2014 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 applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Trustees Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Formby Pool Trust  
Company Limited by Guarantee**

**Independent Auditor's Report to the Members of Formby Pool Trust** *(continued)*

**Year Ended 31 March 2014**

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**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

*Champion Accountants LLP*

JANICE HURST (Senior Statutory  
Auditor)  
For and on behalf of  
CHAMPION ACCOUNTANTS LLP

Chartered Accountants and Statutory Auditor

71/73 Hoghton Street  
Southport  
Merseyside  
PR9 0PR

27/10/14

**Formby Pool Trust  
Company Limited by Guarantee**

**Statement of Financial Activities (Incorporating the Income and Expenditure Account)**

**Year Ended 31 March 2014**

	Note	Total Funds 2014 £	Total Funds 2013 £
<b>Incoming Resources</b>			
Incoming resources from generating funds:			
Voluntary income	2	292,328	262,109
Investment income	3	2,113	2,165
Incoming resources from charitable activities		1,145,223	1,059,491
<b>Total Incoming Resources</b>		<b>1,439,664</b>	<b>1,323,765</b>
<b>Resources Expended</b>			
Charitable activities	4/5	(1,322,385)	(1,214,016)
Governance costs	6	(114,687)	(88,319)
<b>Total Resources Expended</b>		<b>(1,437,072)</b>	<b>(1,302,335)</b>
<b>Net Incoming Resources for the Year/Net Income for the Year</b>	7	<b>2,592</b>	<b>21,430</b>
<b>Reconciliation of Funds</b>			
Total funds brought forward		137,268	115,838
<b>Total Funds Carried Forward</b>		<b>139,860</b>	<b>137,268</b>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 8 to 13 form part of these financial statements.



# Formby Pool Trust Company Limited by Guarantee

## Balance Sheet

31 March 2014

	Note	2014 £	2013 £
<b>Fixed Assets</b>			
Tangible assets	9	68,317	42,272
<b>Current Assets</b>			
Stocks		11,465	8,879
Debtors	10	78,572	112,947
Cash at bank and in hand		173,657	202,915
		<u>263,694</u>	<u>324,741</u>
<b>Creditors: Amounts Falling due Within One Year</b>	11	<u>(192,151)</u>	<u>(229,745)</u>
<b>Net Current Assets</b>		<b>71,543</b>	<b>94,996</b>
<b>Total Assets Less Current Liabilities</b>		<b>139,860</b>	<b>137,268</b>
<b>Net Assets</b>		<b>139,860</b>	<b>137,268</b>
<b>Funds</b>			
Unrestricted income funds	14	139,860	137,268
<b>Total Funds</b>		<b>139,860</b>	<b>137,268</b>

These financial statements were approved by the members of the Board and authorised for issue on the ~~27.10.14~~ and are signed on their behalf by:



Mr N Edwards  
Chairman



Mr F Venables  
Treasurer

Company Registration Number: 04479074

The notes on pages 8 to 13 form part of these financial statements.

# **Formby Pool Trust Company Limited by Guarantee**

## **Notes to the Financial Statements**

**Year Ended 31 March 2014**

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### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), and the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005).

#### **Fixed assets**

All fixed assets are initially recorded at cost.

#### **Depreciation**

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

Over 2 - 4 years on a straight line basis

#### **Stocks**

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

#### **Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the statement of financial activities on a straight line basis.

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### **Grants**

Grants are accounted for as they become receivable.

#### **Funds**

There is one unrestricted Fund.

#### **Resources expended**

Charitable expenditure includes the direct costs of the activities in support of the trust's objectives. Administration expenditure consists of amounts incurred in running the trust which do not have a direct tangible effect on the objectives of the trust.

#### **Irrecoverable VAT**

All VAT which can not be recovered because of partial exemption regulations is shown within the appropriate expenditure headings in the SOFA.

