

Charity Registration No. 1010563

Company Registration No. 02645699 (England and Wales)

JESMOND COMMUNITY LEISURE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



JESMOND COMMUNITY LEISURE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr K Butcher Ms D Easton Ms A Hames Mr MF Hunt Mr SG Leach Mr MD Miller Mr JB Thompson
Secretary	Ms A Hames
Charity number	1010563
Company number	02645699
Principal address	Jesmond Pool St Georges Terrace Jesmond Newcastle Upon Tyne Tyne And Wear England NE2 2DL
Auditor	Robson Laidler Accountants Limited Fernwood House Fernwood Road Jesmond Newcastle Upon Tyne Tyne and Wear England NE2 1TJ
Bankers	Barclays Bank Plc 59 High Street Gosforth Newcastle upon Tyne NE3 4AA
Solicitors	Womble Bond Dickinson St Ann's Wharf 112 Quayside Newcastle upon Tyne NE1 3DX

JESMOND COMMUNITY LEISURE

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JESMOND COMMUNITY LEISURE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their annual report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

The charitable company changed its name to Jesmond Community Leisure on 23rd February 2011. The company continues to be known under the name Jesmond Pool and Gym. The project supports and voluntarily complies with the Charter of Integrity of the Sports and Recreation Trusts Association. Since the charitable company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013 is not required.

Objectives and activities

a. Policies, objectives and strategies for achieving those objectives

In setting objectives and planning for activities, the Trustees and Members have given due consideration to general guidance published by the Charity Commission relating to public benefit.

The core objectives, along with the chosen strategies, are summarised below and provide evidence of Public Benefit. The Trustees also produce an annual report that gives more detail on these objectives and is provided at the AGM. The Trustees are satisfied that they have achieved the objectives set and have made a significant improvement to the lives of people and organisations supported by our operations.

The overall objects of the company were refined during 2019, with the Mission Statement, Values and Objectives revised in October 2019 as follows:

Our mission

- Promoting health and wellbeing in our community through the provision of swimming and other leisure and fitness related activities.

Our values

- Belief in the power of sport and leisure related activities to benefit all members of our community, regardless of their state of health or disability.
- Belief in the ability of local community resources to meet local needs.

Our objectives

1. To meet the swimming and leisure related needs of all groups in the local and wider community

- Be recognised as a centre of excellence for community leisure activities;
- Constantly review the programme, to ensure that the needs of all groups are being met;
- Help customers identify which activities will best meet their individual needs;
- Take into consideration customer feedback and community concerns;
- Network with other similar projects across the country, learn from them and in return assist them whenever we can.

2. To secure the long-term future of the project by maintaining its financial viability

- Operate in a way that meets Charity Commission and Companies House regulatory requirements, including taking expert advice when required;
- Employ rigorous financial controls and management systems;
- Use regular budgetary controls, cash flow and pricing reviews;
- Have a Trustee working group for financial matters.

JESMOND COMMUNITY LEISURE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Objectives and activities (continued)

3. To ensure we retain local support, through a strong sense of community interaction

- Be open and accountable in operating the Pool on behalf of local people, through communication with our community
- Keep local people aware of the operation and updated on the Pool's progress, and attend community events
- Provide a programme that reflects customer demand
- Have a Trustee working group for communication matters

4. To maintain and develop the building, at least in line with lease requirements

- Enhance and developing the building as funds allow
- Have a Trustee working group for building matters

5. To provide a working environment that values and develops all of its people to ensure business success, whilst being inclusive and participative

- Recruit, train and retain motivated, highly qualified, flexible and empowered staff
- Encourage full time staff participation in the running and success of the company
- Operate the building and activities, following current industry and best practice guidelines;
- Offer high quality training and support to all operational volunteers, enabling them to progress in the leisure industry at Jesmond Pool & Gym or elsewhere;
- Have a Trustee working group for personnel matters.

6. To reduce our environmental impact

- Use and operate the building in a way which minimises our effect on the environment;
- Maximise our energy efficiency, and identify and reduce our carbon footprint;
- Encourage users to walk, cycle or use nearby public transport to reach the pool.

b. Activities for achieving objectives

We provide swimming facilities, two gyms, classes, exercise and other sports and activities capable of improving physical health, fitness and wellbeing.

We actively promote our services to local and wider communities and encourage take-up from different minority groups.

