



West Dunbartonshire Leisure Trust  
**ANNUAL REPORT** 2022/23  
and Financial Accounts



Inspiring

Active



Healthier

Community  
Safeties



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# INTRODUCTION FROM THE CHAIR

It gives me pleasure to present my report to you for the year ending 31 March 2023. I would like to thank our previous Chair, David McBride who was in position until September last year for his contribution and leadership.

The last financial year was the 11th anniversary of the organisations incorporation in April 2012, and saw the Trust report a loss of £94,328 which will be covered by surplus reserves. The budget profile had initially been projected to utilise a larger amount of reserve funds to achieve a break-even position. However, the unanticipated major factors that have reduced this position to a smaller use of reserves included, additional income from outdoor recreation, sports development, community facilities and main sites. Main sites also achieved savings in staffing costs

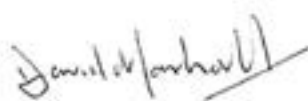
Of course, recovering the trading performance of the business post pandemic and then coping with the extraordinary effects of soaring energy costs and the cost-of-living crisis has been far from easy. However, the efforts of everyone involved has meant that our management of these things in such turbulent times has been a testament to the measured approach and smart judgement of the operations by the senior management team with the support and direction of the Board.

Significantl , the recovery of our membership surpassed our expectations reaching 104%; our Learn to Swim scheme is now attracting more children than ever before with an increase of 6.5%; and our outdoor activities are well in advance of pre-COVID levels with a growth of 33%.

Whilst considerable progress has been made over the last year, the prevailing challenges of increased costs; potential ongoing reduction in funding; and the unceasing investment demands

that an ageing portfolio of assets brings should not be underestimated. Notwithstanding this, the Board and the Management team are fully aware that success will only be achieved through confronting difficult issues, and taking an innovative and collaborative approach to the delivery of services.

To conclude I would like to take this opportunity to thank our employees, Board of Directors, West Dunbartonshire Council and all strategic partners for their dedication and commitment over the previous 12 months, as well as our valued customers for all their ongoing loyalty and support to assist us achieve our mission of 'Inspiring Healthy and Active Communities'.



David Marshall  
Chair of West Dunbartonshire  
Leisure Trust





# REFERENCE AND ADMINISTRATIVE DETAILS

## Trustees (Directors):

William Hendrie (Chair) – Resigned 5 May 2022  
 David Marshall (Appointed Chair – 08 September 2022)  
 James Finn – Resigned 5 May 2022  
 David McBride (Appointed Vice Chair – 08 September 2022)  
 Clare Steel – Appointed 26 May 2022  
 Gordon Scanlon – Appointed 26 May 2022  
 Charles Gibson  
 Anthony Wacławski  
 David Smith  
 David McCowan – Appointed 26 May 2022  
 Anthony Dempster (Employee Representative)

## General Manager:

John Anderson

## Company Secretary:

Fiona McGuigan

## Registered Office

Alexandria Community Centre  
 Main Street  
 Alexandria  
 G83 0NU

## Charity Number:

SC042999

## Company Number:

SC413707

## Independent Auditors:

Wylie & Bisset LLP  
 Chartered Accountants  
 168 Bath Street Glasgow  
 G2 4TP

## Bankers:

Clydesdale Bank  
 Clydebank Shopping Centre  
 32 Kilbowie Rd, Clydebank  
 G81 1RP



# REPORT OF THE TRUSTEES

for the year ended 31 march 2023

The Trustees present their annual report and financial statements of the charity for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006(as amended), the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published 1 January 2019.

The legal and administrative information on page four (4) forms part of this report.

## Our Objects, Mission & Values

### Our Charity Objects

The purposes (Charity Objects) of the Trust are as follows:

- to advance public participation in sport;
- to provide recreational facilities, and organise recreational activities with such facilities and activities being made available to members of the public at large with the object of improving their conditions of life;
- to advance education;
- to advance health;
- to advance citizenship and/or community development (which may include the promotion of civic responsibility, volunteering, the voluntary sector and/or the effectiveness or efficiency of charities)
- to relieve those in need by reason of age, ill health, disability, financial hardship or other disadvantage
- to promote, establish, operate and/or support other similar schemes and projects which further charitable purposes;

The above Company Objects are outlined in the company's Articles of Association.

