

ACTIVE4TODAY LIMITED DIRECTORS' REPORT AND FINANCIAL STATEMENTS



Report of the Directors and
Financial Statements
for the Year Ended 31 March 2020
for
Active4Today Limited

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for the Year Ended 31 March 2020

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Active4Today Limited
Company Information
for the Year Ended 31 March 2020

DIRECTORS: A Carolan
S P Carlton
K F Girling
Mrs D K Johnson
M J Skinner
N A Wilson

REGISTERED OFFICE: Newark Sports And Fitness Centre
Lord Hawke Way
Newark
Nottinghamshire
NG24 4FH

REGISTERED NUMBER: 09477018 (England and Wales)

AUDITORS: Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

Report of the Directors
for the Year Ended 31 March 2020

The directors present their report with the financial statements of the company for the year ended 31 March 2020.

Active4Today Ltd was launched on 1st June 2015, as an independent company registered with Companies House, with Newark and Sherwood District Council being the single shareholder.

Active4Today Limited and its business consists of three leisure centres, a sports development section and a headquarters, which collects and manages the finance of the Business, including the in-house direct debit finance, associated with their popular membership schemes.

In addition to these services, Active4Today Ltd provides administrative support to the Southwell Leisure Centre Trust and operates additional dryside provision out of Newark Academy, Bishop Alexander LEAD Academy and Barnby Road Academy, through service level agreements.

The aim of the business is to focus on 3 distinct areas:

- Health and active lifestyles
- Accessible facilities
- Financial viability

REVIEW OF BUSINESS

To the end of 2019/20 the Company played host to over 900,000 visitors, using its direct facilities, its sports development service and its partner sites.

In addition, the Company had over 8,500 direct debit members, which consist of both adult and juniors.

The company's unique selling point (USP) is that of a fully accessible service, which is family friendly and offers a wide range of activities to attract users from all age groups and all socio-economic backgrounds. The work of the company, although complimentary, is split into three areas. These are:

- Leisure facilities
- Outreach work
- Club development

The year to 31st March 2020 was the fourth full trading year by the company, which started trading in June 2015. The initial trading period, which commenced on 1st June 2015, was 10 months only. The 2019/2020 financial year has been a hard year of trading, given there is still no wetside provision in the Sherwood area of the district (following the closure of the swimming pool at the Dukeries Academy, during 2017), however positive moves have been made by Newark and Sherwood District Council, to meet this shortfall in wetside provision, by commissioning the development of a new swimming pool, adjacent to the existing Dukeries Leisure Centre, which currently only provides dryside activities.

In addition to the above difficulties during the year, due to the outbreak of Covid-19, the leisure centres, sports development service and partner sites, made the decision to close their doors on 17th March 2020, in a bid to comply with the 'Stay at Home' message, from the UK Government. This voluntary decision, was however, followed two days later, by a mandatory instruction from the Government, to close all other leisure facilities in the Country; this situation soon resulted in a UK 'lockdown' for the population, in a bid to help fight, the Coronavirus pandemic. As a result of this closure during March, no pay and play income was collected for the last two weeks of the month; in view of this, the Company has posted a small in-year deficit for 2019/2020.

Throughout 2019/2020, as with previous years, substantial repairs and renewals to the facilities have taken place, in order to ensure these facilities remain in very good condition, which meet the customer expectation. This is in line with Company's contractual arrangements with the Council and the requirement to ensure the facilities remain in a condition which is "fit for purpose" and reflects the Council's and Company's commitment, of providing a quality experience, for all of its customers.

The reserves for the Company excluding the pension scheme remain in a good position; however, with the closure of the facilities and its services expected to continue into the first quarter of the 2020/2021 financial year, the Company may have to call on these reserves, to help support the Company going forward, until the facilities can re-open again. As a result of the deficit during 2019/2020, this is the first year since the Company commenced trading, that it has not contributed to the reserve fund.

The Company continues to receive the ongoing financial support of Newark and Sherwood District Council from an annual management fee.

**Report of the Directors
for the Year Ended 31 March 2020**

FINANCIAL REVIEW

Since June 2015 the company has taken on the liability of the defined benefit pension scheme and costs relating to the running of this scheme are now required to be recognised in both the profit and loss account and in the statement of other comprehensive income.

In the current year the total comprehensive income of the company showing the combined results of the trading activities and the pension scheme amounted to a deficit of £106,311 (2019: £137,547).

This comprises the trading results showing a loss of £3,311 (2019: profit £22,453) and movement on the pension liability which showed a deficit of £103,000 (2019 £160,000) in respect of the year to 31 March 2020.

The component parts of the pension scheme liability movement are illustrated in the table below which reconciles the trading results of the business to the total comprehensive income for the year.

