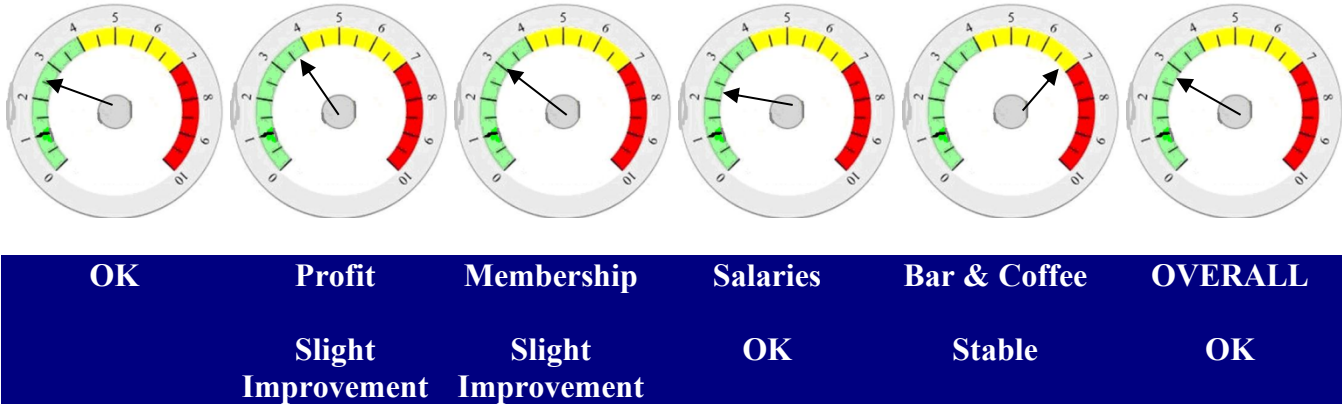


Report 2018-2019

First Quarter Results

Summary



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 first quarter, the centre is above target by £5,247 (£2,481 in May).

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.

	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	13,803

Any further positives for this year, will provide greater comfort and resilience.

Base on the existing 2018/19 plan, and projecting a break even against plan - and the consequences post development:

	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

Profit & Loss

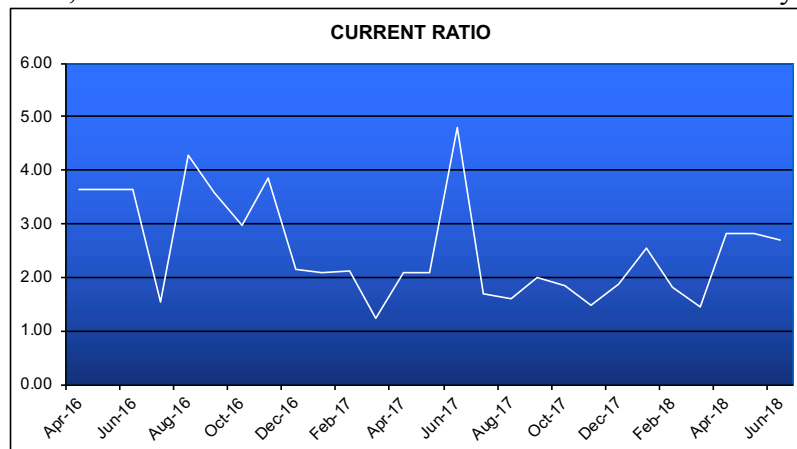
There are no major issues showing in the first quarter.

SUMMARY						
HEADINGS	ACTUAL LAST YEAR	PLAN FOR 2018/19	PLAN FOR 1st QTR JUNE	ACTUAL TO END 1st QTR JUNE	VARIANCE TO DATE	NOTES
INCOME	£	£	£	£	£	
INCOME	540,713	549,673	143,792	145,403	1,611	
EXPENDITURE	557,052	561,512	144,065	140,156	3,910	
TOTAL	-16,339	-11,839	-274	5,247	5,521	

