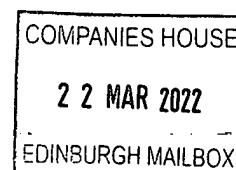


**North Lanarkshire Leisure Limited
(Company Limited by Guarantee)**

**Annual Report
and Financial Statements
for the year ended 31 March 2021**



Registered Number SC303391

Charity Number SC037439



North Lanarkshire Leisure Ltd

Annual Report and Financial Statements for the year ended 31 March 2021

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North Lanarkshire Leisure Ltd

Welcome from the Chair

On the 29th April 2019, North Lanarkshire Council presented a report to committee to instruct the integration of North Lanarkshire Leisure (NLL) and Culture NL (CNL), with CNL to be retained as the vehicle moving forward renamed as Culture & Leisure NL. The merger took place on 22nd June 2019 with the assets and liabilities of NLL donated to CNL for £nil consideration; North Lanarkshire Leisure's operations continued as part of Culture & Leisure NL, therefore the assets were realised and liabilities fully discharged by Culture & Leisure NL.

Chair: P Kelly

North Lanarkshire Leisure Ltd

Strategic Report and Directors' Report for the year ended 31 March 2021

The Directors have pleasure in submitting the Annual Report that incorporates the Strategic Report, Directors Report and financial statements of the charitable company required under the Companies Act 2006 (Strategic and Directors' Report) Regulations 2013 for the year ended 31 March 2021.

Reference and administrative details

Charity Number SC037439

Company Number SC303391

Registered Office 1 Ardgoil Drive, Cumbernauld, Glasgow, G68 9NE

Directors
P Kelly
B Burgess
W Shlelds
W Shearer
Resigned 26.08.20

Independent Examiner RSM UK Tax and Accounting Limited
First Floor, Quay 2, 139 Fountainbridge, Edinburgh, EH3 9QG

North Lanarkshire Leisure Ltd

Structure, Governance & Management

Operating as an arms' length external organisation, or ALEO, of North Lanarkshire Council, independent Governance of NL Leisure is maintained by an experienced Board of Directors who have been drawn from diverse fields including public service, business and sport.

NL Leisure is a not for profit organisation, limited by a guarantee which requires any surpluses generated to be reinvested in the charitable objectives of the company, i.e. improving the services and facilities we offer to the community.

The subsidiary company – North Lanarkshire Leisure Trading Community Interest Company, was set up to undertake non-charitable trading activities on behalf of the parent company. These activities include conferencing; hospitality and special events. The ownership of this company transferred to Culture and Leisure NL on June 22nd 2019.

Mission

Through good value, great venues, innovative programmes and a sense of fun; our goal is to bring the benefits of sport; fitness and a healthy lifestyle to everyone in the community.

Board of Directors

NL Leisure may have up to 13 directors; 6 'partner directors' who also serve as elected members of North Lanarkshire Council; 6 independent directors (from various fields) and 1 trade union director.

All new directors receive appropriate legal guidance on their duties in accordance with charity and company law.

Objectives

As a registered charity NL Leisure is required by law to publish a set of charitable objectives which are summarised below:¹

To advance public health and grow participation in sport through the provision of venues, programmes and services accessible to the whole community.

Charitable Objectives

1. The advancement of public health in North Lanarkshire
2. The advancement of public participation in sport
3. The provision of recreational facilities to the community
4. The provision of social welfare

NL Leisure scope

Prior to the merger, the scope of activity can be highlighted as follows:

Venues

The 20 venues operated across North Lanarkshire provide civic as well as sporting spaces and include swimming pools, gyms, ice-rinks, athletics tracks, multi-sport games halls, 3G football pitches, tennis courts, golf courses and catering outlets.

¹ As recognised by the Office of the Scottish Charity Regulator

North Lanarkshire Leisure Ltd

Sports development

In venues and in the community working with clubs, schools and governing bodies to deliver a range of coaching, programmes, events and services that increase grass-roots participation and support elite athlete development.

Investment programme

A rolling programme of reinvestment, in line with the charitable objectives, allows standards to be raised across all venues and provides new services and facilities.

