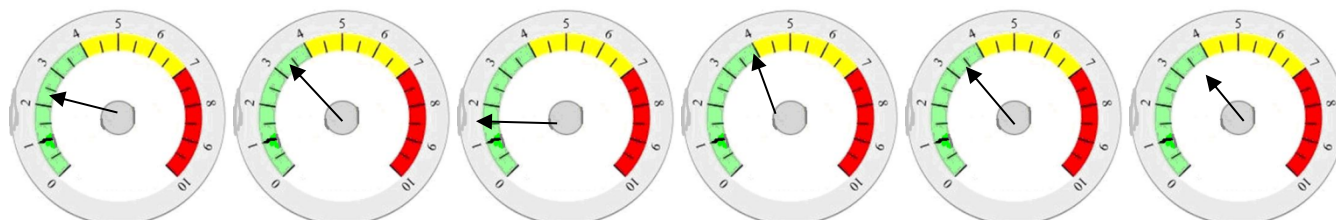


Report 2018-19

Month 8 - Results

Summary



The Same

Profit

Membership

Salaries

Bar & Coffee

OVERALL

Good

Good

OK

Stable loss

The Same

The 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 November, the centre is ahead of target by £23,090 (£20,663 October, £24,646 in September). Income is a key driver for this up 11% on last year. Continuation of this success will lead to a small surplus this year.

The centre has committed 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, saving us £20k a year in cash repayments.

	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	14,102

Our average monthly membership is now consistently the highest levels it has ever been - and has now crossed the average £14k per month.

This increased income is creating a cushion to fall back on, when the centre loses its revenue grant - post development.

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 prediction). 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

	P&L £	CASH £	NOTES
CURRENT PLAN 2018-19	- 12,025	- 12,025	
Loss of revenue grant	- 35,000	- 35,000	Post development
Non-cash contribution		39,483	Depreciation is 'non cash'
TOTAL TO MAKE UP	- 47,025	- 7,541	Shortfall
Depreciation saved	28,099		Current building depreciated
Maintenance savings	10,000	10,000	Reduced premises spend
Loan Repayment	5,100	19,956	Loan cleared
POSITION ON THIS YEARS PLAN	- 3,826	22,415	
AHEAD ON PLAN THIS YEAR	23,090	23,090	
BENEFIT POST DEVELOPMENT	19,264	45,505	

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 5 years has grown 42% - whereas expenditure for the same period has only increased by 17.5%.

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

Profit & Loss

Given the withdrawal of the £35k grant, we are anticipating a marginal loss this year (£12k). To the end of November we are showing a healthy surplus - £23k over target (£20k for October) - continuation of this would deliver a surplus for this year - and is driven by income success.

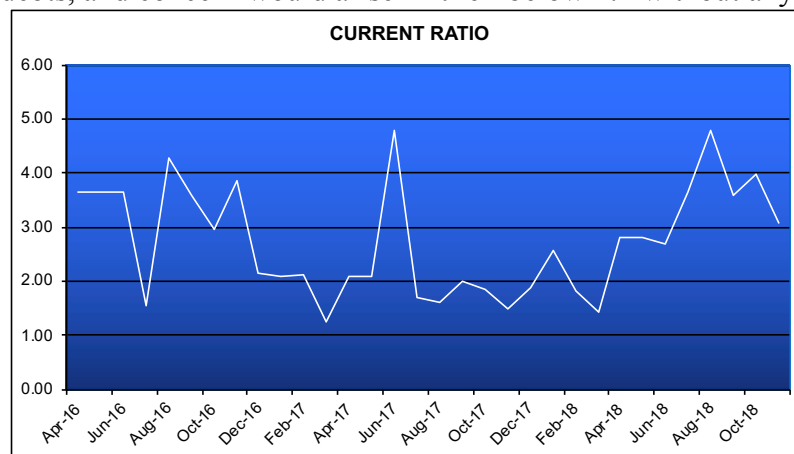
SUMMARY						
HEADINGS	ACTUAL LAST YEAR	PLAN FOR 2018/19	PLAN FOR 8 Months Nov	ACTUAL TO END 8 months Nov	VARIANCE TO DATE	NOTES
INCOME	£	£	£	£	£	
INCOME	540,713	549,673	361,449	390,846	29,397	
EXPENDITURE	557,052	561,697	375,048	381,355	-6,307	
TOTAL	-16,339	-12,025	-13,599	9,491	23,090	

