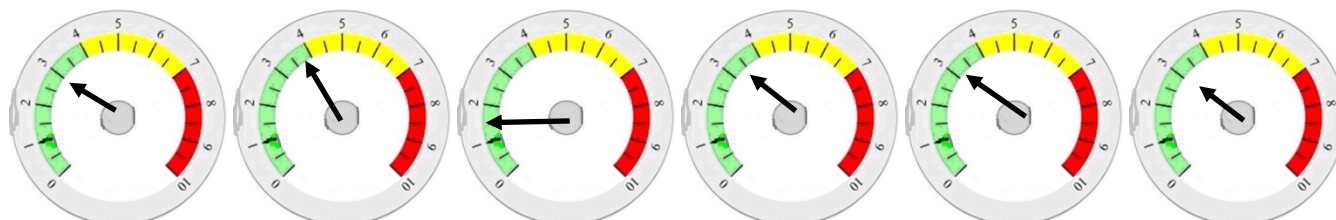


Report 2016-2017

First Four Month Results

Summary



OK

Profit

Membership

Salaries

Bar & Coffee

OVERALL

GOOD

Good

OK

Deteriorating

OK

The budgets are still provisional before agreeing with centre management. The provisional plan for this year is to make a loss of nearly £12,000 - caused by the lack of access to the capital grant of £35k. As at the end of the July, the centre is above target by £7,644 (£5,247 in June). A small highlight, is the addition for the last holiday periods of a very successful holiday camp for children. Income this year is over £6000 to date. A great success and testament to the new management - who have now been in charge for just 1 year.

The centre continues this year to show good financial results to date. The centre has had to commit capital resources replacing a treadmill, upgrading the alarms, and paying interest on loans, cash that normally would be part of a capital grant. Should the financial position deteriorate, then the centre will claim per the process set up by CTC. The centre is still awaiting the £80k agreed by CTC to repay the loan, which will ease our financial burden this year, and going forward.

	P&L £	CASH £
CURRENT PLAN 2018/19	-11,839	-11,839
LOSS OF GRANT	-35,000	-35,000
NON CASH CONTRIBUTION		39,818
TOTAL TO MAKE UP	-46,839	-7,021
DEPRECIATION SAVING POST DEV	30,146	0
DROP IN MAINTENANCE	10,000	10,000
REPAYMENT OF LOAN	5,100	19,956
REVISED PLAN	-1,594	22,935

In preparation for post redevelopment, and the loss of £35,000, whilst this appears bad and is not sustainable (we will have to make up £47,000 to break even following redevelopment), this is not as bad as it looks. We have achieved significant income gains in the last few years (contrary to the Strategic Leisure Report). Without further increases in income, we are in a position, if we continued with the current trend to be sustainable POST development.

In profit and loss, we need to make up £47k on today's budget. A new building, owned and asset maintained by CTC will mean the only depreciation we will carry in our books, will be for

equipment. We expect maintenance spend to decrease, and the interest only charged to P&L will be cleared when the loan is repaid.

In cash terms the picture is rosier - the whole of the annual loan repayments is cleared, and also as depreciation is a non-cash element, all things being equal, we will have a cash surplus of £23k - to reinvest in equipment (per annum).

This success has come because income in the last 4 years has grown 46% - whereas expenditure for the same period has only increased by 9%.

The membership income continues to provide a strong financial position and is this year matching our high point of 2015/16.

	AVERAGE
	MONTHLY MEMBERSHIP £
2011/12	7,420
2012/13	9,684
2013/14	11,579
2014/15	12,342
2015/16	13,927
2016/17	12,618
2017/18	12,529
2018/19	13,918

Profit & Loss

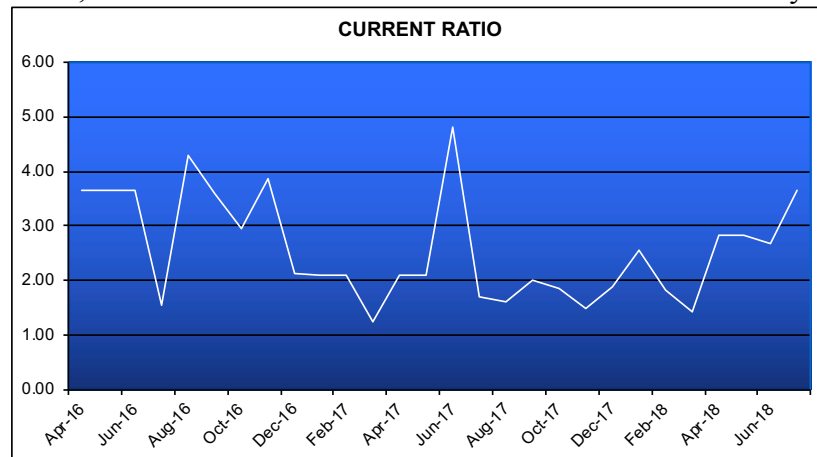
There are no major issues showing in the first four months.

