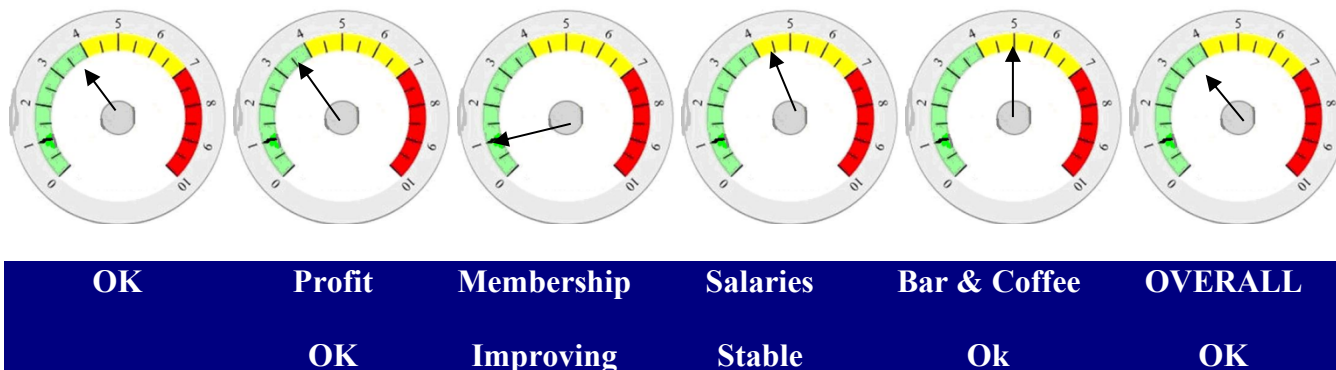


Report 2019-2020

Month Seven

Summary



As we head into the business end of the financial year, we are still maintaining a healthy position despite commitments we have had to make on the redevelopment project. To the end of October we have committed just under £10k in legal fees and a survey, cash which has to come from our normal day to day balances. However memberships continue to keep healthy and keep our cash balances high.

	AVERAGE
2010/11	7,468
2011/12	8,200
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	14,200
2019/20	14,412

The centre has a surplus to the end of October of just under £21,000 (£27,000 last month), £792 better than planned at this stage. There is no cause for concern at this stage of the financial year.

Our average monthly membership is now consistently the highest levels it has ever been. Fairford leisure centre shut for members 31st August, and we have seen a drift of members over to us - which will be reflected in the highest monthly membership ever in September.

There has been uncertainty around our pool closure, which has meant swimming lesson income appears not to be as good as last years - term two has shown a fall in course income.

In preparation for post redevelopment, and the loss of £35,000, whilst this appears bad and is not sustainable 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.

	P&L £	CASH £	NOTES
CURRENT PLAN 2019-20	15,215	15,215	
Loss of revenue grant	- 35,000	- 35,000	Post development
Non-cash contribution		37,497	Depreciation is 'non cash'
TOTAL TO MAKE UP	- 19,785	17,713	Shortfall
Depreciation saved	28,099		Current building depreciation
Maintenance savings	10,000	10,000	Reduced premises spend
Loan Repayment	5,100	19,956	Loan cleared
POSITION ON THIS YEARS PLAN	23,414	47,669	
ABOVE PLAN THIS YEAR	732	732	
BENEFIT POST DEVELOPMENT	24,146	48,401	

Assuming we achieve the same result next year as this year, with the known changes, in P&L terms we will be in profit, and more importantly, in cash terms we will be in surplus.

Of course, offsetting this will be a substantial loss in income during the redevelopment which we are currently assessing. However, this gives us and others confidence going forward that we have a sustainable business model post development, and removal of grant.

This success has come because income in the last 5 years has grown 42% - whereas expenditure for the same period has only increased by 20%.

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

Profit & Loss

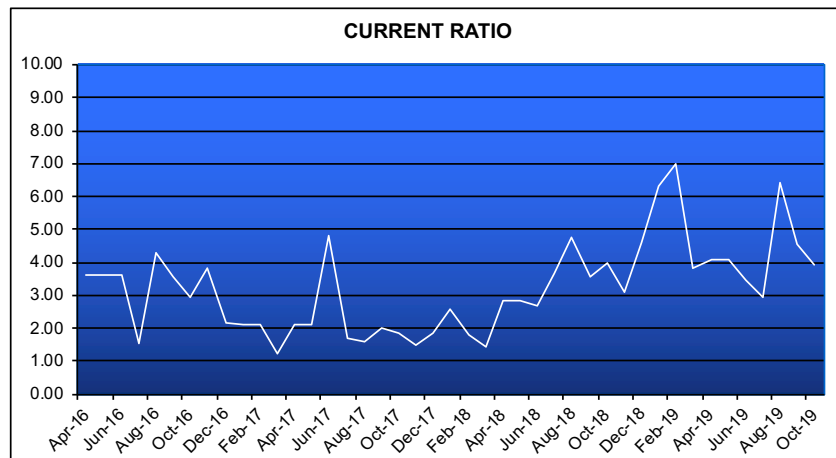
There are no major issues showing in the first seven months.

