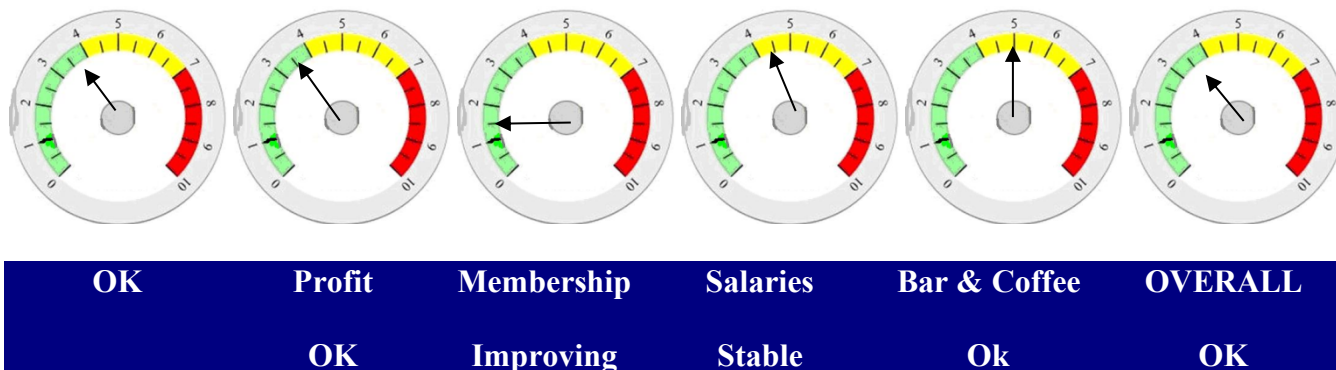


## Report 2019-2020

### Half Year

#### Summary



Following the success of the last financial year, where we made a £27k surplus - we have set a provisional budget for this year of nearly a circa £15k surplus - to reflect uncertainty over the redevelopment affect in this financial year. If the redevelopment commences this financial year, we will have to seriously adjust our targets - but can only do this following some experience of that closure.

The centre has a surplus to the end of September of just under £27,000 (£39,000 last month), £373 worse than planned at this stage. There is no cause for concern at this stage of the financial year.

	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	14,315

Our average monthly membership is now consistently the highest levels it has ever been. Fairford leisure centre shut for members 31<sup>st</sup> 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 2018-19	<b>15,352</b>	<b>15,352</b>	
Loss of revenue grant	- 35,000	- 35,000	Post development
Non-cash contribution		37,360	Depreciation is 'non cash'
<b>TOTAL TO MAKE UP</b>	<b>- 19,648</b>	<b>17,713</b>	<b>Shortfall</b>
Depreciation saved	28,099		Current building depreciation
Maintenance savings	10,000	10,000	Reduced premises spend
Loan Repayment	5,100	19,956	Loan cleared
<b>POSITION ON THIS YEARS PLAN</b>	<b>23,551</b>	<b>47,669</b>	
<b>BEHIND ON PLAN THIS YEAR</b>	<b>- 373</b>	<b>- 373</b>	
<b>BENEFIT POST DEVELOPMENT</b>	<b>23,178</b>	<b>47,295</b>	

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

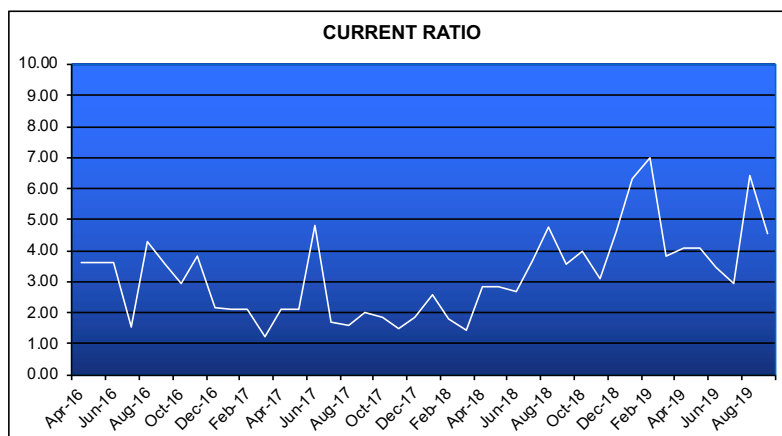
There are no major issues showing in the first five months.