	2020	2019
	£	£
Net interest charge on pension scheme	(72,000)	(73,000)
Service costs in respect of the pension scheme	(437,000)	(509,000)
Contributions made by Active4Today to pension scheme	218,000	213,000
Contributions by Scheme participants	78,000	76,000
Administrative costs on pension scheme	(1,000)	(1,000)
Actuarial gain and change in assumptions	<u>111,000</u>	<u>134,000</u>
Overall movement on pension liability	(103,000)	(160,000)
Trading (loss)/profit of the company	<u>(3,311)</u>	<u>22,453</u>
Total comprehensive income for the year	<u><u>(106,311)</u></u>	<u><u>(137,547)</u></u>

DIRECTORS

A Carolan has held office during the whole of the period from 1 April 2019 to the date of this report.

Other changes in directors holding office are as follows:

R Blaney - resigned 20 June 2019
S Kohli - resigned 9 March 2020
D Lloyd - resigned 9 March 2020
J Robinson - resigned 9 March 2020
Ms A Truswell - resigned 19 June 2019
S P Carlton - appointed 13 June 2019
K F Girling - appointed 9 March 2020
Mrs D K Johnson - appointed 9 March 2020
M J Skinner - appointed 13 June 2019
N A Wilson - appointed 9 March 2020

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the Directors
for the Year Ended 31 March 2020

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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

ON BEHALF OF THE BOARD:



A Carolan - Director

8 July 2020

**Report of the Independent Auditors to the Members of
Active4Today Limited**

Opinion

We have audited the financial statements of Active4Today Limited (the 'company') for the year ended 31 March 2020 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 company's affairs as at 31 March 2020 and of its deficit 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

**Report of the Independent Auditors to the Members of
Active4Today Limited**

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors 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 directors determine 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 directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the 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 company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

James Sewell BA (Hons) FCA CTA (Senior Statutory Auditor)
for and on behalf of Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

8 July 2020

Income Statement
for the Year Ended 31 March 2020

	Notes	2020		2019	
		£	£	£	£
TURNOVER			2,854,599		2,873,004
Accrued service costs - pension		220,000		297,000	
Administrative expenses		<u>2,945,452</u>		<u>2,947,136</u>	
			<u>3,165,452</u>		<u>3,244,136</u>
			(310,853)		(371,132)
Other operating income			<u>254,065</u>		<u>250,782</u>
OPERATING DEFICIT			(56,788)		(120,350)
Irrecoverable VAT	4		<u>170,386</u>		<u>157,653</u>
			(227,174)		(278,003)
Income from other current asset investments			<u>4,769</u>		<u>4,267</u>
			(222,405)		(273,736)
Other finance costs			<u>72,000</u>		<u>73,000</u>
DEFICIT BEFORE TAXATION			(294,405)		(346,736)
Tax on deficit			<u>906</u>		<u>811</u>
DEFICIT FOR THE FINANCIAL YEAR			<u>(295,311)</u>		<u>(347,547)</u>

Other Comprehensive Income
for the Year Ended 31 March 2020

	Notes	2020 £	2019 £
DEFICIT FOR THE YEAR		(295,311)	(347,547)
OTHER COMPREHENSIVE INCOME			
Pension scheme actuarial gain/(loss)		189,000	210,000
Income tax relating to other comprehensive income		-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		<u>189,000</u>	<u>210,000</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(106,311)</u>	<u>(137,547)</u>

Balance Sheet
31 March 2020

	Notes	2020 £	2019 £
CURRENT ASSETS			
Stocks	5	1,223	3,565
Debtors	6	640,938	657,436
Cash in hand		<u>63,410</u>	<u>84,940</u>
		705,571	745,941
CREDITORS			
Amounts falling due within one year	7	<u>308,752</u>	<u>345,811</u>
NET CURRENT ASSETS		396,819	400,130
TOTAL ASSETS LESS CURRENT LIABILITIES		396,819	400,130
PENSION LIABILITY		<u>(3,152,000)</u>	<u>(3,049,000)</u>
NET LIABILITIES		<u>(2,755,181)</u>	<u>(2,648,870)</u>
RESERVES			
Contingency reserve		139,817	143,128
Repair reserve		187,002	187,002
Development reserve		70,000	70,000
Income and expenditure account		<u>(3,152,000)</u>	<u>(3,049,000)</u>
		<u>(2,755,181)</u>	<u>(2,648,870)</u>

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

The financial statements were approved by the Board of Directors and authorised for issue on 8 July 2020 and were signed on its behalf by:

A Carolan - Director



Notes to the Financial Statements
for the Year Ended 31 March 2020

1. **STATUTORY INFORMATION**

Active4Today Limited is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company has a defined benefit pension scheme and additional disclosures have been made within the accounts to illustrate the movement on the pension scheme and its impact on the results of the trading operations.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

Sale of goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Costs includes all direct costs and an appropriate proportion of fixed and variable overheads.

Taxation

Taxation expense represents the amount of tax currently payable. The company pays tax on its investment income only.

Management fee

Management fees are recognised in the Income and Expenditure account in an appropriate manner that matches them with the expenditure towards which they are intended to contribute.

Fees for the immediate financial support to cover costs already incurred are recognised immediately in the Income and Expenditure account. Fees towards general activities of the entity over a specific period are recognised in the Income and Expenditure account over that period.