Merger with Culture NL

On the 29th April 2019, North Lanarkshire Council presented a report to committee to instruct the integration of North Lanarkshire Leisure (NLL) and Culture NL (CNL), with CNL to be retained as the vehicle moving forward renamed as Culture & Leisure NL. The merger took place on 22nd June 2019 with the assets and liabilities of NLL donated to CNL for £nil consideration; North Lanarkshire Leisure's operations continued as part of Culture & Leisure NL, therefore the assets were realised and liabilities fully discharged by Culture & Leisure NL.

Financial Review

Following the merger with Culture NL there were no further transactions within North Lanarkshire Leisure.

Going Concern

As noted previously on page 5, the merger with Culture NL took place on 22nd June 2019 and was affected by the assets and liabilities of NL Leisure being donated to Culture NL as detailed in note 1 on page 14. NL Leisure's operations continued as part of the newly named entity Culture & Leisure NL, therefore the assets were realised and liabilities fully discharged by Culture & Leisure NL. It is the intention of the trustees that the charity is to be wound up within the next 12 months. Therefore, the directors have concluded that it is no longer appropriate to prepare the financial statements on a going concern basis. There have been no adjustments made to the financial statements as a result of the application of the non-going concern basis of accounting.

Chair:

Paul Kelly

Registered Office:

1 Ardgoil Drive
Cumbernauld, G68 9NE

Date:

24 February 2022

North Lanarkshire Leisure Ltd

Independent examiner's report to the trustees and members of North Lanarkshire Leisure Ltd

I report on the financial statements of the charity for the year ended 31 March 2021 which are set out on pages 8 to 22.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the terms of the Companies Act 2006, Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act) and the Charities Financial statements (Scotland) Regulations 2006 (the 2006 Financial statements Regulations).

The charity trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Financial statements Regulations does not apply and that an independent examination is needed.

It is my responsibility to examine the financial statements as required under section 44(1) (c) of the 2005 Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Financial statements Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the financial statements.

Independent examiner's statement

In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Financial statements Regulations, and
- to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Financial statements Regulations have not been met.

However, in carrying out my examination it has come to my attention that it is the intention of the trustees that the charity will be wound up. Accordingly, the trustees have prepared the financial statements on a basis other than going concern.

I can confirm that there are no other matters to which, in my option, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Kelly Adams

Kelly Adams MA(Hons) CA
Chartered Accountant
On behalf of RSM UK Tax and Accounting Limited
First Floor, Quay 2
139 Fountainbridge
Edinburgh
EH3 9QG

Dated: 22/03/22

North Lanarkshire Leisure Ltd

Statement of Financial Activities for the year ended 31 March 2021 (incorporating the income and expenditure account)

Note	General Fund 2021 £	Pension Fund 2021 £	Designated Fund 2021 £	Total Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
Income and endowments							
Incoming resources from trading activities							
Other trading activities:							
Catering	-	-	-	-	-	-	243,990
Rental income	-	-	-	-	-	-	88,350
Merchandising	-	-	-	-	-	-	40,576
Income from Investments 2	-	-	-	-	-	-	3,333
Total income and endowments from trading activities	-	-	-	-	-	-	376,249
Income from charitable activities							
Advancement of health, education and sport 3	-	-	-	-	-	-	5,039,652
Total income and endowments	-	-	-	-	-	-	5,415,901
Expenditure on:							
Raising funds:							
Catering	-	-	-	-	-	-	308,127
Merchandising	-	-	-	-	-	-	24,529
Total costs of raising funds 4	-	-	-	-	-	-	332,656
Charitable activities							
Advancement of health, education and sport 5	-	-	-	-	-	-	6,153,146
Donation to Culture & Leisure NL Limited 6	-	-	-	-	-	-	(9,959,985)
Total Expenditure	-	-	-	-	-	-	(3,474,183)
Net movement in funds and net income for the year	-	-	-	-	-	-	8,890,084
Actuarial gain/(loss) on defined benefit pension scheme 16	-	-	-	-	-	-	238,000
Net movement in funds	-	-	-	-	-	-	9,128,084
Fund balances brought forward at 1 April 2020	-	-	-	-	-	-	-
Total funds carried forward at 31 March 2021	-	-	-	-	-	-	-

All items dealt with in arriving at the net results relate to discontinued operations.
There is no difference between the net results and their historical cost equivalents.

