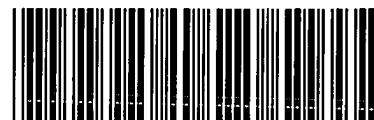


REGISTERED COMPANY NUMBER: 04479074  
REGISTERED CHARITY NUMBER: 1099941

**Trustees' Report and  
Audited Financial Statements for the Year Ended 31 March 2021  
for  
Formby Pool Trust**

Advance Audit Limited  
Statutory Auditor  
71/73 Houghton Street  
Southport  
Merseyside  
PR9 0PR

WEDNESDAY



\*AAFJG30A\*

A08

20/10/2021

#112

COMPANIES HOUSE

## **Formby Pool Trust**

### **Contents of the Financial Statements for the Year Ended 31 March 2021**

	<b>Page</b>
<b>Reference and Administrative Details</b>	<b>1</b>
<b>Trustees' Report</b>	<b>2 to 5</b>
<b>Report of the Independent Auditors</b>	<b>6 to 8</b>
<b>Statement of Financial Activities</b>	<b>9</b>
<b>Balance Sheet</b>	<b>10</b>
<b>Cash Flow Statement</b>	<b>11</b>
<b>Notes to the Cash Flow Statement</b>	<b>12</b>
<b>Notes to the Financial Statements</b>	<b>13 to 22</b>

## **Formby Pool Trust**

### **Reference and Administrative Details for the Year Ended 31 March 2021**

#### **TRUSTEES**

D Edwards  
D Wilson  
D V Pugh  
C M Page  
A Walker (resigned 6.10.20)  
R Dawson  
S Crean  
N S Killen  
J C Scorgie (appointed 6.10.20)  
S A Barnes (appointed 6.10.20)

#### **COMPANY SECRETARY**

R Dawson

#### **REGISTERED OFFICE**

Elbow Lane  
Formby  
Merseyside  
L37 4AB

**REGISTERED COMPANY NUMBER** 04479074

**REGISTERED CHARITY NUMBER** 1099941

#### **AUDITORS**

Advance Audit Limited  
Statutory Auditor  
71/73 Hoghton Street  
Southport  
Merseyside  
PR9 0PR

## **Formby Pool Trust (Registered number: 04479074)**

### **Trustees' Report 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).

#### **Trustees**

Dr Dympna Edwards	Chairman
Mr David Pugh	Vice Chairman & Formby Land Trust representative
Mr David Wilson	Vice Chairman
Mr Rod Dawson	Trustee & Company Secretary
Mr Stuart Barnes	Trustee & Sefton Council Representative
Cllr Nina Killen	Trustee & Sefton Council Representative
Mrs Catie Page	Trustee
Mrs Sharon Crean	Trustee
Mr Jamie Scorgie	Trustee

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

Formby Pool Trust provides a swimming pool, fitness facility and café in a park setting. We aim to be at the heart of the community promoting the health, wellbeing and welfare of local people through the work we do. 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.

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

The Trustees and management team have addressed the challenges and opportunities in line with the agreed objectives and values outlined in its charitable objects and 5-year strategy.

The COVID pandemic was the most significant issue facing the Trust 2020/21. For the first 4 months a national lockdown was in place with the centre closed and all staff furloughed. Although the centre opened in a phased return in the summer and autumn being in an area with high Covid rates the centre was mandated to close for the majority of the financial year.

One of the Trust principles is valuing its staff. This was demonstrated during the lockdown period in the way that employees were treated. When the centre was mandated to close trustees took the decision to top up the Government provided 80% of salary by an additional 20% from Trust funds so that employees received 100% of salary. This was continued until January 2021 when reduced reserves made this unfeasible. Staff engagement and training has continued throughout the year.

The Trust also provided payments to self-employed fitness instructors in the April- June period in advance of the government furlough scheme for self-employed workers.

## **Formby Pool Trust (Registered number: 04479074)**

### **Trustees' Report for the Year Ended 31 March 2021**

Formby pool aims to be at the heart of the local community. This was demonstrated in a number of ways over the past year:

- Staff volunteered in their own time to provide support to vulnerable members during lockdown with regular telephone calls, shopping and other practical support.
- The Trust provided bespoke exercise programme for vulnerable members to undertake at home during lockdown periods.
- The Trust also provided exercise classes on YouTube and via zoom when there were restrictions on group exercise sessions. This service was appreciated by members and provided valuable income for the self-employed instructors.
- The park, outdoor café seating and outdoor play areas became a focus for health and wellbeing with the local community using the facilities when restrictions allowed. It played a significant role in enabling people to socialise safely when allowed and safeguarding mental health and wellbeing.
- Although some planned community activities were postponed due to Covid restrictions the Trust hosted a successful drive through Carol concert in its grounds in December in conjunction with Churches Together in Formby, Altcar and Hightown. This event was very well received.