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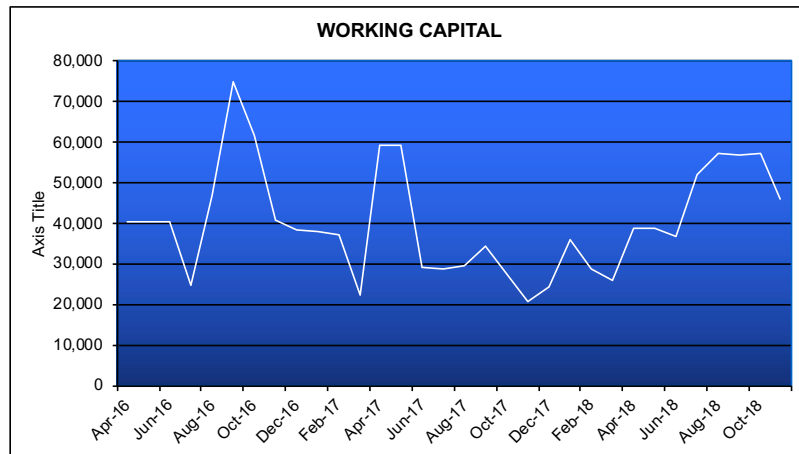
CASH IN HAND		REPRESENTED BY	
	£		£
As at 30th November 2018		B/F from above	9,491
Current Bank Account	11,525	Reserves	102,014
Business Investment	30,490	Tax/NI/Pension	9,112
EOY Accruals	-	Audit	-
Petty Cash	-	VAT	1,555
Debtors	14,858	Utilities	3,500
Prepaid Water	2,992	Deferred Grant	11,512
Assets (less depr)	143,055	Long term Loan	69,192
Float	345		-
Merchandise Stock	6,383	Misc Accruals	5,375
Bar Stock	2,103		
TOTAL	211,751	TOTAL	211,751

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;

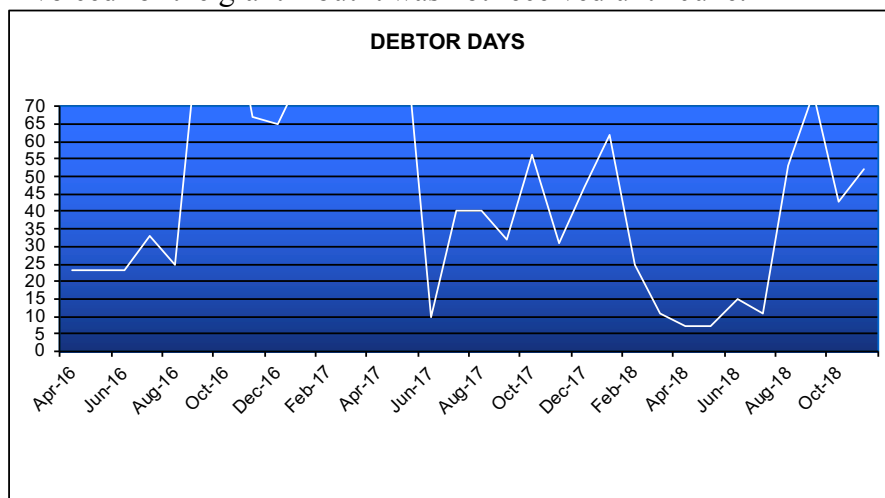
- Quick Ratio = Current Assets / Current Liabilities – ideally the higher the figure, the better our ability to meet short term debts, and concern would arise if it fell below 1:1 without any action plan in place.



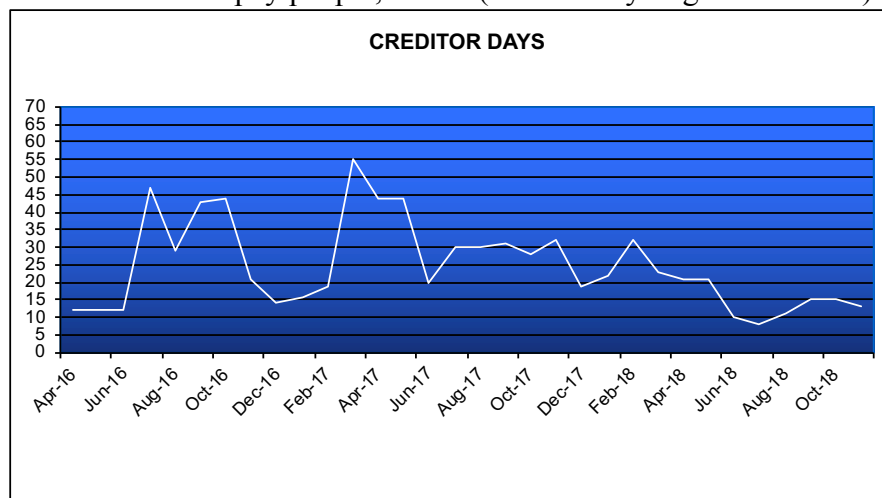
- The Net working capital = Current Assets minus Current Liabilities. This is a crude measure of what our positive balance is. It includes stock, but excludes fixed assets and the long term loan.