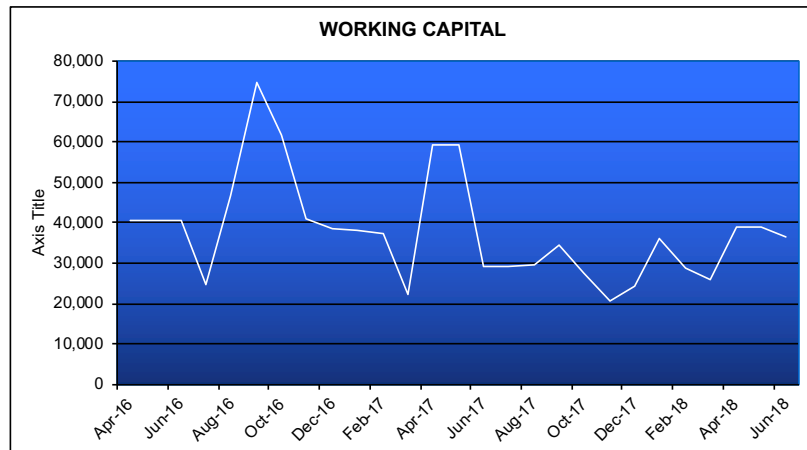
CASH IN HAND		REPRESENTED BY	
As at 30th June 2018		£	
Current Bank Account	- 473	B/F from above	5,247
Business Investment	32,402	Reserves	102,014
EOY Accruals	1,053	Tax/NI/Pension	7,721
Petty Cash	138	Audit	-
Debtors	4,280	VAT	2,055
Prepayments	7,130	Utilities	2,700
Assets (less depr)	157,328	Deferred Grant	11,512
Float	345	Long term Loan	75,633
Merchandise Stock	6,383	Bikes Loan	- 417
Bar Stock	2,103	Prepayments	-
TOTAL	210,689	Misc Accruals	4,224
		TOTAL	210,689

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;

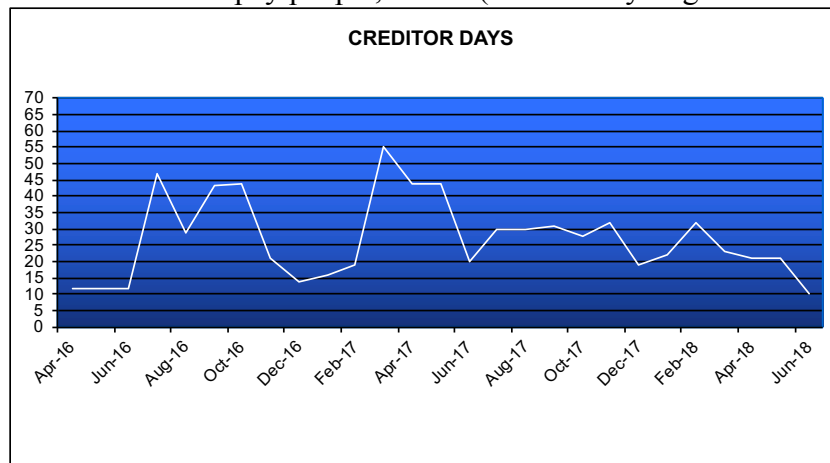
- Quick Ratio = Current Assets / Current Liabilities – ideally the higher the figure, the better our ability to meet short term debts, and concern would arise if it fell below 1:1 without any action plan in place.



- 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.