HEADINGS	ACTUAL LAST YEAR	PLAN FOR 2018/19	PLAN FOR 4 Mths July	ACTUAL TO END 4 months July	VARIANCE TO DATE	NOTES
INCOME	£	£	£	£	£	
INCOME	540,713	549,673	200,510	201,377	867	
EXPENDITURE	557,052	561,512	189,837	183,060	6,777	
TOTAL	-16,339	-11,839	10,673	18,317	7,644	

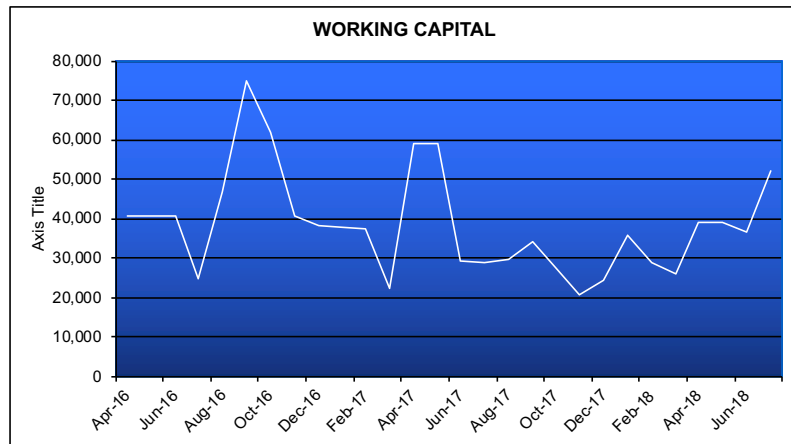
CASH IN HAND		REPRESENTED BY	
	£		£
As at 31st July 2018		B/F from above	18,317
Current Bank Account	20,163	Reserves	102,014
Business Investment	30,188	Tax/NI/Pension	7,975
EOY Accruals	-	Audit	-
Petty Cash	194	VAT	2,260
Debtors	3,188	Utilities	2,530
Prepayments	5,861	Deferred Grant	11,512
Assets (less depr)	154,054	Long term Loan	74,367
Float	345	Bikes Loan	-
Merchandise Stock	6,383	Prepayments	-
Bar Stock	2,103	Misc Accruals	3,504
TOTAL	222,479	TOTAL	222,479

In terms of our ability to meet any short term debts should the centre for any reason be wound up, as measured by our liquidity ratio, the measures are as follows;

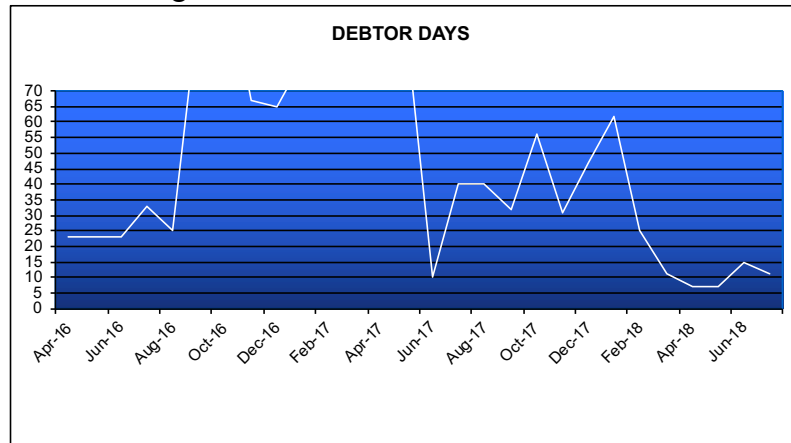
- Quick Ratio = Current Assets / Current Liabilities – ideally the higher the figure, the better our ability to meet short term debts, and concern would arise if it fell below 1:1 without any action plan in place.



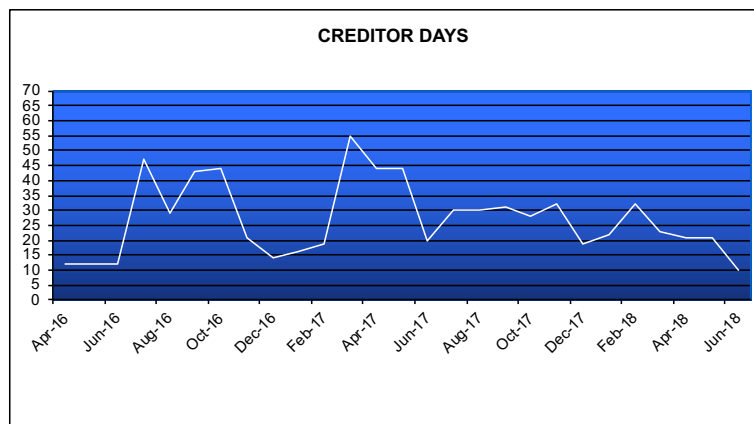
- The Net working capital = Current Assets minus Current Liabilities. This is a crude measure of what our positive balance is. It includes stock, but excludes fixed assets and the long term loan.



