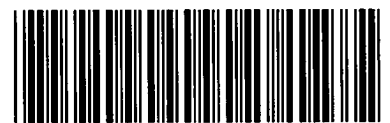


REGISTERED COMPANY NUMBER: 04479074  
REGISTERED CHARITY NUMBER: 1099941

**Trustees' Report and  
Audited Financial Statements for the Year Ended 31 March 2017  
for  
Formby Pool Trust**

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

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COMPANIES HOUSE

**Formby Pool Trust**

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for the Year Ended 31 March 2017**

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**Formby Pool Trust**

**Reference and Administrative Details  
for the Year Ended 31 March 2017**

**TRUSTEES**

D Edwards  
D Wilson  
D V Pugh  
C M Page  
A Walker  
K Davies (appointed 1.4.16)  
R Dawson (appointed 1.4.16)  
S Crean (appointed 1.4.16)  
B Hilton (resigned 12.5.16)  
S F McGuire (resigned 12.5.16)

**COMPANY SECRETARY**

R Dawson

**REGISTERED OFFICE**

Elbow Lane  
Formby  
Merseyside  
L37 4AB

**REGISTERED COMPANY NUMBER**

04479074

**REGISTERED CHARITY NUMBER**

1099941

**AUDITORS**

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

## **Formby Pool Trust**

### **Trustees' Report for the Year Ended 31 March 2017**

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 2017. 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 2015).

#### **OBJECTIVES AND ACTIVITIES**

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

Formby Pool Trust provides a swimming pool, fitness facility, 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**

2016/17 was a year of significant change and development at the Trust. Two trustees retired and we welcomed three new trustees. The Trust took the opportunity to review the strategic objectives to ensure they were in line with the charitable objectives. Achievements over the year include:

- Agreement of a 10 year lease with partners which provides security for staff and customers;
- Agreement of a 5 year strategy 2017-22 in consultation with customers, staff, local community and partners;
- Strengthened governance processes, performance and trustee oversight Improved financial performance and reserves;
- Growth of the services and business with reduced operating and facility costs;
- Improved environmental sustainability with invest to save initiatives of solar panels, pool covers and electricity metering. This has resulted in significant reduced energy use and costs;
- Introduction of an apprentice training scheme;
- Management restructure and staff development;
- Development of social media, marketing & communications and installation of screens within centre;
- Establishment of volunteer involvement in Trust;
- Strengthened Community Development work;
- Development of outreach fitness classes to local care homes.

#### **FINANCIAL REVIEW**

##### **Financial review**

Income for the year exceeded budget with an operating surplus of £50,328 after costs and investments. The financial grant that the trust receives reduced in January 2017 in line with the new lease agreement. Budgets have been set to account for this reduction in income and investments have been made in 2016/17 that will reduce future operating costs.

The Trust has increased the reserves over the past two years and regularly reviews the reserves to ensure financial stability and ensure they are adequate to fulfil our continuing obligations.

##### **Reserves policy**

The reserves that we have set aside provide financial stability and the means for the development of our objectives. We intend to maintain our reserves at a level which is at least equivalent to two months operating costs of the leisure facility. The Board regularly reviews the amount of reserves that are required to ensure that they are adequate to fulfil our continuing obligations.

#### **FUTURE PLANS**

The Trust has agreed with partners the terms of a 10 year lease to start from January. This includes agreed levels of financial subsidy for the first 5 years. This lease agreement needs to be formalised and signed.

Formby Pool Trust will take the opportunity of this new lease to review the strategic direction and in consultation with partners, customers, staff and the local community develop a new 5 year strategic plan. This will shape the activities of the Trust over the coming years.

## Formby Pool Trust

### Trustees' Report for the Year Ended 31 March 2017

#### **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.

##### **Organisational structure**

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

##### **Decision making**

The Trust has a strategic plan and budget setting out the intentions of the board over a five year period. This is supported by an annual delivery plan and annual budget which approves all income and expenditure for the coming financial year. Performance against the plan and budget is reported to the Board on a bi-monthly basis. Trustee oversight and involvement in governance is strong and accountability is clear within the revised management structure. Performance is also reported to a partnership board and scrutinised on a six monthly basis. There have been no serious incidents.

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

#### **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.

#### **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.

**Formby Pool Trust**

**Trustees' Report  
for the Year Ended 31 March 2017**

Approved by order of the board of trustees on 1 September 2017 and signed on its behalf by:

*D. Edwards*

D Edwards - Trustee

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

We have audited the financial statements of Formby Pool Trust for the year ended 31 March 2017 on pages seven to sixteen. 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'.