North Lanarkshire Leisure Ltd

Balance Sheet as at 31 March 2021

	Note	2021	2021	2020	2020
		£	£	£	£
Fixed assets					
Tangible assets			-		-
Investments			-		-
Current assets					
Stocks		-		-	
Debtors		-		-	
Cash at bank and in hand		-		-	
		-		-	
Current liabilities					
Creditors (amounts falling due within one year)		-		-	
		-		-	
Net current assets			-		-
Long Term Liabilities					
Creditors (amounts falling due after more than one year)			-		-
			-		-
Net assets excluding pension fund (liability)			-		-
Pension fund (liability)	16		-		-
			-		-
Net liabilities			-		-
Funds					
Restricted funds			-		-
Unrestricted funds				-	
Designated fund - assets & infrastructure		-		-	
Designated fund – operational commitments		-		-	
General fund		-		-	
		-		-	
Unrestricted funds excluding pension reserve		-		-	
Pension reserve		-			-
		-			-
Total unrestricted funds			-		-
			-		-
Total funds			-		-

North Lanarkshire Leisure Ltd

The Company registration number is **SC303391**.

The notes on pages 12 to 22 form part of the financial statements.

The company is entitled to the exemption from the audit requirement contained in section 477 Of the Companies Act 2006, for the year ended 31 March 2021. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on and were signed on its behalf by:

Chair: *Paul Kelly*

Date: 24 February 2022

North Lanarkshire Leisure Ltd

Statement of Cash Flows for the year ended 31 March 2021

	Note	2021 £	2020 £
Cash Flows from Operating Activities			
Net cash provided by operating activities		-	(2,091,945)
Cash Flows from Investing Activities			
Dividend, Interest and rents from investments		-	3,333
Purchase of property, plant and equipment		-	(277,533)
Net Cash used in investing activities		-	(274,200)
Cash Flows from Financing Activities			
Cash Inflow from new borrowing		-	-
Net cash provided by (used in) financing activities		-	-
Change in cash and cash equivalents in the reporting year		-	(2,366,145)
Cash and Cash equivalents at the beginning of the reporting year		-	2,366,145
Change in cash and cash equivalents due to exchange rate movements		-	-
Cash and Cash equivalents at the end of the reporting year		-	-

The notes on pages 12 to 22 form an integral part of these financial statements

North Lanarkshire Leisure Ltd

Notes

(forming part of the financial statements)

1. Accounting policies

General Information / Legal Status

North Lanarkshire Leisure Ltd is a not for profit organisation limited by guarantee. The organisation meets the definition of a public benefit entity. The registered office details and principal activities are outlined in the Strategic Report on pages 4-6.

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and legislation. The financial statements have been prepared in accordance with 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) – Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These financial statements are prepared in pounds sterling (GBP) as that is the currency in which the charitable company's transactions are denominated.

Going Concern

As detailed on page 6, the assets and liabilities of North Lanarkshire Leisure Limited were donated to Culture NL on 22nd June 2019, at which point North Lanarkshire Leisure Limited ceased to trade. North Lanarkshire Leisure's operations will continue as part of the newly named entity Culture & Leisure NL, therefore the assets were realised and liabilities fully discharged by Culture & Leisure NL. It is the intention of the trustees that the charity is to be wound up within the next 12 months. Therefore, the directors have concluded that it is no longer appropriate to prepare the financial statements on a going concern basis. There have been no adjustments made to the financial statements as a result of the application of the non-going concern basis of accounting.

Funds

Funds are classified as either restricted funds or unrestricted funds, defined as follows:

Restricted funds	Relates to specific grant income where the donor has declared what the money must be spent on. The trustees do not have the power to spend the money on any other activity although some restricted funds may be expendable at the discretion of the Board in the furtherance of a specific activity.
Unrestricted funds	This is money that is expendable by the Board in the furtherance of the objectives of the charity. If part of an unrestricted fund is ear marked for a particular project it is designated as a separate fund (see below). This designation is for administrative purposes only and does not legally restrict the trustees.
Designated funds	Part of the unrestricted fund, but ear-marked for a particular purpose. NL LEISURE has created a designated fund to support the company's investment strategy and a designated fund to support certain operational commitments.