We actively target the older population by providing additional facilities to encourage participation and target involvement as a means of encouraging older people to be active as a lifestyle choice.

c. Volunteers

In a normal year the charitable company is grateful for many hours support from volunteers who are involved in service provision. Sadly, this was not possible during 2021, and volunteer hours were limited to member and trustee time at board and working group meetings. We did however train 40 new lifeguards during 2021 (mostly young people) and offered them practical work experience which they might struggle to find elsewhere.

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

JESMOND COMMUNITY LEISURE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance

Objective 1: to meet the swimming and leisure needs of all groups in the local and wider community

We endeavour to offer a programme of activities to suit the needs of all our customers. We have kept our swimming timetable as accessible as possible, recognising the differing needs of adults and children, in times and in style of activity. There are slots in our timetable for babies through to older people, with instruction available for all. Holiday programmes also recognise these needs.

Activities in the fitness suites recognise differing needs by offering classes for teenagers and older people, or those on GP referrals. The basement and pool side fitness suites each have a slightly different ambience and range of equipment, providing an extra degree of choice for the increasing number of customers using fitness equipment. We have found this variety of environment and equipment popular with users and we are more able to cope with larger numbers.

The upstairs studio is used by all ages and by groups ranging from baby massage classes, through to children's parties, and a full range of exercise and fitness classes.

We know that the majority of our users are local, but we also draw support from a wide area. Our impact on other similar bodies throughout the UK remains positive, and we continue to offer advice and support to many organisations on operational management and social accounting.

Objective 2: to secure the long-term future of the Project by maintaining its financial viability

Our financial performance is monitored by the finance group, which meets every month and reports back to the trustees. Monthly P&L reports against budget (or reforecast) are prepared and investigated to ensure we are up to date with financial performance.

During 2021 the charity has received a total of £128,124 in grant funding (2020: £13,375) which, alongside the furlough scheme has enabled the trustees to ensure that the Pool & Gym continues to operate into the long-term.

Objective 3: to ensure that we retain local support, through a strong sense of community interaction

We network with as many community groups as possible, through our staff and trustees, and maintain an ongoing dialogue with users, through the staff and customer comments.

We had to suspend our live customer focus groups during lockdown. We have developed the use of social media especially Facebook, and have seen growth to over 2,400 followers. Our communication platforms and website have been extremely well used through lockdown and allowed the dissemination of information about our online offerings. In the past year we have initiated a newsletter which is sent out at approximately monthly intervals. Sign up to the newsletter has been enthusiastic with nearly 200 recipients registered.

We have contributed actively to the Jesmond Community newsletters throughout lockdown and this has facilitated interactions with other local charities and good causes. We have a Trustee group dealing purely with communications, who advise and direct the organisation in its community interaction.

We support young people from our local community through providing training and future volunteering opportunities. Discussion has been ongoing with local GP groups to provide resources for young people with mental health issues via provision of specialised sessions and other activities.

JESMOND COMMUNITY LEISURE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance (continued)

Objective 4: to maintain and develop the building, at least in line with lease requirements

We far exceed our lease requirements in looking after, and developing the building, as we need to ensure we offer a good service. Since our upgrading of the building in 2003, we have continued to invest in improvements and maintenance, in order to keep the building open and usable.

During spring 2020 there was damage to the roof during high winds, which was replaced during April 2021. The charity made an insurance claim and received insurance proceeds equivalent to the replacement cost, but the board elected to fully replace the roof at additional cost. The new roof comes with a 20-year guarantee and hence provides a longer-term solution.

Objective 5: to provide a working environment that values and develops all of its people, to ensure business success, whilst being inclusive and participative

Our staff remain our focus, and our staff retention levels are admirable, with many members of staff on, or approaching, 30 years' service.

Staff are involved in the management of the business as much as they would like to be, with members on sub groups, and staff participation at strategic planning events.

Training is a constant activity at the pool, with all lifeguards needing to re qualify every 2 years. We also develop staff in other areas to help the business, and their own development. Volunteers continue to be a vital aspect of the pool, and we train and develop local people throughout the year. It is particularly pleasing when local children who have used the pool all of their lives, go on to be lifeguards for us. This has happened on many occasions, and the service benefits greatly from this.