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.

### **Respective responsibilities of trustees and auditors**

As explained more fully in the Statement of Trustees Responsibilities set out on page three, 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.

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

### **Scope of the audit of the financial statements**

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

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 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 the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

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

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

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

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

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

*Advance Audit Ltd*

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

Date: .....1/9/17.....



Formby Pool Trust

Statement of Financial Activities  
for the Year Ended 31 March 2017

	Notes	2017 Unrestricted fund £	2016 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	2	226,140	303,728
<b>Charitable activities</b>	4		
Activities undertaken directly		1,284,738	1,247,271
Investment income	3	202	122
<b>Total</b>		<u>1,511,080</u>	<u>1,551,121</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>	5		
Activities undertaken directly		1,460,752	1,458,834
<b>NET INCOME</b>		50,328	92,287
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		208,311	116,024
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>258,639</u></u>	<u><u>208,311</u></u>
<b>CONTINUING OPERATIONS</b>			
All income and expenditure has arisen from continuing activities.			

The notes form part of these financial statements

Formby Pool Trust

Balance Sheet  
At 31 March 2017

	Notes	2017 Unrestricted fund £	2016 Total funds £
<b>FIXED ASSETS</b>			
Tangible assets	11	118,990	75,359
<b>CURRENT ASSETS</b>			
Stocks	12	6,469	8,969
Debtors	13	11,440	21,309
Prepayments and accrued income		5,309	4,422
Cash at bank and in hand		215,741	212,525
		<u>238,959</u>	<u>247,225</u>
<b>CREDITORS</b>			
Amounts falling due within one year	14	(99,310)	(114,273)
<b>NET CURRENT ASSETS</b>		<u>139,649</u>	<u>132,952</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>258,639</u>	<u>208,311</u>
<b>NET ASSETS</b>		<u>258,639</u>	<u>208,311</u>
<b>FUNDS</b>	15		
Unrestricted funds		<u>258,639</u>	<u>208,311</u>
<b>TOTAL FUNDS</b>		<u>258,639</u>	<u>208,311</u>

The financial statements were approved by the Board of Trustees on 1 September 2017 and were signed on its behalf by:

*D Edwards*

D Edwards -Trustee

*David Wilson*

D Wilson -Trustee

The notes form part of these financial statements

**Formby Pool Trust**

**Cash Flow Statement  
for the Year Ended 31 March 2017**

	Notes	2017 £	2016 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	<u>88,877</u>	<u>162,814</u>
<b>Net cash provided by (used in) operating activities</b>		<u>88,877</u>	<u>162,814</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(85,863)	(8,509)
Interest received		<u>202</u>	<u>122</u>
<b>Net cash provided by (used in) investing activities</b>		<u>(85,661)</u>	<u>(8,387)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>3,216</u>	<u>154,427</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>212,525</u>	<u>6,699</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>215,741</u></u>	<u><u>161,126</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 2017

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2017	2016
	£	£
<b>Net income for the reporting period (as per the statement of financial activities)</b>	50,328	92,287
<b>Adjustments for:</b>		
Depreciation charges	42,232	43,696
Interest received	(202)	(122)
Decrease in stocks	2,500	3,773
Decrease/(increase) in debtors	8,982	(9,057)
(Decrease)/increase in creditors	(14,963)	32,237
	<u>88,877</u>	<u>162,814</u>
<b>Net cash provided by (used in) operating activities</b>	<u>88,877</u>	<u>162,814</u>

## Formby Pool Trust

### Notes to the Financial Statements for the Year Ended 31 March 2017

#### 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 2015)', 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.

##### **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.

Grants are accounted for as they become receivable.

##### **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**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

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

##### **Stocks**

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

##### **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. There is one unrestricted fund. The charity does not have any restricted funds.

##### **Operating lease agreements**

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

##### **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.

#### 2. DONATIONS AND LEGACIES

	2017 £	2016 £
Annual Fee Sefton MBC	<u>226,140</u>	<u>303,728</u>

Formby Pool Trust

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2017

3. INVESTMENT INCOME

	2017	2016
	£	£
Bank interest receivable	<u>202</u>	<u>122</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	2017	2016
	£	£
Pool Income	1,005,403	931,077
Car Park Income	92,478	125,416
Goods for Resale	29,790	28,318
Café and Vending	150,594	155,692
Miscellaneous Income	6,473	6,768
	<u>1,284,738</u>	<u>1,247,271</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 6)	Support costs (See note 7)	Totals
	£	£	£
Activities undertaken directly	<u>1,455,866</u>	<u>4,886</u>	<u>1,460,752</u>