Income

All income is included in the Statement of Financial Activities in the year in which the company is entitled to receipt, any performance conditions have been met, it is probable the income will be received and the amount can be measured reliably. All grants under funding arrangements from local government are included on a receivable basis. Operating income, including membership fees, admission charges for use of facilities, hire of equipment and investment income is recognised in the statement of financial activities on an accruals basis.

North Lanarkshire Leisure Ltd

Expenditure

All liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the company to the expenditure. Where costs cannot be directly attributed to particular functional activities, they have been allocated to activities on a basis consistent with the use of resources.

Charitable expenditure incurred by the company can be defined as either:

- Charitable Activities – these are costs incurred in line with the charitable objectives and include both the direct costs, support costs and governance costs relating to these activities.
- Costs of Raising Funds – these are costs incurred in activities that raise funds.

Pension costs

North Lanarkshire Leisure was a member of the Strathclyde Pension Fund, a defined benefit pension scheme, administered by Glasgow City Council. The scheme was open to all employees of the Company. The expected cost to the Company in respect of pensions is charged to the income and expenditure account to spread the costs of pensions over the services lives of the employees.

As a result of the FRS102 Retirement Benefits being adopted in full, the regular service cost of providing retirement benefits to employees, the full cost or gain of providing amendments to benefits in respect of past service, income representing the expected return on assets of the fund and a cost representing the interest on the liabilities are charged to the statement of financial activities in the year.

Differences between actual and expected returns on assets during the year, together with differences arising from changes in assumptions underlying the present value of scheme liabilities and experience gains and losses arising on scheme liabilities are also recognised in the statement of financial activities.

North Lanarkshire Council has guaranteed to accept liability for any unfunded costs that may arise with regard to North Lanarkshire Leisure relating to their membership of the Local Government Pension Scheme administered by Glasgow City Council.

Fixed assets and depreciation

Assets are held at cost. The Company does not capitalise individual items with a cost of less than £1,000. Additions are fully depreciated in the year they are purchased. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life as follows:

Leasehold improvements	5 years – 10 years
Plant & equipment	3 years – 10 years
Furniture & fittings	5 years – 10 years
Computer equipment	3 years – 5 years

Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a Charitable Company for UK Corporation Tax purposes. Accordingly the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains applied exclusively to charitable purposes.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than twelve months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

North Lanarkshire Leisure Ltd

Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets and liabilities. Use of available information and application of judgement are inherent in the formation of the estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The Directors are satisfied that the accounting policies are appropriate and applied consistently. Significant estimations have been applied to the defined benefit pension assumptions. Management's estimate of the defined benefit obligation is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the liability and the annual defined benefit expenses (as analysed in Note 16).

North Lanarkshire Leisure Ltd

2. Investment income – Company

	2021	2020
	£	£
Bank and other interest	-	3,333
	<u>-</u>	<u>3,333</u>

3. Income from charitable activities - Company

	Unrestricted Funds	Restricted Funds	Total	Total
	2021	2021	2021	2020
	£	£	£	£
Income from operating activities	-	-	-	3,117,813
Income from contract with North Lanarkshire Council	-	-	-	1,822,593
Grant Funding	-	-	-	99,246
	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,039,652</u>

4. Catering & merchandising costs - Company

	Catering	Merchandising	Total	Total
	2021	2021	2021	2020
	£	£	£	£
Salaries & wages	-	-	-	107,813
Supplies & services	-	-	-	24,686
Other expenditure	-	-	-	132,972
Support Costs (note 7)	-	-	-	67,185
	<u>-</u>	<u>-</u>	<u>-</u>	<u>332,656</u>

5. Charitable Activities – Company

	Unrestricted Funds		Designated Funds	Restricted Funds	Total	Total
	Direct	Support	Funds	Funds		
	2021	2021	2021	2021	2021	2020
	£	£	£	£	£	£
Cost of sales	-	-	-	-	-	2,118
Salaries & wages	-	-	-	-	-	3,364,609
Property Costs	-	-	-	-	-	862,698
Supplies & services	-	-	-	-	-	195,252
Transport Costs	-	-	-	-	-	78,175
Administrative Costs	-	-	-	-	-	450,733
Payments to Other Bodies	-	-	-	-	-	9,541
Central Costs	-	-	-	-	-	359,548
Governance Costs (note 9)	-	-	-	-	-	22,472
Pension Costs	-	-	-	-	-	808,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,153,146</u>

North Lanarkshire Leisure Ltd

6. Donation to Culture & Leisure NL Limited

On 22 June 2019 all assets, liabilities and charitable activities were donated from North Lanarkshire Leisure Limited to Culture & Leisure Ltd for nil consideration. All assets and liabilities were donated at book value.