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	314,034	299,307	-14,727	
EXPENDITURE	570,468	564,870	286,412	272,058	14,354	
<b>TOTAL</b>	<b>23,967</b>	<b>15,352</b>	<b>27,622</b>	<b>27,249</b>	<b>-373</b>	

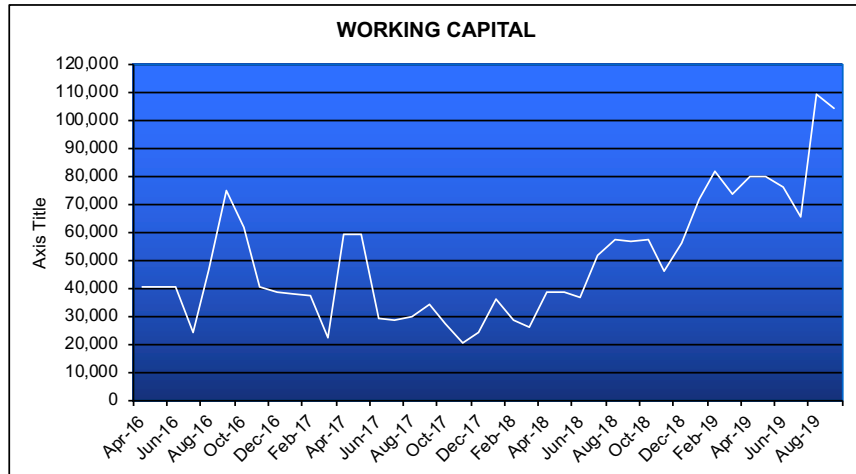
CASH IN HAND		REPRESENTED BY	
As at 30th September 2019		£	
Current Bank Account	17,404	B/F from above	27,249
Business Investment	90,213	Reserves	126,789
Next months course fees	1,500	Tax/NI/Pension	6,355
Petty Cash	316	Utilities Accrual	5,000
Debtors	7,181	VAT	2,022
Prepaid Water	3,500		-
Assets (less depr)	117,617	Deferred Grant	10,024
Float	330	Long term Loan	55,791
Merchandise Stock	6,012	Prepayments	-
Bar Stock	2,338		
<b>TOTAL</b>	<b>246,411</b>	Misc Accruals	13,181
		<b>TOTAL</b>	<b>246,411</b>

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;

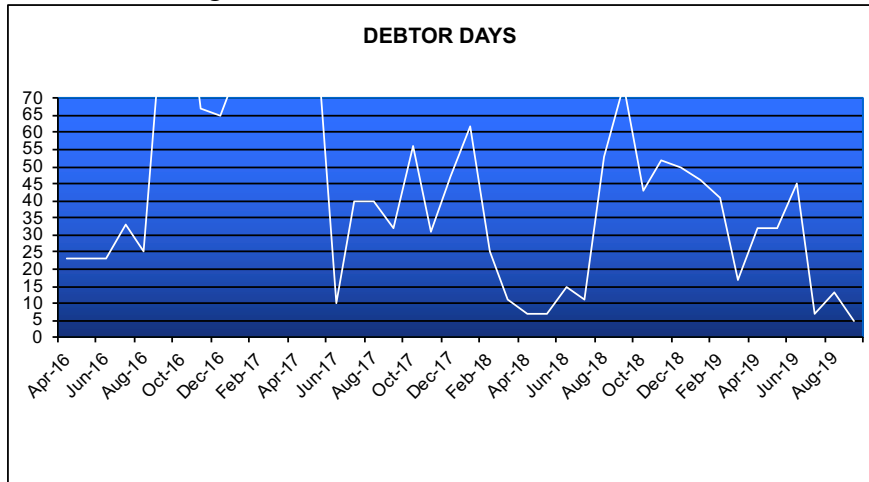
- Quick Ratio = Current Assets / Current Liabilities – ideally the higher the figure, the better our ability to meet short term debts, and concern would arise if it fell below 1:1 without any action plan in place.



