



West Dunbartonshire Leisure Trust

ANNUAL REPORT 2018/19 and Financial Accounts

West Dunbartonshire Leisure Trust is a recognised Scottish Charity: SC 042999;
VAT Registered: GB 129 7502; and Company Registered: SC413707



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INTRODUCTION FROM THE CHAIRMAN

On behalf of West Dunbartonshire Leisure Trust (WDLT), I am delighted to deliver our 7th Report of the Trustees as part of the organisation's Annual Report for the year 2018/19.

2018/19 has been a challenging year for WDLT, but we are delighted to report that despite the challenges, we have had another successful year and within this report, we will highlight how as a charity we have made a difference to the lives of the people and communities that we serve in West Dunbartonshire.

We are a non-profit registered charity which means we reinvest 100% of any surplus to maintain, improve and deliver quality services and activities for the whole community to enjoy and become more active. Despite the continuing difficult economic conditions and the reduction in funding from West Dunbartonshire Council we have exceeded our operational financial targets and generated a surplus which therefore will be re-invested back into the business.

It is heartening to see that in a competitive market with challenging local demographics, WDLT continues to deliver service improvement and exceed targets, agreed in partnership with West Dunbartonshire Council to increase participation in physical activity and sport. Attendances at leisure centres increased by 5% and at community centres by 21% with overall attendances reaching over 1.5m, a further 7% increase from the previous year.

My personal thanks go to our Trustees for their leadership and support for the Management Team and Staff who once again have worked very hard in delivering these excellent results; to West Dunbartonshire Council who continue to support the Trust and whose efforts I readily acknowledge; and our many other partner organisations who have also supported our initiatives and whom we work with for shared goals.

Finally to our local communities, thank you for your continued support. We recognise that we do not always get everything right but I can assure you that we will continue to put you, at the forefront of everything we do and together we can achieve our mission of **'inspiring healthy and active communities'**.



Charles Gibson

Chair of West Dunbartonshire Leisure Trust



REFERENCE AND ADMINISTRATIVE DETAILS

Trustees (Directors): James Finn (Chair & Vice Chair)
Charles Gibson (Vice Chair & Chair)
William Hendrie
David McBride
Anthony Wacławski
David Smith
David Marshall
Samantha Baird
Tony Dempster
(Employee Representative, appointed 23 May 2019)

General Manager: John Anderson

Company Secretary: Fiona McGuigan

Registered Office: Alexandria Community Centre
Main Street
Alexandria
G83 0NU

Charity Number: SC042999

Company Number: SC413707

Independent Auditors: Wylie & Bisset LLP
168 Bath Street
Glasgow
G2 4TP

Bankers: Clydesdale Bank
47 High Street
Dumbarton
G82 1LF

REPORT OF THE TRUSTEES

for the Year Ended 31 March 2019

The Trustees present their annual report and financial statements of the charity for the year ended 31 March 2019.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), 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.

The legal and administrative information on page four (4) forms part of this report.

Objects, Mission & Values

Charity Objects

The purposes (Charity Objects) of the Trust are as follows:

- to advance public participation in sport;
- to provide recreational facilities, and organise recreational activities with such facilities and activities being made available to members of the public at large with the object of improving their conditions of life;
- to advance education;
- to advance health;
- to advance citizenship and/or community development (which may include the promotion of civic responsibility, volunteering, the voluntary sector and/or the effectiveness or efficiency of charities);
- to relieve those in need by reason of age, ill health, disability, financial hardship or other disadvantage;
- to promote, establish, operate and/or support other similar schemes and projects which further charitable purposes;

The above Company Objects are outlined in the company's Articles of Association.

WDLT Mission Statement
“Inspiring Active
&
Healthier
Communities”

Values

West Dunbartonshire Leisure Trust is an organisation that aspires to the highest standards in everything we do, and we adopt the following six core values to assist us achieve our mission:

Empowerment...

by encouraging and helping you achieve your potential;

Excellence...

by striving to be better at everything we do;

Inclusiveness...

by removing barriers to participation;

Innovation...

by developing new ways to offer a fun and inspirational customer experience;

Partnerships...

by working with others towards shared goals and objectives; and

Reliability...

by ensuring we deliver on, and exceed our promises to our customers, staff and partners.



Strategic Outcomes & Priorities

The following highlights what our Key Strategic Outcomes and Priorities are and what we have achieved during 2018/19:

Strategic Outcome: Grow the Business

We will build on our previous successes and maximise new opportunities to increase our business

Financial Re-Investment

- Refurbished the gyms at the Meadow Centre and Vale Pool including a full replacement of CV (Cardio Vascular) equipment at a cost of over **£198k**;
- Surplus funds bids from Community Facilities in excess of **£20k** including Birthday party equipment, blinds, and PA equipment; and
- Over **£280k** reinvested back into our services during 2018/19.

Increase Participation

- Over **122,000** attendances in Active Schools extra-curricular programmes.
- A record **1,400** children took part in Sports Development's individual and relay cross country championships; and
- Over **1.5M** visits during 2018/19 a **7%** increase from last year.

Increase Health Opportunities

- Delivery of the Vitality Programme in Care Homes resulting in **3,840** attendances;
- Delivery of the **Weigh to Go Families** programme which is a family based intervention for children between 5 – 11 years and have a BMI \geq 98th centile; and
- Delivered the highest retention figures for **Live Active GP Referral** programme across the whole of the Greater Glasgow & Clyde area.

Clydebank Leisure Centre

- Hosted the **WD Community Sports Awards & Scottish Swimming's National Training Programme**;
- Income increased overall by **9%**; and
- **Annual Dance Festival** with 2 shows, 35 different performances, **400** dancers and approx. **800** parents – biggest yet

Community Facilities

- Completing over **30 key actions** within Community Facilities Development Plan;
- Successfully opened Dumbarton Gymnastics Centre which has seen a **46%** increase in classes and a **71%** increase in the number of weekly participants; and
- Over **298,000** visits during 2018/19 a **21% increase from last year**.

Partnership Working

- Played a lead role in the development of the **£3.87M** Clydebank Community Sports Hub facility that opened in December 2018;
- Supporting schools to achieve sportscotland's School Sport Awards – currently **1** Bronze, **10** Silver and **6** Gold; and
- Successfully organising, planning and hosting **Major Events** on behalf of WDC alongside various partner organisations including an additional event **Monte Carlo Car Rally**.

New Services / Opportunities

- WDLT delivered and hosted Scotland's first ever **Primary Schools Open Water Event**;
- Introduction of **BMX Event** at Drumry Track with Western Titans BMX club and Socialtrack Social Enterprise with **30** children taking part; and
- Introduction of the Young Sports Stars Awards as part of the celebrations of the **Year of the Young People 2018**.

Strategic Outcome: Improve Customer Experience

We will make continuous improvements to our customer journey by focusing on customer satisfaction, quality of service and genuinely caring about our customers

New Technology

- Added bespoke music **Reactive Special Effect Lighting** to all three leisure centre Dance Studios;
- Introduction of the Mobile App **Waiting List** for Group Fitness Classes;
- Installed a **Self-Service Kiosk** at the Meadow Centre, resulting in all three main sites now having this facility.

Research & Feedback

- An achievement of a NPS Score of **78** and increase of **5%** from last year;
- Engaged an external **Mystery Customer** research company to analysis our service provision and sales processes; and
- Assisting WDC in hosting **Community Engagement sessions** as part of a WDC Community Facilities review.

Marketing

- Number of customers signed up to the WDLT App has risen to **6,480** a **126%** increase from last year;
- Facebook Engagement has risen by **227%** and Engaged Users by **212%**; and
- Used online marketing through Glasgow Live to promote Interactive Room and Clydebank Leisure Centre. '**Live**' video attracted over **40,000** views.

Standards, Policies & Procedures

- Creation and launch of the **Denny Civic Theatre Plan**;
- Creation and launch of new **booking procedures** for Outdoor Recreation facilities; and
- Created an **Investment Policy** and **doubled** our investment return on reserves held.

Workforce Development

- The development and introduction of a two year **Sports Stars Apprenticeship Scheme** in partnership with Dunbartonshire Disability Sports Club;
- Developed a bespoke **Attendance Management** training course and delivered this to **22** supervisory staff across the organisation; and
- **264** courses/workshops were delivered with overall staff attendance of **1,675**.



Strategic Outcome: Financial Sustainability

We will achieve continuous improvement in the operation of the Trust and will focus on developing existing and new business opportunities in order to fulfil our strategic and

Maximise Income Opportunities

- The Vale of Leven 10k Road Race attracted **over £7,000** in sponsorship;
- A **12%** increase in health & fitness activities; and
- Purchase of **new equipment** to enhance the current Birthday party provision within Community Facilities.