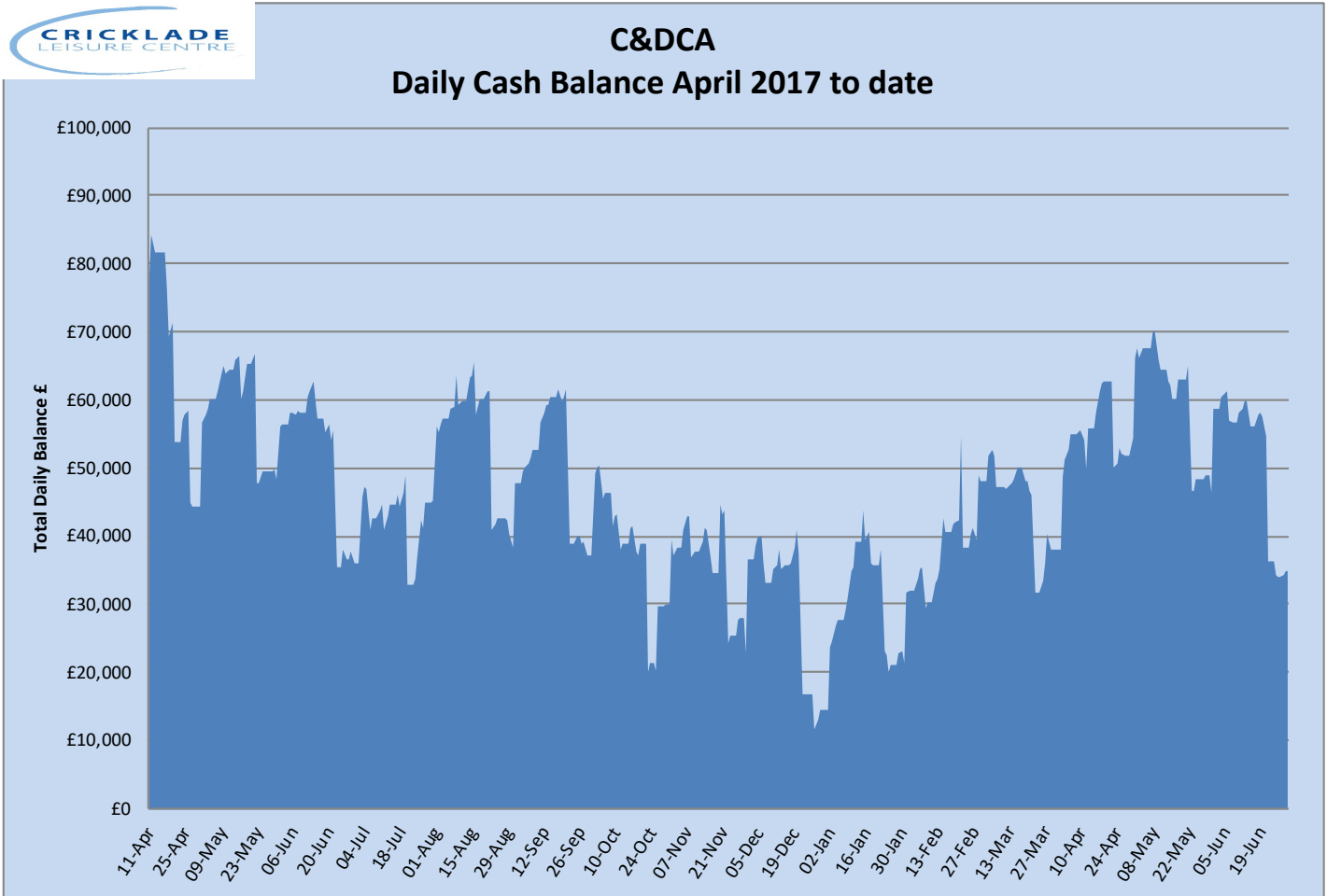


- Days Sales Outstanding = Shows our efficiency in collecting debts. Most of our income is paid in cash – or grant. Approximately 10% of our income is invoiced to customers. The current year is distorted by the fact we have invoiced for the grant – but it was not received until June.
- The same ratio for how well we pay people, shows (distorted by large works bills)



Cash

Our cash management remains positive. No cause for concern.



Income

Income continues to rise year on year, it is up 7.5% on the same period last year - and is a significant contribution to ability of the centre to sustain itself in a post 'nil grant' era.

HEADING	INCOME JUNE 2018 £	INCOME JUNE 2017 £	INCOME JUNE 2016 £	INCOME JUNE 2015 £	INCOME JUNE 2014 £	INCOME JUNE 2013 £
Membership	41,585	38,059	38,956	44,800	36,258	34,565
Courses	44,816	42,606	39,408	32,144	29,123	32,537
Pay as you go	37,202	33,370	31,771	27,556	23,025	26,459
Miscellaneous	7,502	7,857	3,947	2,052	1,243	2,578
TOTAL	131,105	121,892	114,082	106,552	89,649	96,139