## WDLT Mission Statement “Inspiring & Healthier Communities”

### Values

West Dunbartonshire Leisure Trust is an organisation that aspires to the highest standards in everything we do, and we adopt the following six core values to assist us achieve our mission:

#### Empowerment...

by encouraging and helping you achieve your potential;

#### Excellence...

by striving to be better at everything we do;

#### Inclusiveness...

by removing barriers to participation;

#### Innovation...

by developing new ways to offer a fun and inspirational customer experience;

#### Partnerships...

by working with others towards shared goals and objectives; and

#### Reliability...

by ensuring we deliver on, and exceed our promises to our customers, staff and partners.

## Our Services

# 3

### LEISURE CENTRES

Multi-purpose wet/dry leisure centres, one based in each main population area of West Dunbartonshire:

**Clydebank Leisure Centre**  
**Meadow Centre, Dumbarton**  
**Vale of Leven Swimming Pool**

# 1

### ENTERTAINMENT THEATRE

The Denny Civic Theatre located in Dumbarton has a seated auditorium for **340** people and hosts many local productions.

### SPORTS DEVELOPMENT

Our Sports Development team is focused on widening opportunities for all residents to participate in sport. This is achieved via the provision of community and school sports programmes, club and coach development initiatives and the delivery of various mass participation sports events across the area.

# 6

### TRAINING COURSES

- First Aid at Work
- First Aid at Work Renewal
- Emergency First Aid at Work
- Paediatric First Aid Emergency
- Paediatric First Aid
- National Pool Lifeguard Qualification

# 12

### COMMUNITY FACILITIES

A range of Community Facilities based within three Cluster Areas:

**Clydebank, Dumbarton,**  
**Alexandria**

# 33

### OUTDOOR PITCHES & PAVILLIONS

**3** Synthetic Pitches

**18** Grass Pitches

**10** Pavilions

**2** Outdoor Bowling Greens / Pavilions

### ACTIVE SCHOOLS

Our Active Schools team aim to provide more and higher quality opportunities for children and young people to take part in sport and physical activity before, during lunchtime and after school. In addition, they work to develop effective pathways between schools and sports clubs in the local community

### OUTDOOR EVENTS

- ProAm Golf
- Loch Lomond Highland Games Scottish
- Pipe Band Championships
- Fire Work Displays (2)
- Christmas Lights Switch On Events (2)



# Our Key Achievements



## Overall Attendances

Over **1.1 million attendances** at WDLT facilities and programmes which is a **2.4% increase** from 2021/22





Services	2018/19	2019/20	2020/21	2021/22	2022/23	Variation from 2021/22
Leisure Centres	809,274	807,777	68,399	512,698	606,505	<b>18%</b>
Community Facilities	298,851	305,273	74,624	304,269	172,284	<b>-43%</b>
Sports Development	245,336	243,469	17,383	143,173	194,928	<b>36%</b>
Active Schools	139,311	123,511	0	17,227	40,084	<b>133%</b>
Outdoor Recreation	73,118	74,472	40,823	120,754	110,944	<b>-8%</b>
<b>Totals</b>	<b>1,565,890</b>	<b>1,554,502</b>	<b>201,229</b>	<b>1,098,121</b>	<b>1,124,745</b>	<b>2.4%</b>