SUMMARY						
HEADINGS	ACTUAL LAST YEAR	PLAN FOR 2019/20	PLAN TO DATE	YEAR TO DATE	VARIANCE TO DATE	NOTES
INCOME	£	£	£	£	£	
INCOME	594,435	580,223	353,079	347,468	-5,611	
EXPENDITURE	570,468	565,007	332,852	326,509	6,343	
TOTAL	23,967	15,215	20,226	20,959	732	

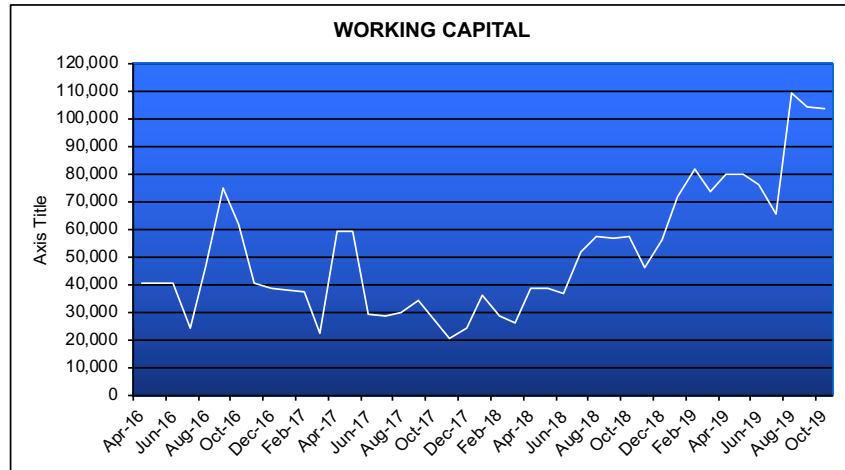
CASH IN HAND		REPRESENTED BY	
As at 30th September 2019		£	
Current Bank Account	11,147	B/F from above	20,959
Business Investment	83,055	Reserves	126,789
PrePaid Water	3,000	Tax/Ni/Pension	7,687
Petty Cash	-	Utilities Accrual	7,500
Debtors	20,386	VAT	1,744
Various Stock reductions	-	Deferred Grant	10,024
Assets (less depr)	116,774	Long term Loan	54,417
Float	330	Prepayments	-
Merchandise Stock	6,012	Misc Accruals	12,922
Bar Stock	2,338	TOTAL	242,042
TOTAL	242,042		

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;

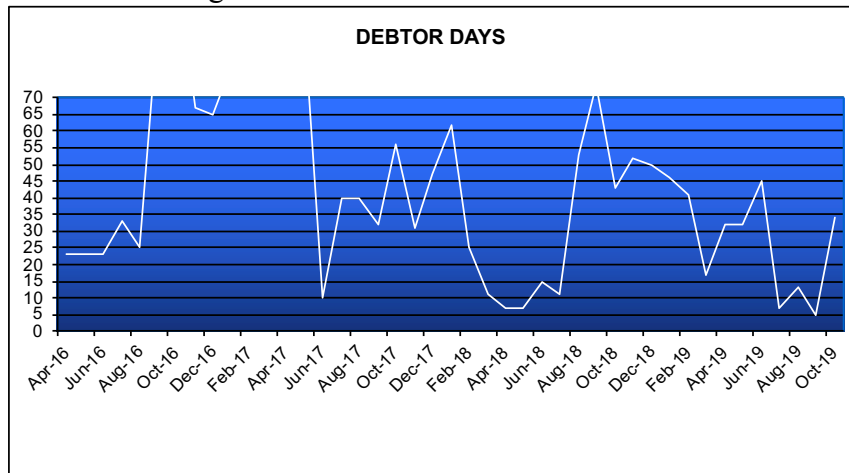
- Quick Ratio = Current Assets / Current Liabilities – ideally the higher the figure, the better our ability to meet short term debts, and concern would arise if it fell below 1:1 without any action plan in place.