- Days Sales Outstanding = Shows our efficiency in collecting debts. Most of our income is paid in cash – or grant. Approximately 10% of our income is invoiced to customers. The current year is distorted by the fact we have invoiced for the grant – but it was not received until June.

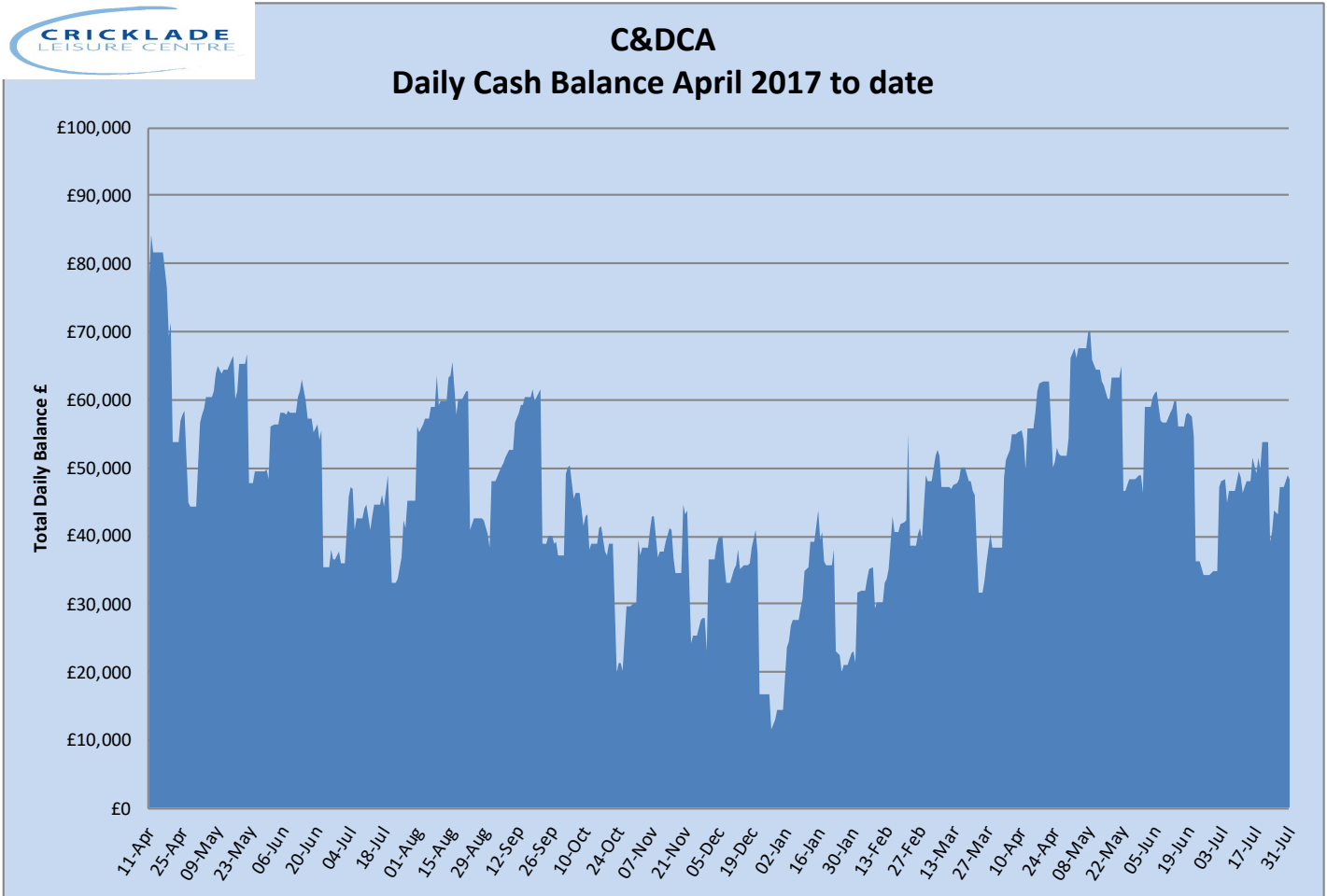


- The same ratio for how well we pay people, shows (distorted by large works bills)



Cash

Our cash management remains positive. No cause for concern.



Income

Income is showing 7% up on same period last year -slightly skewed because of courses and timing of receipts, but is over 40% up on income 5 years ago - a clear indication we are continually improving our offering..