Maximise External Funding

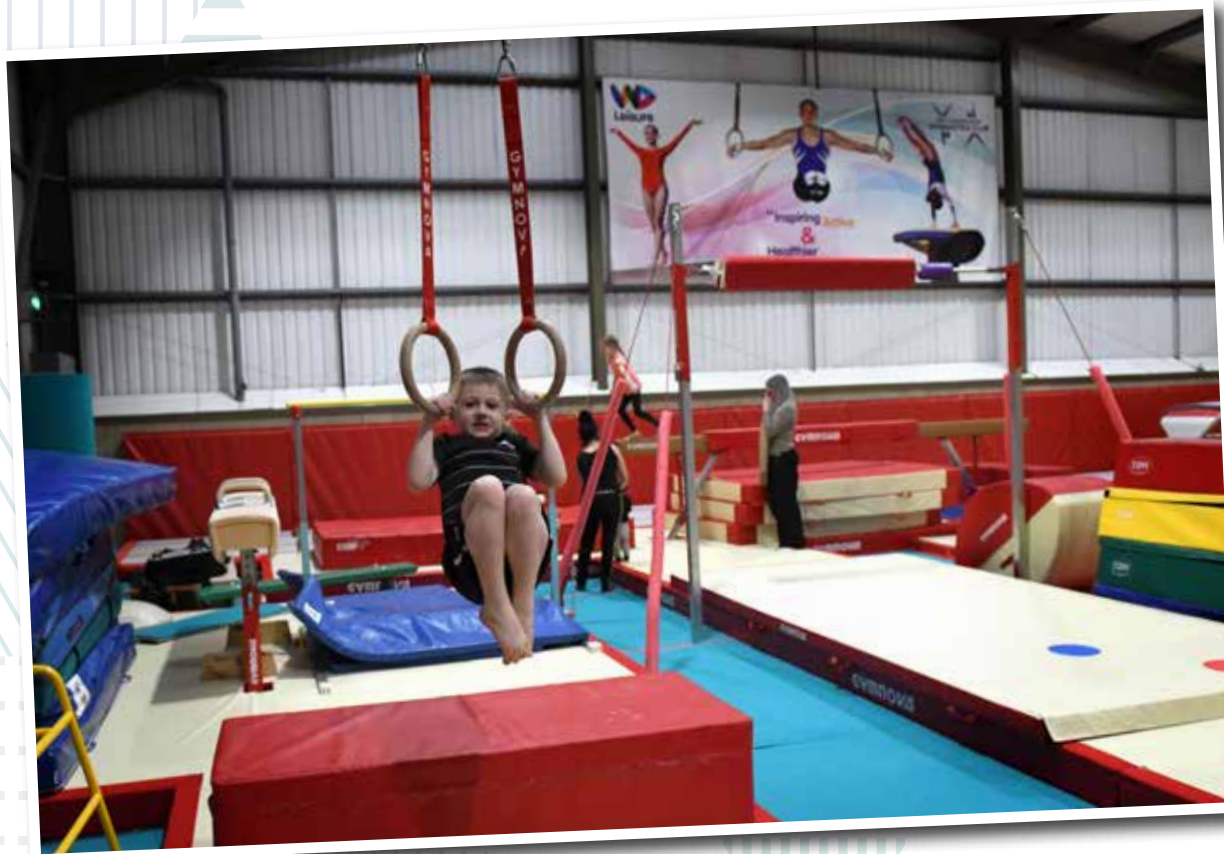
- Secured **£20,000** for a residential disability sports camp in partnership with Dunbartonshire Disability Sports Club;
- Working with Community Groups in securing over **£30k** funding; and
- Raising Attainment funding secured for **23** Summer & Spring Holiday Camps in our most deprived communities attracting **1,949** attendances.

Work Efficiently

- Over **400** volunteers were supported by WDLT;
- New Sports Development structure providing a far more efficient and effective way for the service to work with other WDLT services and partners across West Dunbartonshire; and
- A wide range of Active Schools and Sports Development programmes including **WD School Games** held in leisure and community centres.

Sound Governance

- Implemented the new **Debt Management Policy** including a system for accruing for bad debt within our accounts and an annual review;
- Maintained our **target reserves fund** and replenished our designated funds for future projects with a 2018/19 surplus; and
- Achieved **unqualified audited accounts** for 2018/19.



Our Services

3 LEISURE CENTRES

Multi-purpose wet/dry leisure centres, one based in each main population area of West Dunbartonshire:

• Clydebank Leisure Centre • Meadow Centre, Dumbarton • Vale of Leven Swimming Pool

Over **800,000** attendances which is a **5%** increase from 2017/18

12 COMMUNITY FACILITIES

A range of Community Facilities based within three Cluster Areas:

• Clydebank • Dumbarton • Alexandria.

Over **298,000** attendances which is a **21%** increase from 2017/18

1 ENTERTAINMENT THEATRE

The Denny Civic Theatre located in Dumbarton has a seated auditorium for 340 people and hosts many local productions.

Over **23,000** attendances which is a **10%** increase from 2017/18

40 OUTDOOR PITCHES & PAVILIONS

2 Synthetic Pitches
23 Grass Pitches
12 Changing Pavilions
3 Outdoor Bowling Greens / Pavilions

Over **73,000** attendances which is a **17%** increase from 2017/18

SPORTS DEVELOPMENT

Our Sports Development team is focused on widening opportunities for all residents to participate in sport. This is achieved via the provision of community and school sports programmes, club and coach development initiatives and the delivery of various mass participation sports events across the area.

Over **245,000** attendances which is a **1%** decrease from 2017/18

ACTIVE SCHOOLS

Our Active Schools team aim to provide more and higher quality opportunities for children and young people to take part in sport and physical activity before, during lunchtime and after school. In addition, they work to develop effective pathways between schools and sports clubs in the local community.

Over **139,000** attendances which is a **8%** increase from 2017/18

6 TRAINING COURSES

First Aid at Work • First Aid at Work Renewal • Emergency First Aid at Work
Paediatric First Aid • Emergency Paediatric First Aid • National Pool Lifeguard Qualification

Over **250** attendances which is a **3.8%** decrease from 2017/18

7 OUTDOOR EVENTS

ProAm Golf • Loch Lomond Highland Games
Scottish Pipe Band Championships • Fire Work Displays (2)
Christmas Lights Switch On Events (2)

Approximately **50,000** attendances

Our Key Achievements








Overall Attendances

Over **1.5 million attendances** at WDLT facilities and programmes which is a **7% increase** from 2017/18.

Services	2014/15	2015/16	2016/17	2017/18	2018/19	Variation from 17/18
Leisure Centres	642,672	629,049	614,348	770,835	809,274	5%
Community Facilities	281,218	279,421	234,079	247,204	298,851	21%
Sports Development	211,982	228,854	224,457	248,321	245,336	-1%
Active Schools	90,860	93,144	114,730	128,703	139,311	8%
Outdoor Recreation	-	-	-	62,390	73,118	17%
Totals	1,226,732	1,230,468	1,187,614	1,457,453	1,565,890	7%




Performance Indicators

Strategic Outcome – Grow the Business

Indicator	2016/17 Actual	2017/18 Actual	2018/19 Target	2018/19 Actual	On Target	Comments
CC1 Wet Activities. No. of attendances per 1,000 population for pools	4,137	4,650	4,855	4,368		10% short of target and a 6% decrease from last year.
CC2 Dry Activities. No. of attendances per 1,000 population for indoor sports & leisure	4,563	6,198	6,307	7,014		11.2% ahead of target and a 13.2% increase from last year.
Overall Usage	1,187,614	1,457,453	1,527,003	1,565,890		2.5% ahead of target and a 7.4% increase from last year.
Individual Participants (All Memberships / Subscriptions)	New Indicator	19,845	20,000	21,437		7.2% ahead of target and a 8% increase from last year.
Individual Participants (Active Schools)	New Indicator	5,982	5,942	6,032		1.5% ahead of target and a 0.8% increase from last year.
DD Memberships	1,914	5,354	6,950	6,481		6.7% below target but a 21% increase from last year.
Number of GP Referral Consultations	1,333	1,724	1,500	1,811		20.7% ahead of target and a 5% increase from last year.








Performance Indicators

Strategic Outcome – Improve Customer Experience

Indicator	2016/17 Actual	2017/18 Actual	2018/19 Target	2018/19 Actual	On Target	Comments
How likely is it that you would refer our company to a friend or colleague	67	74	77	78		1.3% ahead of target and a 5.4% increase from last year
Number of Website Hits	404,767	541,461	550,000	405,834		26.2% below target and a 25% decrease from last year
Facebook Organic Reach	New Indicator	New Indicator	300,000	330,478		10.2% ahead of target
Number of Unique Active On Line Booking Users	3,210	4,398	5,000	5,195		3.9% ahead of target and a 18.1% increase from last year
No. of Mobile Pro Users	New Indicator	2,865	5,000	6,480		29.6% ahead of target and a 126.2% increase from last year
% of P7 Pupils that can Swim 10m	New Indicator	71%	70%	85%		15% ahead of target and 14% higher than last year
% of P7 Pupils that can Swim 25m	New Indicator	45%	40%	48%		8% ahead of target and 3% higher than last year
% of Live Active Referrals still active after 3 months	New Indicator	74%	60%	79%		19% ahead of target and 5% higher than last year
% of Live Active Referrals still active after 6 months	New Indicator	58%	49%	67%		18% ahead of target and 9% higher than last year
% of Live Active Referrals still active after 12 months	New Indicator	38%	37%	49%		12% ahead of target and 11% higher than last year
No. of Clubs WDLT Accredited	New Indicator	18	32	24		25% below target however a 33.3% increase from last year

Performance Indicators

Strategic Outcome – Financial Sustainability

Indicator	2016/17 Actual	2017/18 Actual	2018/19 Target	2018/19 Actual	On Target	Comments
Income – Against Target	(£9,264)	(£136,478)	£0			100% above target and a 73% increase from last year
Expenditure – Against Budget	(£206,280)	(£135,488)	£0	£62,145		100% below target and a 46% decrease from last year
Net (Profit) / Loss	(£215,544)	(£271,966)	£0	(£159,634)		100% above target however a 41% decrease from last year
% Income (Mgt Fee)	58.2%	52.5%	51.7%	50.0%		3% above target and a 4.8% increase from last year
% Income (Customer Receipts)	41.8%	47.5%	48.3%	50.0%		3% above target and a 4.8% increase from last year
Cost Per Visit (Mgt Fee)	£3.33	£2.69	£2.46	£2.42		1.6% below target and a 10% decrease from last year
Staff Absence (Days lost against FTE)	7.58	8.42	7.0	10.55		50.7% above target and a 25.3% increase from last year