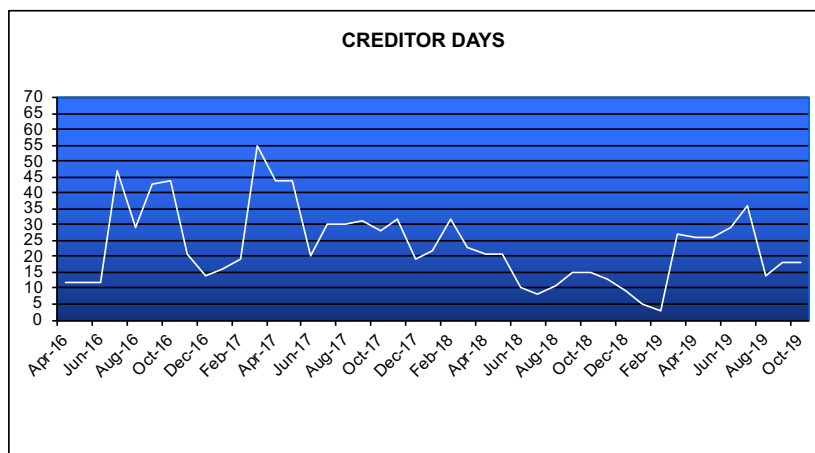
- The Net working capital = Current Assets minus Current Liabilities. This is a crude measure of what our positive balance is. It includes stock, but excludes fixed assets and the long term loan.



- 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.

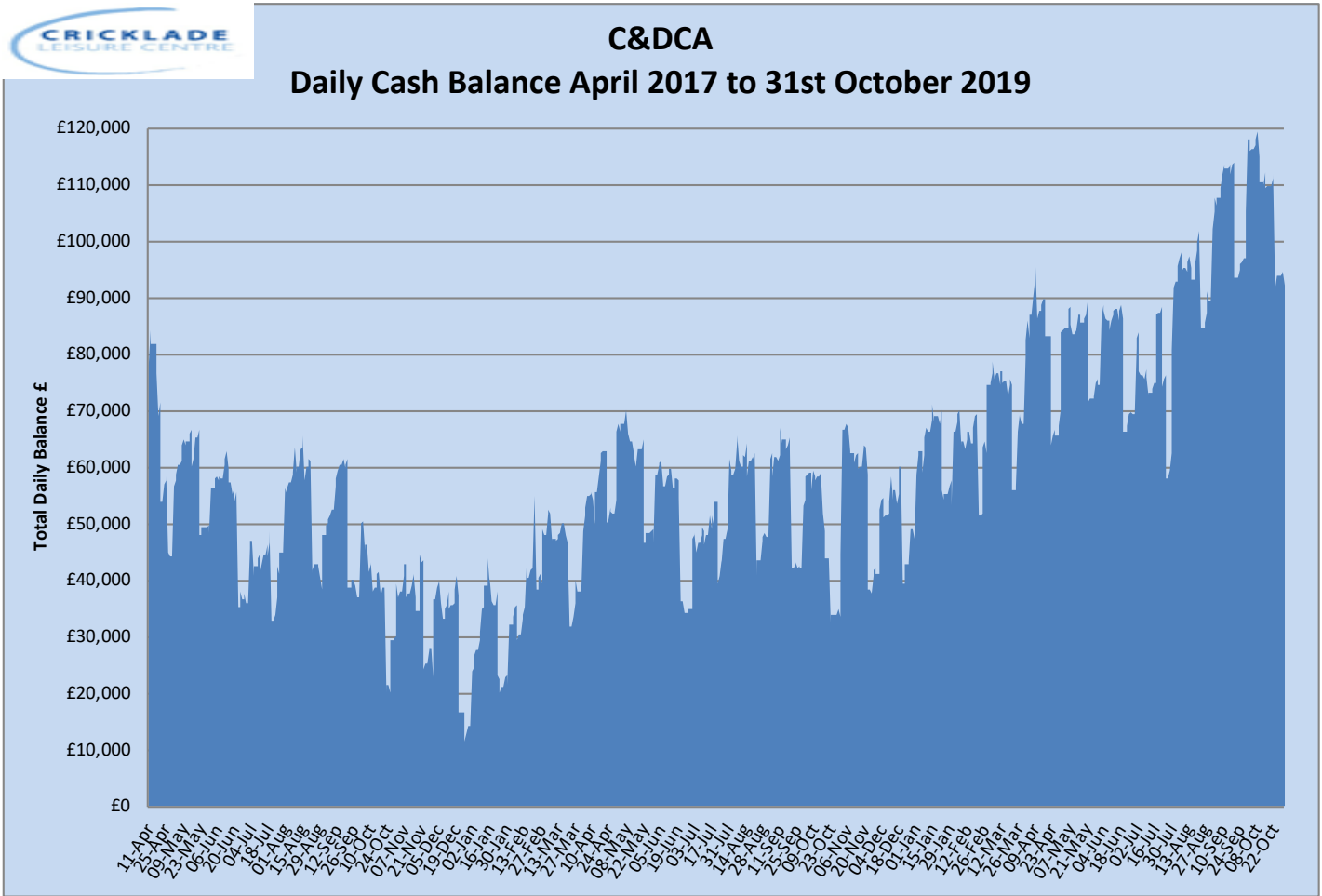


- The same ratio for how well we pay people, shows (distorted by large works bills)



Cash

Cash remains a key positive for the centre. The graph clearly shows average daily balance is increasing over time, which bodes well to act as a buffer when the redevelopment goes ahead.