Objective 6: to operate the building and activities, following current industry and best practice guidelines

We ensure that all activities are led by suitably qualified staff and follow sector guidelines. Our procedures are reviewed as part of ongoing training, and we ensure that all staff who need DBS (Disclosure Barring Service) clearance are validated before working for us. We have our RLSS Approved Training Centre status externally reviewed each year. Several of our staff members are members of Leisure Institutes and receive regular updates on industry provision and developments. We also have staff members attending industry seminars and updates as part of their Continuing Professional Development and currency status. We are an active member of Community Leisure, a leading charitable organisation supporting most of the single site trusts in the UK.

Objective 7: to reduce our environmental impact

We had an updated building review by the Carbon Trust in 2018. The report was extremely favourable, and there were no significant issues or recommendations. We have an ongoing focus on reducing energy consumption. We have used a local firm to update our main boiler software which has generated savings on our gas usage. We have also installed water-saving shower heads in all our showers.

In future we hope to work with Newcastle City Council on the Governments decarbonisation scheme to try and make our building carbon neutral. With the increase in energy costs, there is a renewed focus in this area.

JESMOND COMMUNITY LEISURE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Financial review

As a charity, Jesmond Community Leisure is unusual in that the vast majority of its income normally comes directly from its trading activities.

Income generated from charitable activities fees and subscriptions was £499,442 (2020: £378,365) compared to costs of generating those activities of £717,018 (2020: £576,903), giving a deficit on the provision of charitable activities of £217,576 (2020: £198,538).

Income generated from charitable activities during 2021 was supplemented with donations, grants and furlough scheme payments. This enabled the charity to limit the impact on cash reserves of the periods of closure, whilst retaining staff and continuing to invest where required in the building.

Cashflow absorbed from operating activities amounted to £130,517 (2020: £7,857 absorbed).

Overall, the charitable company generated a surplus in net incoming resources of £60,896 (2020: £79,559 deficit).

The trustees consider the results for the year to have been better than expected, and a reflection of the resilience of the operational team and the finances of the charity. Maintaining reserves has enabled the business not only to survive, but to continue making capital investment.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

As business and leisure starts to return to normal after Covid-19, the trustees continue to assess funding available to support the Pool & Gym in meeting its objectives. Local grants were valuable once again during 2021, and we maintain close links with Newcastle City Council and other sources, to ensure we access all funding available.

Concerns now arise relating to energy costs, particularly as it is an area of unavoidable costs required to heat water for the pool and showers, and power the sauna and steam room. The trustees are monitoring the situation, and have included contingency within the 2022 budget to reflect the risk of existing energy contracts being frustrated. The charity is currently on a fixed tariff below the open market rate, with contracts in place until October 2023 (electricity) and September 2024 (gas).

Reserves policy

During the financial year, the reserves policy stated that free reserves should be kept to between £250,000 and £500,000. Historically this was believed adequate to react to unforeseen circumstances, whilst providing sufficient flexibility to operate on a day-to-day basis.

At the start of the financial year the Pool & Gym had free reserves of £521,154. This was considered appropriate by the trustees as the Covid-19 pandemic continued, with associated loss of revenue. In addition there was a commitment in 2021 to a capital spend of £113,460 to replace the roof, which was not fully recoverable from the associated insurance claim.

During 2021, free reserves increased due to the number of grants made available to support daily operations at the Pool & Gym. A total of £128,124 was received in grant income for core activities (2020: £13,375). Without the grant receipts, free reserves would have returned within historical limits, despite the trustees pausing strategic investment plans to maintain cash whilst the pandemic was continuing to impact operations.

During 2022, as operations return to normal, a new cycle of strategic review and planning has started and capital investment made to replace outdated gym equipment. It is expected that free reserves will in future either be designated to maintain the premises or utilised for further investments.

JESMOND COMMUNITY LEISURE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2021**

Risk assessment

The Trustees have assessed the major risks to which the charitable company is exposed, in particular those related to operations and finances of the charitable company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Plans for future periods

At the time of preparing these accounts Jesmond Pool & Gym is once again fully operational and seeing high levels of use of all facilities. The trustees have assessed the outcome of the last strategic review and are in the process of agreeing the focus for the medium term future of the Pool & Gym.

Structure, governance and management

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.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr K Butcher
Ms D Easton
Ms A Hames
Mr MF Hunt
Mr SG Leach
Mr MD Miller
Mr JB Thompson
Dr K Steele

(Resigned 25 September 2021)

Recruitment and appointment of new trustees

The articles of association define the company structure, which includes both members of the company and directors (both of whom are appointed by the Board). There are currently no bodies who are automatically entitled to nominate directors to the Board, and the Board currently has no plans for changing this. New trustees are identified from amongst the customers and supporters of the project, including those attending the annual meeting. When a particular expertise is required (such as the Finance Director), an open recruitment process is followed. All trustees are company directors.