- 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.

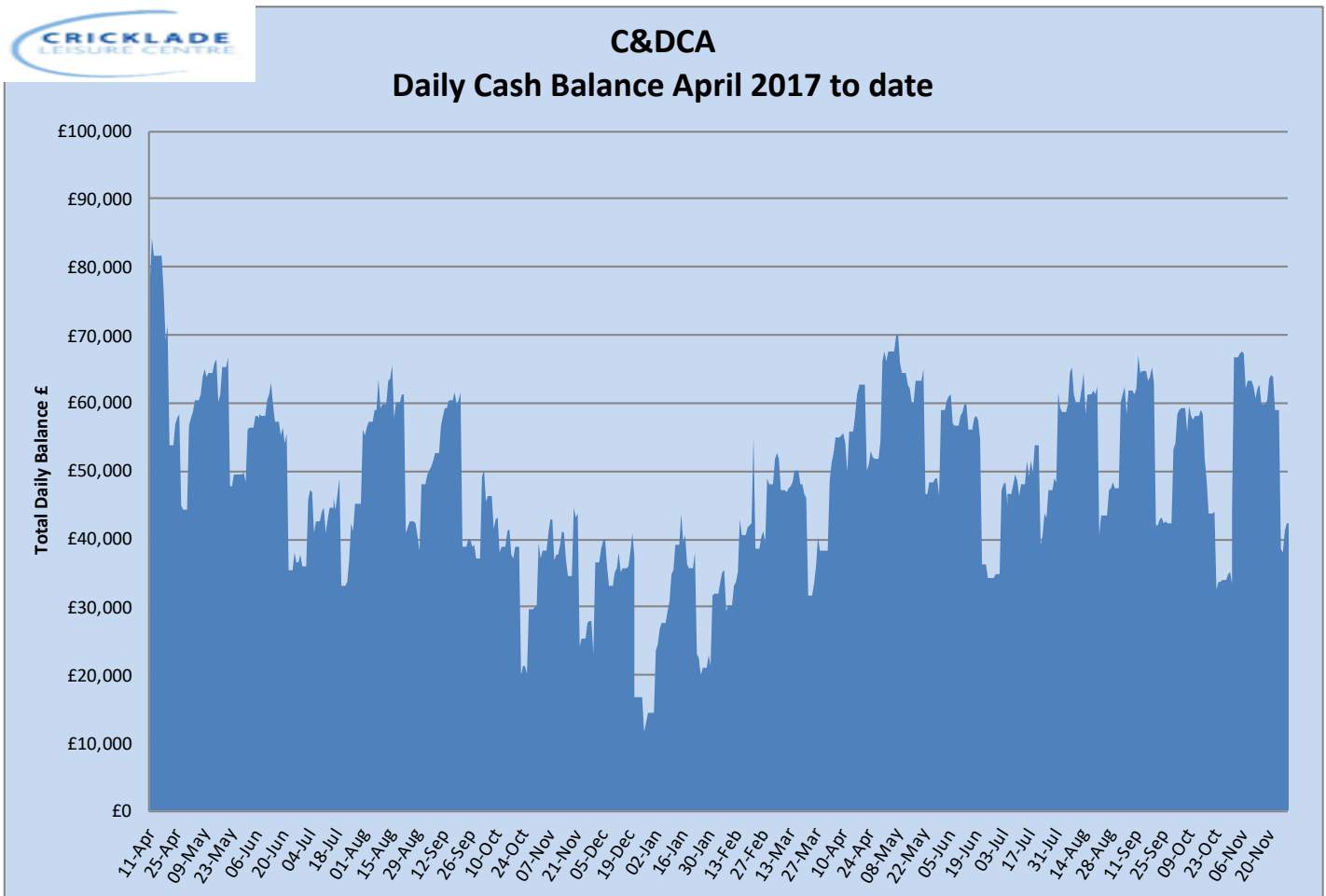


- The same ratio for how well we pay people, shows (distorted by large works bills)



Cash

Our cash management remains positive. No cause for concern.



Income

Our income is still 12% above that of last year (42% up on five year ago).