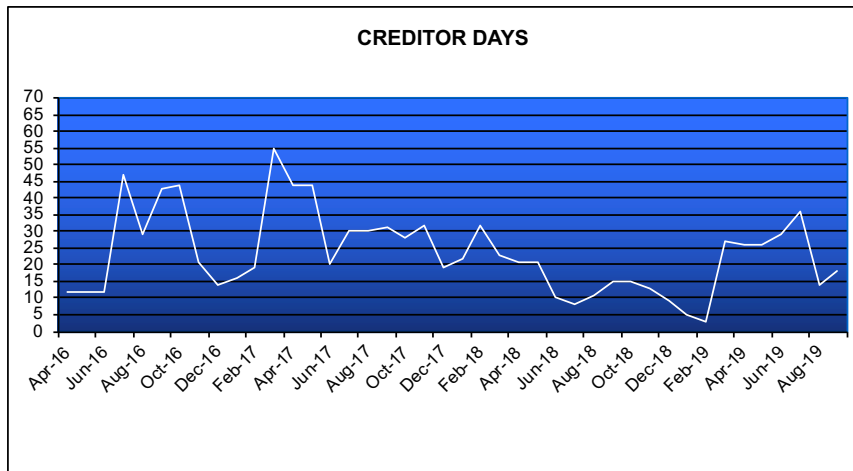
- The Net working capital = Current Assets minus Current Liabilities. This is a crude measure of what our positive balance is. It includes stock, but excludes fixed assets and the long term loan.



- 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.