SO1: Grow the Business

We will build on our previous successes and maximise new opportunities to increase our business. Over the next three years we will set out to achieve the following:

Our Priorities	Our success will be measured if by 2020, we have:	2017/8 & 2018/19 Performance
Financial Re-investment: We will commit surplus funds to enhance future service delivery.	<ul style="list-style-type: none"> invested a minimum of £250k surplus funds in our services. 	<ul style="list-style-type: none"> After the first two years an additional £57,116 has either been spent or committed above the £250,000 three year target.
Increase Participation: We will attract more people and ensure our active customers access our services more often.	<ul style="list-style-type: none"> increased overall attendances by a minimum of 25% over 3 years; and increased the number of individual participants (by service area) by a minimum of 20% utilising our services. 	<ul style="list-style-type: none"> Over the last two years there has been a 6% increase in wetside attendances; a 53% increase in Dryside Activities; a 28% increase in attendances within Community Facilities; a 21% increase in Active Schools activities; and a 9% increase in Sports Development activities The 20% increase in individual participants has been exceeded in both the first two years and currently has achieved a 160% increase.
Increase Health Opportunities: We will raise awareness of the benefits of physical activity and ensure as many opportunities as possible are made available.	<ul style="list-style-type: none"> 10% growth of sustainable programmes across the services. 	<ul style="list-style-type: none"> We are working in partnership with the Council and MacMillan Cancer with a three year project of Improving the Cancer Journey in West Dunbartonshire. This project will see a 10% growth in programmes.
Clydebank Leisure Centre: We will ensure the new centre achieves its potential through effective planning and by delivering an operationally sound facility.	<ul style="list-style-type: none"> as a minimum, achieved budget and participation targets. 	<ul style="list-style-type: none"> 2017/18 achieved an operating surplus of £30,294. Participation approximately 54,000 below Target however approximately 134,000 (68%) increase from the previous year. 2018/19 achieved an operating surplus of £2,725. Participation approximately 1,000 above Target and approximately 7,000 (2%) increase from the previous year.
Community Facilities: We will look to reduce centre downtimes and utilise our own facilities for as many of our programmes as practicably feasible.	<ul style="list-style-type: none"> increased non-sporting usage by 20%; and increased sporting usage by 20%. 	<ul style="list-style-type: none"> Over the last two years there has been a 32% increase in Non-sporting participation which has exceeded the 20% three year target. Over the last two years there has been a 16% increase in Sporting participation.
Partnership Working: We will get the maximum value out funded programmes to grow self-sustaining activities for the future.	<ul style="list-style-type: none"> documented Agreements with all key partner agencies. 	<ul style="list-style-type: none"> A full documented list of current partners has been generated and will be updated as and when agreements end and new agreements start. All current partnership agreements have been critically reviewed to ensure maximum value to WDLT and any new partnership proposals will go through this process before agreements are signed.
New Services / Opportunities: We will keep in touch with industry trends with a view to developing and expanding services proactively.	<ul style="list-style-type: none"> introduced at least 36 new programmes / projects / events / services. 	<ul style="list-style-type: none"> A number (34) of new programmes / projects / events / services have already been introduced across all services.

SO2: Improve Customer Experience

We will make continuous improvements to our customer journey by focusing on customer satisfaction, quality of service and genuinely caring about our customers. Over the next three years we will set out to achieve the following:

Our Priorities	Our success will be measured if by 2020, we have:	2017/8 & 2018/19 Performance
New Technology: We will embrace digital technology to transform the way we do business.	<ul style="list-style-type: none"> increased the use of digital technology across all services, improving customer experiences. 	<ul style="list-style-type: none"> There has been a continual increase in new technology throughout the first two years of this Strategy including a full floor of interactive technology on the first floor of the new Clydebank Leisure Centre; the introduction of the Learn2 software allowing a customer interactive module to showcase swimming lessons; self-service kiosks in the Vale of Leven Pool and Clydebank LC to enhance customer service.
Standards, Policies and Procedures: We will develop, update and amend our processes and systems of work to ensure high/consistent quality of service.	<ul style="list-style-type: none"> achieved 100% completion of all processes, which have been reviewed and updated. 	<ul style="list-style-type: none"> Draft corporate operating procedures produced and being distributed within WDL service areas for comments before implementation. Facility/ service-specific procedures still under development.
Research and Feedback: We will engage with customers both current and potential to ensure continuous improvement.	<ul style="list-style-type: none"> delivered the Consultation Plan. 	<ul style="list-style-type: none"> A range of feedback has been obtained throughout the year including quarterly Net Promoter Questionnaires (across all services) resulting in an annual score of 78; Telephone Satisfaction Surveys which resulted in a 88% satisfaction with Leisure Centres and Community Centres throughout 2018; and regular feedback from Customer Comment forms.
Workforce Development: We will provide opportunities for staff and volunteers to develop the skills and knowledge necessary to deliver quality services.	<ul style="list-style-type: none"> delivered Staff Training and Workforce Plan. 	<ul style="list-style-type: none"> Funding, gained via the Apprentice Levy Fund, was utilised to deliver Customer Care training to key frontline staff. The training also up skilled our training officers to carry on the delivery of this specialised training. The Generic training programme was also redesigned to ensure it has the maximum benefit to all staff within WDLT. Over the first two years 550 workshops/ training sessions/courses have been delivered with 3,829 attendees.
Marketing: We will ensure a dynamic joined up approach to the promotion of our services to achieve maximum reach.	<ul style="list-style-type: none"> delivered annual marketing plans; increased overall attendances by 25%; and increased total operating income (net of the management fee from WDC) by 30%. 	<ul style="list-style-type: none"> WDLT engaged with WDC communications team to develop a new digital media plan by maximising the potential of social media and giving a real focus to this marketing medium. Marketing / Digital Plans have been delivered over the first two years assisting increase usage by 30%. Marketing / Digital Plans have been delivered over the first two years assisting in an increase in income of 33%.

SO3: Financial Sustainability

We will achieve continuous improvement in the operation of the Trust and will focus on developing existing and new business opportunities in order to fulfil our strategic and charitable objectives. Over the next three years we will set out to achieve the following:

Our Priorities	Our success will be measured if by 2020, we have:	2017/8 & 2018/19 Performance
Maximise Income Opportunities: We will develop existing income streams and generate new income.	<ul style="list-style-type: none"> increased total operating income (net of the management fee from WDC) by 30%; and increased the total number of direct debit memberships by 100%. 	<ul style="list-style-type: none"> Total operating income generated was £3,761,055 a 33% increase. The opening of the new Clydebank LC; the ongoing success of the introduction of new direct debit membership packages (Gold, Silver and Bronze) at leisure centres; and the introduction of the direct debit swimming lessons has already substantially over achieved (477%) the 100% success measure set.
Maximise External Funding Opportunities: We will identify and apply for external funding to enhance new and existing programmes/projects.	<ul style="list-style-type: none"> generated £1M of operating income from external funding. 	<ul style="list-style-type: none"> To date £1,285,470 external funding has been generated.
Work Efficiently: We will share resources across all services.	<ul style="list-style-type: none"> achieved a balanced or surplus budget across all services year on year. 	<ul style="list-style-type: none"> Overall a £159,634 surplus was achieved in 2018/19.
Sound Governance: We will continue to develop strong organisational processes to make informed decisions and meet our legal obligations.	<ul style="list-style-type: none"> achieved unqualified audited accounts year on year. 	<ul style="list-style-type: none"> Achieved unqualified audited accounts for 2018/19.



Financial Review

Financial Summary 2018/19

The Trust is pleased to report that despite the current economic climate in which we have operated in our seventh year, the financial position for the Trust has resulted in a surplus being generated allowing us to maintain our target level of reserves along with replenishing designated funds for future reinvestment projects.

In summary, the financial position during 2018/19 is noted below:

	Unrestricted / Restricted Fund	Pension Fund	Total Funds
Total income	7,658,775	(7,000)	7,651,775
Total spend on charitable activities	(7,499,141)	(965,000)	(8,464,141)
Net Movement in Funds	159,634	(972,000)	(812,366)
Actuarial gain	0	(1,181,000)	(1,181,000)
Net movement in funds (after retirement benefit scheme loss)	159,634	(2,153,000)	(1,993,366)

Funds held at 31 March 2019:

	31 March 2019	31 March 2018
Total funds	£234,238	£2,227,604

The Unrestricted surplus was £159,634 but at the year end the multi-employer defined benefit pension scheme is in deficit by £2,153,000 and therefore the net deficit for the year is £1,993,366.

Following the seventh year of the Trust, our income has helped us to meet our charitable aims and objectives. Our year-end financial position, summarised above, provides a sound platform from which we can continue to meet our commitments.

The principle funding sources are a combination of income generated through a level of sales, fees and charges for our charitable activities £2,228,101, investment income of £16,883 and membership fees £1,505,805, as well as income of £3,897,720 from West Dunbartonshire Council (Management Fee) for our work in managing the leisure facilities and provision within the local area.

The principle sources of expenditure remain within staffing £6,471,170 with elements of spend on property £931,913, transport £34,965, administration £548,597 and payments to other bodies £125,496.

The financial activity during the year within each of the charitable areas can be summarised:

	Income	Expenditure	Surplus/(Deficit)
Leisure Facilities	2,414,216	(4,359,780)	(1,945,564)
Community Facilities	407,502	(1,346,925)	(939,423)
Sports Development	549,617	(1,015,695)	(466,078)
Active Schools	262,401	(482,930)	(220,529)
Outdoor Recreation	100,170	(293,811)	(193,641)
Management Fee	3,897,720	0	3,897,720
Total	7,631,626	(7,499,141)	132,485

Fixed Assets

The Trust has a maintenance lease agreement with West Dunbartonshire Council for the use of the buildings linked with the charitable activities and as such the buildings do not belong to the Trust.