HEADING	INCOME NOV 2018 £	INCOME NOV 2017 £	INCOME NOV 2016 £	INCOME NOV 2015 £	INCOME NOV 2014 £	INCOME NOV 2013 £
Membership	113,017	99,569	102,252	114,484	96,107	91,323
Courses	102,613	96,969	84,952	67,640	62,445	68,502
Pay as you go	94,866	83,121	88,283	73,894	70,395	64,680
Miscellaneous	23,368	19,189	11,625	10,933	5,258	10,085
TOTAL	333,864	298,848	287,112	266,951	234,205	234,590

HEADINGS	ACTUAL LAST YEAR £	PLAN FOR 2018/19 £	PLAN FOR 8 Months Nov	ACTUAL TO END 8 months Nov £	VARIANCE TO DATE £	NOTES
Revenue Grants						
Grant WCC	35,250	35,000	17,500	17,500	0	No capital grant approved
Boiler Grant	1,488	1,488	-	-	0	Grant matching expenditure
Swimming Grant	4,950	4,680	2,340	2,340	0	
TOTAL GRANTS	41,688	41,168	19,840	19,840	0	
Memberships						
Gold	2,769	3,000	2,027	2,339	312	
Silver	115,507	120,000	81,097	85,831	4,734	
Bronze	32,073	33,000	22,302	24,642	2,340	
Friends	1,100	1,000	676	205	-471	
TOTAL MEMBERSHIPS	151,449	157,000	106,102	113,017	6,915	
Courses						
Swimming Courses	108,736	110,000	73,333	80,461	7,128	
Swimming Certificates	1,628	1,500	1,000	1,032	32	
NPLQ Income	2,775	2,500	1,667	3,599	1,932	
Gym Course	24,278	24,000	16,000	17,071	1,071	
TOTAL COURSES	137,417	138,000	92,000	102,163	10,163	
Activities						
Swimming Casual	22,755	23,000	15,544	18,680	3,136	
School Swimming/Pool Hire	46,235	46,000	31,087	34,838	3,751	
Badminton	14,682	15,000	10,137	10,314	177	
Squash	5,865	6,000	4,055	3,815	-240	
Main Hall	16,401	16,500	11,151	13,699	2,548	Cat show contributed £850
Gymnasium	3,928	4,000	2,703	2,874	171	
Gym & Bounce	429	500	338	455	117	
Tennis	2,028	1,000	676	1,345	669	
Outdoor Football	3,105	3,000	2,027	250	-1,777	
Fitness Classes	12,977	13,000	8,786	8,596	-190	
TOTAL ACTIVITIES	128,405	128,000	86,504	94,866	8,362	
Miscellaneous Income						
Donations/Triathlon/Fun run	4,449	4,500	3,000	1,507	-1,493	
Interest	5	5	3	14	11	
Party	4,035	4,000	2,667	3,961	1,294	
Miscellaneous Income	7,314	7,000	4,667	4,483	-184	
Holiday Club	5,175	8,000	5,333	11,365	6,032	
Sale of Sports Equipment	2,043	2,000	1,333	2,038	705	
TOTAL MISCELLANEOUS	23,021	25,505	17,003	23,368	6,365	
TOTAL LEISURE INCOME	481,980	489,673	321,449	353,254	31,805	

Expenditure

No problems to date. Expenditure is only 5% up on last year (17.5% up on last five years).