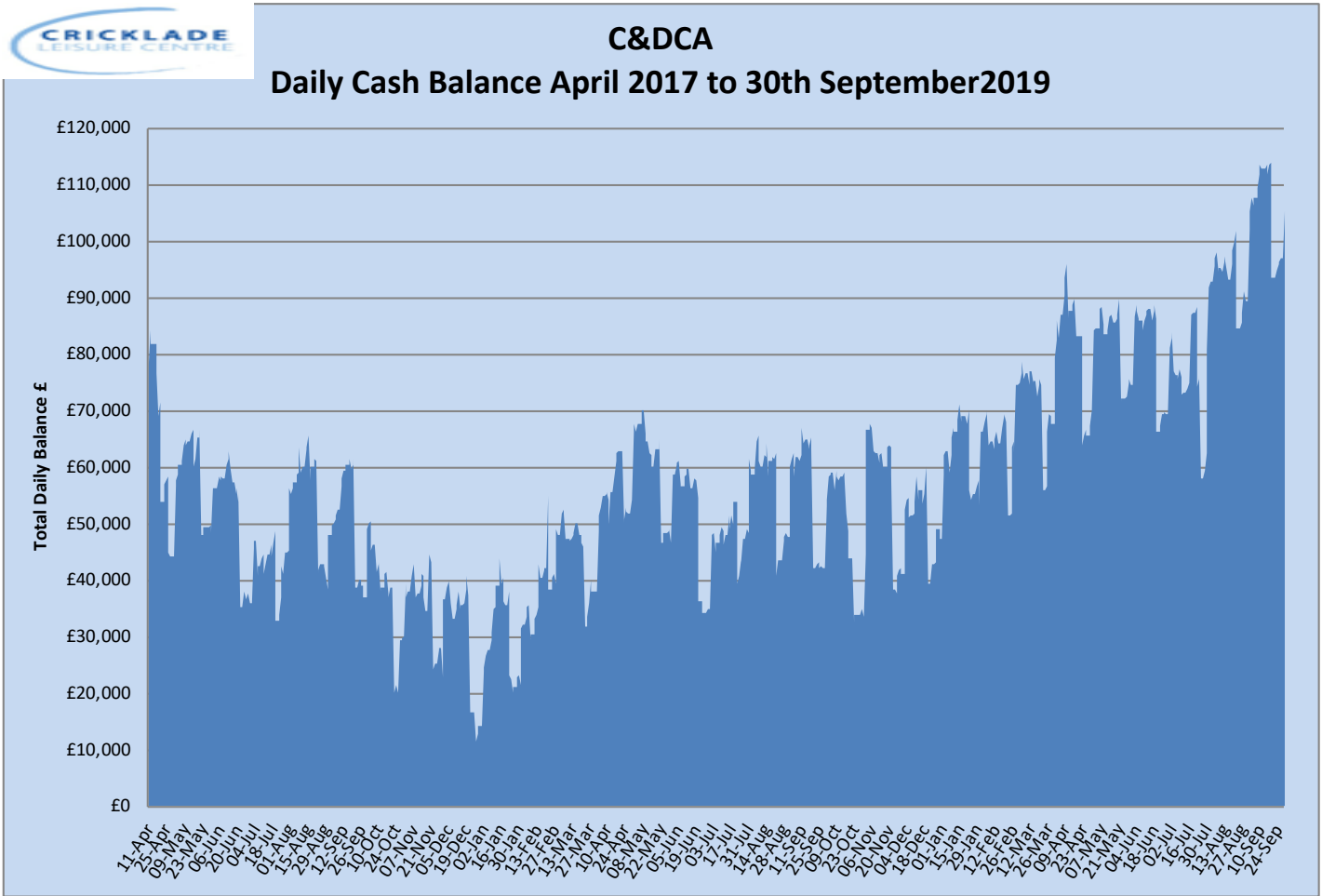


- The same ratio for how well we pay people, shows (distorted by large works bills)



# 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

Income for all but courses is holding its own against results in previous years. Course income is below that of last year - all other elements are holding their own.

HEADING	INCOME SEPT 2019 £	INCOME SEPT 2018 £	INCOME SEPT 2017 £	INCOME SEPT 2016 £	INCOME SEPT 2015 £	INCOME SEPT 2014 £
Membership	86,003	83,683	74,943	76,854	87,645	71,942
Courses	83,716	97,973	94,178	81,992	65,899	61,403
Pay as you go	68,206	66,661	61,150	65,383	53,822	47,600
Miscellaneous	14,517	17,591	14,539	8,058	6,844	3,876
<b>TOTAL</b>	<b>252,442</b>	<b>265,908</b>	<b>244,810</b>	<b>232,287</b>	<b>214,210</b>	<b>184,821</b>

HEADINGS	ACTUAL LAST YEAR	PLAN FOR 2019/20	PLAN TO DATE	YEAR TO DATE	VARIANCE TO DATE	NOTES
INCOME	£	£	£	£	£	
<b>Revenue Grants</b>						
Grant WCC	35,000	35,000	17,500	17,500	0	
Boiler Grant	1,488	1,488	-	-	0	Grant matching expenditure
Swimming Grant	4,680	4,680	2,340	2,340	0	
<b>TOTAL GRANTS</b>	<b>41,168</b>	<b>41,168</b>	<b>19,840</b>	<b>19,840</b>	<b>0</b>	
<b>Memberships</b>						
Gold	3,131	3,000	1,532	1,711	179	
Silver	127,487	125,000	63,844	63,246	-598	
Bronze	39,779	40,000	20,430	20,932	502	
Friends	223	250	128	114	-14	
<b>TOTAL MEMBERSHIPS</b>	<b>170,620</b>	<b>168,250</b>	<b>85,934</b>	<b>86,003</b>	<b>69</b>	
<b>Courses</b>						
Swimming Courses	110,566	110,000	72,439	65,716	-6,723	
Swimming Certificates	1,926	2,000	439	924	485	
NPLQ Income	3,992	2,500	1,277	1,000	-277	
Gym Course	23,739	24,000	15,805	16,076	271	
<b>TOTAL COURSES</b>	<b>140,223</b>	<b>138,500</b>	<b>89,960</b>	<b>83,716</b>	<b>-6,244</b>	
<b>Activities</b>						
Swimming Casual	29,436	30,000	15,323	15,200	-123	
School Swimming/Pool Hire	57,080	55,000	28,091	25,309	-2,782	Budget uplifted
Badminton	15,833	15,000	7,661	6,134	-1,527	
Squash	5,636	6,000	3,065	1,845	-1,220	
Main Hall	25,925	20,000	10,215	10,408	193	
Gymnasium	4,835	4,000	2,043	2,674	631	
Gym & Bounce	799	500	255	304	49	
Tennis	1,363	1,000	511	925	414	
Outdoor Football	302	300	153	22	-131	
Fitness Classes	12,451	13,000	6,640	5,385	-1,255	
<b>TOTAL ACTIVITIES</b>	<b>153,660</b>	<b>144,800</b>	<b>73,957</b>	<b>68,206</b>	<b>-5,751</b>	
<b>Miscellaneous Income</b>						
Donations/Triathlon/Fun run	4,078	4,500	2,250	1,568	-682	
Interest	21	5	3	17	15	
Party	6,761	4,000	2,000	2,667	667	
Miscellaneous Income	5,300	7,000	3,500	1,127	-2,373	
Holiday Club	15,100	15,000	7,500	8,081	581	
Sale of Sports Equipment	2,773	2,000	1,000	1,057	57	
<b>TOTAL MISCELLANEOUS</b>	<b>34,033</b>	<b>32,505</b>	<b>16,253</b>	<b>14,517</b>	<b>-1,736</b>	
<b>TOTAL LEISURE INCOME</b>	<b>539,704</b>	<b>525,223</b>	<b>285,943</b>	<b>272,282</b>	<b>-13,661</b>	