1st Quarter - to end of June						
HEADINGS INCOME	ACTUAL LAST YEAR £	PLAN FOR 2018/19 £	PLAN FOR 1st QTR JUNE £	ACTUAL TO END 1st QTR JUNE £	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	797	928	131	
Silver	115,507	120,000	31,894	31,645	-249	
Bronze	32,073	33,000	8,771	8,837	66	
Friends	1,100	1,000	266	175	-91	
TOTAL MEMBERSHIPS	151,449	157,000	41,728	41,585	-143	
Courses						
Swimming Courses	108,736	110,000	36,667	36,595	-72	
Swimming Certificates	1,628	1,500	500	216	-284	
NPLQ Income	2,775	2,500	833	100	-733	
Gym Course	24,278	24,000	8,000	7,905	-95	
TOTAL COURSES	137,417	138,000	46,000	44,816	-1,184	
Activities						
Swimming Casual	22,755	23,000	6,113	7,563	1,450	
School Swimming/Pool Hire	46,235	46,000	12,226	12,713	487	
Badminton	14,682	15,000	3,987	3,812	-175	
Squash	5,865	6,000	1,595	1,550	-45	
Main Hall	16,401	16,500	4,385	6,485	2,100	Cat show contributed £850
Gymnasium	3,928	4,000	1,063	1,143	80	
Gym & Bounce	429	500	133	116	-17	
Tennis	2,028	1,000	266	413	147	
Outdoor Football	3,105	3,000	797	230	-567	
Fitness Classes	12,977	13,000	3,455	3,177	-278	
TOTAL ACTIVITIES	128,405	128,000	34,021	37,202	3,181	
Miscellaneous Income						
Donations/Triathlon/Fun run	4,449	4,500	1,125	1,352	227	
Interest	5	5	1	5	4	
Party	4,035	4,000	1,000	1,363	363	
Miscellaneous Income	7,314	7,000	1,750	796	-954	
Holiday Club	5,175	8,000	2,667	3,135	468	
Sale of Sports Equipment	2,043	2,000	500	851	351	
TOTAL MISCELLANEOUS	23,021	25,505	7,043	7,502	459	
TOTAL LEISURE INCOME	481,980	489,673	128,792	131,105	2,313	

Expenditure

No problems to date.

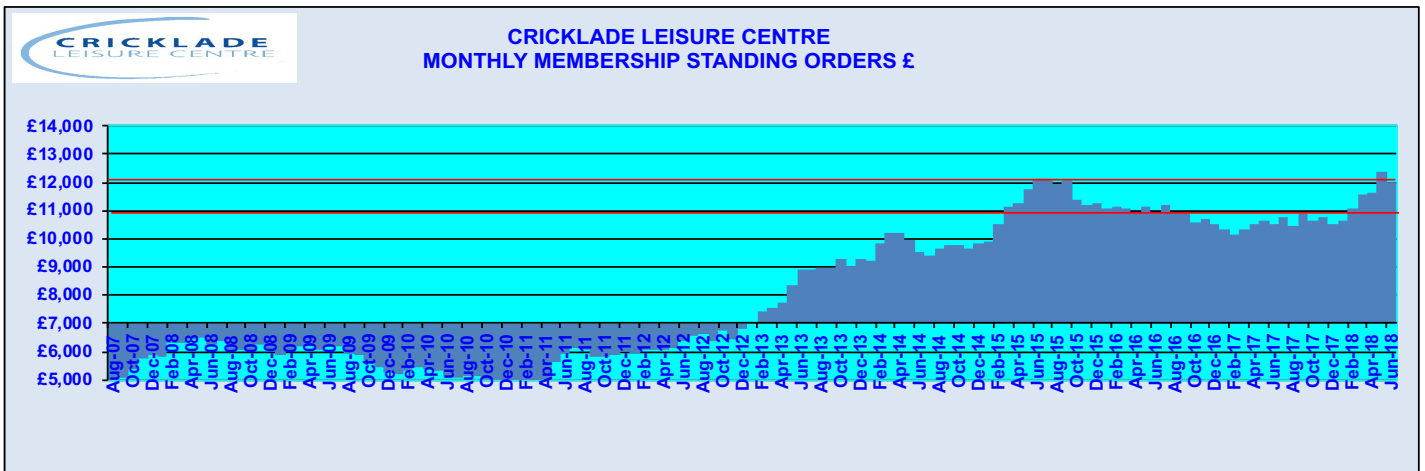
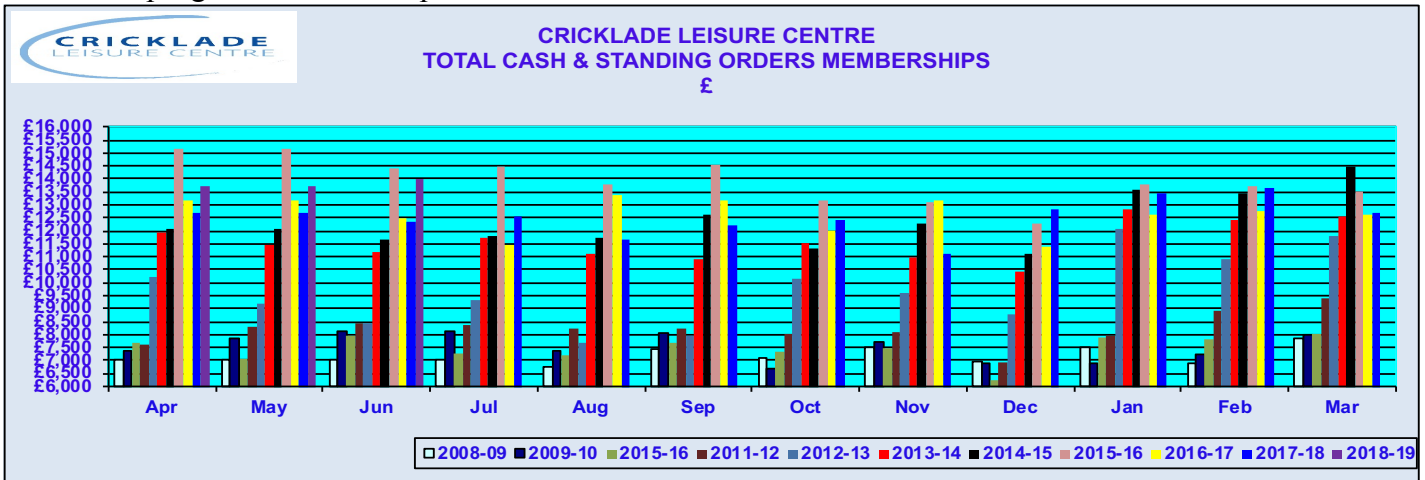
HEADING	EXPEND JUNE 2018 £	EXPEND JUNE 2017 £	EXPEND JUNE 2016 £	EXPEND JUNE 2015 £	EXPEND JUNE 2014 £	EXPEND JUNE 2013 £
Pay	77,312	71,970	71,881	65,924	62,066	61,168
Premises	36,875	39,890	31,353	35,991	37,114	33,509
Administration	7,706	9,739	13,206	10,994	10,794	9,332
Fees	5,414	5,761	5,732	4,541	6,572	5,086
TOTAL	127,307	127,360	122,172	117,450	116,546	109,495