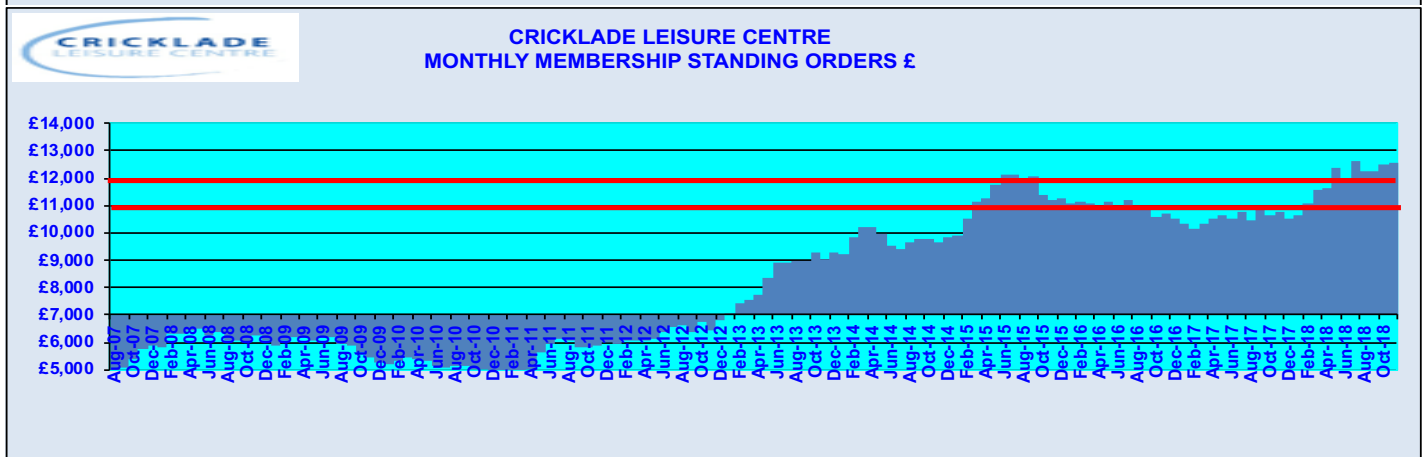
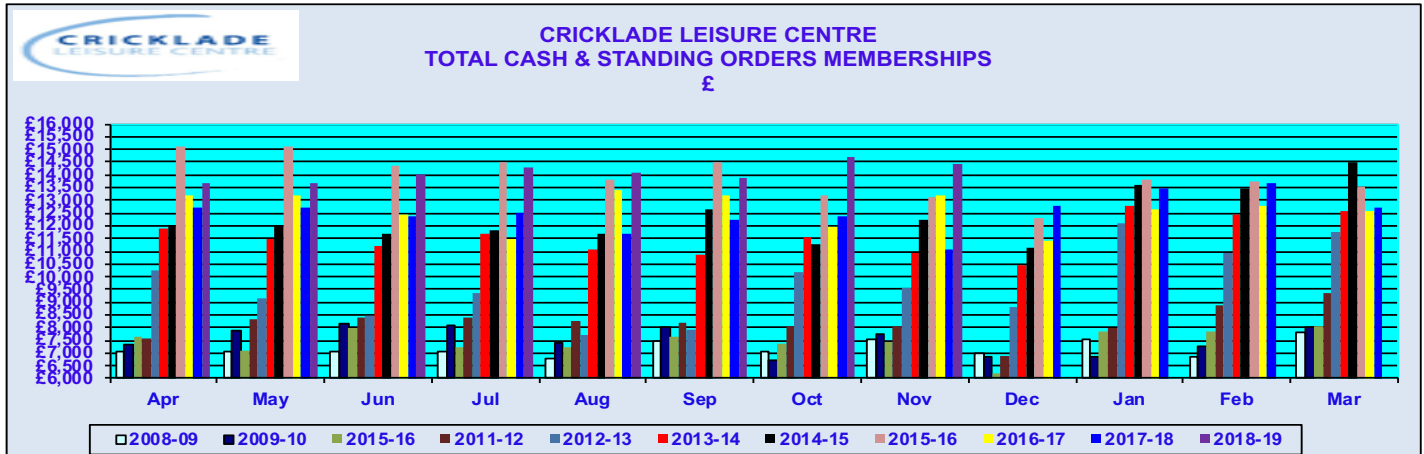
HEADING	EXPEND NOV 2018 £	EXPEND NOV 2017 £	EXPEND NOV 2016 £	EXPEND NOV 2015 £	EXPEND NOV 2014 £	EXPEND NOV 2013 £
Pay	212,418	198,626	200,520	177,661	170,836	166,401
Premises	94,293	92,415	89,286	91,948	91,473	82,865
Administration	25,538	24,121	36,997	30,970	29,096	30,795
Fees	12,285	12,695	12,707	11,102	13,108	12,984
TOTAL	344,534	327,857	339,510	313,681	304,512	293,045

HEADINGS	ACTUAL LAST YEAR	PLAN FOR 2018/19	PLAN FOR 8 Months Nov	ACTUAL TO END 8 months Nov	VARIANCE TO DATE	NOTES
EXPENDITURE	£	£	£	£	£	
Wages						
Management	48,792	57,000	38,000	39,973	-1,973	Change in structure
Duty Managers	67,911	66,000	44,000	51,051	-7,051	
Reception/Administration	15,643	9,000	6,000	3,327	2,673	
Recreation Assistants	86,675	88,500	59,000	63,724	-4,724	
Wetside Coaches	21,437	27,000	18,000	15,196	2,804	
Dryside Coaches	46,347	46,500	31,000	32,864	-1,864	
Cleaners	5,047	3,000	2,000	2,051	-51	
Maintenance	9,738	5,664	3,776	4,232	-456	
TOTAL PAY	301,590	302,664	201,776	212,418	-10,642	
NON PAY						
Premises						
Electricity	19,548	20,000	13,333	13,325	8	
Gas	15,956	18,000	12,000	11,984	16	
Insurance	4,619	4,750	4,750	4,767	-17	
Alarms Maint	2,254	1,000	667	2,406	-1,739	Alarm replacement
General Rates	7,808	9,800	6,533	6,428	105	