# Formby Pool Trust Company Limited by Guarantee

## Notes to the Financial Statements

Year Ended 31 March 2014

### 2. VOLUNTARY INCOME

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Other income			
Annual Fee Sefton MBC	<u>292,328</u>	<u>292,328</u>	<u>262,109</u>

### 3. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Bank interest receivable	<u>2,113</u>	<u>2,113</u>	<u>2,165</u>

### 4. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Staff Salaries	612,076	612,076	573,652
Employers National Insurance contributions	31,847	31,847	31,166
Rates and water	44,016	44,016	46,669
Heat, light and insurance	140,935	140,935	102,405
Repairs, maintenance and equipment	138,861	138,861	112,789
Equipment rental	2,347	2,347	1,235
Park improvements	30,000	30,000	–
Marketing and publicity	18,081	18,081	11,210
Telephone	2,750	2,750	2,248
Cleaning	39,345	39,345	30,181
Printing and stationery	8,649	8,649	8,338
Sundries	12,339	12,339	10,092
Provisions	83,322	83,322	85,515
Security and car park	99,022	99,022	120,696
IT support, hardware and software	40,324	40,324	19,341
Travel, recruitment and training	18,471	18,471	10,208
Irrecoverable VAT	–	–	48,271
	<u>1,322,385</u>	<u>1,322,385</u>	<u>1,214,016</u>

Rent is charged at a below commercial rate. We are unable to put a reasonable estimate on the value of this benefit to the Charity therefore this has not been recognised in the Statement of Financial Activities.

# Formby Pool Trust Company Limited by Guarantee

## Notes to the Financial Statements

Year Ended 31 March 2014

### 5. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly £	Grant funding activities £	Total Funds 2014 £	Total Funds 2013 £
Staff Salaries	612,076	–	612,076	573,652
Employers National Insurance contributions	31,847	–	31,847	31,166
Rates and water	44,016	–	44,016	46,669
Heat, light and insurance	140,935	–	140,935	102,405
Repairs, maintenance and equipment	138,861	–	138,861	112,789
Equipment rental	2,347	–	2,347	1,235
Park improvements	–	30,000	30,000	–
Marketing and publicity	18,081	–	18,081	11,210
Telephone	2,750	–	2,750	2,248
Cleaning	39,345	–	39,345	30,181
Printing and stationery	8,649	–	8,649	8,338
Sundries	12,339	–	12,339	10,092
Provisions	83,322	–	83,322	85,515
Security and car park	99,022	–	99,022	120,696
IT support, hardware and software	40,324	–	40,324	19,341
Travel, recruitment and training	18,471	–	18,471	10,208
Irrecoverable VAT	–	–	–	48,271
	<u>1,292,385</u>	<u>30,000</u>	<u>1,322,385</u>	<u>1,214,016</u>

During the year, a grant of £30,000 was paid to Formby Land Trust towards the redevelopment of the grounds area of the pool and leisure centre.

### 6. GOVERNANCE COSTS

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Audit fees	3,801	3,801	3,749
Professional fees	70,846	70,846	45,137
Interest payable	2,683	2,683	2,087
Finance charges	14,284	14,284	20,170
Depreciation	23,073	23,073	17,176
	<u>114,687</u>	<u>114,687</u>	<u>88,319</u>

### 7. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging:

	2014 £	2013 £
Depreciation	23,073	17,176
Auditors' remuneration: - audit of the financial statements	<u>3,801</u>	<u>3,749</u>

# Formby Pool Trust Company Limited by Guarantee

## Notes to the Financial Statements

Year Ended 31 March 2014

### 8. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2014	2013
	£	£
Wages and salaries	612,076	573,652
Social security costs	31,847	31,166
	<u>643,923</u>	<u>604,818</u>

#### Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2014	2013
	No	No
Number of full time equivalents	<u>34</u>	<u>34</u>

No employee received remuneration of more than £60,000 during the year (2013 - Nil).