Charity constitution

Jesmond Community Leisure is a charitable company limited by guarantee set up by a Memorandum of Association on 13 September 1991 and is a registered charity number 1010563.

The object for which the company is established are the provision of swimming facilities for recreation and other leisure time activities for the inhabitants of the local and wider community in the interests of their social welfare within the meaning of the Recreational Charities Act 1958 and as therein limited and any other ancillary leisure time facilities, and the advancement of education, culture and the arts for the public benefit, including the provision of libraries, cultural activities, learning and information centres and other related services.

Organisational structure

The Board of Directors is responsible for making all strategic decisions, and normally meets monthly, either in person, or more recently via videoconferencing. Unless particularly sensitive matters are under discussion, Board meetings are open to the public.

During 2021 the Board continued to operate a number of specific working groups, comprising a mixture of trustees, members, and staff, to provide advice on Finance, Building, Personnel, and Communications. These groups report to the Board Meetings.

Day to day management of the activities of the pool and ancillary leisure facilities are delegated to the Operations Manager, who is not a director.

JESMOND COMMUNITY LEISURE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Induction and training of new trustees

A Trustees' Handbook has been drawn up, to assist in advising new trustees and members of their responsibilities.

Statement of trustees' responsibilities

The trustees, who are also the directors of Jesmond Community Leisure for the purpose 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).

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

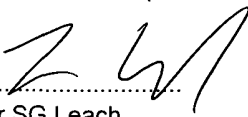
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume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

The trustees are responsible for keeping adequate accounting records that 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.

Auditor

In accordance with the company's articles, a resolution proposing that Robson Laidler Accountants Limited be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.



Mr SG Leach
Trustee

Date: 24th June 2022

JESMOND COMMUNITY LEISURE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF JESMOND COMMUNITY LEISURE

Opinion

We have audited the financial statements of Jesmond Community Leisure (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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.

JESMOND COMMUNITY LEISURE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF JESMOND COMMUNITY LEISURE

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 an auditor's report 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:

The risk of material misstatement due to error or fraud has been assessed in conjunction with how internal controls may mitigate any such risk. These controls are reviewed as part of the audit by performing systems walkthroughs to ensure they are operating effectively. Other substantive testing is also performed on all material balances and therefore any instances of non-compliance should be identified or considered as insignificant. Manual journal entries are scrutinised by data analytics software used as part of the audit.

The laws and regulations which are considered to be significant to the entity relate to health and safety. Discussions are held with management to determine whether any breaches have occurred as well as legal expenditure being scrutinised for any evidence on non-compliance.

The audit was considered capable of identifying irregularities only to the extent of the substantive testing performed and from discussions with management.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

JESMOND COMMUNITY LEISURE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF JESMOND COMMUNITY LEISURE

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Michael T Moran BA FCA (Senior Statutory Auditor)
for and on behalf of Robson Laidler Accountants Limited

30 June 2022

Chartered Accountants
Statutory Auditor

Fernwood House
Fernwood Road
Jesmond
Newcastle Upon Tyne
Tyne and Wear
England
NE2 1TJ

Robson Laidler Accountants Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

JESMOND COMMUNITY LEISURE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds 2021 £	Unrestricted funds 2020 £
	Notes		
<u>Income and endowments from:</u>			
Donations and legacies	2	133,922	21,043
Charitable activities	3	499,442	378,365
Other trading activities	4	14,873	6,400
Investments		2,912	4,154
Other income		140,638	93,006
Total income		791,787	502,968
<u>Expenditure on:</u>			
Raising funds	5	13,873	5,624
Swimming and leisure activities	6	717,018	576,903
Total resources expended		730,891	582,527
Net income/(expenditure) for the year/ Net movement in funds		60,896	(79,559)
Fund balances at 1 January 2021		1,637,754	1,717,313
Fund balances at 31 December 2021		1,698,650	1,637,754

All income and expenditure derive from continuing activities.