Rubbish	2,408	2,500	-	-	0	
Water Rates	3,825	6,000	4,000	5,983	-1,983	
Pool Chemicals	3,939	4,000	2,667	2,620	47	
Repairs & renewals	23,088	20,000	13,333	12,935	398	
Cleaning	10,045	10,000	6,667	7,523	-856	
Gardening	228	500	-	-	0	
Depreciation	39,818	39,483	26,322	26,322	0	
TOTAL PREMISES	133,536	136,033	90,272	94,293	-4,021	
Administration						
Uniforms	941	500	333	255	78	
Training (incl travel)	5,532	5,500	3,667	3,369	298	
Advertising/Marketing	4,384	4,500	3,000	1,173	1,827	
Telephone	2,966	3,000	2,000	1,454	546	
Stationery/Postage	3,150	3,000	2,000	1,312	688	
Computing Equipment	2,363	2,500	1,667	1,331	336	
Office Equipment	1,189	1,000	667	2,090	-1,423	
Party Food	1,005	1,500	1,000	2,170	-1,170	
Sports Equipment (day to day)	7,543	6,500	4,333	4,631	-298	
Swimming Badges	1,335	1,500	1,000	1,157	-157	
Donations	-	-	-	-	0	
Misc	4,792	5,000	3,333	6,596	-3,263	
TOTAL ADMINISTRATION	35,200	34,500	23,000	25,538	-2,538	
Professional Fees						
Audit	1,720	2,000	2,000	1,510	490	
Legal/Licences	3,747	2,500	2,000	2,451	-451	PRS Annual fee
Payroll/Accounts	2,260	2,500	1,667	1,960	-293	
Loan Interest/Fee	5,057	5,100	3,400	3,058	342	Per loan Schedule
Bank/Credit Charges	4,406	6,000	4,000	3,306	694	
TOTAL PROFESSIONAL FEES	17,190	18,100	13,067	12,285	782	
TOTAL EXPENDITURE	487,516	491,297	328,115	344,534	-16,419	