7. Allocation of support costs

	Operations	Estates	Sales & Marketing	Sports Development	Sub Total	Catering	Total	Basis of Allocation
	2021	2021	2021	2021	2021	2021	2021	
	£	£	£	£	£	£	£	
Management	-	-	-	-	-	-	-	- Expenditure Budget
Finance	-	-	-	-	-	-	-	- Expenditure Budget
Information Technology	-	-	-	-	-	-	-	- Number of PC's, tablets and phones
HR, Payroll & Training	-	-	-	-	-	-	-	- Employee Numbers
Operations Central	-	-	-	-	-	-	-	- Evenly across sites
Estates	-	-	-	-	-	-	-	- Location of works done
Sales & Marketing	-	-	-	-	-	-	-	- Value of DD's and location of works done
Total	-	-	-	-	-	-	-	

8. Allocation of support costs

	Operations	Estates	Sales & Marketing	Sports Development	Sub Total	Catering	Total	Basis of Allocation
	2020	2020	2020	2020	2020	2020	2020	
	£	£	£	£	£	£	£	
Management	471,874	12,801	124,440	42,787	651,902	47,732	699,634	Expenditure Budget
Finance	37,494	698	9,075	2,726	49,993	3,629	53,622	Expenditure Budget
Information Technology	65,964	-	9,303	14,799	90,066	6,343	96,409	Number of PC's, tablets and phones
HR, Payroll & Training	75,838	552	22,463	20,302	119,155	7,126	126,281	Employee Numbers
Operations Central	9,757	-	-	-	9,757	-	9,757	Evenly across sites
Estates	497,240	8,319	5,072	1,524	512,155	2,028	514,183	Location of works done
Sales & Marketing	123,843	93	9,728	21,107	154,771	327	155,098	Value of DD's and location of works done
Total	1,282,010	22,463	180,081	103,245	1,587,799	67,185	1,654,984	

North Lanarkshire Leisure Ltd

9. Governance costs – Company

	2021 £	2020 £
Allocation of Managing Director costs		5,783
Internal Audit Fees	-	3,876
Audit fees		
Audit of these financial statements	-	10,000
Tax Services	-	825
Other professional fees and costs - Charitable	-	1,988
Other professional fees and costs - Catering	-	13,351
	<u>-</u>	<u>35,823</u>

All fees in relation to the Independent Examination were paid by Culture & Leisure NL

10. Staff numbers and costs

The remuneration and associated costs of the company including key management personnel were:

	2021 £	2020 £
Wages & salaries	-	2,769,723
Redundancy Costs	-	181,112
Payments in lieu of notice	-	28,168
Social security costs	-	197,369
	<u>-</u>	<u>3,176,372</u>
Pension costs		
Current Service Cost	-	1,177,000
Net Interest Cost	-	63,000
	<u>-</u>	<u>4,416,372</u>

Key Management Personnel are defined as the Managing Director and Corporate Management Team, those receiving salaries, plus benefits in kind, of more than £60,000 were in the following bands:

	2021 Number	2020 Number
£80,000 - £90,000	<u>-</u>	<u>1</u>

The total remuneration and benefits paid to key management personnel in the year is as follows:

	2021 £	2020 £
Salary and benefits – Managing Director	-	23,727
Salary and benefits – Corporate Management Team	-	93,306
	<u>-</u>	<u>-</u>

The average monthly head-count of employees during the year was:

	2021 Number	2020 Number
Administration staff (e.g. Venue Managers, Health & Fitness Managers, Receptionists, Sport Development Officers, Engineers & Head Office staff)	-	92
Leisure staff (e.g. Leisure Attendants, Catering Staff, Gym Instructors & Cleaners)	-	88
Sessional staff	-	53
Total	<u>-</u>	<u>233</u>

North Lanarkshire Leisure Ltd

10. Staff numbers and costs (continued)

Other than Trustees Indemnity Insurance no members of the Board received expenses from NLL in their capacity as a Director in either 2019/20 or 2020/21.