JESMOND COMMUNITY LEISURE

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10		1,038,802		1,116,600
Current assets					
Stocks		993		3,108	
Debtors	11	14,002		15,185	
Cash at bank and in hand		669,774		548,742	
		<u>684,769</u>		<u>567,035</u>	
Creditors: amounts falling due within one year	12	<u>(24,921)</u>		<u>(45,881)</u>	
Net current assets			659,848		521,154
Total assets less current liabilities			<u>1,698,650</u>		<u>1,637,754</u>
Income funds					
Unrestricted funds - general			1,698,650		1,637,754
			<u>1,698,650</u>		<u>1,637,754</u>

The financial statements were approved by the Trustees on 24th April 2022



Mr SG Leach
Trustee

Company Registration No. 02645699

JESMOND COMMUNITY LEISURE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	15		130,517		(7,857)
Investing activities					
Purchase of tangible fixed assets		(12,397)		(31,174)	
Investment income received		2,912		4,154	
Net cash used in investing activities			(9,485)		(27,020)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			121,032		(34,877)
Cash and cash equivalents at beginning of year			548,742		583,619
Cash and cash equivalents at end of year			<u>669,774</u>		<u>548,742</u>

JESMOND COMMUNITY LEISURE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

Jesmond Community Leisure is a private company limited by guarantee, incorporated in England and Wales, (company number: 02645699) and also a registered charity (charity number: 1010563). The address of its registered office is disclosed in the Reference and Administration Details section of these financial statements.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Jesmond Community Leisure meets the definition of a public benefit entity entry under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

1.2 Going concern

The financial statements have been prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charity's needs. The Trustees have considered a period of 12 months from the balance sheet date and consider no further disclosures relating to the charity's ability to continue as a going concern need to be made.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

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

JESMOND COMMUNITY LEISURE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.4 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.

Fees represent income receivable from the provision of swimming, sports and leisure activities to individuals and organisations on a pay for use basis. Subscriptions and lesson fees received in advance of the period to which they relate are deferred to the relevant period.

Voluntary income is received as grants and donations. All monetary donations and grants are included in full in the Statement of Financial Activities when receivable, provided there is no donor imposed restriction as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Grants receivable for fixed assets are credited to restricted funds until the asset is purchased, at which point they are transferred to unrestricted funds unless the grant provider has included additional restrictions.

Gifts in kind for use by the charity are valued at the estimated cost which would have been incurred by the charity.

Investment income comprises bank and building society interest and is recognised when receivable.

1.5 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.

Support costs are those costs that cannot be directly allocated to a charitable activity. They include all central and management costs and administration overheads. Support costs are apportioned between the charitable activities on a basis consistent with the use of resources.

Governance costs are those costs associated with the constitutional and statutory requirements of the charitable company.

The charitable company is not registered for VAT and accordingly the costs are shown inclusive of VAT where applicable.

1.6 Allocation and apportionment of costs

Costs allocated to activities comprise those costs incurred which directly relate to that activity, together with an appropriate proportion of support costs.

JESMOND COMMUNITY LEISURE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.7 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:

Leasehold building improvements	10 to 80 years
Pool and sports equipment	3 to 5 years
Fixtures and fittings	5 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

The charitable company adopts a policy to capitalise all relevant expenditure on assets costing in excess of £350.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

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

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Taxation

As a charity, the company is exempt from tax on income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

1.12 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.

1.13 Debtors due within one year

Trade and other debtors are recognised at the settlement amount after any trade discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.14 Creditors and provisions

Creditors and provisions are recognised in full where the charitable company has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

JESMOND COMMUNITY LEISURE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

2 Donations and legacies

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Donations and gifts	5,798	7,668
Grants	128,124	13,375
	<u>133,922</u>	<u>21,043</u>
Grants receivable for core activities		
Newcastle City Council - Best Summer Ever	9,400	5,000
Newcastle City Council - Winter Recovery Fund	38,964	8,375
Newcastle City Council - National Recovery Fund	42,000	-
National Lottery Community Fund	36,200	-
Northumberland Business Services Limited	1,560	-
	<u>128,124</u>	<u>13,375</u>

3 Charitable activities

	Fees 2021 £	Subscriptions 2021 £	Total 2021 £	Fees 2020 £	Subscriptions 2020 £	Total 2020 £
Swimming and leisure activities	<u>380,508</u>	<u>118,934</u>	<u>499,442</u>	<u>253,209</u>	<u>125,156</u>	<u>378,365</u>

4 Other trading activities

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Trading activities	<u>14,873</u>	<u>6,400</u>

JESMOND COMMUNITY LEISURE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

5 Raising funds

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
<u>Other trading activities</u>		
Swimming equipment	8,538	3,326
Vending machine purchases	5,335	2,298
	<u>13,873</u>	<u>5,624</u>