HEADING	INCOME JULY 2018 £	INCOME JULY 2017 £	INCOME JULY 2016 £	INCOME JULY 2015 £	INCOME JULY 2014 £	INCOME JULY 2013 £
Membership	55,854	50,339	51,861	59,273	48,088	45,967
Courses	67,936	65,827	43,964	56,168	48,787	45,821
Pay as you go	47,199	43,617	44,319	36,331	30,540	33,807
Miscellaneous	11,631	10,524	6,278	3,105	1,956	3,275
TOTAL	182,620	170,307	146,422	154,977	129,371	128,870

3rd of year to end of July						
HEADINGS INCOME	ACTUAL LAST YEAR £	PLAN FOR 2018/19 £	PLAN FOR 4 Mths July £	ACTUAL TO END 4 months July £	VARIANCE TO DATE £	NOTES
Revenue Grants						
Grant WCC	35,250	35,000	-	-	0	No capital grant approved
Boiler Grant	1,488	1,488	-	-	0	Grant matching expenditure
Swimming Grant	4,950	4,680	-	-	0	
TOTAL GRANTS	41,688	41,168	-	-	0	
Memberships						
Gold	2,769	3,000	1,035	1,236	201	
Silver	115,507	120,000	41,407	42,507	1,100	
Bronze	32,073	33,000	11,387	11,930	543	
Friends	1,100	1,000	345	181	-164	
TOTAL MEMBERSHIPS	151,449	157,000	54,174	55,854	1,680	
Courses						
Swimming Courses	108,736	110,000	56,333	55,289	-1,044	
Swimming Certificates	1,628	1,500	1,000	597	-403	
NPLQ Income	2,775	2,500	1,667	500	-1,167	
Gym Course	24,278	24,000	12,000	11,550	-450	
TOTAL COURSES	137,417	138,000	71,000	67,936	-3,064	
Activities						
Swimming Casual	22,755	23,000	7,936	10,207	2,271	
School Swimming/Pool Hire	46,235	46,000	15,873	15,496	-377	
Badminton	14,682	15,000	5,176	4,987	-189	
Squash	5,865	6,000	2,070	1,857	-213	
Main Hall	16,401	16,500	5,693	7,872	2,179	Cat show contributed £850
Gymnasium	3,928	4,000	1,380	1,463	83	
Gym & Bounce	429	500	173	144	-29	
Tennis	2,028	1,000	345	843	498	
Outdoor Football	3,105	3,000	1,035	230	-805	
Fitness Classes	12,977	13,000	4,486	4,100	-386	
TOTAL ACTIVITIES	128,405	128,000	44,168	47,199	3,031	
Miscellaneous Income						
Donations/Triathlon/Fun run	4,449	4,500	1,500	1,507	7	
Interest	5	5	2	6	4	
Party	4,035	4,000	1,333	1,773	440	
Miscellaneous Income	7,314	7,000	2,333	1,128	-1,205	
Holiday Club	5,175	8,000	5,333	6,120	787	
Sale of Sports Equipment	2,043	2,000	667	1,097	430	
TOTAL MISCELLANEOUS	23,021	25,505	11,168	11,631	463	
TOTAL LEISURE INCOME	481,980	489,673	180,510	182,620	2,110	

Expenditure

No problems to date. Expenditure is on par with last year, but for the same period as income has risen 40% - expenditure has only grown by 15% - a clear indication the centre is becoming sustainable.

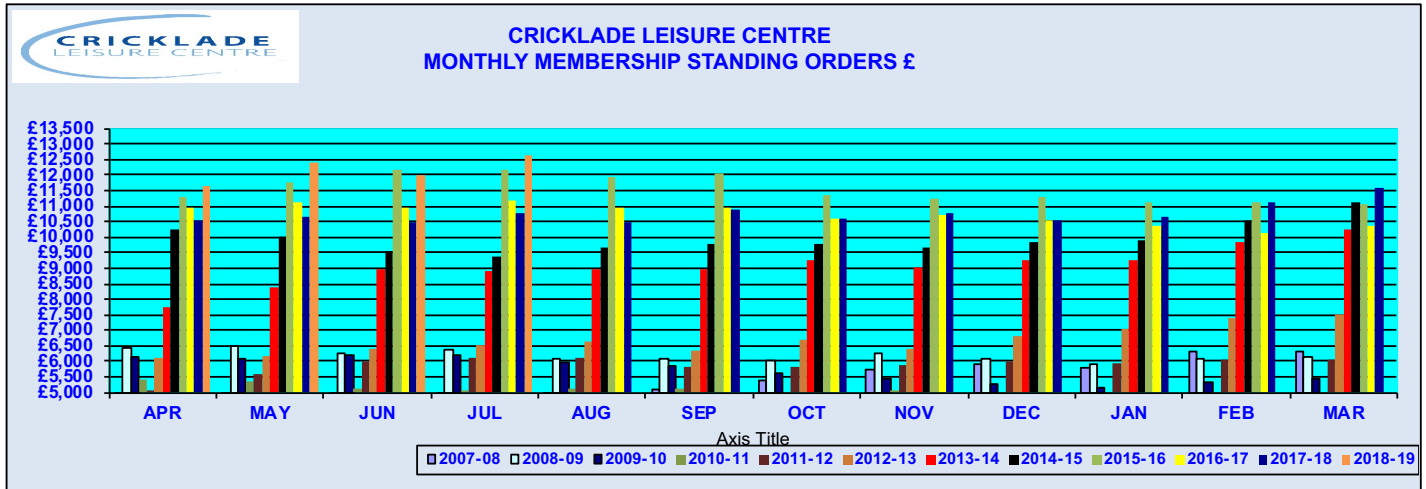
HEADING	EXPEND JULY 2018 £	EXPEND JULY 2017 £	EXPEND JULY 2016 £	EXPEND JULY 2015 £	EXPEND JULY 2014 £	EXPEND JULY 2013 £
Pay	102,408	99,278	99,376	88,315	80,973	81,732
Premises	45,609	46,601	48,828	44,314	49,534	40,760
Administration	11,525	13,091	16,989	13,543	13,181	14,252
Fees	6,331	6,748	6,673	5,537	7,512	6,372
TOTAL	165,333	165,718	171,866	151,709	151,200	143,116