Income

For the first time in several years, income is below that of last year. This is driven by swimming course income, with speculation that the impending 8 month closure is a factor in parents finding alternatives now.

HEADING	INCOME OCT 2019 £	INCOME OCT 2018 £	INCOME OCT 2017 £	INCOME OCT 2016 £	INCOME OCT 2015 £	INCOME OCT 2014 £
Membership	100,010	98,612	87,384	88,826	100,635	83,820
Courses	84,728	100,430	95,738	84,388	66,620	62,198
Pay as you go	82,649	79,836	71,369	76,148	63,448	58,754
Miscellaneous	15,905	20,212	16,890	10,093	8,091	4,471
TOTAL	283,392	299,090	271,381	259,455	238,794	209,243

Month Seven 2019-20						
HEADINGS	ACTUAL LAST YEAR	PLAN FOR 2019/20	PLAN TO DATE	YEAR TO DATE	VARIANCE TO DATE	NOTES
INCOME	£	£	£	£	£	
Revenue Grants						
Grant WCC	35,000	35,000	26,250	26,250	0	
Boiler Grant	1,488	1,488	-	-	0	Grant matching expenditure
Swimming Grant	4,680	4,680	3,510	3,510	0	
TOTAL GRANTS	41,168	41,168	29,760	29,760	0	
Memberships						
Gold	3,131	3,000	1,785	1,935	150	
Silver	127,487	125,000	74,392	74,768	376	
Bronze	39,779	40,000	23,805	24,182	377	
Friends	223	250	149	125	-24	
TOTAL MEMBERSHIPS	170,620	168,250	100,131	101,010	879	
Courses						
Swimming Courses	110,566	110,000	72,439	66,374	-6,065	
Swimming Certificates	1,926	2,000	439	987	548	
NPLQ Income	3,992	2,500	1,277	1,000	-277	
Gym Course	23,739	24,000	15,805	16,367	562	
TOTAL COURSES	140,223	138,500	89,960	84,728	-5,232	
Activities						
Swimming Casual	29,436	30,000	17,854	18,138	284	
School Swimming/Pool Hire	57,080	55,000	32,732	30,445	-2,287	
Badminton	15,833	15,000	8,927	8,782	-145	
Squash	5,636	6,000	3,571	2,336	-1,235	
Main Hall	25,925	20,000	11,903	11,971	68	
Gymnasium	4,835	4,000	2,381	3,145	764	
Gym & Bounce	799	500	298	405	107	
Tennis	1,363	1,000	595	947	352	
Outdoor Football	302	300	179	22	-157	
Fitness Classes	12,451	13,000	7,737	6,458	-1,279	
TOTAL ACTIVITIES	153,660	144,800	86,175	82,649	-3,526	
Miscellaneous Income						
Donations/Triathlon/Fun run	4,078	4,500	2,625	1,568	-1,057	
Interest	21	5	3	21	18	
Party	6,761	4,000	2,333	3,027	694	
Miscellaneous Income	5,300	7,000	4,083	1,576	-2,507	
Holiday Club	15,100	15,000	8,750	8,535	-215	
Sale of Sports Equipment	2,773	2,000	1,167	1,178	11	
TOTAL MISCELLANEOUS	34,033	32,505	18,961	15,905	-3,056	
TOTAL LEISURE INCOME	539,704	525,223	324,987	314,052	-10,935	

Expenditure

Expenditure under control.