## Performance Indicators



### Strategic Outcome - Grow the business

Indicator	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Actual	On Target	Comments
CC1 Wet Activities. No. of attendances per 1,000 population for pools	399	3,222	3,729	<b>3,535</b>		5% below target however a 10% increase from last year
CC2 - Dry Activities. No. of attendances per 1,000 population for indoor sports & leisure	601	3,810	5,949	<b>4,981</b>		16% below target however a 31% increase from last year
Overall Usage	201,229	1,098,121	1,335,613	<b>1,124,745</b>		16% below target however a 2% increase from last year
Individual Participants (All Memberships / Subscriptions)	7,598	10,781	25,000	<b>12,236</b>		51% below target however a 13% increase from last year
Individual Participants (Active Schools)	625	412	3,000	<b>2,414</b>		20% below target however a 486% increase from last year
DD Memberships Gold	1,542	2,038	3,170	<b>2,505</b>		21% below target however a 23% increase from last year
DD Memberships Silver	61	121	140	<b>115</b>		18% below target and a 5% decrease from last year
DD Memberships Bronze	206	297	320	<b>356</b>		11% ahead of target and a 20% increase from last year
DD Memberships Total	1,809	2,456	3,630	<b>2,976</b>		18% below target however a 21% increase from last year








Indicator	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Actual	On Target	Comments
% of DD Gym Memberships sustained over a 12 month period	72%	80%	72%	<b>85%</b>		18% ahead of target and a 6% increase from last year
Occupancy Levels – Sports Halls	6%	29%	36%	<b>47%</b>		31% ahead of target and a 62% increase from last year
Occupancy Levels – Community Centres	17%	24%	28%	<b>23%</b>		18% below target and a 4% decrease from last year
Occupancy Levels – Fitness Classes	79%	55%	60%	<b>51%</b>		15% below target and a 7% decrease from last year

### Strategic Outcome - Improve customer experience

Indicator	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Actual	On Target	Comments
No. of Mobile Pro Users	15,987	25,472	25,000	<b>31,109</b>		24% ahead of target and a 22% increase from last year
MobilePro Club Hits	New Indicator	New Indicator	1,000,000	<b>849,177</b>		15% below target

### Strategic Outcome - Financial Sustainability

Indicator	2020/21 Actual	2021/22 Actual	2022/23 Target	2022/23 Actual	On Target	Comments
Income	£3,749,907	£3,232,720	£3,313,299	<b>£3,548,448</b>		7% ahead of target and a 9.8% increase from last year
Income Generated from Gym Memberships	£202,424	£687,372	£1,200,000	<b>£1,164,034</b>		3% below target however a 69% increase from last year
Average Income Generated Per Hour (Community Centres)	£7.03	£17.11	£11.09	<b>£11.70</b>		5.5% ahead of target however a 31.6% reduction from last year
% Income (Mgt Fee)	56.2%	55.9%	57.5%	<b>55.8%</b>		1.7% below target and 0.1% decrease from last year
% Income (Customer Receipts)	43.8%	44.1%	42.5%	<b>44.2%</b>		1.7% ahead of target and a 0.1% increase from last year
Cost Per Visit (Mgt Fee)	£18.89	£3.77	£3.35	<b>£3.98</b>		19% ahead of target and a 6% increase from last year
Expenditure	£6,516,841	£7,167,863	£8,215,899	<b>£8,122,237</b>		1.1% below target, however a 13.3% increase from last year
Cost of Community Centres per Resident (89,590 population)	£7.24	£8.78	£10.32	<b>£10.54</b>		2% above target, and a 20% increase from last year

## Year 3: Business Strategy 2020 - 2023

### SO1: Grow the Business

We will build on our previous successes and maximise new opportunities to increase our business. Over the next three years we will set out to achieve the following:

What We Want to Achieve	Our success will be measured if by 2023, we have:	3rd Year Performance
<b>Financial Re-investment</b>	<ul style="list-style-type: none"> <li>• <b>£200k</b> surplus funds invested back into our services and projects</li> </ul>	<ul style="list-style-type: none"> <li>• <b>£75,312</b>, has been spent / committed to a small number of projects. Only two projects were delivered in 2022/23 due to the pressures of recovering from the COVID pandemic.</li> </ul>
<b>Increase Participation</b>	<ul style="list-style-type: none"> <li>• increased overall attendances by a minimum of <b>15%</b>; and</li> <li>• increased the number of individual participants by a minimum of <b>10%</b></li> </ul>	<ul style="list-style-type: none"> <li>• There has been a <b>28% reduction</b> in attendances from the base line data due to the COVID pandemic, however there continues to be year on year increases in attendances.</li> <li>• Due to COVID Lockdown we have seen a <b>44% reduction</b> in individual participants from the base line data, however there has been a <b>13% increase</b> from the previous year.</li> </ul>
<b>Growth in Clydebank Leisure Centre</b>	<ul style="list-style-type: none"> <li>• Attracted an additional 1,000 Direct Debit members; and</li> <li>• Increased overall attendances by a minimum of 20%</li> </ul>	<ul style="list-style-type: none"> <li>• Clydebank Leisure Centre has now seen a growth of <b>414</b> DD members through to 2022/3 despite the closures and restrictions due to the pandemic.</li> <li>• Due to COVID lockdown and restrictions Clydebank Leisure Centre has seen a <b>34% reduction</b> in attendance from the base line data, however there has been a <b>19% increase</b> from the previous year.</li> </ul>
<b>Growth in Community Facilities &amp; Outdoor Recreation</b>	<ul style="list-style-type: none"> <li>• increased Community Facilities attendances by a minimum of <b>20%</b>; and</li> <li>• increased Outdoor Recreation attendances by a minimum of <b>35%</b></li> </ul>	<ul style="list-style-type: none"> <li>• Community Facilities have seen a <b>41% decrease</b> in attendances from the base line data due to COVID lockdown and restrictions</li> <li>• Outdoor Recreation has seen a <b>49% increase</b> in attendances from the base line data</li> </ul>
<b>Improved Marketing</b>	<ul style="list-style-type: none"> <li>• increased our organic reach on facebook by <b>15%</b>; and</li> <li>• attracted an additional <b>2,000</b> new customers accessing our Mobile App</li> </ul>	<ul style="list-style-type: none"> <li>• With the growth of the use of our Mobile App more and more customers are engaging in our services via this medium rather than Facebook and therefore we no longer measure this indicator.</li> <li>• This measure of success was successfully achieved last year due to the need caused by COVID for a more digital approach from customers with regards to information and bookings - with a total of <b>31,109</b> customer now accessing the App which is a growth of <b>21,309</b> new customers</li> </ul>
<b>Healthy Lifestyles</b>	<ul style="list-style-type: none"> <li>• Delivered a minimum of <b>6</b> health campaigns;</li> <li>• Achieve <b>4,500</b> new referrals onto the Live Active Programme; and</li> <li>• <b>45%</b> of Live Active members remain on programme for a minimum of 12 months</li> </ul>	<ul style="list-style-type: none"> <li>• Due to COVID little development in this area has been carried out in 2021/22</li> <li>• 6 campaigns have been delivered.</li> <li>• Following the COVID Lockdown and subsequent restrictions it has not been possible to take on this level of new referrals in 2022/23 (1,938) however referrals continue to increase with a further <b>increase of 1,027</b> from last year.</li> <li>• This measure of success was successfully achieved with <b>56%</b> of members remaining on programme for a minimum of 12 months. The figures are calculated by NHS and are based on a rolling year.</li> </ul>
<b>Effective Partnership Working</b>	<ul style="list-style-type: none"> <li>• Ensure that all new partnerships have agreements in place</li> </ul>	<ul style="list-style-type: none"> <li>• All current partnerships have agreements in place.</li> </ul>



# SO2: Improve Customer Experience

We will make continuous improvements to our customer journey by focusing on customer satisfaction, quality of service and genuinely caring about our customers. Over the next three years we will set out to achieve the following:

What We Want to Achieve	Our success will be measured if by 2023, we have:	3rd Year Performance
<b>Excellent Customer Care Standards</b>	<ul style="list-style-type: none"> <li>achieved a <b>5%</b> increase in our Net Promoter Scores; and</li> <li>increased overall attendances by a minimum of <b>15%</b></li> </ul>	<ul style="list-style-type: none"> <li>The NPS analysis is no longer implemented by WDLT to assess service quality.</li> <li>There has been a <b>28% reduction</b> in attendances from the base line data due to the COVID pandemic, however there continues to be year on year increases in attendance.</li> </ul>
<b>Effective Customer Consultation</b>	<ul style="list-style-type: none"> <li>delivered our <b>Customer Consultation Strategy</b></li> </ul>	<ul style="list-style-type: none"> <li>Due to prioritising key actions the new framework for Customer engagement will be developed in 2023/24</li> </ul>
<b>Equality of Access</b>	<ul style="list-style-type: none"> <li>ensuring <b>all leisure centres</b> have an appropriate <b>Video Access Guide</b> in place; and</li> <li>ensuring <b>all facilities</b> have an <b>Access Review</b> undertaken and an appropriate <b>Action Plan</b> in place</li> </ul>	<ul style="list-style-type: none"> <li>All three leisure centres now have a high quality Video Access Guide. This task is part of WDC's BSL Action Plan and will be widely publicised in 22/23.</li> <li>Access reviews of facilities completed. Action plan detailing accessibility improvements required produced.</li> </ul>
<b>Provision of Equipment &amp; Technology</b>	<ul style="list-style-type: none"> <li>technology advances in a minimum of <b>3</b> areas of the business; and</li> <li>achieving a <b>5%</b> increase in participation as a result of provision of new equipment &amp; technology</li> </ul>	<ul style="list-style-type: none"> <li>All three leisure centres now have a high quality Video Access Guide.</li> <li>Access reviews of facilities completed. Action plan detailing accessibility improvements required produced with actions currently being delivered, however were delayed due to COVID.</li> </ul>
<b>To be an Employer of Choice</b>	<ul style="list-style-type: none"> <li>increasing <b>staff satisfaction</b> (Employee Survey)</li> <li>reducing <b>Staff Absenteeis</b> ;</li> <li>delivering the <b>Workforce Development Plan</b>; and</li> <li>delivery of a minimum of <b>three employee workshops</b> on an annual basis</li> </ul>	<ul style="list-style-type: none"> <li>Staff survey was distributed February 2023 with 106 responses received. Up to 96% of the responses received were positive.</li> <li>Staff absence was reduced from the previous year by 1.65FTE or 12.7%</li> <li>Due to the COVID pandemic and the Trust moving to a five year strategic Plan the Workforce Development Plan will now not be implemented until 2023/24 and will cover the same period as the Strategic Plan (2023-28)</li> <li>No Employee Workshops were undertaken this financial year, however feedback was obtained via the staff survey (Feb 2023) with regards to employee workshops with new plans to be introduced in 2023/24</li> </ul>





## SO3: Financial Sustainability

We will achieve continuous improvement in the operation of the Trust and will focus on developing existing and new business opportunities in order to fulfil our strategic and charitable objectives. Over the next three years we will set out to achieve the following:

What We Want to Achieve	Our success will be measured if by 2023, we have:	3rd Year Performance
<b>Maximise Income Opportunities</b>	<ul style="list-style-type: none"> <li>increased total operating income (net of the management fee from WDC) by <b>15%</b>; and</li> <li>increased the total number of direct debit memberships by <b>15%</b></li> </ul>	<ul style="list-style-type: none"> <li>Although services have reopened, recovery from the pandemic is still ongoing resulting in a 8% decrease in income levels.</li> <li>Due to COVID Lockdown and an increase in paid in full memberships we have seen a loss of 27% of Direct Debit memberships as of the end of 2022/23, however the total of number of members has grown by 4% from pre COVID levels</li> </ul>
<b>Maximise External Funding Opportunities</b>	<ul style="list-style-type: none"> <li>generated <b>£1M</b> of operating income from external funding</li> </ul>	<ul style="list-style-type: none"> <li>Over the three-year period we have obtained over £1.2m in external funding to deliver a number of programmes and projects.</li> </ul>
<b>Successful Control of Expenditure</b>	<ul style="list-style-type: none"> <li>achieved a balanced or surplus budget across all services year on year.</li> </ul>	<ul style="list-style-type: none"> <li>Projecting the financial position for the Trust to have used reserve funds for the year of £94,328. The budget profile had initially been projected to utilise reserve funds in the region of £742k to achieve a balanced outturn. Final figures will not be available until August 2023.</li> </ul>