6 Swimming and leisure activities

	Swimming and leisure activities 2021 £	Swimming and leisure activities 2020 £
Staff costs	319,378	304,199
Depreciation and impairment	76,363	77,110
Chemicals and cleaning	6,024	6,935
Rent, rates and insurance	19,778	19,786
Light and heat	30,291	29,757
Activities and services	45,145	43,875
Maintenance and equipment	129,477	23,722
Licences and equipment hire	9,183	9,976
Other running costs	4,909	4,136
Staff expenses	3,535	1,602
Profit and loss on disposal of fixed assets	13,832	-
	<u>657,915</u>	<u>521,098</u>
Share of support costs (see note 7)	59,103	55,805
	<u>717,018</u>	<u>576,903</u>

JESMOND COMMUNITY LEISURE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Staff costs	34,226	-	34,226	32,622	-	32,622
Bank and card charges	7,755	-	7,755	6,197	-	6,197
Telephone	2,293	-	2,293	2,309	-	2,309
Postage and stationery	834	-	834	1,718	-	1,718
Advertising	5,710	-	5,710	3,476	-	3,476
Bookkeeping	3,365	-	3,365	4,563	-	4,563
Auditors remuneration	4,920	-	4,920	4,920	-	4,920
	<u>59,103</u>	<u>-</u>	<u>59,103</u>	<u>55,805</u>	<u>-</u>	<u>55,805</u>
Analysed between Charitable activities	<u>59,103</u>	<u>-</u>	<u>59,103</u>	<u>55,805</u>	<u>-</u>	<u>55,805</u>

8 Trustees

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

9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Teachers and coaches	2	3
General staff	3	5
Management and administration	3	4
Total	<u>8</u>	<u>12</u>
Employment costs	2021 £	2020 £
Wages and salaries	327,405	308,843
Social security costs	14,068	15,157
Other pension costs	12,131	12,821
	<u>353,604</u>	<u>336,821</u>

JESMOND COMMUNITY LEISURE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

9 Employees

(Continued)

The average number of persons employed by the charitable company during the year was 34 (2020: 42) and the average monthly number of employees during the year expressed as full time equivalents is detailed above.

The remuneration paid to key management personnel of the charitable company in the year amounted to £52,211 (2020: £46,218).

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

10 Tangible fixed assets

	Leasehold building improvements £	Pool and sports equipment £	Fixtures and fittings £	Total £
Cost				
At 1 January 2021	1,906,185	432,298	80,276	2,418,759
Additions	6,014	6,058	325	12,397
Disposals	(24,669)	(1,954)	(2,558)	(29,181)
At 31 December 2021	1,887,530	436,402	78,043	2,401,975
Depreciation and impairment				
At 1 January 2021	853,545	392,324	56,290	1,302,159
Depreciation charged in the year	56,390	12,429	7,544	76,363
Eliminated in respect of disposals	(14,448)	(375)	(526)	(15,349)
At 31 December 2021	895,487	404,378	63,308	1,363,173
Carrying amount				
At 31 December 2021	992,043	32,024	14,735	1,038,802
At 31 December 2020	1,052,640	39,974	23,986	1,116,600

11 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	5,626	4,052
Prepayments and accrued income	8,376	11,133
	14,002	15,185

JESMOND COMMUNITY LEISURE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	5,339	4,299
Trade creditors	8,730	8,967
Other creditors	2,082	13,914
Accruals and deferred income	8,770	18,701
	<u>24,921</u>	<u>45,881</u>

13 Related party transactions

A trustee K Butcher is an employee of a supplier of insurance services to the charitable company. In the year to the cost of services provided by was £5,872 (2020: £5,945). There was a £nil balance due to the related party at 31 December 2021.

14 Ultimate controlling party

The charity is under the control of the board of trustees.

15 Cash generated from operations

	2021 £	2020 £
Surplus/(deficit) for the year	60,896	(79,559)
Adjustments for:		
Investment income recognised in statement of financial activities	(2,912)	(4,154)
Loss on disposal of tangible fixed assets	13,832	-
Depreciation and impairment of tangible fixed assets	76,363	77,110
Movements in working capital:		
Decrease in stocks	2,115	210
Decrease in debtors	1,183	2,403
(Decrease) in creditors	(20,960)	(3,867)
Cash generated from/(absorbed by) operations	<u>130,517</u>	<u>(7,857)</u>