When the Trust was allowed to reopen for periods of time significant adaptations have been made to ensure services continued to be provided to the local community. This has included:

- Staff training and additional staff in place
- Provision of sanitising stations, track and trace and information for members
- Additional cleaning of facilities
- Provision of two additional bespoke changing villages to enable swim school to operate
- Outdoor fitness classes within the pool gardens in Summer 2020
- Fitness classes provided on YouTube and Zoom
- Reduction in the numbers attending the pool, gym and fitness classes with a prebooking system in place.

The Trust continued in its plans to become environmentally sustainable. The reduced operations over the past year meant reduced energy usage with good energy generation from the solar PV and solar thermal panels. The economic impact has meant that no new investments or developments have been made.

Despite the challenges membership has continued to rise throughout the year. Although some people have kept their membership frozen throughout the year this has been offset by new members to the facility following the closure of a nearby leisure facility. This has provided an opportunity for growth, particularly in younger members.

The success of the Trust over this year through difficult situations is due to the hard work and dedication and commitment of the management team and staff, the leadership and support of trustees and partner organisations and the loyalty and commitment of members.

### **FINANCIAL REVIEW**

#### **Financial review**

The trust aims to become financially sustainable. Income was frozen during the long periods of closure and this along with the restrictions on numbers when the centre has been allowed to open has led to a deficit of £208,228 for this financial year. Planned investments for the year were postponed.

#### **Reserves policy**

The strong reserves built up in previous years has meant that the Trust was able to survive the challenges of the Pandemic in 2020/21. With reduced income, and some fixed costs the reserves have been reduced but this has been offset by a government backed business continuity loan to maintain a stable and strong position moving into the coming year.

## **Formby Pool Trust (Registered number: 04479074)**

### **Trustees' Report for the Year Ended 31 March 2021**

#### **FUTURE PLANS**

In 2021/22 the Trust will continue to manage the impact of the pandemic and adapt as needed to the emerging challenges and opportunities. The Trust has started discussions with Sefton Council about the annual revenue support grant for the next 5 years of the lease (from 2022-27). It will also review the 5-year strategy and develop a strategy for the following 5 years. The Trust is exploring opportunities to expand and always looking for ways to develop and improve what we do, how we do it and to increase benefit to members, staff and the local community.

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

##### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

##### **Decision making**

The Board of Trustees has continued to meet bimonthly over the year by zoom and in person and has overall responsibility for the management of the business with clear oversight and a scheme of delegation. Regular performance reports are made to the board against the annual delivery plan and 5-year strategic plan. Performance is also reported to a partnership board and scrutinised on a six-monthly basis.

Financial transactions undergo independent checks by the trustees, particularly cash-flow, expenditure and income trends. Cheques are signed by one authorised signatory. The accounts and supporting records have been reviewed by the Trust's auditors.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**Formby Pool Trust (Registered number: 04479074)**

**Trustees' Report  
for the Year Ended 31 March 2021**

**AUDITORS**

The auditors, Advance Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 24 August 2021 and signed on its behalf by:

A handwritten signature in black ink that reads "D-Edwards". The signature is written in a cursive, slightly slanted style.

D Edwards - Trustee

# **Report of the Independent Auditors to the Members of Formby Pool Trust**

## **Opinion**

We have audited the financial statements of Formby Pool Trust (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.



# **Report of the Independent Auditors to the Members of Formby Pool Trust**

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the trustees' Report.

## **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**

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:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

## Report of the Independent Auditors to the Members of Formby Pool Trust

### Use of our report

This report is made solely to the charitable company'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 charitable company's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

*Advance Audit Ltd*

Janice Hurst CA (Senior Statutory Auditor)  
for and on behalf of Advance Audit Limited  
Statutory Auditor  
71/73 Hoghton Street  
Southport  
Merseyside  
PR9 0PR

Date: *24 August 2021*

# Formby Pool Trust

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

		2021 Unrestricted funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>	Notes		
Donations and legacies	2	177,673	152,739
<b>Charitable activities</b>	4		
Activities undertaken directly		686,866	1,411,153
Investment income	3	129	653
<b>Total</b>		<u>864,668</u>	<u>1,564,545</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>	5		
Activities undertaken directly		1,072,896	1,505,797
<b>NET INCOME/(EXPENDITURE)</b>		<u>(208,228)</u>	<u>58,748</u>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		464,460	405,712
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>256,232</u></u>	<u><u>464,460</u></u>