Investment Policy

West Dunbartonshire Council manage investments on behalf of the Trust, following their own organisational investment policy, primarily aimed at mitigating risks associated with safeguarding funds, ensuring liquidity of those funds and finally investment return. As a result, the policy aims to invest in cash and cash-like investments up to a maximum level on acceptable counterparties. Activity is monitored regularly and the policy is reviewed annually.

Due to the limited current level of surplus funds, any funds held by the Trust are invested in an interest bearing account held with our bankers, the Clydesdale Bank. In order to increase investment income for the Trust the board agreed to reinvest a sum of £506,181 with West Dunbartonshire Council on 22 February 2019 at a fixed rate of 1.53% for one year, an additional £250,000 was invested for 6 months at a fixed rate of 1% per annum pro rata and a further £250,000 was invested on a rolling monthly basis with a variable monthly rate.



Reserves Policy

During 2012/13, the Trust agreed a prudential reserves target of £250,000 to enable the Trust to manage financial risk and help deliver the Trust's commitments. It was recognised that this was a target to work towards and not a minimum limit; therefore the target would be monitored regularly and reviewed annually.

In 2014/2015 the reserves target was reviewed by the Audit Committee and revised to £700,000 which represented 3 months of turnover minus the management fee.

Following recommendation from external auditors a formal reserves policy was devised which was agreed by the board on 23 February 2018. The agreed policy stated that reserves would be based on 3 months turnover minus the WDC Management Fee and would be reviewed on a two yearly basis commencing with the 2017/18 annual accounts. The Trust has now reached the general reserves target of £880,000. The next planned review of the reserves target will be based on the 2019/20 annual accounts.

The reserves figure represents our total unrestricted funds of £2,163,238 (2018 £2,003,604) less designated funds as follows:

- Small Projects fund of £65,925 (2018 £90,641). The fund has been used to undertake a number of minor upgrade projects to Community Halls and Main Site Leisure Facilities. A number of projects were completed in 2018/19 including the engagement of a mystery shopper service to test our sales processes and our customer journey at main sites. The fund was increased by £40,000 last financial year to fund expected legal costs in relation to finalising lease agreements but this work has been almost fully completed at a much lower expenditure than anticipated. The fund has therefore been reduced by £20,000 to reflect this reduced spend. No additional funds have been designated from the 2018/19 surplus and the total now available is £65,925.
- Equipment replacement fund of £581,292 (2018, £586,720). This fund was set aside mainly for the replacement of the gym equipment at the main sites on a rolling basis.

As planned a major equipment replacement project was completed in 2018/19 with Cardio Vascular equipment being replaced at the Vale Pool and Meadow Centre. The Clydebank Leisure Centre opened in 2017 equipped with all new gym equipment which will therefore be due for replacement from 2022/23. Additional funds of £220,000 have been designated from the surplus created in 2018/19 leaving the balance of £581,292 available for spends planned for 2020/2021 and 2022/2023.

- Service Development Projects fund of £328,629 (2018 £312,014). This fund is to be used for larger projects within the service as per our charitable objectives that will improve the service and/or generate additional income. A number of projects have been completed in 2018/19 including installation of a ticket kiosk, refurbishing the Dance Studio at the Meadow Centre, additional training and equipment for the Interactive floor at the Clydebank Leisure Centre and installation of Wi-Fi at main sites and Trust HQ. Additional funds of £74,098 have been added to this fund from the surplus created in 2018/19 leaving the balance of this fund at £328,629.
- Fixed Assets fund of £307,392 will provide for future depreciation of Fixed Assets.



Risk Management

There are many risks to the Trust's service delivery and these risks can affect our performance, our customers and members of the public.

Managing our risks effectively is essential in achieving our strategic outcomes and targets, creating confidence among service users and the public, and ensuring effective governance. Effective Risk Management also enables us to deliver service improvements taking account of the context and environmental factors.

As the leisure business environment is customer driven and internal and external changes to that environment ultimately influence overall performance risk factors that could have an impact on service delivery require to be identified

on an annual basis, with appropriate actions to minimise such risks.

Therefore the management team ensures an annual risk analysis is undertaken and a Risk Register with appropriate actions is identified to minimise the impact on service delivery and overall performance. This register is reviewed on a six monthly basis and reported to the Audit and Risk Committee who scrutinise the progress of the register and where appropriate report to the Board to assist in managing the risks to the Trust.

The top three external risks detailed within the Risk Register for 2018/19 and how they have been managed are as follows:

Key Risk	Existing Control Measures	Risk Management Actions
Significant reduction in West Dunbartonshire Council funding	<ul style="list-style-type: none"> Regular Monitoring Meetings with WDC Annual Performance Report to WDC Infrastructure Committee On an annual basis explore options for efficiency savings and opportunities for increasing income. 	<ul style="list-style-type: none"> Continue to explore options for efficiency savings and opportunities for increasing income.
Asset portfolio does not receive necessary investment from WDC	<ul style="list-style-type: none"> Annual maintenance budget for leisure centres of £115k: For Community Facilities of £95k and £40k pavilions (not increased since beginning of Trust); WDC Capital Programme WDC Spend to Save 	<ul style="list-style-type: none"> Review Asset portfolio and agree with WDC what projects to be forwarded to WDC's Capital Programme for consideration. Submit applications to WDC's Capital Programme.
Insufficient (WDC CRA) funds to carry out an effective repair and maintenance programme for premises and equipment / plant	<ul style="list-style-type: none"> Maintenance Contracts in place including outdoor and 3G pitches. Maintenance & Repairs Budget in place. PAT carried out. Preventative Maintenance programmes in place. Effective management of the large WDC repair and maintenance budgets. These are reviewed at regular meetings between WDLT Operational Managers and WDC maintenance officers. 	<ul style="list-style-type: none"> Review of (WDC) Maintenance Budgets.

Health and Safety is also a major risk to the organisation, therefore West Dunbartonshire Leisure Trust has a competent Health & Safety and Child Protection Officer to oversee this major area of risk to the organisation.

In addition our insurance company QBE Insurance (Europe) Ltd review our insurance cover on an annual basis to highlight any uninsured risk and exposure elements of cover that require adjusting or deleting. Insurance cover based on this assessment is in place.

Plans for the Future

The following outlines West Dunbartonshire Leisure Trust's (WDLT) plans for the forthcoming year.

Implementation of our Three Year Business Strategy (2017– 2020)

We will implement the Key Actions highlighted in our third and final year's Delivery Plan associated with our Business Strategy.

Implementation of our Aquatics Strategy (2017– 2020)

We will implement the Key Actions highlighted in our third and final year's Action Plan associated with our Aquatics Strategy.

Implementation of our Community Facilities Development Plan

We will implement the Key Actions highlighted in our third and final year's Action Plan associated with our Community Facilities Development Plan to assist us increase usage and ensure the service is operated efficiently and effectively.

Reinvestment of Surplus Funds

Now that WDLT has been operating successfully for the last seven years, and are financially in

a position to reinvest surplus funds back into the services we deliver, we will encourage applications through our Surplus Funds Framework to assist us achieve our minimum spend of £250k by 2020.

Development of our next Three Year Business Strategy (2020 – 2023)

We will work with our Directors to identify appropriate Strategic Outcomes, Priorities and Success Measures in the development of our next three years Business Strategy.

In addition we will engage with our workforce to identify our Weaknesses and Opportunities to assist us to develop our Key Actions for the first year's Delivery Plan associated with our Business Strategy to assist us achieve our Strategic Outcomes, Priorities and Success Measures.

Development of our next Aquatics Strategy

We will identify our priorities with regards to Aquatic activities and produce our next three year Aquatics Strategy.



Structure, Governance and Management

West Dunbartonshire Leisure Trust is a company limited by guarantee with charitable status and governed by its Articles of Association. In addition to being regulated by the Companies Act (2006), the company is also subject to the charities regulator in Scotland, OSCR (Office of the Scottish Charity Regulator).

The company was incorporated in December 2011 and started trading on 5th April 2012 and is responsible for the strategic and operational management of West Dunbartonshire Council's Sport and Leisure Facilities; Community Facilities; Outdoor Recreation; Sports Development; Active Schools; and Events.

Trustees (Directors)

There are nine members of the company who serve as Trustees comprising of three (3) Councillors (Partner Trustees), an Employee Representative Trustee and five (5) Independent Trustees. They have the ultimate control of the company subject to providing and operating the services in accordance with the Legal Agreement reached with West Dunbartonshire Council, and provide strategic direction to the General Manager and his Management Team.

The list of current and former Trustees serving in the financial year 2018/19 and since is detailed below:

Name		Appointed	Resigned
Anthony Wacławski	Independent	11/01/12	N/A
David McBride	Partner	11/01/12	N/A
David Smith	Independent	11/01/12	N/A
James Finn	Partner (Vice Chair since 13 September 2018)	26/02/15	N/A
Charles Gibson	Independent (Chair since 13 September 2018)	28/08/14	N/A
Samantha Baird	Independent	24/11/16	N/A
James Docherty	Employee Representative	24/11/16	19/02/19
William Hendrie	Partner	25/05/17	N/A
David Marshall	Independent	24/11/16	N/A
Tony Dempster	Employee Representative	23/05/19	N/A



Recruitment and Training of Trustees

Recruitment

Authority and responsibility for the appointment of Partner Trustees sits with West Dunbartonshire Council, (WDC) who allocate this responsibility to three WDC Councillors. No appointments were made during the period 1 April 2018 to 31 March 2019.