HEADINGS	ACTUAL LAST YEAR	PLAN FOR 2018/19	PLAN FOR 1st QTR JUNE	ACTUAL TO END 1st QTR JUNE	VARIANCE TO DATE	NOTES
EXPENDITURE	£	£	£	£	£	
Wages						
Management	48,792	57,000	14,250	14,826	-576	Change in structure
Duty Managers	67,911	66,000	16,500	16,346	154	
Reception/Administration	15,643	9,000	2,250	2,082	168	
Recreation Assistants	86,675	88,500	22,125	23,567	-1,442	
Wetside Coaches	21,437	27,000	6,750	5,588	1,162	
Dryside Coaches	46,347	46,500	11,625	12,573	-948	
Cleaners	5,047	3,000	750	766	-16	
Maintenance	9,738	5,664	1,416	1,564	-148	
TOTAL PAY	301,590	302,664	75,666	77,312	-1,646	
NON PAY						
Premises						
Electricity	19,548	20,000	5,000	5,337	-337	
Gas	15,956	18,000	4,500	3,809	691	
Insurance	4,619	4,750	4,750	4,767	-17	
Alarms Maint	2,254	1,000	250	972	-722	Alarm replacement
General Rates	7,808	9,800	2,450	2,429	21	
Rubbish	2,408	2,500	-	-	0	
Water Rates	3,825	6,000	1,500	2,215	-715	
Pool Chemicals	3,939	4,000	1,000	952	48	
Repairs & renewals	23,088	20,000	5,000	4,176	824	
Cleaning	10,045	10,000	2,500	2,393	107	
Gardening	228	500	-	-	0	
Depreciation	39,818	39,298	9,824	9,824	0	
TOTAL PREMISES	133,536	135,848	36,774	36,875	-100	
Administration						
Uniforms	941	500	125	-	125	
Training (incl travel)	5,532	5,500	1,375	793	582	
Advertising/Marketing	4,384	4,500	1,125	295	830	
Telephone	2,966	3,000	750	496	254	
Stationery/Postage	3,150	3,000	750	368	382	
Computing Equipment	2,363	2,500	625	371	254	
Office Equipment	1,189	1,000	250	1,098	-848	Lease for sports equipment
Party Food	1,005	1,500	375	791	-416	
Sports Equipment (day to day)	7,543	6,500	1,625	2,435	-810	
Swimming Badges	1,335	1,500	375	-	375	
Donations	-	-	-	-	0	
Misc	4,792	5,000	1,250	1,059	191	
TOTAL ADMINISTRATION	35,200	34,500	8,625	7,706	919	
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	625	840	-215	
Loan Interest/Fee	5,057	5,100	1,275	1,283	-8	Per loan Schedule
Bank/Credit Charges	4,406	6,000	1,500	1,234	266	
TOTAL PROFESSIONAL FEES	17,190	18,100	5,400	5,414	-14	
TOTAL EXPENDITURE	487,516	491,112	126,465	127,307	-841	