## Expenditure

Expenditure under control.

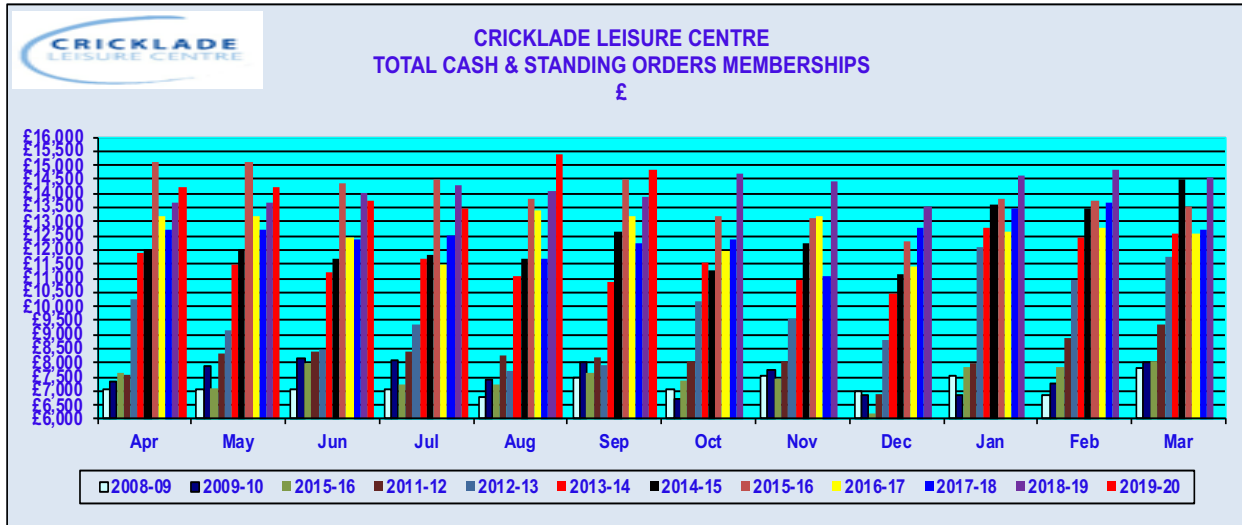
HEADING	EXPEND SEPT 2019 £	EXPEND SEPT 2018 £	EXPEND SEPT 2017 £	EXPEND SEPT 2016 £	EXPEND SEPT 2015 £	EXPEND SEPT 2014£
Pay	155,711	157,529	145,227	148,819	134,817	123,978
Premises	70,870	69,946	71,060	70,244	69,998	69,273
Administration	13,107	16,636	20,216	26,204	23,171	24,109
Fees	8,790	8,292	8,796	8,861	8,854	9,668
<b>TOTAL</b>	<b>248,478</b>	<b>252,403</b>	<b>245,299</b>	<b>254,128</b>	<b>236,840</b>	<b>227,028</b>