No Board members were employed by the Company or received remuneration or pension as an employee (2019/20 1 Board Member totalling £9,706)

	2021 £	2020 £
Salary	-	6,914
Overtime	-	457
Other Pay Items	-	120
Pension	-	1,335
National Insurance Contributions	-	880
Total	-	9,706

11. Restricted funds

	Projects - General	Projects - NHS	Projects - FNP	Programmes	Capital Grant	Total Restricted Funds
Balance as at 1 April 2020	-	-	-	-	-	-
Income	-	-	-	-	-	-
Expenditure	-	-	-	-	-	-
Donation to Culture & Leisure NL	-	-	-	-	-	-
Balance as at 31 March 2021	-	-	-	-	-	-

12. Restricted funds

	Projects - General	Projects - NHS	Projects - FNP	Programmes	Capital Grant	Total Restricted Funds
Balance as at 1 April 2019	-	-	-	-	54,999	54,999
Income	(23,702)	(43,515)	(26,206)	(5,823)	(6,346)	(105,592)
Expenditure	23,702	43,515	26,206	5,823	-	99,246
Donation to Culture & Leisure NL	-	-	-	-	(48,653)	(48,653)
Balance as at 31 March 2020	-	-	-	-	-	-

Projects: General

This is the Saturday Sportscene project which provides diversionary activities across 4 sites in North Lanarkshire. The funder in this area is North Lanarkshire Council.

Projects: NHS

There are a number of specific projects which the NHS have continued to fund since 2011 and these include Active Health, Adult and Child Weight Management, Walking Football and Mental Health.

The areas they have chosen to support take a holistic approach to health and look at prevention, rehabilitation and inclusion as key aspects to reaching goals and outcomes.

North Lanarkshire Leisure Ltd

12. Restricted funds (continued)

Projects: FNP

North Lanarkshire Council fund the Friday Night programmes which are run at 4 sites within the NLL boundary. These programmes are designed to deliver diversionary activities to children including drug and alcohol awareness workshops, mind and body management classes, football leagues and dance workshops.

Programmes

The majority of this is specific funding received from North Lanarkshire Council for the Cumbernauld 10K.

Capital Grant

In 2010/11 £225,000 was received from Sportscotland, £30,000 from Viridor & £20,000 from R&A towards funding improvements at Lochview. This is being recognised to match the depreciation on these projects over the remaining useful life of the equipment.

13. Movement in reserves

	Unrestricted Fund			Restricted Fund	Total Funds
	Designated Fund	General Fund	Pension Reserve		
	£	£	£	£	£
Opening reserves at 1 April 2020	-	-	-	-	-
Add surplus/(deficit) for the year	-	-	-	-	-
Actuarial loss for the year	-	-	-	-	-
Donation to Culture & Leisure NL Ltd	-	-	-	-	-
Reserves at 31 March 2021	-	-	-	-	-

14. Movement in reserves

	Unrestricted Fund			Restricted Fund	Total Funds
	Designated Fund	General Fund	Pension Reserve		
	£	£	£	£	£
Opening reserves at 1 April 2019	402,034	1,662,883	(11,248,000)	54,999	(9,128,084)
Add surplus/(deficit) for the year	(23,677)	(231,878)	(808,000)	(6,346)	(1,069,901)
Actuarial loss for the year	-	-	238,000	-	238,000
Donation to Culture & Leisure NL Ltd	(378,357)	(1,431,005)	11,818,000	(48,653)	9,959,985
Reserves at 31 March 2020	-	-	-	-	-

The Designated Fund was created to cover the depreciation on assets which were purchased from in the years 2006/07 to 2014/15. This designated fund is released over the useful life of the assets.