Authority and responsibility for the recruitment of Independent Trustees is delegated by the Board of Directors to the Nominations Committee. No appointments were made during the period 1 April 2018 to 31 March 2019.

The selection of the Employee Representative Trustee is completed in consultation with the unions representing employees in the Leisure Trust (Unite, Unison, and GMB). James Docherty resigned from his role as Employee Representative Director on 19/2/2019. Tony Dempster was appointed into the role on 23 May 2019

Induction

New Trustees receive a briefing on their role as Board Trustees operating a company limited by guarantee with charitable status as per Companies Act 2006. The briefing includes background information on the Company; Business; Governance Structure; Management

Structure; Partnership Working; Mission & Values; Key Strategic Outcomes; Charitable Objects; and Contact Details. In addition it also includes the following documentation:

- Briefing Note: Director's Role and Responsibilities
- Articles of Association
- Terms of Reference Sub Committees
- Latest WDLT Annual Report
- Latest WDLT Business Strategy
- WDLT Partnership Book
- Health & Safety Policy
- Anti-Bribery Policy
- Last Annual General Meeting Papers
- Last 4 Board Meeting Papers

Training

Trustees who sit on specific Committees also receive where appropriate training to allow them to effectively carryout their duties. This training includes the following:

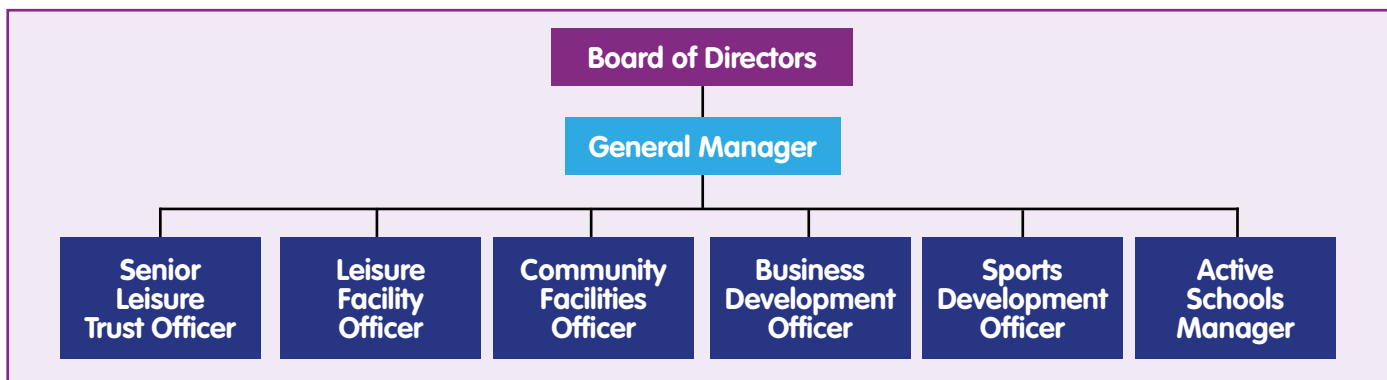
- Discipline and Grievance Procedures
- Finance (annual finance reporting regulations and Charity Accounting)
- Health & Safety



Management Arrangements

Key Management Personnel

The Directors, who are the Trust's Trustees, and the management team, comprise the key management personnel of the charity in charge with directing and controlling, running and operating the Trust on a day to day basis.



A General Manager is appointed by the Board to manage the day to day operations of the Company. To ensure that operations are carried out effectively, the General Manager has delegated authority within an approved scheme for matters including Personnel; Finance; Procurement; and Operations.

Remuneration of Key Management Personnel

All Trustees give their time freely and do not receive remuneration apart from reimbursement of costs incurred while serving on the board, including travel (within Scotland) and any reasonable subsistence expenses. Details of Trustee's expenses are disclosed in Note 7 to the accounts.

West Dunbartonshire Leisure Trust is committed to ensuring a fair, open, transparent and legally compliant approach to the evaluation of jobs and ensuring equal pay for work of equal value. The Trust's Job Evaluation Policy has been developed to ensure consistency in the evaluation of new jobs and the re-evaluation of existing jobs beyond the initial application of the Scottish Councils' Job Evaluation Scheme (SCJE).

The posts of General Manager and the other managers who make up the management team have all been subject to Job Evaluation to identify the appropriate grade for each post.

Board & Committee Arrangements

The Board meets quarterly to consider Company business with decisions taken to set the overall strategy for the business as well as to monitor its activities. Management are charged with the task of implementing these decisions. The Board can also refer decision-making on Independent Directors, General Manager and Company Secretary recruitment; overseeing company finances; approving financial reports; and disciplinary appeals to sub-committees.

The full board met 5 times throughout the financial year April 2018 to end of March 2019. These meetings were held with management representatives to consider the business of the Company.

It was recognised that the organisations committee structure, roles and responsibilities had evolved over the first few years following inception of the Leisure Trust in 2012. The Board therefore felt it was prudent to undertake a review of the Articles of Association in 2016. Amendments to reflect these changes were agreed by special resolution in September 2016 and the Company Secretary was tasked with updating Companies House and OSCR by submitting the new Articles of Association.

The full Board met on the following dates during 2018/19:

- 24 May 2018;
- 30 August 2018;
- 13 September 2018 (Annual General Meeting);
- 29 November 2018; and
- 21 February 2019

Board Committees met in the periods between Board Meetings to consider business and to make formal recommendations to the full Board of Trustees.

Board Committees exist in the following areas:

- **Audit & Risk Committee** – Responsible for monitoring the financial performance of the Trust; for the recruitment and appointment of an external auditor to audit final annual accounts for submission to Companies House and OSCR; the review of the governance of the Trust (including the Articles of Association and Financial Regulations); and the review of major risks with management and agree and scrutinise the annual risk register.
- **Appeals Committee** – Responsible for hearing and determining appeals against dismissal and appeals against all disciplinary action taken by the General Manager and to consider and reach decisions on Stage 3 Grievances by employees in terms of the Trust's Grievance Procedures.

- **Joint Consultative Forum (JCF)** – Responsible for exchanging information between Management and Employees and securing the greatest possible measure of joint action between West Dunbartonshire Leisure Trust and its employees.

- **Health & Safety Committee** – To act as the focal point for all matters relating to the management of Fire, Security and Health and Safety.

- **Nominations & Individual Performance Committee** – Responsible for recommending appropriate individuals for appointment as Independent Trustees and Employee Representative to form the Board. Responsible for the recruitment and appointment of the General Manager and Company Secretary and formally oversees the performance management system for the General Manager.



Trustee representation on Board Committees and dates Committees were held:

Committee	Audit and Risk	Appeals	Joint Consultative Forum (JCF)	Health and Safety	Nominations & Individual Performance
Member	A Wacławski; D McBride; D Marshall; C Gibson	A Wacławski; D McBride; D Smith; S Baird	D Smith; J Finn; J Docherty	J Docherty	C Gibson; J Finn
Dates	10 May 2018 16 Aug 2018 15 Nov 2018 07 Feb 2019	There was no requirement to convene this Committee during 2018/19	There was no requirement to convene this Committee during 2018/19	26 Apr 2018 10 Aug 2018 26 Oct 2018 25 Jan 2019	There was no requirement to convene this Committee during 2018/19

Updates on all Committees in the previous quarter (including copies of notes of meetings) are presented by the General Manager at each Board Meeting.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of West Dunbartonshire Leisure Trust for the purposes of company law) are responsible for preparing the Trustee's 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 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 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.



Statement to Auditors

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies'

subject to the small companies' regime of the Companies Act 2006.

Approved by the Trustees and signed on their behalf by:

Handwritten signature of Charles Gibson.

Charles Gibson,
Chair of West Dunbartonshire Leisure Trust
12 September 2019

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES AND MEMBERS OF WEST DUNBARTONSHIRE LEISURE TRUST FOR THE YEAR ENDED 31 MARCH 2019

Opinion

We have audited the financial statements of West Dunbartonshire Leisure Trust (the 'charitable company') for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the 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 charitable company's affairs as at 31 March 2019, 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;
- have been prepared in accordance with the requirements of the Companies Act 2016; Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity'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 other information comprises the information included in the report and financial statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.



Other information (continued)

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 trustees, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors report included within the report of the trustees 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the report of the trustees.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charity Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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' exemptions in preparing the report of the trustees and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 27, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of 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 charity 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 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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.

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.