HEADINGS	ACTUAL LAST YEAR	PLAN FOR 2019/20	PLAN TO DATE	YEAR TO DATE	VARIANCE TO DATE	NOTES
EXPENDITURE	£	£	£	£	£	
<b>Wages</b>						
Management	61,709	60,000	30,000	31,122	-1,122	Change in structure
Duty Managers	85,860	85,000	42,500	34,822	7,678	
Reception/Administration	4,628	7,500	3,750	3,775	-25	
Recreation Assistants	81,461	85,000	42,500	49,994	-7,494	
Wetside Coaches	24,121	25,000	12,500	8,417	4,083	
Dryside Coaches	51,330	50,000	25,000	22,790	2,210	
Cleaners	3,518	3,000	1,500	1,601	-101	
Maintenance	6,428	5,664	2,832	3,190	-358	
<b>TOTAL PAY</b>	<b>319,055</b>	<b>321,164</b>	<b>160,582</b>	<b>155,711</b>	<b>4,871</b>	
<b>NON PAY</b>						
<b>Premises</b>						
Electricity	27,894	28,000	14,000	13,554	446	
Gas	17,885	18,000	9,000	9,049	-49	
Insurance	4,767	4,750	4,750	5,037	-287	
Alarms Maint	2,532	1,000	500	1,058	-558	
General Rates	8,036	9,800	4,900	4,927	-27	
Rubbish	-	-	-	-	0	
Water Rates	9,967	7,500	3,750	4,206	-456	
Pool Chemicals	4,339	4,000	2,000	1,914	86	
Repairs & renewals	17,914	20,000	10,000	7,689	2,311	
Cleaning	10,655	10,000	5,000	4,756	244	
Gardening	-	296	-	-	0	
Depreciation	39,483	37,360	18,680	18,680	0	
<b>TOTAL PREMISES</b>	<b>143,472</b>	<b>140,706</b>	<b>72,580</b>	<b>70,870</b>	<b>1,710</b>	
<b>Administration</b>						
Uniforms	275	500	250	205	45	
Training (incl travel)	4,621	5,500	2,750	1,337	1,413	
Advertising/Marketing	1,558	4,500	2,250	595	1,655	
Telephone	2,139	3,000	1,500	1,062	438	
Stationery/Postage	1,478	3,000	1,500	397	1,103	
Computing Equipment	1,499	2,500	1,250	1,349	-99	
Office Equipment	2,819	1,000	500	1,424	-924	
Party Food	3,032	1,500	750	490	260	
Sports Equipment (day to day)	7,173	6,500	3,250	1,820	1,430	
Swimming Badges	1,948	1,500	750	804	-54	
Donations	-	-	-	-	0	
Misc	6,972	5,000	2,500	3,624	-1,124	
<b>TOTAL ADMINISTRATION</b>	<b>33,514</b>	<b>34,500</b>	<b>17,250</b>	<b>13,107</b>	<b>4,143</b>	
<b>Professional Fees</b>						
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	1,250	1,400	-150	
Loan Interest/Fee	4,341	5,100	2,550	1,746	804	Per loan Schedule
Bank/Credit Charges	4,916	6,000	3,000	2,179	821	
<b>TOTAL PROFESSIONAL FEES</b>	<b>17,103</b>	<b>17,100</b>	<b>10,300</b>	<b>8,790</b>	<b>1,510</b>	
<b>TOTAL EXPENDITURE</b>	<b>513,144</b>	<b>513,470</b>	<b>260,712</b>	<b>248,478</b>	<b>12,234</b>	