The notes form part of these financial statements

**Formby Pool Trust (Registered number: 04479074)**

**Balance Sheet  
31 March 2021**

	Notes	2021 Unrestricted funds £	2020 Total funds £
<b>FIXED ASSETS</b>			
Tangible assets	11	157,493	215,830
<b>CURRENT ASSETS</b>			
Stocks	12	1,366	3,379
Debtors	13	41,554	23,021
Cash at bank and in hand		454,225	326,196
		<u>497,145</u>	<u>352,596</u>
<b>CREDITORS</b>			
Amounts falling due within one year	14	(129,566)	(94,859)
		<u>367,579</u>	<u>257,737</u>
<b>NET CURRENT ASSETS</b>			
		367,579	257,737
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		525,072	473,567
<b>CREDITORS</b>			
Amounts falling due after more than one year	15	(268,840)	(9,107)
		<u>256,232</u>	<u>464,460</u>
<b>NET ASSETS</b>			
		256,232	464,460
<b>FUNDS</b>	18		
Unrestricted funds		256,232	464,460
<b>TOTAL FUNDS</b>		<u>256,232</u>	<u>464,460</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 24 August 2021 and were signed on its behalf by:



D Edwards - Trustee



D Wilson - Trustee

The notes form part of these financial statements

## Formby Pool Trust

### Cash Flow Statement for the Year Ended 31 March 2021

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(155,609)	84,192
Interest paid		(4,375)	-
Net cash (used in)/provided by operating activities		<u>(159,984)</u>	<u>84,192</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(4,950)	(138,151)
Interest received		129	653
Net cash used in investing activities		<u>(4,821)</u>	<u>(137,498)</u>
<b>Cash flows from financing activities</b>			
New loans in year		300,000	21,646
Capital repayments in year		(7,166)	(5,374)
Net cash provided by financing activities		<u>292,834</u>	<u>16,272</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>128,029</u>	<u>(37,034)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>326,196</u>	<u>363,230</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>454,225</u></u>	<u><u>326,196</u></u>

The notes form part of these financial statements

## Formby Pool Trust

### Notes to the Cash Flow Statement for the Year Ended 31 March 2021

#### 1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
<b>Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)</b>	(208,228)	58,748
<b>Adjustments for:</b>		
Depreciation charges	63,286	56,588
Interest received	(129)	(653)
Interest paid	4,375	-
Decrease in stocks	2,013	1,973
Increase in debtors	(18,532)	(19,453)
Increase/(decrease) in creditors	1,606	(13,011)
<b>Net cash (used in)/provided by operations</b>	<u>(155,609)</u>	<u>84,192</u>

#### 2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20 £	Cash flow £	At 31.3.21 £
<b>Net cash</b>			
Cash at bank and in hand	326,196	128,029	454,225
	<u>326,196</u>	<u>128,029</u>	<u>454,225</u>
<b>Debt</b>			
Finance leases	(16,272)	7,166	(9,106)
Debts falling due within 1 year	-	(33,101)	(33,101)
Debts falling due after 1 year	-	(266,899)	(266,899)
	<u>(16,272)</u>	<u>(292,834)</u>	<u>(309,106)</u>
<b>Total</b>	<u>309,924</u>	<u>(164,805)</u>	<u>145,119</u>

The notes form part of these financial statements

# Formby Pool Trust

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 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.

#### **Company status**

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

#### **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.

Revenue support grants are accounted for as they become receivable.

#### **Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### **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**

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:

Equipment - 50% on cost, 33% on cost and 25% on cost

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 credited or charged to profit or loss.

#### **Impairment of fixed assets**

At each reporting period end date, the charity reviews the carrying amounts of its tangible and intangible 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

## Formby Pool Trust

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

#### 1. ACCOUNTING POLICIES - continued

##### **Tangible fixed assets**

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

##### **Stocks**

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

##### **Cash at bank and in hand**

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held at call with banks.

##### **Financial Instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

##### **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.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of the designated fund is set out in the notes to the financial statements.

The charity does not have any restricted funds.

##### **Leases**

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.

##### **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.

##### **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.



## Formby Pool Trust

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

#### 1. ACCOUNTING POLICIES - continued

##### Retirement benefits

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

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

##### Judgements and key sources of estimation uncertainty

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.

The trustees do not believe that there are any estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

##### Irrecoverable VAT

All VAT which can not be recovered due to partial exemption regulations is shown within the appropriate expenditure headings in the Statement of Financial Activities.