HEADINGS	ACTUAL LAST YEAR	PLAN FOR 2018/19	PLAN FOR 4 Mths July	ACTUAL TO END 4 months July	VARIANCE TO DATE	NOTES
EXPENDITURE	£	£	£	£	£	
Wages						
Management	48,792	57,000	19,000	19,695	-695	Change in structure
Duty Managers	67,911	66,000	22,000	21,549	451	
Reception/Administration	15,643	9,000	3,000	2,302	698	
Recreation Assistants	86,675	88,500	29,500	31,810	-2,310	
Wetside Coaches	21,437	27,000	9,000	6,964	2,036	
Dryside Coaches	46,347	46,500	15,500	17,010	-1,510	
Cleaners	5,047	3,000	1,000	1,030	-30	
Maintenance	9,738	5,664	1,888	2,048	-160	
TOTAL PAY	301,590	302,664	100,888	102,408	-1,520	
NON PAY						
Premises						
Electricity	19,548	20,000	6,667	5,167	1,500	
Gas	15,956	18,000	6,000	4,882	1,118	
Insurance	4,619	4,750	4,750	4,767	-17	
Alarms Maint	2,254	1,000	333	1,428	-1,095	Alarm replacement
General Rates	7,808	9,800	3,267	3,212	55	
Rubbish	2,408	2,500	-	-	0	
Water Rates	3,825	6,000	2,000	3,000	-1,000	
Pool Chemicals	3,939	4,000	1,333	952	381	
Repairs & renewals	23,088	20,000	6,667	5,704	963	
Cleaning	10,045	10,000	3,333	2,858	475	
Gardening	228	500	-	-	0	
Depreciation	39,818	39,298	13,099	13,099	0	
TOTAL PREMISES	133,536	135,848	47,449	45,069	2,380	
Administration						
Uniforms	941	500	167	-	167	
Training (incl travel)	5,532	5,500	1,833	1,153	680	
Advertising/Marketing	4,384	4,500	1,500	335	1,165	
Telephone	2,966	3,000	1,000	703	297	
Stationery/Postage	3,150	3,000	1,000	370	630	
Computing Equipment	2,363	2,500	833	1,163	-330	
Office Equipment	1,189	1,000	333	1,582	-1,249	Lease for sports equipment
Party Food	1,005	1,500	500	1,109	-609	
Sports Equipment (day to day)	7,543	6,500	2,167	2,435	-268	
Swimming Badges	1,335	1,500	500	-	500	
Donations	-	-	-	-	0	
Misc	4,792	5,000	1,667	2,675	-1,008	
TOTAL ADMINISTRATION	35,200	34,500	11,500	11,525	-25	
Professional Fees						
Audit	1,720	2,000	-	-	0	
Legal/Licences	3,747	2,500	2,000	2,057	-57	PRS Annual fee
Payroll/Accounts	2,260	2,500	833	1,120	-287	
Loan Interest/Fee	5,057	5,100	1,700	1,661	39	Per loan Schedule
Bank/Credit Charges	4,406	6,000	2,000	1,493	507	
TOTAL PROFESSIONAL FEES	17,190	18,100	6,533	6,331	202	
TOTAL EXPENDITURE	487,516	491,112	166,371	165,333	1,037	