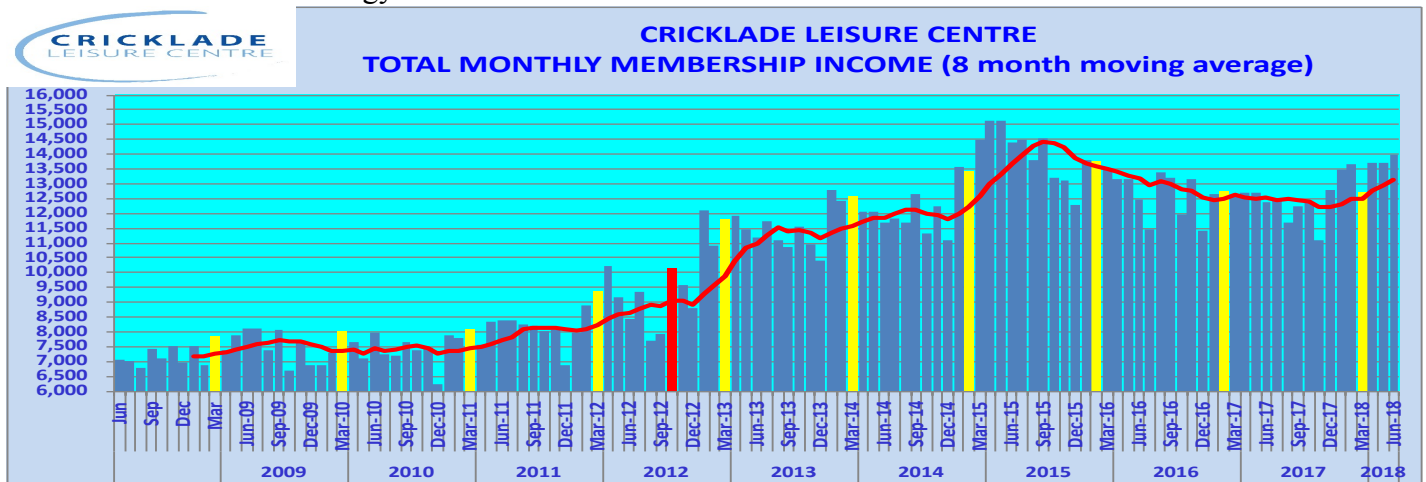
Key Success Factors

Membership

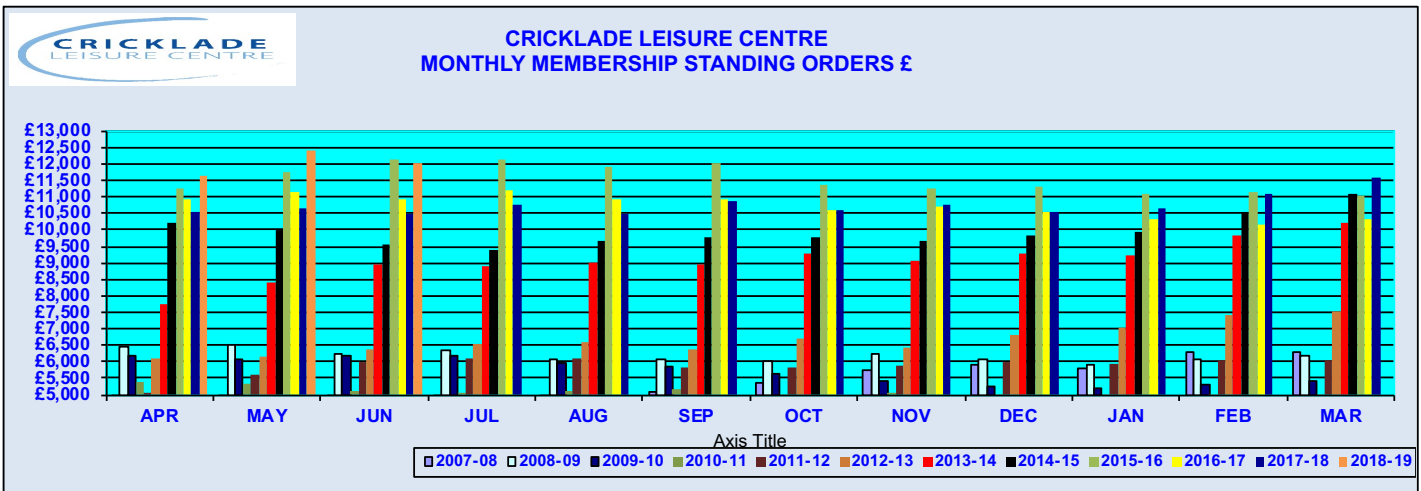