##### Going concern

The accounts show a net asset position at 31 March 2021. Management and the Board of trustees have reviewed the current performance and prepared forecasts alongside setting achievable budgets for the next 12 months.

The realisation of these forecasts may be affected by a number of factors outside their control affecting the charity and the UK economy as a result of the Covid-19 pandemic. Management and the trustees are continuously assessing the impact of the Covid-19 pandemic on the Charity and are reacting and adapting to ever changing working circumstances.

The trustees have implemented measures, including support recommended by the Government, to mitigate a reduction in income, and are confident of the ongoing support of the members, on which they are dependent, during this time.

Further measures will be considered and taken by the trustees as and when changes occur in the restrictions enforced, to ensure that the Charity has adequate resources to continue its operations for the foreseeable future.

For these reasons, they continue to adopt the going concern basis in preparing the financial statements. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

## Formby Pool Trust

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

#### 2. DONATIONS AND LEGACIES

	2021 £	2020 £
Donations	8,218	2,265
Annual Fee Sefton MBC	169,455	150,474
	<u>177,673</u>	<u>152,739</u>

#### 3. INVESTMENT INCOME

	2021 £	2020 £
Bank interest receivable	<u>129</u>	<u>653</u>

#### 4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021 £	2020 £
Pool Income	Activities undertaken directly	190,937	1,152,614
Car Park Income	Activities undertaken directly	-	93,095
Goods for Resale	Activities undertaken directly	1,948	26,666
Café and Events	Activities undertaken directly	11,087	123,694
Grant income	Activities undertaken directly	482,891	15,172
Miscellaneous Income	Activities undertaken directly	3	(88)
		<u>686,866</u>	<u>1,411,153</u>

#### 5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6) £	Support costs (see note 7) £	Totals £
Activities undertaken directly	<u>1,063,062</u>	<u>9,834</u>	<u>1,072,896</u>

#### 6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Staff costs	683,319	776,604
Freelance instructors	55,422	68,491
Rates and water	9,321	31,980
Insurance	47,958	46,555
Light and heat	26,954	75,133
Telephone	3,009	3,103
Postage and stationery	3,180	8,051
Advertising	7,865	11,697
Sundries	4,667	25,607
Repairs, Maintenance and Equipment	66,404	122,249
Equipment Rental	6,187	2,000
Cleaning	11,636	20,939
IT Support, Hardware and Software	29,867	37,300
Carried forward	<u>955,789</u>	<u>1,229,709</u>

# Formby Pool Trust

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

### 6. DIRECT COSTS OF CHARITABLE ACTIVITIES - continued

	2021 £	2020 £
Brought forward	955,789	1,229,709
Car Park	-	92,481
Provisions	7,506	62,147
Travel	-	1,473
Recruitment and Training	1,942	3,799
Consultancy and Professional Fees	11,661	17,744
Finance Charges	10,721	23,994
Security	12,157	12,515
Depreciation	63,286	56,588
	<u>1,063,062</u>	<u>1,500,450</u>

### 7. SUPPORT COSTS

	Governance costs £
Activities undertaken directly	<u>9,834</u>

Support costs, included in the above, are as follows:

#### Governance costs

	2021 Activities undertaken directly £	2020 Total activities £
Auditors' remuneration	5,459	5,347
Bank interest	4,375	-
	<u>9,834</u>	<u>5,347</u>

### 8. NET INCOME/(EXPENDITURE)

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

	2021 £	2020 £
Auditors' remuneration	5,459	5,347
Depreciation	63,287	56,588

## Formby Pool Trust

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

#### 9. 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.

#### 10. STAFF COSTS

	2021 £	2020 £
Wages and salaries	645,229	733,079
Social security costs	28,268	32,948
Other pension costs	9,822	10,577
	<u>683,319</u>	<u>776,604</u>

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

	2021	2020
Pool and Cafe	56	52
Maintenance	3	2
Admin	10	10
Management	7	7
	<u>76</u>	<u>71</u>

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

#### 11. TANGIBLE FIXED ASSETS

	Equipment £
<b>COST</b>	
At 1 April 2020	552,102
Additions	4,950
Disposals	(15,623)
At 31 March 2021	<u>541,429</u>
<b>DEPRECIATION</b>	
At 1 April 2020	336,272
Charge for year	63,287
Eliminated on disposal	(15,623)
At 31 March 2021	<u>383,936</u>
<b>NET BOOK VALUE</b>	
At 31 March 2021	<u>157,493</u>
At 31 March 2020	<u>215,830</u>