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 auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's 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, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Wylie + Bisset

Jenny Simpson

Senior statutory auditor

For and on behalf on Wylie & Bisset LLP, Statutory Auditor
168 Bath Street, Glasgow G2 4TP

Date: 12 September 2019



STATEMENT OF FINANCIAL ACTIVITIES

Statement of Financial Activities (incorporating the Income and Expenditure Account)
for the year ended 31 March 2019

	Notes	Unrestricted Fund 2019	Restricted Fund 2019	Pension Fund 2019	Total Funds 2019
		£	£	£	£
Income and endowments from: Donations and legacies					
- Voluntary Income		0	0	0	0
Investments					
- Investment Income	3	16,883	0	0	16,883
Income from Charitable Activities:					
- Management Service Fee	2	3,897,720	0	0	3,897,720
- Membership Fees	2	1,505,805	0	0	1,505,805
- Charitable Activities	2	2,228,101	0	0	2,228,101
Other					
- Gain on sale of Fixed Assets		10,266	0	0	10,266
- Other Finance Income	9	0	0	(7,000)	(7,000)
Total Incoming resources		7,658,775	0	(7,000)	7,651,775

	Notes	Unrestricted Fund 2018	Restricted Fund 2018	Pension 2018	Total Funds 2018
		£	£	£	£
Income and endowments from: Donations and legacies					
- Voluntary Income		0	0	0	0
- Investments					
- Investment Income	3	7,608	0	0	7,608
Income from Charitable Activities:					
- Management Service Fee	2	3,914,610	0	0	3,914,610
- Membership Fees	2	1,354,558	0	0	1,354,558
- Charitable Activities	2	2,165,012	8,100	0	2,173,112
Other					
- Gain on sale of Fixed Assets		0	0	0	0
- Other Finance Income	9	0	0	(104,000)	(104,000)
Total Incoming resources		7,441,788	8,100	(104,000)	7,345,888

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

	Notes	Unrestricted Fund 2019	Restricted Fund 2019	Pension Fund 2019	Total Funds 2019
		£	£	£	£
Expenditure on:					
Charitable Activities	4	(7,499,141)		682,000	(6,817,141)
Current and past service cost	6	0	0	(1,647,000)	(1,647,000)
Total Expenditure		(7,499,141)		(965,000)	(8,464,141)
Net income / (expenditure) for the year before transfers		159,634	0	(972,000)	(812,366)
Transfer between funds		0	0	0	0
Net incoming / (outgoing) resources		159,634	0	(972,000)	(812,366)
Actuarial gain / (loss) on retirement benefit scheme	9	0	0	(1,181,000)	(1,181,000)
Net movement in funds (after retirement benefit scheme gain/loss)	20	159,634	0	(2,153,000)	(1,993,366)
Total Funds brought forward	20	2,003,604	0	224,000	2,227,604
Total Funds carried forward	20	2,163,238	0	(1,929,000)	234,238

	Notes	Unrestricted Fund 2018	Restricted Fund 2018	Pension Fund 2018	Total Funds 2018
		£	£	£	£
Expenditure on:					
Charitable Activities	4	(7,164,422)	(13,500)	673,000	(6,504,922)
Current and past service cost	6	0	0	(1,160,000)	(1,160,000)
Total Expenditure		(7,164,422)	(13,500)	(487,000)	(7,664,922)
Net income / (expenditure) for the year before transfers		277,366	(5,400)	(591,000)	(319,034)
Transfer between funds		0	0	0	0
Net incoming / (outgoing) resources		277,366	(5,400)	(591,000)	(319,034)
Actuarial gain / (loss) on retirement benefit scheme	9	0	0	4,435,000	4,435,000
Net movement in funds (after retirement benefit scheme gain/loss)	20	277,366	(5,400)	3,844,000	4,115,966
Total Funds brought forward	20	1,726,238	5,400	(3,620,000)	(1,888,362)
Total Funds carried forward	20	2,003,604	0	224,000	2,227,604

BALANCE SHEET

Balance Sheet as at 31 March 2019

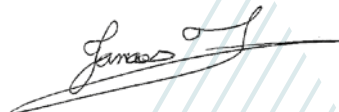
	Notes	2019	2018
		£	£
Fixed Assets:			
Intangible Assets	10	21,546	19,432
Tangible Assets	11	285,846	114,797
Total Fixed Assets		307,392	134,229
Current Assets:			
Stock	12	17,273	29,756
Debtors	13	520,474	572,646
Investments	14	756,182	500,000
Cash at bank and in hand	22	2,307,907	2,393,216
Total Current Assets		3,601,836	3,495,618
Liabilities:			
Creditors falling due within one year	15	(1,745,990)	(1,626,243)
Net Current Assets		1,855,846	1,869,375
Total assets less current liabilities – excluding retirement benefit scheme		2,163,238	2,003,604
Retirement benefit scheme asset/(liability)	9	(1,929,000)	224,000
Total Net Assets		234,238	2,227,604
The Funds of the Charity:			
Funds – Unrestricted	20	2,163,238	2,003,604
Funds – Restricted	20	0	0
Funds – Pension Reserve	20	(1,929,000)	224,000
		234,238	2,227,604

The financial statements were authorised for issue by the Board on 12 September 2019.

Charles Gibson
Chairman



Councillor Jim Finn
Vice Chairman



Company No: SC413707

These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 and for circulations to the members of the company.

CASH FLOW STATEMENT

Cash Flow Statement for the year to 31 March 2019.

	Notes	2019	2018
		£	£
Net cash (used in / provided by operating activities)	21	387,340	418,375
Cash invested		(256,182)	(500,000)
Interest received		16,883	7,608
Proceeds from the sale of tangible assets		10,266	0
Purchase of intangible fixed assets		(6,000)	(19,432)
Purchase of tangible fixed assets		(237,616)	(49,496)
(Decrease) / increase in cash		(85,309)	(142,945)

Reconciliation of net cash flow to movement in debt.

	£
Net cash as at 31 March 2018	2,393,216
Net (decrease in cash)	(85,309)
Net cash at 31 March 2019	<u>2,307,907</u>



NOTES TO THE FINANCIAL STATEMENTS

for the Year ended 31 March 2019

1. Accounting Policies

Basis of preparation and assessment of going concern

The financial statements are prepared under the historical cost convention as modified by Revaluation of Pension Asset, and in accordance with applicable accounting standards in the United Kingdom, the Companies Act 2006 and the Statement of Recommended Practice – Accounting and Reporting by Charities (FRS102) and the Charities Accounts (Scotland) Regulations 2006 (as amended).

West Dunbartonshire Leisure Trust constitutes a public benefit entity as defined by FRS102.

The Trustees consider that there are no material uncertainties about West Dunbartonshire Leisure Trust's ability to continue as a going concern.

For noting, West Dunbartonshire Council have indicated that they will be looking for significant savings over the next few years by reducing the Leisure Trust management fee. Going forward ongoing reductions in funding are likely to have significant impact on the services delivered by the Leisure Trust.

Incoming resources

Membership subscriptions and income relating to Trust activity are recognised in the period in which the Trust is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the Trust has to fulfil conditions before becoming entitled to it. Management fees and other incoming resources are recognised in the period to which they relate, on an accruals basis.

Investment income is accounted for on an accruals basis.

Allocation of expenditure

Where possible, expenditure is charged direct to charitable expenditure or governance costs. Where this is not possible the expenditure is allocated on a basis consistent with use of the resources.

Charitable expenditure comprises those costs incurred by Trust in the delivery of its activities and services for its beneficiaries. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management and set-up of the charity.

Intangible Fixed Assets

Software costs are capitalised and amortised over a useful life of 5 years.

Tangible Fixed Assets and Depreciation

It is the policy of the Trust to capitalise expenditure of a capital nature in excess of £5,000. Any irrecoverable VAT related to the assets is capitalised and recognised as an expense in the Statement of Financial Activities (SOFA) over the depreciated life of the asset.

Assets donated to the Trust are included in the Balance Sheet and Statement of Financial Activities at deemed cost.

Depreciation is charged to write off the cost less the estimated residual value of fixed assets by equal instalments over their estimated useful lives as follows:

Furniture and equipment: 5 years

Motor Vehicles: 5 years

Stock

Stocks of materials and consumables are valued at the lower of cost and net realisable value in the ordinary course of activities. Net realisable value is based on estimated selling price less further costs to completion and disposal.

Debtors

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

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting 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.

Contingent Liabilities

A contingent liability is identified and disclosed for those grants resulting from:

- a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the Trustees' control; or
- a present obligation following a grant offer where settlement is either not considered probable; or
- the amount has not been communicated in the grant offer and that amount cannot be estimated reliably.

Operating Leases

Operating leases are charged to income and expenditure on a straight line basis over the period of the lease.

Employee Benefits

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

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

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

Financial Instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured by their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Pensions

The Trust participates in the Strathclyde Pension Fund by virtue of its status as an 'admitted' body. It is a defined pension scheme and the assets are invested in external funds. In accordance with 'FRS 102 – Retirement Benefits', the operating and financing costs of pension and post retirement schemes (determined by a qualified actuary) are recognised separately in the Statement of Financial Activities. Service costs are systematically spread over the working lives of the members and financing costs are recognised in the period in which they arise. The difference between the actual and expected returns on assets during the period and changes in the actuarial assumptions are also recognised in the Statement of Financial Activities.

VAT

The Trust is partially exempt from VAT. Irrecoverable VAT is charged to the Statement of Financial Activities as an expense.

Taxation

The company is a charitable company within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

Unrestricted funds

Unrestricted funds are expendable at the discretion of the Board in furtherance of the objectives of the Trust.

Surplus revenue funds held within unrestricted funds are carried forward to meet the cost of future activities, mainly of a revenue nature.

Commitments for specific activities and needs in the future are dealt with by making allocations to designated funds.

Restricted funds

Restricted funds are used for specific purposes as laid down by the donor. Some are restricted income funds expendable at the discretion of the Board in furtherance of a particular activity such as government grants to a particular centre or activity. Expenditure which meets the set criteria will be charged to the appropriate fund.

2. Incoming Resources

Income is attributable to sporting activity fees and other sales throughout the Trust. In addition, a management service fee of £3,897,720 (2018: £3,914,610) was received from West Dunbartonshire Council for the period. Membership fees is income collected by direct debit membership of the Trust's leisure facilities.

Total incoming resources from charitable activities for the period are detailed as follows:

	2019	2018
	£	£
Leisure Facilities	2,414,216	2,279,829
Community Facilities	407,502	366,851
Sports Development	549,617	528,207
Active Schools	262,401	253,429
Outdoor Recreation	100,170	99,354
Management Fee	3,897,720	3,914,610
Total Incoming Resources from Charitable Activities	7,631,626	7,442,280

Government Grants included in income for the year to 31 March 2018 were as follows:

	2018-2019	2017-2018
Management Fee – West Dunbartonshire Council	3,897,720	3,914,610
Other income from West Dunbartonshire Council	23,000	23,000
Income from NHS	100,609	116,420
Income from Sport Scotland	245,600	245,600
Total	4,266,929	4,299,630

This income relates to health improvement programmes involving sporting activities. There are no unfulfilled conditions or contingencies in relation to this income.