Fees towards fixed assets are recognised over the expected useful lives of the related assets and are treated as deferred income and released to the Income and Expenditure account over the useful life of the asset concerned.

All fees in the Income and Expenditure account are recognised when all conditions for the receipt have been complied with.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 53 (2019 - 59).

4. **IRRECOVERABLE VAT**

	2020	2019
	£	£
Irrecoverable VAT	<u>(170,386)</u>	<u>(157,653)</u>

5. **STOCKS**

	2020	2019
	£	£
Stocks	<u>1,223</u>	<u>3,565</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2020**

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Amounts owed by NSDC	523,950	560,450
Other debtors	108,358	88,803
Prepayments and accrued income	<u>8,630</u>	<u>8,183</u>
	<u>640,938</u>	<u>657,436</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Tax	906	811
Other creditors	301,846	318,000
Commitments in year	-	21,000
Accruals and deferred income	<u>6,000</u>	<u>6,000</u>
	<u>308,752</u>	<u>345,811</u>

8. ULTIMATE CONTROLLING PARTY

The company's ultimate controlling party is Newark and Sherwood District Council.

9. LIMITED BY GUARANTEE

Active4Today Limited Registered number 09477018 is a limited by guarantee company incorporated in England & Wales. The Registered Office is Newark Sports and Fitness Centre, Bowbridge Road, Newark, Nottinghamshire, NG24 4DH.

10. RECEIPTS IN ADVANCES

Receipts in advance of £24,936 (2019: £50,409) has been accounted for and comprises of various funds for use when the resource is required and also 2020-21 receipts for facility hire collected in advance.

11. PENSION COMMITMENTS

The company operates a defined benefit pension scheme through Nottinghamshire County Council. At 1 June 2015, all employees engaged by the company were transferred from Newark and Sherwood District Council to the company.

During 2016/17 an actuarial pension evaluation took place on the Company's pension fund.

The actuarial pension evaluation is a tri-year exercise and in the Autumn of 2019 the re-valuation of the fund will again be carried out. The findings of this exercise will be reported to the company during the spring of 2020 and the new figures will inform budgets and pension reserves for the next 3 financial years (2020-21 to 2022-23 inclusive).

Barnett Waddingham have provided valuations of the fund and it's net liability as at 31st March 2020 is £3,152,000 (2019: £3,049,000). This is a net increase in the liability from the previous year of £103,000.

Active4today Limited
Income and Expenditure for Y/E 31 March 2019/20

	31-Mar-20		31-Mar-19	
	£	£	£	£
TURNOVER				
Activo		1,806,029		1,803,712
Xperience		571,419		636,686
Wetside		214,266		211,753
Dryside		203,267		195,726
Other Income		59,618		25,127
		<u>2,854,599</u>		<u>2,873,004</u>
Administrative Expenses				
Staff Costs	1,833,812		1,822,197	
IAS 19 Pension Adjustment	218,821		297,000	
Contractual Services	74,108		95,614	
Freelance Instructors	91,430		102,216	
Travel and subsistence expenses	0		136	
NSDC support charges	223,548		180,836	
Light and heat	222,391		199,219	
Water Rates	30,149		18,005	
Cleaning	13,447		12,237	
Hire of facilities	1,451		16,057	
Pool Chemicals	6,849		7,135	
Clothing and uniform	5,961		10,554	
Commitments- reversal of 2018 provision	-34,344		-15,553	
Repairs, renewals and maintenance	224,994		239,987	
Insurance	51,254		48,211	
Equipment and badges	73,233		78,344	
Printing, Marketing and stationery	35,683		68,070	
Parish councils and voluntary bodies	8,646		6,831	
Telecommunications	3,520		3,557	
Audit & Accountancy fees	8,950		10,000	
Professional fees	14,365		12,102	
Licences	36,691		15,105	
Bank Charges	7,598		8,447	
Sundry expenses	11,895		7,826	
IAS19 pension adjustment	73,000		73,000	
		<u>-3,237,452</u>		<u>-3,317,136</u>
Other Operating Income				
Management fee- Newark and Sherwood District Council	121,220		121,220	
Management fee- Southwell Leisure Centre	95,850		95,850	
External Funding	0		8,745	
Other Income	22,291		18,291	
Vending commission	4,423		0	
Equipment Sales	10,281		6,676	
		<u>254,065</u>		<u>250,782</u>
OPERATING SURPLUS		<u>-128,787</u>		<u>-193,349</u>
Interest from other current asset investments- unlisted	4,769		4,267	
		<u>4,769</u>		<u>4,267</u>
IRRECOVERABLE VAT				
Irrecoverable VAT	170,386		157,653	
		<u>-170,386</u>		<u>-157,653</u>
SURPLUS BEFORE TAXATION		<u>-294,405</u>		<u>-346,736</u>
Tax on Surplus				
Corporation tax charge	906		811	
		<u>-906</u>		<u>-811</u>
SURPLUS AFTER TAXATION BEING SURPLUS FOR THE FINANCIAL YEAR		<u><u>-295,311</u></u>		<u><u>-347,547</u></u>