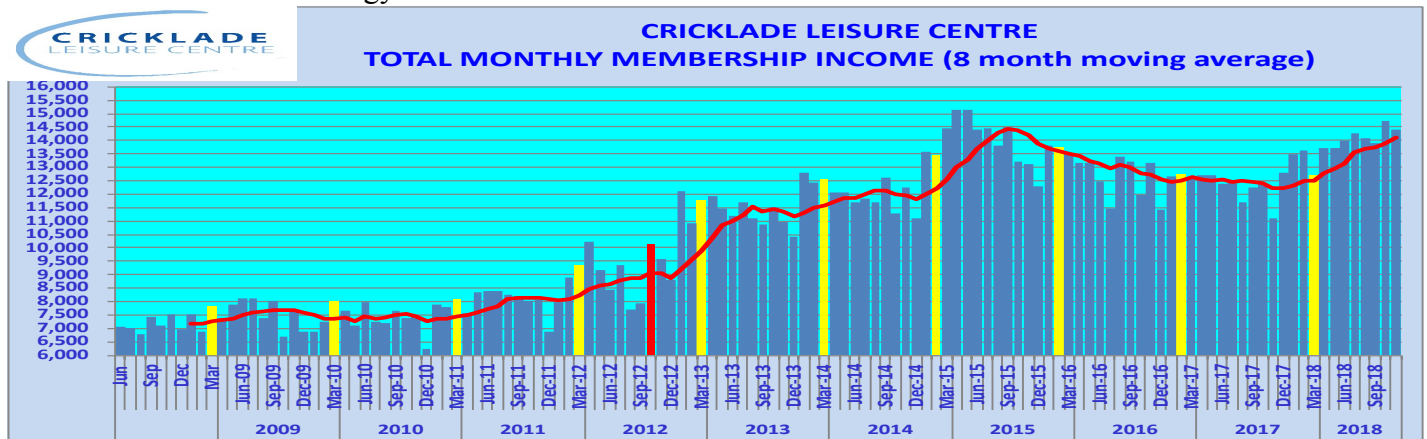
Key Success Factors

Membership

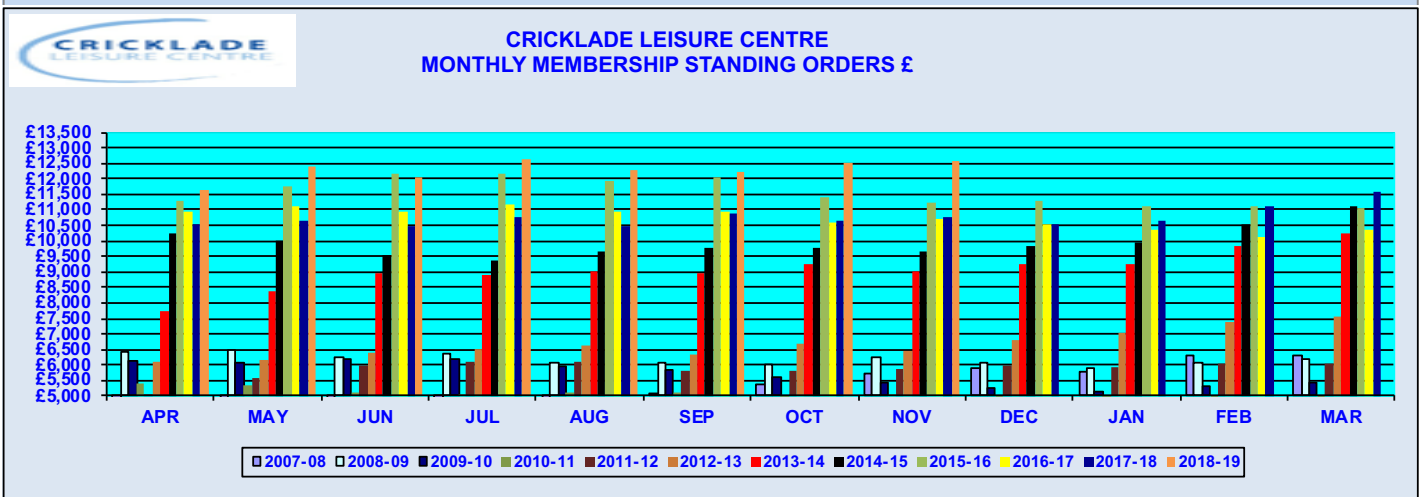
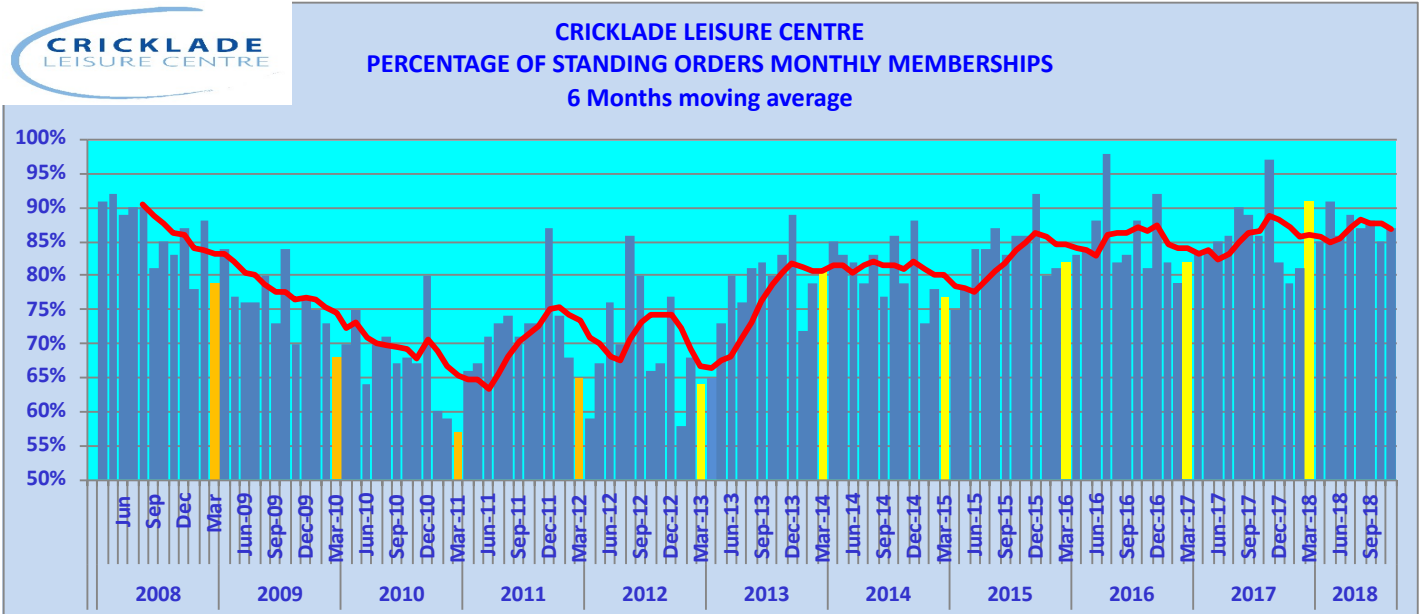
Membership is a key success to date, since the new gym. This years figures have stabilised, below last years high figures.



The red bar below is when the gym was refurbished.