3. Investment Income

	2019	2018
	£	£
Interest on cash deposits	16,883	7,608
Total Investment Income	16,883	7,608

4. Charitable Expenditure

	2019	2018
	£	£
Leisure Facilities	4,359,780	4,179,594
Community Facilities	1,346,925	1,210,543
Sports Development	1,015,695	945,655
Active Schools	482,930	484,223
Outdoor Recreation	293,811	357,907
Total Charitable Expenditure	7,499,141	7,177,922
Less Pension cost	(682,000)	(673,000)
Total	6,817,141	6,504,922

Staff and utility costs are the main expenditure items included in charitable expenditure above.

5. Support Costs

Support costs have been allocated to the following areas of resources expended.

	Leisure	Community Facilities	Sports Development	Active Schools	Outdoor Recreation	Governance
	£	£	£	£	£	
Salary	250,858	92,224	49,341	49,341	21,159	38,793
Training	0	0	0	0	0	0
Insurance	40,365	12,139	11,479	4,916	2,703	0
Supplies	22,936	6,898	6,523	2,793	1,536	0
Other	159,485	38,297	22,088	14,814	10,777	1,641
Total	473,644	149,558	89,431	71,864	36,175	40,434

	Basis of Allocation
Salary:	Percentage of Staff Time
Training:	Percentage of Staff Time
Property:	Percentage of Usage
Insurance:	Salary Cost
Supplies:	Salary Cost
Other:	Percentage of Usage

Governance Costs

	2019	2018
	£	£
Audit and other Accountancy Fees	8,190	8,300
Allocated support costs	40,434	41,205
Pension Report and other audit expenditure	480	480
Travel expenses/training costs	108	75
Total Governance Costs	49,212	50,060

Allocation of Governance and other support costs

	Support Costs	Governance	2019	2018
	£	£	£	£
Leisure	473,644	26,669	500,313	510,197
Community Facilities	149,558	9,804	159,362	160,996
Sports Development	89,431	5,245	94,676	97,168
Active Schools	71,864	5,245	77,109	75,755
Outdoor Recreation	36,175	2,249	38,424	42,061
Total	820,672	49,212	869,884	886,177

6. Current and past pension service cost

	2019	2018
	£	£
Pension – Past Service Cost	352,000	0
Pension – Pension Current Service Cost	1,295,000	1,160,000
Total Pension Service Costs	1,647,000	1,160,000

7. Staff Costs and Numbers

	2019	2018
	£	£
Wages and Salaries	4,821,263	4,568,044
Social Security costs	315,534	328,960
Other Pension costs	1,327,148	1,149,141
Other Staff costs	7,225	20,866
Total Staff Costs	6,471,170	6,067,011

Only one employee earned more than £60,000 for the year to 31 March 2019. (2018:1)

	Number of employees 2018-2019	Number of employees 2017-2018
Between £70,000 and £79,999	1	0
Between £60,000 and £69,999	0	1

Key Management Personnel

	2019	2018
	£	£
Salaries and wages	326,617	310,934
Social Security costs	36,852	34,998
Employer contribution to defined pension scheme	62,335	59,431
Other Staff costs	<u>425,804</u>	<u>405,363</u>

The change in the net defined benefit pension scheme liability arising from service of key management personnel rendered during the reporting period was as follows;

Pension	109,813	97,009
Lump Sum	154,946	144,694

The average weekly number of persons by headcount, employed by the charity during the year was:

	2019	2018
	Number	Number
Total Staff Numbers	<u>200</u>	<u>189</u>

During the period no Trustees received any remuneration or made any donations to the charity. Expenses of £108 were reimbursed to one Trustee during 2018/2019, and £75 to two Trustees during 2017/2018 and unclaimed travel costs amounted to £272 in 2018/19 and £297 in 2017/18.

8. Operating Surplus

The operating surplus is stated after charging/ (crediting):

	2019	2018
	£	£
Auditor's Remuneration (including expenses):		
Auditor's Remuneration (including expenses)	8,190	8,300
Depreciation	<u>70,453</u>	<u>64,698</u>



9. Pension Costs

The company is an admitted body of the Strathclyde Pension Fund. The Superannuation Fund is a defined benefit scheme into which employee's and employer's contributions, and interest and dividends from investments are paid and from which pensions, lump sums and superannuation benefits are paid out. Employees' contributions are tiered and employer's basic contributions are assessed every three years by an actuary and are fixed to ensure the fund remains solvent and in a position to meet its future liabilities. The actuarial method used is known as Projected Unit Credit Method. The last actuarial valuation was at 31 March 2011 and following this valuation employer's contributions increased to 19.3% for the years ended 31 March 2013, 2014 and 2015 respectively. Actual employer's contributions for the period 31 March 2019 amounted to £714,147.

In accordance with FRS 102 – Retirement Benefits – a valuation of the fund was carried out at 31 March 2015 by Hymans Robertson, independent actuaries, appointed by Strathclyde Pension Fund. Hymans Robertson calculated the pension assets and liabilities as at 31 March 2019 by rolling forward its full actuarial valuation, allowing for the changes in financial assumptions as prescribed under FRS 102. The main assumptions used in the calculations are:

	31 March 2019	31 March 2018
	% per annum	% per annum
Inflation / Pension Increase Rate	2.4%	2.3%
Salary Increase Rate	3.6%	3.5%
Discount Rate	2.5%	2.7%

Mortality

Life expectancy is based on the Fund's Vita Curves with improvements in line with the CMI 2016 model with an allowance for smoothing of recent mortality experience and long term rates of 1.5% p.a. for males and 1.25% p.a. for females. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current Pensioners	21.4 years	23.7 years
Future Pensioners	23.4 years	25.8 years

The major categories of plan assets as a % of the total plan assets are as follows:

	31 March 2019	31 March 2018
	%	%
Equities	64%	62%
Bonds	24%	23%
Property	10%	11%
Cash	2%	4%

The actuarial estimated employer contributions for the year to 31 March 2020 are £676,000.

The amounts recognised in the balance sheet are as follows:

	31 March 2019	1 April 2018
	£000	£000
Present value of funded liabilities	(22,349)	(18,293)
Fair value of plan assets	20,605	18,692
	(1,744)	399
Present value of unfunded obligations	(185)	(175)
Unrecognised past service cost	0	0
	(1,929)	224
Amount in balance sheet		
Liabilities	(1,929)	0
Assets	0	224
Net (liability)/asset	(1,929)	224

	31 March 2019	1 April 2018
	£000	£000
Analysis of the amount charged to net incoming resources:		
Current service cost of the defined benefit scheme	(1,647)	(1,160)
Analysis of amount credited to incoming resources:		
Expected return on employer assets	(515)	(472)
Interest on pension scheme liabilities	522	576
Net return	7	104

	31 March 2019	1 April 2018
	£000	£000
Actuarial (Loss) / gain	(1,181)	4,435
Actuarial (loss) / gain recognised in net movement of funds	(1,181)	4,435
Cumulative Actuarial Gains and Losses	(189)	992

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

	31 March 2019	1 April 2018
	£000	£000
Opening fair value of employer assets	18,692	17,109
Expected return on assets	0	0
Contributions by members	202	200
Contributions by the employer	676	667
Contributions in respect of unfunded benefits	6	6
Actuarial gain	1,134	797
Estimated Benefits paid	(99)	(81)
Estimated Unfunded Benefits paid	(6)	(6)
Closing fair value of employer assets	20,605	18,692

Reconciliation of defined benefit obligation:

	31 March 2019	1 April 2018
	<u>£000</u>	<u>£000</u>
Opening defined benefit obligation	18,468	20,729
Current service cost	1,647	1,160
Interest cost	522	576
Contributions by members	202	200
Present value of unfunded liabilities	0	0

	31 March 2019	1 April 2018
Actuarial losses	<u>1,800</u>	<u>(4,110)</u>
Past service costs	0	0
Estimated benefit paid	(99)	(81)
Estimated unfunded benefits paid	(6)	(6)
Closing defined benefit obligation	22,534	18,468

Amounts for the current period:

	31 March 2019	1 April 2018
	<u>£000</u>	<u>£000</u>
Present value of Defined Benefit Obligation	(22,349)	(18,293)
Present value of Unfunded Liabilities	(185)	(175)
Fair Value of Employer Assets	20,605	18,692
(Deficit)	(1,929)	224
Experience gains / (losses) on assets	1,134	797
Experience gains / (losses) on liabilities	4	(2,489)

Under the Transfer Agreement entered into between the Trust and West Dunbartonshire Council, the Council has undertaken to guarantee the pension scheme should the liability crystallise and insufficient funds be held by the Trust to settle their obligation.

10. Intangible Fixed Assets

	Software	Total
	<u>£</u>	<u>£</u>
Cost at 1 April 2018	19,432	19,432
Additions	6,000	6,000
Disposals	0	0
As at 31 March 2019	25,432	25,432
Depreciation at 1 April 2018	0	0
Charge for the year	3,886	3,886
On disposals	0	0
As at 31 March 2019	0	0
Net Book Value at 31 March 2018	<u>19,432</u>	<u>19,432</u>
Net Book Value at 31 March 2019	<u>21,546</u>	<u>21,546</u>

11. Tangible Fixed Assets

	Furniture & Equipment	Total
	£	£
Cost at 1 April 2018	385,263	385,263
Additions	237,616	237,616
Disposals	(176,037)	(176,037)
As at 31 March 2019	446,842	446,842
Depreciation at 1 April 2018	270,466	270,466
Charge for the year	66,567	66,567
On disposals	(176,037)	(176,037)
As at 31 March 2019	160,996	160,996
Net Book Value at 31 March 2018	114,797	114,797
Net Book Value at 31 March 2019	285,846	285,846

At 31 March 2019 all fixed assets are used for charitable purposes.