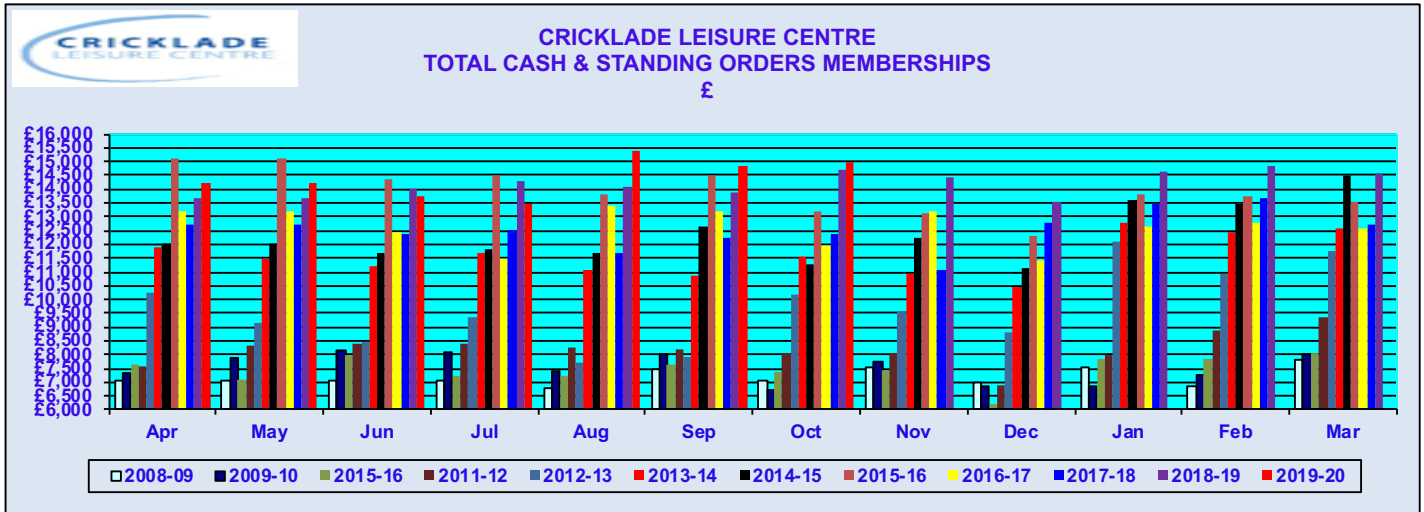
HEADING	EXPEND OCT 2019 £	EXPEND OCT 2018 £	EXPEND OCT 2017 £	EXPEND OCT 2016 £	EXPEND OCT 2015 £	EXPEND OCT 2014£
Pay	184,558	184,870	170,706	174,058	155,934	147,361
Premises	84,212	81,004	85,278	81,971	79,016	80,573
Administration	16,188	20,109	22,070	30,777	26,333	28,446
Fees	10,109	11,328	11,710	9,671	10,294	10,766
TOTAL	295,267	297,311	289,764	296,477	271,577	267,166

HEADINGS	ACTUAL LAST YEAR	PLAN FOR 2019/20	PLAN TO DATE	YEAR TO DATE	VARIANCE TO DATE	NOTES
EXPENDITURE	£	£	£	£	£	
Wages						
Management	61,709	60,000	35,000	36,480	-1,480	Change in structure
Duty Managers	85,860	85,000	49,583	39,362	10,221	
Reception/Administration	4,628	7,500	4,375	4,477	-102	
Recreation Assistants	81,461	85,000	49,583	59,417	-9,834	
Wetside Coaches	24,121	25,000	14,583	11,377	3,206	
Dryside Coaches	51,330	50,000	29,167	27,877	1,290	
Cleaners	3,518	3,000	1,750	1,868	-118	
Maintenance	6,428	5,664	3,304	3,700	-396	
TOTAL PAY	319,055	321,164	187,346	184,558	2,788	
NON PAY						
Premises						
Electricity	27,894	28,000	16,333	17,054	-721	
Gas	17,885	18,000	10,500	9,821	679	
Insurance	4,767	4,750	4,750	5,037	-287	
Alarms Maint	2,532	1,000	583	3,070	-2,487	
General Rates	8,036	9,800	5,717	5,749	-32	
Rubbish	-	-	-	-	0	
Water Rates	9,967	7,500	4,375	4,706	-331	
Pool Chemicals	4,339	4,000	2,333	1,980	353	
Repairs & renewals	17,914	20,000	11,667	9,565	2,102	
Cleaning	10,655	10,000	5,833	5,557	276	
Gardening	-	296	-	-	0	
Depreciation	39,483	37,497	21,873	21,873	0	
TOTAL PREMISES	143,472	140,843	83,965	84,412	-447	
Administration						
Uniforms	275	500	292	205	87	
Training (incl travel)	4,621	5,500	3,208	1,427	1,781	
Advertising/Marketing	1,558	4,500	2,625	850	1,775	
Telephone	2,139	3,000	1,750	1,287	463	
Stationery/Postage	1,478	3,000	1,750	397	1,353	
Computing Equipment	1,499	2,500	1,458	1,390	68	
Office Equipment	2,819	1,000	583	1,427	-844	
Party Food	3,032	1,500	875	602	273	
Sports Equipment (day to day)	7,173	6,500	3,792	3,124	668	
Swimming Badges	1,948	1,500	875	804	71	
Donations	-	-	-	-	0	
Misc	6,972	5,000	2,917	4,675	-1,758	
TOTAL ADMINISTRATION	33,514	34,500	20,125	16,188	3,937	
Professional Fees						
Audit	1,510	1,500	1,500	1,525	-25	
Legal/Licences	2,976	2,000	2,000	1,940	60	PRS Annual fee
Payroll/Accounts	3,360	2,500	1,458	1,960	-502	
Loan Interest/Fee	4,341	5,100	2,975	2,016	959	Per loan Schedule
Bank/Credit Charges	4,916	6,000	3,500	2,668	832	
TOTAL PROFESSIONAL FEES	17,103	17,100	11,433	10,109	1,324	
TOTAL EXPENDITURE	513,144	513,607	302,869	295,267	7,602	