## Formby Pool Trust

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

#### 12. STOCKS

	2021 £	2020 £
Stocks	<u>1,366</u>	<u>3,379</u>

#### 13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	-	2,288
Other debtors	39,243	15,172
Prepayments and accrued income	<u>2,311</u>	<u>5,561</u>
	<u>41,554</u>	<u>23,021</u>

#### 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Bank loans and overdrafts (see note 16)	33,101	-
Hire purchase (see note 17)	7,165	7,165
Trade creditors	14,244	35,187
Social security and other taxes	5,170	20,433
VAT	6,392	6,244
Other creditors	4,875	5,490
Accruals and deferred income	<u>58,619</u>	<u>20,340</u>
	<u>129,566</u>	<u>94,859</u>

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

	2021 £	2020 £
Bank loans (see note 16)	266,899	-
Hire purchase (see note 17)	<u>1,941</u>	<u>9,107</u>
	<u>268,840</u>	<u>9,107</u>

#### 16. LOANS

An analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year on demand:		
Bank loans	<u>33,101</u>	<u>-</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>266,899</u>	<u>-</u>

## Formby Pool Trust

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

#### 17. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts 2021 £	2020 £
Net obligations repayable:		
Within one year	7,165	7,165
Between one and five years	1,941	9,107
	<u>9,106</u>	<u>16,272</u>
	Non-cancellable operating leases	
	2021 £	2020 £
Within one year	774	1,032
Between one and five years	-	774
	<u>774</u>	<u>1,806</u>

#### 18. MOVEMENT IN FUNDS

	At 01.04.20 £	Net movement in funds £	Capital expenditure paid out of development fund £	Transfers between funds £	At 31.03.21 £
<b>Unrestricted funds</b>					
General fund	435,086	(208,228)	4,950	-	231,808
Development fund	29,374	-	(4,950)	-	24,424
<b>TOTAL FUNDS</b>	<u>464,460</u>	<u>(208,228)</u>	<u>-</u>	<u>-</u>	<u>256,232</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	864,667	(1,072,895)	(208,228)
<b>TOTAL FUNDS</b>	<u>864,667</u>	<u>(1,072,895)</u>	<u>(208,228)</u>

## Formby Pool Trust

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

#### 18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 01.04.19 £	Net movement in funds £	Capital expenditure paid out of development fund £	Transfers between funds £	At 31.03.20 £
<b>Unrestricted funds</b>					
General fund	365,597	58,748	40,115	(29,374)	435,086
Development fund	40,115	-	(40,115)	29,374	29,374
<b>TOTAL FUNDS</b>	<b>405,712</b>	<b>58,748</b>	<b>-</b>	<b>-</b>	<b>464,460</b>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,564,545	(1,505,797)	58,748
<b>TOTAL FUNDS</b>	<b>1,564,545</b>	<b>(1,505,797)</b>	<b>58,748</b>

#### 19. RELATED PARTY DISCLOSURES

Formby Pool Trust are part of a tri-party agreement together with Formby Land Trust and Sefton MBC to enable the operation of the leisure centre.

Formby Land Trust own the land and building within which Formby Pool Trust operates the leisure centre.

The land and building are leased under the terms of a lease contained within the Operating Agreement and there is a representative of Formby Land Trust on the Formby Pool Trust board of trustees. No rent was paid during the year (2020: NIL).

Sefton MBC provide Formby Pool Trust with an annual fee contribution towards the operation of the leisure centre. Sefton MBC also contribute towards a Sinking Fund which is accessed for LifeCycle maintenance and building requirements at the leisure centre. There are two representatives of Sefton MBC on the Formby Pool Trust board of trustees.

During the 2017 year end the operating agreement was renewed with Sefton MBC and a new ten year lease was agreed and signed. The annual fee contribution has been agreed which provides a financial subsidy linked with RPI.

As part of the terms of the Sefton MBC operating agreement, Formby Pool Trust have allocated 50% of the surplus generated into a designated development fund within their accounts to finance development opportunities agreed by the partnership.

## **Formby Pool Trust**

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

#### **19. RELATED PARTY DISCLOSURES - continued**

Formby Pool Trust received an Annual Fee contribution from Sefton MBC of £169,455 (2020: £150,474) under the terms of the Operating Agreement and £7,290 (2020: £26,874) was received from Sefton MBC in relation to LifeCycle works paid for out of the Sinking Fund. At the year end an amount of NIL (2020: £5,169) was due from Sefton Council in respect of LifeCycle works.

Formby Pool Trust paid Sefton MBC £12,027 (2020: £25,574) for car park control, waste removal and security services and NIL (2020: £19,393) for general rates. The year end an amount of £118 (2020: £137) was due to Sefton MBC in respect of the above recharges.