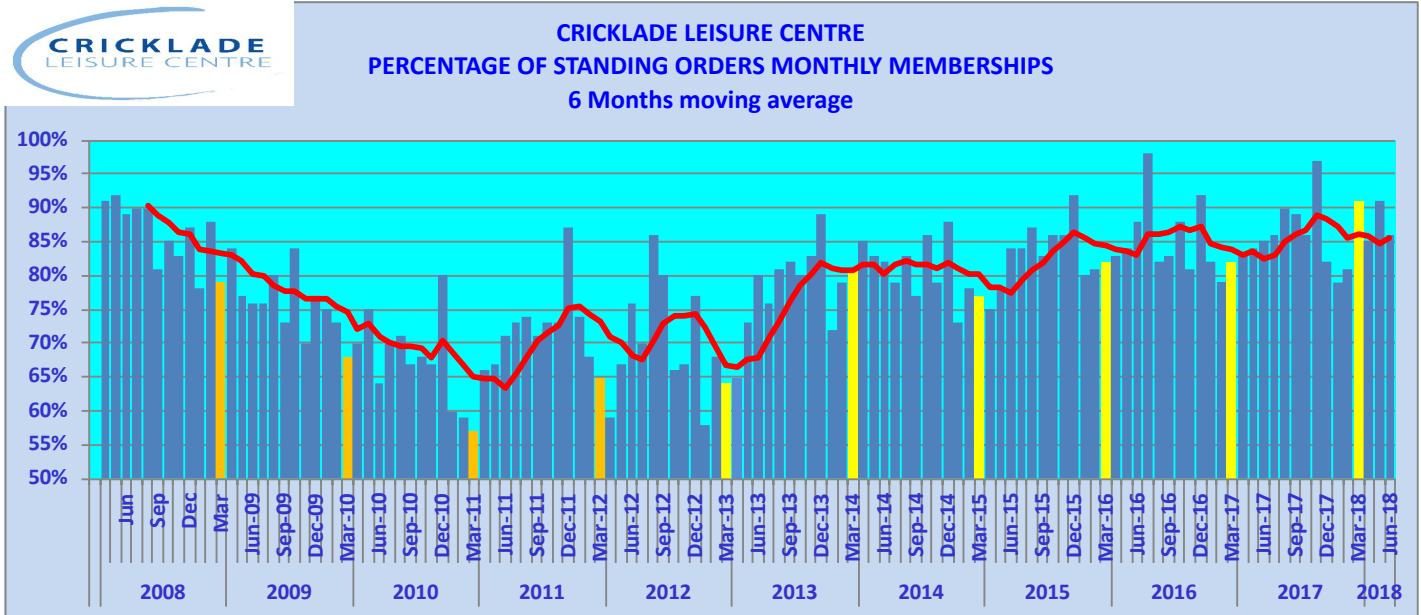
Membership figures continue to perform well.



The red bar below is when the gym was refurbished.