12. Stock

	2019	2018
	£	£
Cleaning materials, first aid materials and uniform stock	17,273	29,756

13. Debtors

	2019	2018
	£	£
Trade Debtors	60,464	30,429
Amounts owed by West Dunbartonshire Council	231,487	292,793
Other debtors and prepayments	228,523	249,424
	520,474	572,646

14. Investment

	2019	2018
	£	£
Fixed Term 1 year Investment with West Dunbartonshire Council until 22 February 2019.	506,182	500,000
Fixed term 6 months Investment with West Dunbartonshire Council on a rolling basis.	250,000	0
Total Investment	756,182	500,000

15. Creditors: Amounts falling due within one year

	2019	20183
	£	£
Trade Creditors	3,714	2,246
Tax and Social Security Creditors	179,183	110,262
Amounts owed to West Dunbartonshire Council	613,569	642,743
Other Creditors	207,925	228,554
Accruals and Deferred Income (note 16)	741,599	642,438
	1,745,990	1,626,243

16. Deferred Income

Included in the Accruals and deferred income figure in note 15 is deferred income of:

	2019	2018
	£	£
Balance b/f	84,963	108,997
Released in year	(84,963)	(108,997)
Deferred in year	<u>89,104</u>	<u>84,963</u>
	89,104	84,963

The items deferred comprises Income for memberships of £51,100, direct debits £15,329 and £22,675 of additional income received in advance for services being provided in financial year 2019-2020.

17. Operating Leases

The Trust has acquired photocopiers by entering into operating leases. The Trust was committed to making the following payments in the year to 31 March 2019:

	2019	2018
	£	£
Payable less than 1 year	3,749	6,214
Payable > 1 year < 5 years	<u>2,609</u>	<u>6,358</u>
Total Payable	<u>6,358</u>	<u>12,572</u>

18. Share Capital

The charitable company is limited by guarantees of £1 per member and has no share capital.

19. Company Limited by Guarantee

The company is limited by guarantee, the Special member being West Dunbartonshire Council (entitled to 3 votes at a general meeting).

20. Funds

Unrestricted Funds	Balance at 31 March 2018 £	Incoming Resources £	Resources Expended £	Transfers £	Balance at 31 March 2019 £
Unrestricted - general	880,000	7,652,775	(7,148,787)	(503,988)	880,000
Designated					
Small Projects	90,641	6,000	(10,716)	(20,000)	65,925
Equipment Replacement	586,720	0	(225,428)	220,000	581,292
Service Development Projects	312,014	0	(43,757)	60,372	328,629
Fixed Assets	134,229	0	(70,453)	243,616	307,392
Total Designated	1,123,604	6,000	(350,354)	503,988	1,283,238
Total unrestricted	2,003,604	7,658,775	(7,499,141)	0	2,163,238
Restricted	0	0	0	0	0
Total	2,003,604	7,658,775	(7,499,141)	0	2,163,238

In 2018/2019 the Trustees have designated funds of £2,163,238 which comprises tangible fixed assets (£307,392), other small projects to deliver sporting activities (£65,925), future equipment replacement (£581,292) and Service Development Projects (£328,629).



The **Small Projects** fund consists of a number of partially completed projects which are likely to be completed during the next financial year. The fund has been increased in previous years to fund a number of minor upgrade projects to Community Halls and Main Site Leisure Facilities. A number of projects were completed in 2018/19 including the engagement of a mystery shopper service to test our sales processes and our customer journey at main sites. The fund was increased by £40,000 last financial year to fund expected legal costs in relation to finalising lease agreements but this work has been almost fully completed at a much lower expenditure than anticipated. The fund has therefore been reduced by £20,000 to reflect this reduced spend. No additional funds have been designated from the 2018/19 surplus and the total available is now £65,925.

The **Equipment Replacement** fund is being built up to fund the replacement of the gym equipment at the main sites on a rolling basis. Cardio Vascular (CV) equipment is recommended to be replaced every 5 – 6 years and resistance equipment every 7 – 9 years. As planned a major equipment replacement project was completed in 2018/19 with CV equipment being replaced at the Vale Pool and Meadow Centre. The resistance equipment at these two sites is therefore due to replacement in 2020/2021 and this will be the next large spend from this fund. The new Clydebank Leisure Centre opened in 2017 equipped with all new gym equipment which will therefore be due for replacement from 2022/23. Additional funds of £220,000 have been designated from the surplus created in 2018/19 and this leaves a balance in the fund of £581,292. There are a number of projects planned for 2019/20 including the replacement of the spin bikes at the Vale Pool which forms part of a larger project of refurbishment of the Spin Studio which is being funded from the Service Development Funds.

The **Service Development Projects** fund has been built up to be used for larger projects within the service as per our charitable objectives that will improve the service and/or generate additional income. A number of projects have been completed in 2018/19 including installing a ticket kiosk and refurbishing the Dance Studio at the Meadow Centre, additional training and equipment for the interactive floor at the Clydebank Leisure Centre and installation of Wi-Fi at main sites and Trust HQ. Additional funds of £74,098 have been added to this fund from the surplus created in 2018/19 leaving the balance of this fund at £328,629.



Analysis of Net Assets Over Funds

Funds Balance at 31 March 2019 Represented by:	Unrestricted Funds £	Restricted Funds £	Pension Reserve £	2019 Total £
Fixed assets	307,392	0	0	307,392
Current Assets				
Stock	17,273	0	0	17,273
Debtors	520,474	0	0	520,474
Investment	756,182	0	0	756,182
Cash	<u>2,307,907</u>	<u>0</u>	<u>0</u>	<u>2,307,907</u>
Total Current Assets	3,601,836			3,601,836
Creditors				
Amounts falling due within one year	(1,745,990)	0	0	(1,745,990)
Net Current Assets	<u>1,855,846</u>	0	0	<u>1,855,846</u>
Total Assets less Current Liabilities	<u>2,163,238</u>	0	0	<u>2,163,238</u>
Retirement benefit scheme deficit	0	0	(1,929,000)	(1,929,000)
Total	<u>2,163,238</u>	0	<u>(1,929,000)</u>	<u>234,238</u>

21. Notes to the cash flow statement

Reconciliation of operating surplus to net cash inflow from operating activities

	2019 £	2018 £
Net (outgoing)/incoming resources	(812,366)	(319,034)
Investment income	(16,883)	(7,608)
Depreciation	(10,266)	0
Loss on disposal of fixed assets	70,453	64,698
Net Pension charge	972,000	591,000
(Increase) in stock	12,483	(18,209)
(Increase)/Decrease in debtors	52,172	(22,943)
Increase/(Decrease) in creditors	<u>119,747</u>	<u>130,471</u>
Net cash (used in) / provided by operating activities	<u>387,340</u>	<u>(418,375)</u>

22. Cash at bank and in hand

	31 March 2019 £	1 April 2018 £
Cash at bank and in hand	<u>2,307,907</u>	<u>2,393,216</u>

23. Trustees Interests and related party transactions

Due to the nature of the charity's operations and composition of its Board, being comprised of individual public sector and commercial organisations, it is inevitable that transactions will take place with companies and organisations in which a Board member of the Trust has an interest. The charity works in partnership with West Dunbartonshire Council with which transactions have been undertaken during the period. The following is a list of members of the Board (Committee of Management) who held potentially connected positions during the period.

Table showing potential for Trustee's connected interests:

Trustee	Company	Occupation	Joined	Resigned
David McBride	West Dunbartonshire Council	Councillor	11/01/12	N/A
Jim Finn	West Dunbartonshire Council	Councillor	09/12/14	N/A
Kathleen Ryall	West Dunbartonshire Council	Councillor	12/06/12	25/05/17
William Hendrie	West Dunbartonshire Council	Councillor	25/05/17	N/A

West Dunbartonshire Leisure Trust is a body incorporated under the Companies Act 2006.

All transactions involving organisations in which a member of the Board of Management may have a material interest are conducted at arm's length and in accordance with normal project and procurement procedures.

During the year the Trust entered into purchase transactions with Admin Design and Print Ltd, a related party, totalling £3,094, (2018 £19,138). A brother of Kevin Murphy, Business Development Co-ordinator, is a Director of Admin Design & Print. The balance owed to Admin Design and Print at 31 March 2019 is £0, (2018 £0).

West Dunbartonshire Leisure Trust had transactions during the year as follows:

	2018-2019	2017-2018
	£	£
Income received from West Dunbartonshire Council	£5,052,351	£5,319,110
Expenditure paid to West Dunbartonshire Council	£147,530	£150,381

	2018-2019	2017-2018
	£	£
Due from West Dunbartonshire Council	£231,487	£292,793
Due to West Dunbartonshire Council	£613,569	£642,743







West Dunbartonshire Leisure Trust

(Company Limited by Guarantee)

Alexandria Community Centre
Main Street, Alexandria, G83 0NU

Tel: **01389 757806** Fax: **01389 751557**

Email: leisureservicesadmin@west-dunbarton.gov.uk

 Find us on:
facebook®

West Dunbartonshire Leisure Trust is a recognised Scottish Charity: SC 042999;
VAT Registered: GB 129 7502; and Company Registered: SC413707
Delivering services on behalf of West Dunbartonshire Council

www.wdleisure.net