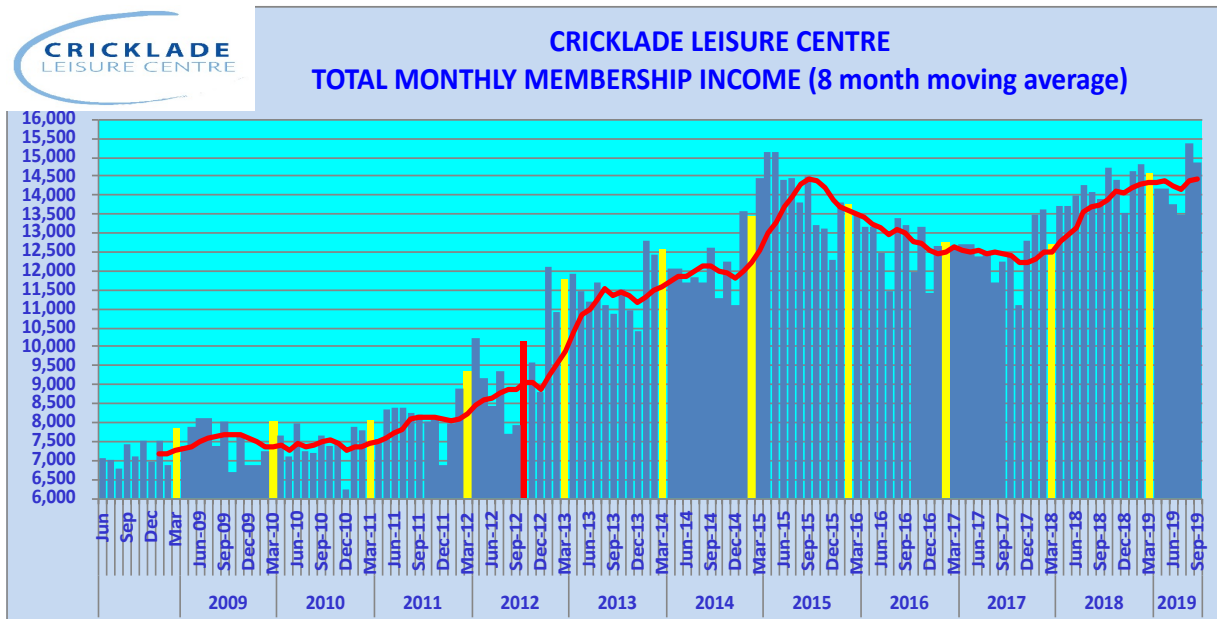
## Key Success Factors

### 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.



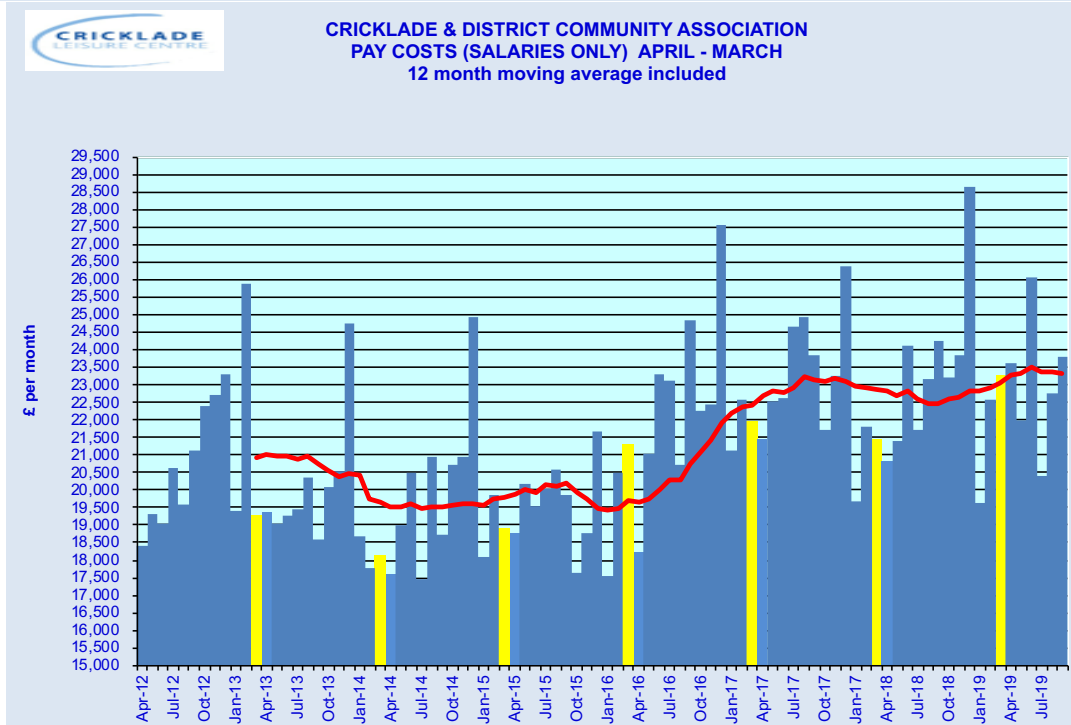
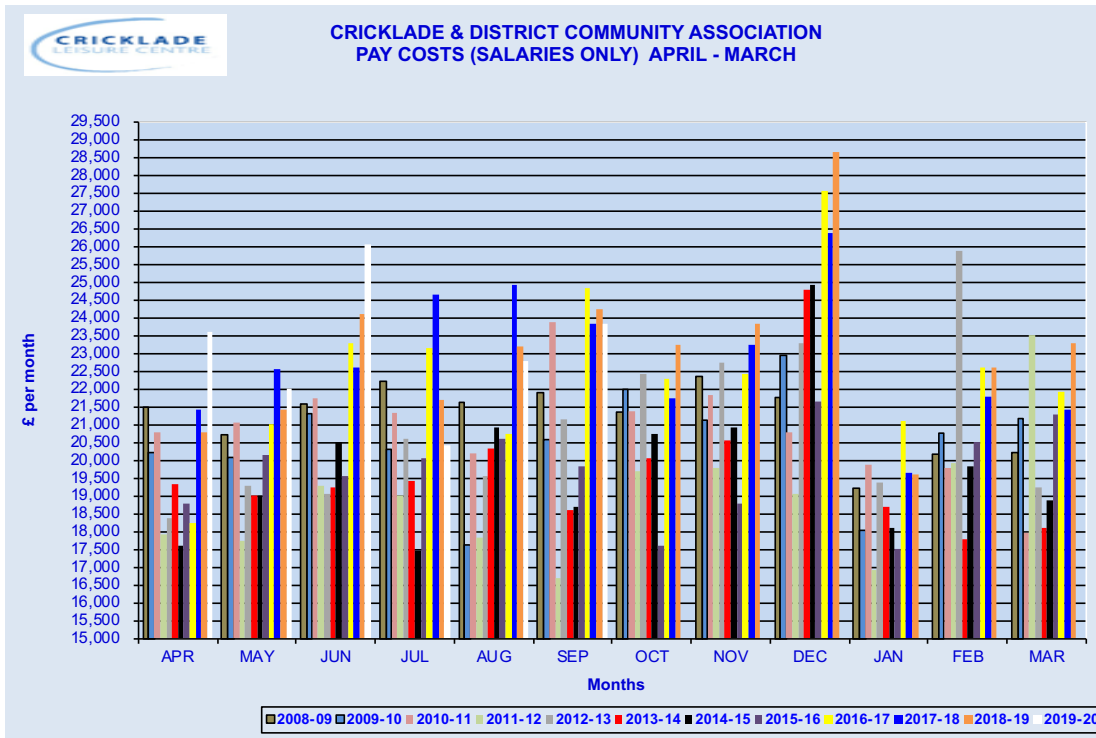
Cash memberships are an important part of our income. However, standing orders are important, because they are less prone to fluctuation! They are now running above £150k per annum.





## 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
	£	£	£	£	£	
<b>INCOME</b>						
Café/Bar Income	54,731	55,000	28,091	27,025	-1,066	50.51%
<b>TOTAL INCOME</b>	<b>54,731</b>	<b>55,000</b>	<b>28,091</b>	<b>27,025</b>	<b>-1,066</b>	<b>TOTAL GROSS MARK UP</b>
<b>EXPENDITURE</b>						
Salaries	16,596	18,000	9,000	9,636	-636	
Drinks	11,420	12,000	6,000	2,887	3,113	
Coffee/Bar Consumables	28,078	20,000	10,000	10,488	-488	
Bar Chemicals/Gases	305	250	125	182	-57	
Stock Take	775	1,000	500	310	190	
TV	150	150	75	77	-2	
<b>TOTAL EXPENDITURE</b>	<b>57,324</b>	<b>51,400</b>	<b>25,700</b>	<b>23,580</b>	<b>2,120</b>	
<b>TOTAL BAR CONTRIBUTION</b>	<b>-</b>	<b>2,593</b>	<b>3,600</b>	<b>2,391</b>	<b>3,445</b>	<b>1,054</b>

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