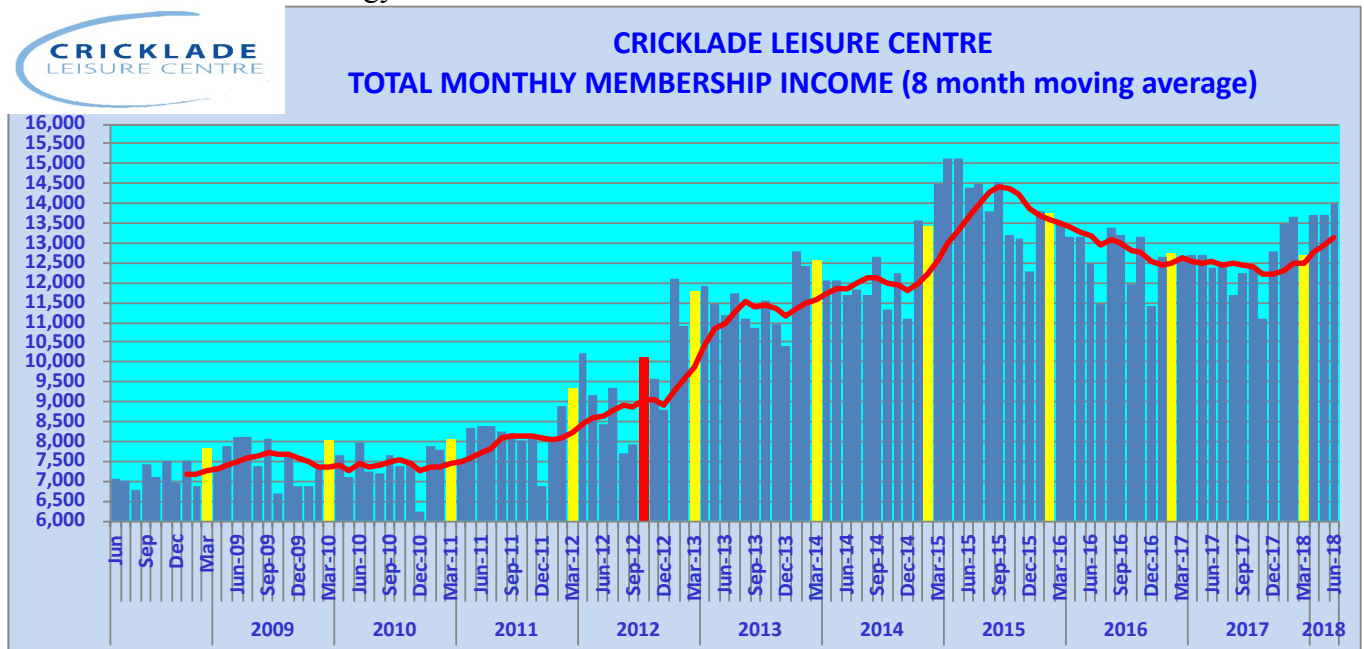
Key Success Factors

Membership

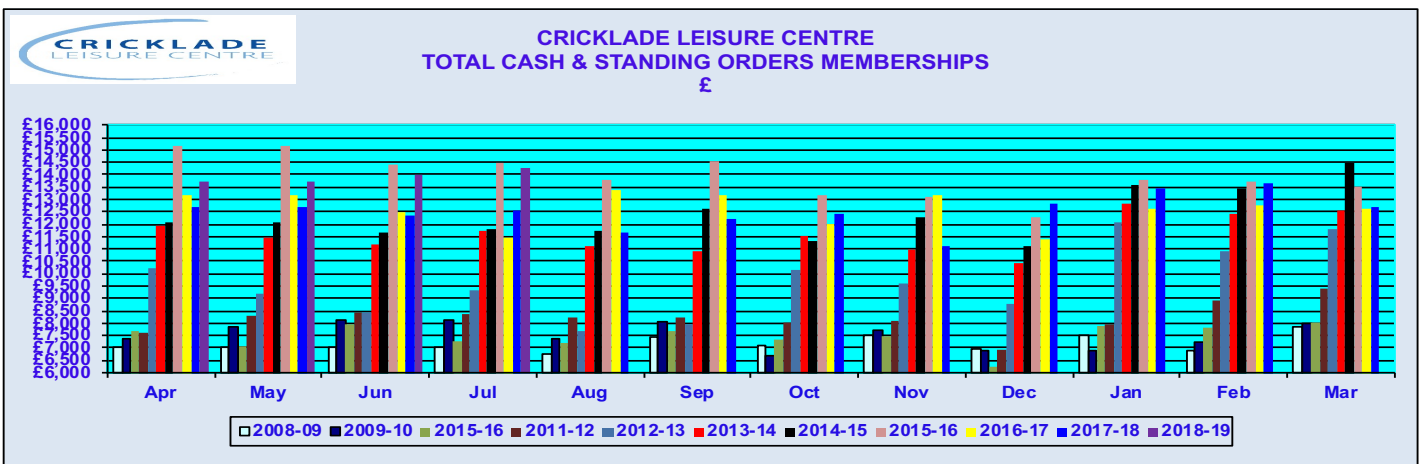
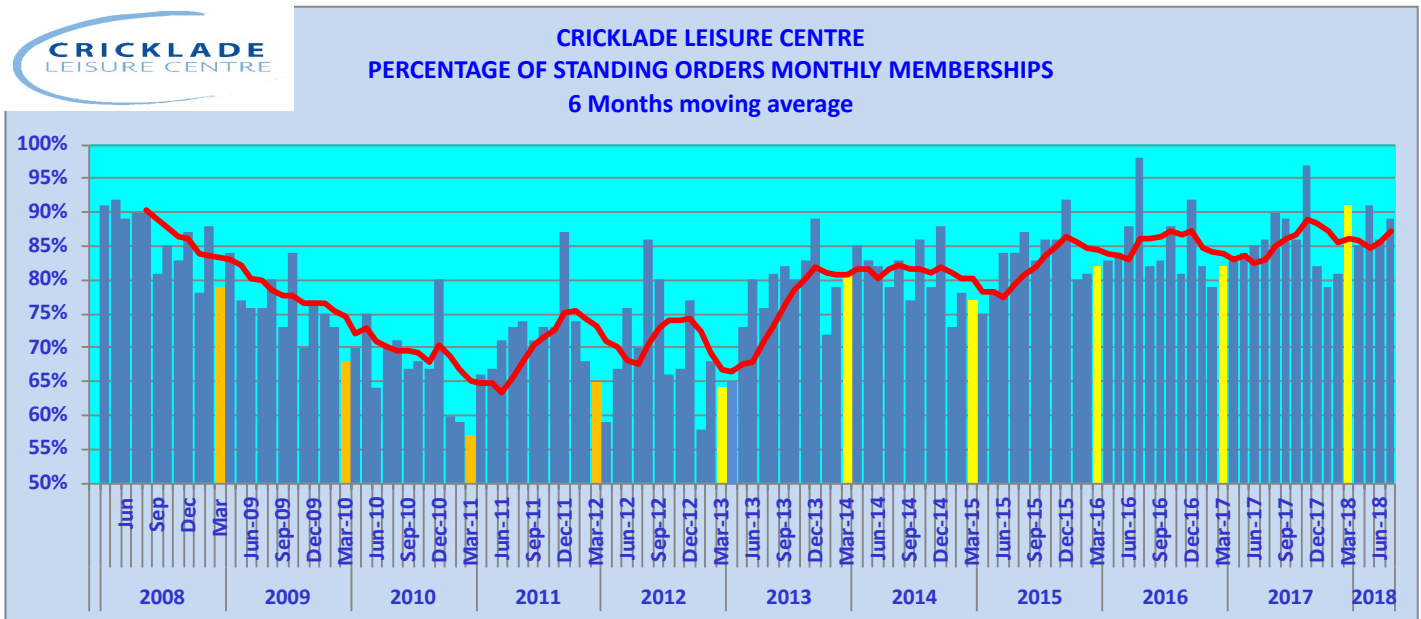
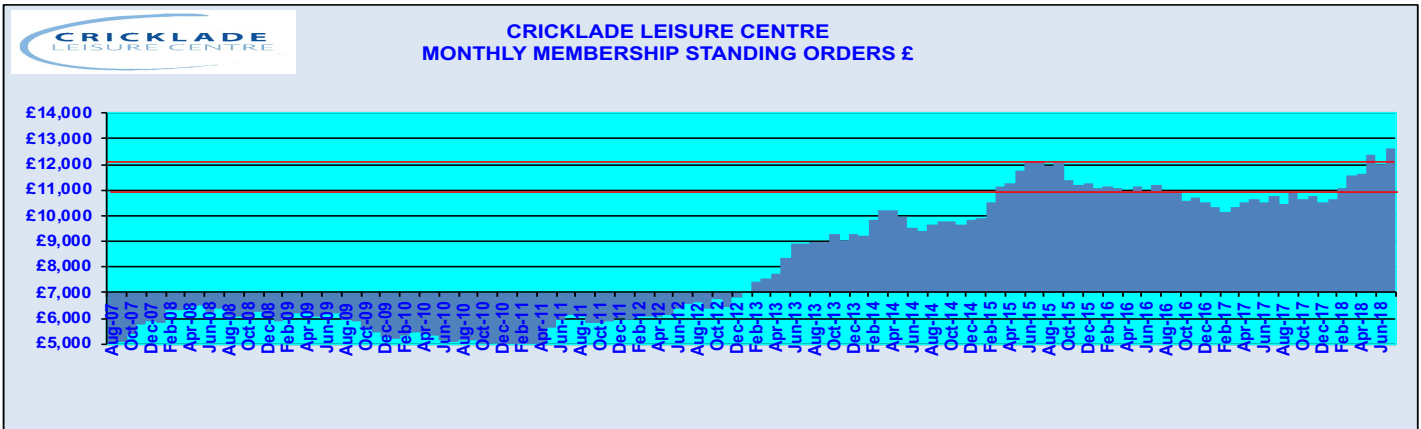
Membership is a key success to date, since the new gym now 6 years ago. This year's figures are moving to be the best to date - a good target for the centre!



The red bar below is when the gym was refurbished.