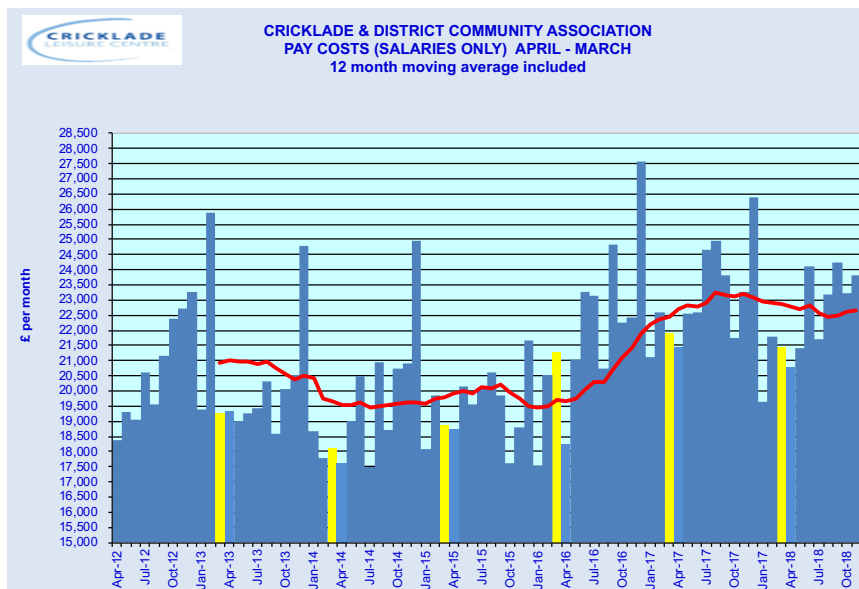
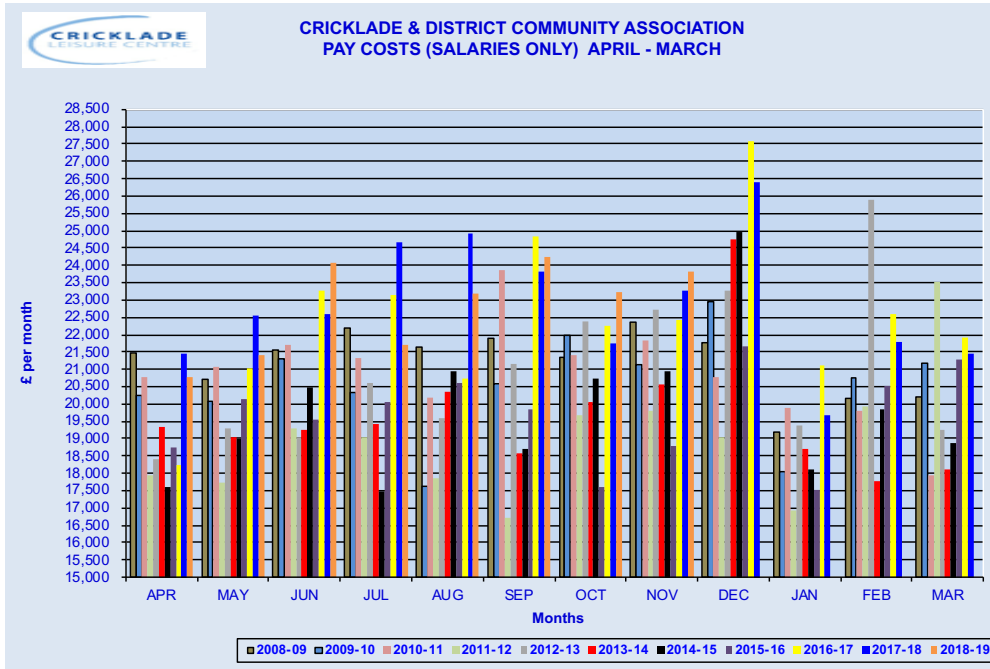


Cash memberships are an important part of our income. However, standing orders are important, because they are less prone to fluctuation! They are now running at almost £130k per annum.



Wages

The new management have ensured that wages remain under control.



Bar/Coffee Shop

BAR/COFFEE SHOP	ACTUAL LAST YEAR	PLAN FOR 2018/19	PLAN FOR 8 Months Nov	ACTUAL TO END 8 months Nov	VARIANCE TO DATE	NOTES
	£	£	£	£	£	
INCOME						
Café/Bar Income	58,733	60,000	40,000	37,592	-2,408	33.55%
TOTAL INCOME	58,733	60,000	40,000	37,592	-2,408	TOTAL GROSS MARK UP
EXPENDITURE						
Salaries	22,812	23,000	15,333	10,818	4,515	
Drinks	15,579	16,000	10,667	6,505	4,162	
Coffee/Bar Consumables	29,981	30,000	20,000	18,474	1,526	
Bar Chemicals/Gases	211	250	167	305	-138	
Stock Take	806	1,000	667	620	47	
TV	147	150	100	99	1	
TOTAL EXPENDITURE	69,536	70,400	46,933	36,821	10,112	
TOTAL BAR CONTRIBUTION	- 10,803	- 10,400	- 6,933	771	7,704	

Whilst there is no concern about salary costs (they contribute to other areas in the centre), there is a concern around the gross mark up.

This will need investigating over the next several months.