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2017	2016
	£	£
Staff costs	765,713	734,996
Rent	10,000	-
Rates and water	45,561	43,932
Insurance	41,462	39,385
Light and heat	99,272	116,299
Telephone	4,568	3,043
Postage and stationery	7,460	5,766
Advertising	13,050	12,115
Sundries	18,286	20,009
Repairs, Maintenance and Equipment	125,166	105,760
Equipment Rental	1,074	910
Cleaning	18,157	18,993
IT Support, Hardware and Software	27,439	25,159
Security and Car Park	99,723	125,357
Provisions	88,343	86,354
Travel	686	1,045
Recruitment and Training	4,245	8,496
Consultancy and Professional Fees	26,070	43,090
Finance Charges	17,359	19,682
Depreciation	42,232	43,696
	<u>1,455,866</u>	<u>1,454,087</u>

**Formby Pool Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2017**

**7. SUPPORT COSTS**

	Governance costs £
Activities undertaken directly	4,886

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

**Governance costs**

	2017 Activities undertaken directly £	2016 Total activities £
Auditors' remuneration	4,886	4,747

**8. NET INCOME/(EXPENDITURE)**

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

	2017 £	2016 £
Auditors' remuneration	4,886	4,747
Depreciation - owned assets	42,232	43,696
Other operating leases	10,000	-

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2017 nor for the year ended 31 March 2016.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2017 nor for the year ended 31 March 2016.

Formby Pool Trust

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2017

10. STAFF COSTS

	2017 £	2016 £
Wages and salaries	732,394	699,173
Social security costs	33,319	35,823
	<u>765,713</u>	<u>734,996</u>

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

	2017	2016
Pool and Cafe	60	48
Maintenance	2	2
Admin	10	14
Management	3	6
	<u>75</u>	<u>70</u>

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

11. TANGIBLE FIXED ASSETS

	Equipment £
<b>COST</b>	
At 1 April 2016	229,805
Additions	85,863
At 31 March 2017	<u>315,668</u>
<b>DEPRECIATION</b>	
At 1 April 2016	154,446
Charge for year	42,232
At 31 March 2017	<u>196,678</u>
<b>NET BOOK VALUE</b>	
At 31 March 2017	<u>118,990</u>
At 31 March 2016	<u>75,359</u>

12. STOCKS

	2017 £	2016 £
Stocks	<u>6,469</u>	<u>8,969</u>



Formby Pool Trust

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2017

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade debtors	<u>11,440</u>	<u>21,309</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	56,286	46,483
Social security and other taxes	9,407	12,214
VAT	5,475	4,485
Other creditors	4,717	5,707
Accruals and deferred income	23,425	45,384
	<u>99,310</u>	<u>114,273</u>

15. MOVEMENT IN FUNDS

	At 1.4.16 £	Net movement in funds £	At 31.3.17 £
<b>Unrestricted funds</b>			
General fund	208,311	50,328	258,639
<b>TOTAL FUNDS</b>	<u>208,311</u>	<u>50,328</u>	<u>258,639</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	1,511,080	(1,460,752)	50,328
<b>TOTAL FUNDS</b>	<u>1,511,080</u>	<u>(1,460,752)</u>	<u>50,328</u>

## Formby Pool Trust

### Notes to the Financial Statements - continued for the Year Ended 31 March 2017

#### 16. 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.

Rent is payable to Formby Land Trust under the terms of the lease contained within the Operating Agreement and there is a representative of Formby Land Trust on the Formby Pool Trust board of trustees.

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 2017, 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 for the next five years which provides a financial subsidy linked with RPI.

As part of the terms of the agreement, from the 2017/18 financial year, Formby Pool Trust will allocate 50% of any surplus generated into a restricted development fund within their accounts to finance development opportunities agreed by the partnership.

During the year Formby Pool Trust paid £1,188 (2016: £8,816) under a contract with an external provider to maintain the grounds as part of the agreement with Formby Land Trust.

Formby Pool Trust received an Annual Fee contribution from Sefton MBC of £226,140 (2016: £303,728) under the terms of the Operating Agreement and £24,835 was received from Sefton MBC in relation to LifeCycle works paid for out of the Sinking Fund.

Formby Pool Trust paid Sefton MBC £24,095 (2016: £21,080) for car park control, waste removal and security services and £19,284 (2016: £19,128) for general rates. Rent of £10,000 (2016: £NIL) was also paid to Sefton MBC. At the year end an amount of £706 was due to Sefton MBC in respect of the above recharges.