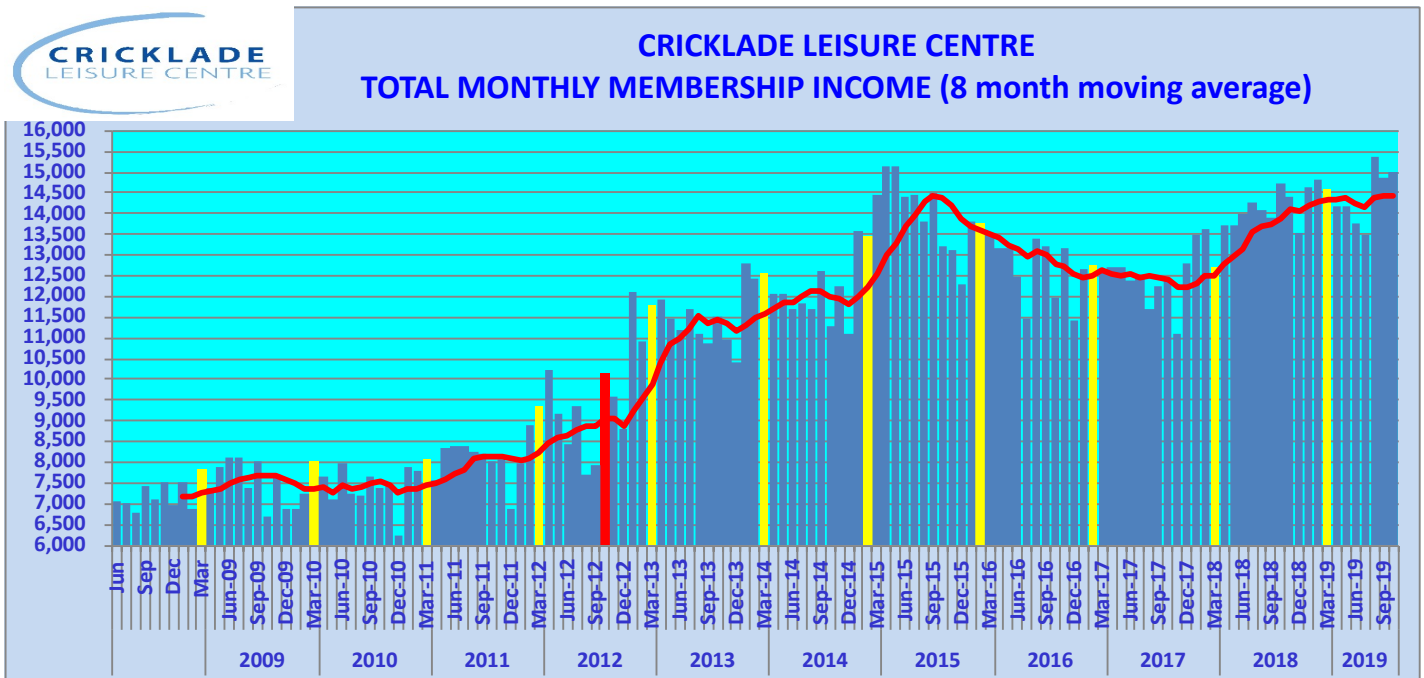
Key Success Factors

Membership

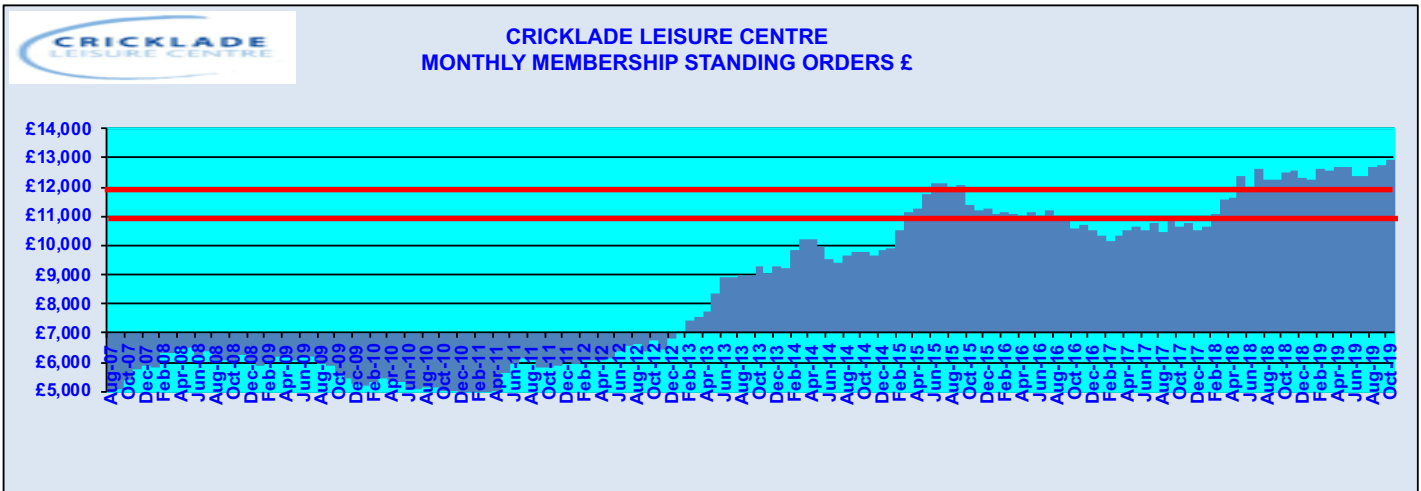
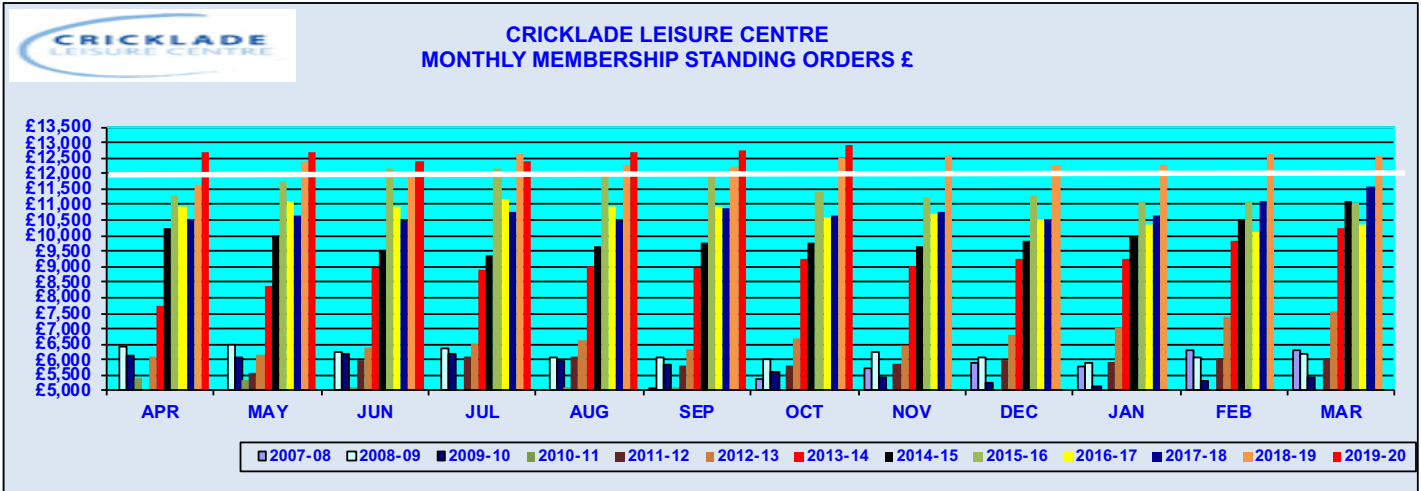
Membership is a key part of our financial sustainability. Whilst we had suffered a small drop, the closure of Tetbury and Fairford leisure centre has resulted in some new memberships from that area.



The red bar below is when the gym was refurbished. August 2019 was the highest ever monthly membership income.