### 9. TANGIBLE FIXED ASSETS

	Equipment £
<b>Cost</b>	
At 1 April 2013	87,415
Additions	49,118
<b>At 31 March 2014</b>	<u>136,533</u>
<b>Depreciation</b>	
At 1 April 2013	45,143
Charge for the year	23,073
<b>At 31 March 2014</b>	<u>68,216</u>
<b>Net Book Value</b>	
<b>At 31 March 2014</b>	<u>68,317</u>
At 31 March 2013	<u>42,272</u>

#### Hire purchase agreements

Included within the net book value of £68,317 is £Nil (2013 - £1,483) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £Nil (2013 - £1,978).

#### Capital commitments

	2014	2013
	£	£
Contracted but not provided for in the financial statements	<u>24,460</u>	<u>3,143</u>

Capital commitments relate to equipment items authorised and agreed prior to the year end. None of these commitments have been provided for in these financial statements.

# Formby Pool Trust Company Limited by Guarantee

## Notes to the Financial Statements

Year Ended 31 March 2014

### 10. DEBTORS

	2014	2013
	£	£
Trade debtors	17,688	922
Prepayments	60,884	112,025
	<u>78,572</u>	<u>112,947</u>

### 11. CREDITORS: Amounts falling due within one year

	2014	2013
	£	£
Trade creditors	70,574	32,403
Taxation and social security	22,945	22,382
Hire purchase agreements	-	1,724
Other creditors	-	544
Accruals	98,632	172,692
	<u>192,151</u>	<u>229,745</u>

### 12. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	2014	2013
	£	£
Amounts payable within 1 year	-	1,724
	<u>-</u>	<u>1,724</u>

### 13. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2014 the charity had annual commitments under non-cancellable operating leases as set out below.

	2014		2013	
	Land and buildings £	Other items £	Land and buildings £	Other items £
Operating leases which expire:				
Within 1 year	-	-	-	945
Within 2 to 5 years	5,000	1,260	5,000	-
	<u>5,000</u>	<u>1,260</u>	<u>5,000</u>	<u>945</u>

# Formby Pool Trust Company Limited by Guarantee

## Notes to the Financial Statements

Year Ended 31 March 2014

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### 14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets	Net current assets	Total
	£	£	£
Unrestricted Income Funds	68,317	71,543	139,860
Total Funds	<u>68,317</u>	<u>71,543</u>	<u>139,860</u>

### 15. RELATED PARTY TRANSACTIONS

#### Formby Land Trust

Formby Land Trust own the land and building within which Formby Pool Trust operates the Leisure Centre.

Formby Land Trust is party to the Operating Agreement under which the Leisure Centre is run.

Rent is payable to Formby Land Trust under the terms of the lease contained within the Operating Agreement.

There is a representative of Formby Land Trust on the Formby Pool Trust board.

Formby Pool Trust was paid £20,909 (2013: £17,324) under a contract with Formby Land Trust to maintain the grounds.

During the year, a grant of £30,000 was paid to Formby Land Trust towards the redevelopment of the grounds area of the pool and leisure centre.

#### Sefton MBC

Sefton MBC is party to the Operating Agreement under which the Leisure Centre is run.

Sefton MBC has two representatives on the Formby Pool Trust board.

Under the terms of the Operating Agreement Sefton MBC paid Formby Pool Trust an Annual Fee of £292,328 (2013: £262,109).

Formby Pool Trust paid Sefton MBC £23,414 (2013: £20,554) for car park control; waste removal and security services and £18,275 (2013: £18,275) for general rates.

Annual rent of £5,000 was due to Sefton MBC under the lease. An amount of £35,833 (2013: £30,833) is outstanding and included within creditors.

### 16. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and as such has no share capital. The limit of guarantee is £1 per member.

### 17. TRUSTEES REMUNERATION

The Trustees received no remuneration or re-imbursed expenses.