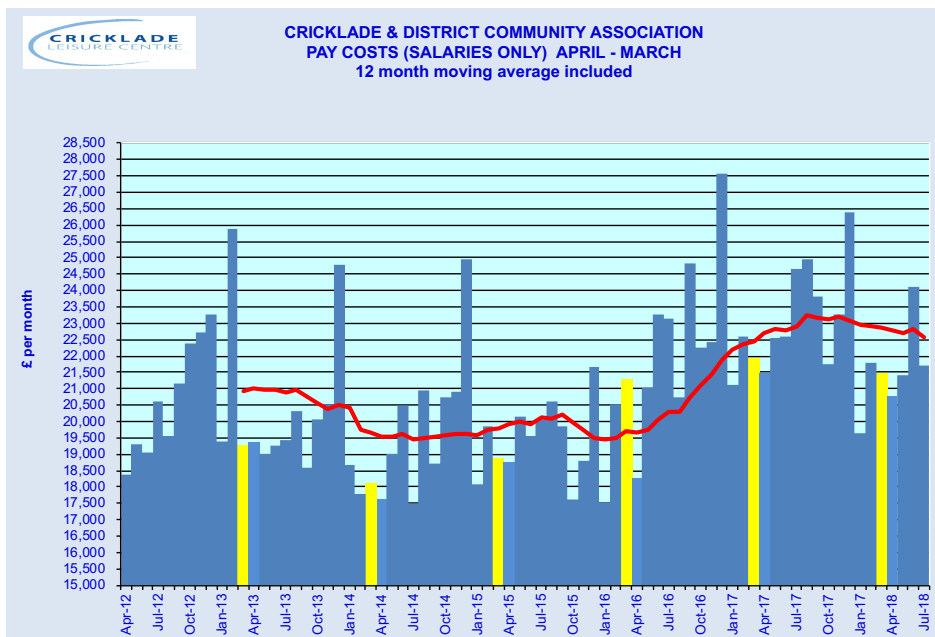
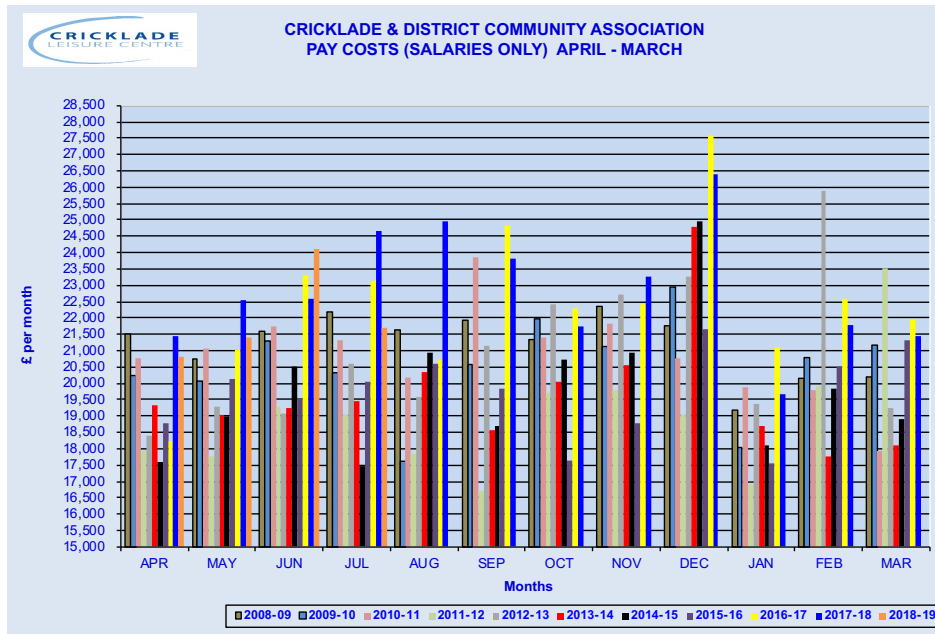


Cash memberships are an important part of our income. However, standing orders are important, because they are less prone to fluctuation! They are now running at almost £130k per annum.



Wages

Wages remain under control.



Bar/Coffee Shop

BAR/COFFEE SHOP	ACTUAL LAST YEAR	PLAN FOR 2018/19	PLAN FOR 4 Mths july	ACTUAL TO END 4 months July	VARIANCE TO DATE	NOTES
	£	£	£	£	£	
INCOME						
Café/Bar Income	58,733	60,000	20,000	18,757	-1,243	36.95%
TOTAL INCOME	58,733	60,000	20,000	18,757	-1,243	TOTAL GROSS MARK UP
EXPENDITURE						
Salaries	22,812	23,000	7,667	5,405	2,262	
Drinks	15,579	16,000	5,333	3,096	2,237	
Coffee/Bar Consumables	29,981	30,000	10,000	8,730	1,270	
Bar Chemicals/Gases	211	250	83	136	-53	
Stock Take	806	1,000	333	310	23	
TV	147	150	50	50	0	
TOTAL EXPENDITURE	69,536	70,400	23,467	17,727	5,740	
TOTAL BAR CONTRIBUTION	- 10,803	- 10,400	- 3,467	1,030	4,497	