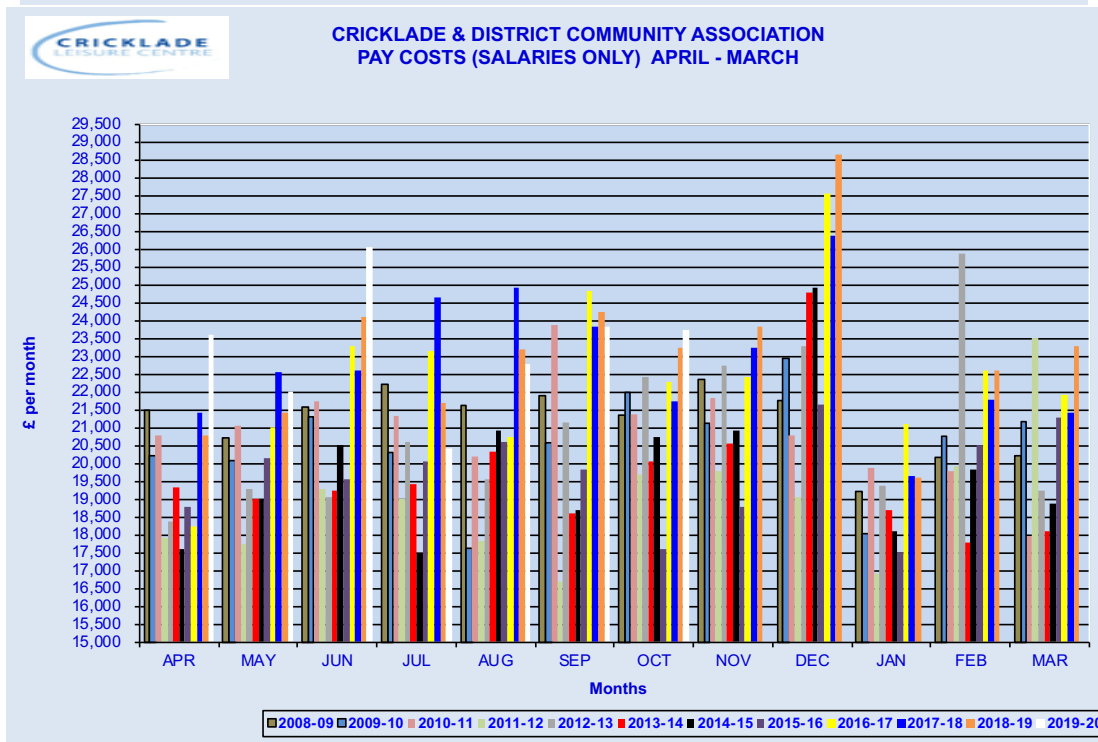
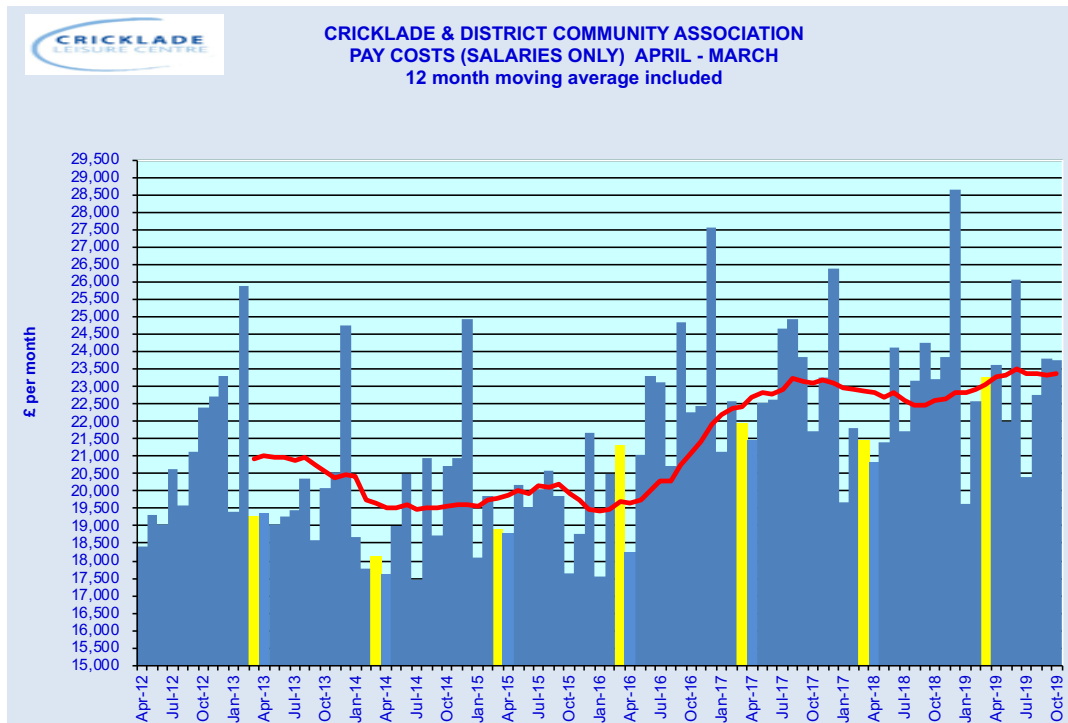


Cash memberships are an important part of our income. However, standing orders are important, because they are less prone to fluctuation! They are now running above £150k per annum.



Wages

Wages are above that of last year - but still no cause for concern.



Bar/Coffee Shop

BAR/COFFEE SHOP	ACTUAL LAST YEAR	PLAN FOR 2019/20	PLAN TO DATE	YEAR TO DATE	VARIANCE TO DATE	NOTES
	£	£	£	£	£	
INCOME						
Café/Bar Income	54,731	55,000	28,091	33,416	5,325	41.85%
TOTAL INCOME	54,731	55,000	28,091	33,416	5,325	TOTAL GROSS MARK UP
EXPENDITURE						
Salaries	16,596	18,000	10,500	11,228	-728	
Drinks	11,420	12,000	7,000	5,805	1,195	
Coffee/Bar Consumables	28,078	20,000	11,667	13,628	-1,961	
Bar Chemicals/Gases	305	250	146	182	-36	
Stock Take	775	1,000	583	310	273	
TV	150	150	88	89	-2	
TOTAL EXPENDITURE	57,324	51,400	29,983	31,242	-1,259	
TOTAL BAR CONTRIBUTION	-	2,593	3,600	-	1,892	2,174
					4,066	

The bar takings are now combined – and the mark up reflects the mark up for bar and coffee takings.