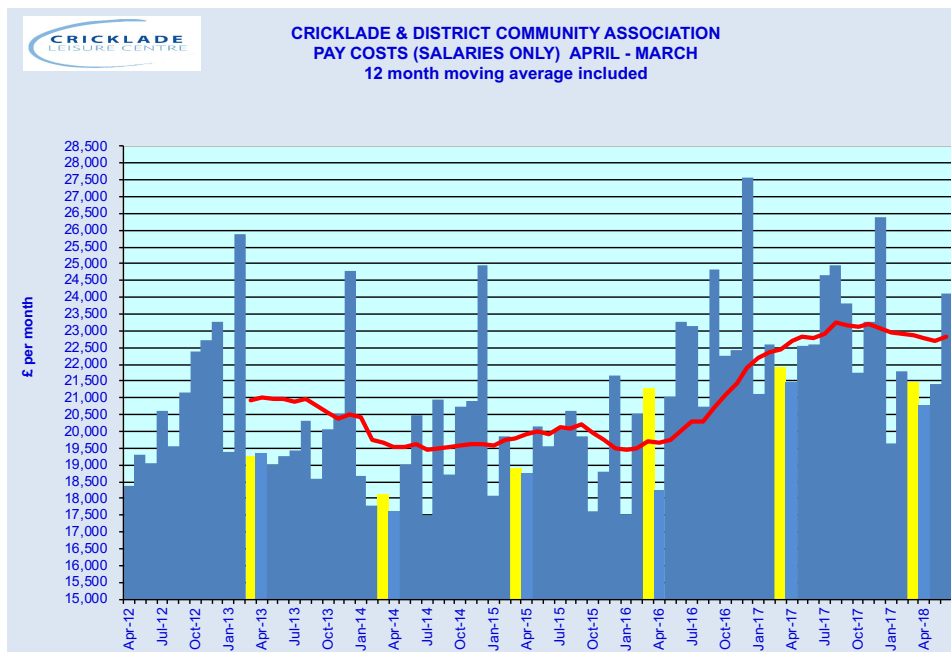
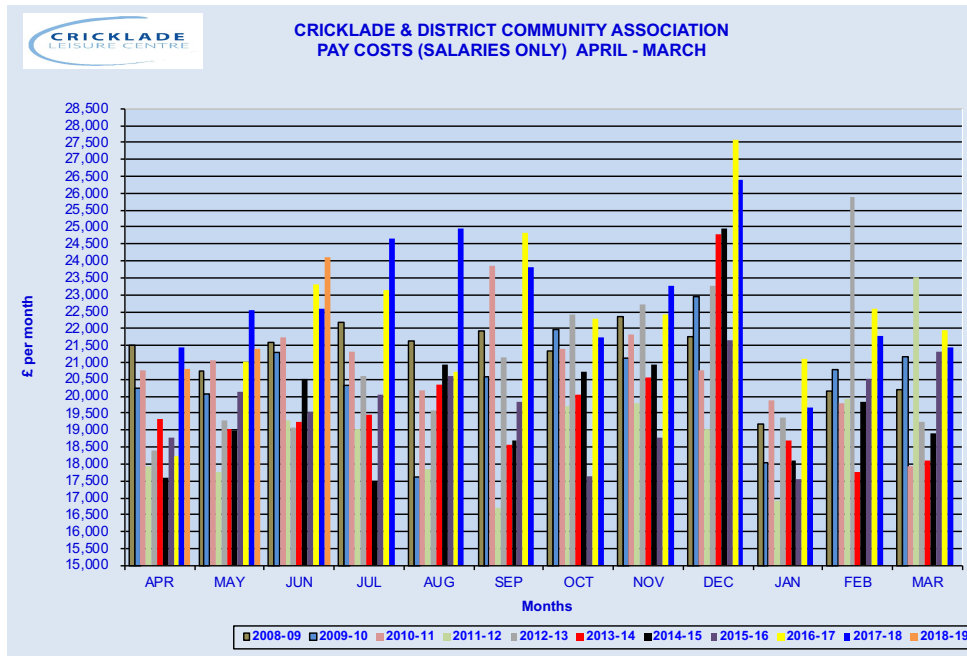


Cash memberships are an important part of our income. However, standing orders are important, because they are less prone to fluctuation! They are now running at almost £120k per annum.



Wages

Wages remain under control.



Bar/Coffee Shop

BAR/COFFEE SHOP	ACTUAL LAST YEAR	PLAN FOR 2018/19	PLAN FOR 1st QTR JUNE	ACTUAL TO END 1st QTR JUNE	VARIANCE TO DATE	NOTES
	£	£	£	£	£	
INCOME						
Café/Bar Income	58,733	60,000	15,000	14,298	-702	41.39%
TOTAL INCOME	58,733	60,000	15,000	14,298	-702	TOTAL GROSS MARK UP
EXPENDITURE						
Salaries	22,812	23,000	5,750	4,054	1,696	
Drinks	15,579	16,000	4,000	2,114	1,886	
Coffee/Bar Consumables	29,981	30,000	7,500	6,266	1,234	
Bar Chemicals/Gases	211	250	63	68	-6	
Stock Take	806	1,000	250	310	-60	
TV	147	150	38	37	1	
TOTAL EXPENDITURE	69,536	70,400	17,600	12,849	4,751	
TOTAL BAR CONTRIBUTION	-	10,803	-	2,600	1,449	4,049