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15. Notes to the statement of cash flows

Reconciliation of net income to net cash inflow from operating activities

	2021 £	2020 £
Net income for the year	-	8,890,084
Adjustments for:		
Depreciation charges	-	173,143
Dividends, interest and rents from investments	-	(3,233)
Asset disposals	-	2,491,158
Net pension adjustment FRS102	-	808,000
Donation of pension liability	-	(11,818,000)
Decrease in stocks	-	51,868
Decrease in debtors	-	1,252,600
(Decrease) in creditors	-	(3,937,566)
Net cash (used in) operating activities	-	(2,091,945)

Reconciliation of net cash flow to movement in net debt

(Decrease) in cash in the year	-	(2,366,145)
Net funds at the start of the year	-	2,366,145
Net Funds	-	-

Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	-	-
Total Cash and Cash Equivalents	-	-

16. Pension scheme

On 22 June 2019 all liabilities for the pension scheme deficit were transferred to Culture & Leisure Ltd for £nil consideration along with the other assets, liabilities and Leisure operations of the charity, as detailed in note 6.

	31 March 2021	21 June 2019
Rate of increase in salaries	-	3.6%
Rate of increase in pensions in payment	-	2.4%
Discount rate	-	2.5%

	31 March 2021		21 June 2019	
Post Retirement Mortality	Males	Females	Males	Females
Current Pensioners	-	-	21.4 years	23.7 years
Future Pensioners	-	-	23.4 years	25.8 years

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16. Pension scheme (continued)

The Fair value of employer assets are:

	31 March 2021 £	21 June 2019 £
Equities	-	36,121,000
Bonds	-	13,545,000
Property	-	5,644,000
Cash	-	1,129,000
Total	-	56,439,000

The amounts recognised in the balance sheet are as follows:

	31 March 2021 £	21 June 2019 £
Present value of funded obligations	-	(67,687,000)
Fair value of plan assets	-	56,439,000
Net Liability	-	(11,248,000)

Changes in the present value of the defined benefit obligation are as follows:

	31 March 2021 £	21 June 2019 £
Opening Defined Benefit Obligation	-	56,929,000
Service cost	-	3,341,000
Interest cost	-	1,593,000
Contribution by Members	-	535,000
Actuarial Losses/(Gains)	-	4,940,000
Past service cost (including curtailments)	-	1,062,000
Benefits Paid	-	(713,000)
Closing defined benefit obligation	-	67,687,000

Changes in the fair value of plan assets are as follows:

	31 March 2021 £	21 June 2019 £
Opening plan assets	-	51,816,000
Interest income	-	1,418,000
Actuarial gains / (losses)	-	1,706,000
Contributions by employer	-	1,677,000
Contributions by members	-	535,000
Benefits paid	-	(713,000)
Closing plan assets	-	56,439,000

The amounts recognised in statement of financial activities are as follows:

	31 March 2021 £	21 June 2019 £
Current service cost	-	3,341,000
Past service cost	-	1,062,000
Interest on obligation	-	1,593,000
Interest on plan assets	-	(1,418,000)
Total	-	4,578,000

North Lanarkshire Leisure Ltd

16. Pension scheme (continued)

The history of experience gains and losses are as follows:

	21 June 2019	31 March 2019	31 March 2018	31 March 2017	31 March 2016
	£	£	£	£	£
Present value of liabilities	71,067,000	67,687,000	56,929,000	64,138,000	44,457,000
Percentage of the present value of liabilities	0%	0%	0%	0%	0.30%
Value of assets	59,249,000	56,439,000	51,816,000	51,124,000	39,839,000
(Deficit) / Surplus	(11,818,000)	(11,248,000)	(5,113,000)	(13,014,000)	(4,618,000)
Experience gains / (losses) arising on the scheme liabilities	-	-	-	-	139,000
Actuarial (losses) / gains recognised in SOFA	(238,000)	3,234,000	9,531,000	(7,731,000)	6,642,000
Present value of liabilities	71,067,000	67,687,000	56,929,000	64,138,000	44,457,000
Percentage of the present value of liabilities	(0.3)%	4.8%	(16.70)%	(12.10)%	(14.90)%

17. Related party transactions

North Lanarkshire Council (NLC), the sole member of North Lanarkshire Leisure, made no contribution during 2020/21 (2019/20 - £1,822,593). There were no transactions with NLC to 31 March 2021 (2019/20 incurred costs from NLC of £57,700 and invoiced NLC £1,848,960).

Three directors of the Company were members of North Lanarkshire Council during the year ended 31 March 2021, these being P Kelly, W Shields and B Burgess.