## SO4: Sound Governance

We will focus on developing existing and new governance arrangements in order to make informed decisions and meet our legal obligations:

What We Want to Achieve	Our success will be measured if by 2023, we have:	3rd Year Performance
<b>Effective Policies and Procedures</b>	<ul style="list-style-type: none"> <li>reviewed all appropriate <b>Policies and Procedures</b></li> </ul>	<ul style="list-style-type: none"> <li>Library of Policies &amp; Procedures in Leisure X drive accessible by all line managers in Leisure and Community Services</li> </ul>
<b>Measured Risk Management</b>	<ul style="list-style-type: none"> <li>produced an Annual Risk Register; and</li> <li>reduced overall risk rating by 5%</li> </ul>	<ul style="list-style-type: none"> <li>Annual Strategic Risk Register agreed and implemented for 2022/23</li> <li>Reduced average Risk Rating Score by 8% in 2022/23</li> </ul>
<b>Proper Accountability &amp; Scrutiny</b>	<ul style="list-style-type: none"> <li>held a minimum of 4 Audit &amp; Risk Committee Meetings a year;</li> <li>carried out annual Governance Checks; and</li> <li>recommendations from annual schedule of Internal Audits completed</li> </ul>	<ul style="list-style-type: none"> <li>Four Audit &amp; Risk Committee meetings were held throughout 2022/23</li> <li>Annual Governance Checks Report presented to the Board on 24th November 2022</li> <li>All recommendations except for one have been completed and reported to the Audit &amp; Risk Committee.</li> </ul>

# Financial Review

## Financial Summary 2022/23

The Trust can report that in our eleventh year (2022/23); the financial position for the Trust has equated to a use of reserve funds for the year of £94,328. The budget profile had initially been projected to utilise a large amount of reserve funds (in the region of £742k) to achieve a balanced outturn. The unanticipated major factors that have reduced this outturn to a smaller usage of reserves include staff savings in main sites, additional income from outdoor recreation, sports development, main sites and halls.

In summary, the financial position during 2022/23 is noted below:

	Unrestricted / Restricted Fund	Pension Fund	Total Funds
Total income	8,027,909	(9,000)	8,018,909
Total spend on charitable activities	(8,122,237)	(1,016,000)	(9,138,237)
Net Movement in Funds	<b>(94,328)</b>	<b>(1,025,000)</b>	<b>(1,119,328)</b>
Actuarial gain	0	12,909,000	12,909,000
Restriction on Pension Asset	0	(12,057,000)	(12,057,000)
Net movement in funds (after retirement benefit scheme loss)	<b>(94,328)</b>	<b>(173,000)</b>	<b>(267,328)</b>

## Funds held at 31 March 2023:

	31 March 2023	31 March 2022
Total funds	3,201,065	3,468,393

The usage of surplus reserves was £94,328 at the year-end the multi-employer defined benefit pension scheme is in surplus by £12,057,000 (£173,000 brought forward and £11,884,000 in year) therefore the overall net deficit of the trust is £267,328.

Following the eleventh year of the Trust, our income has helped us to meet our charitable aims and objectives. Our year-end financial position, summarised above, provides a sound platform from which we can continue to meet our commitments.



## Report of the Trustees for the Year Ended 31 March 2023

The principle funding sources are a combination of income generated through a level of sales, fees and charges for our charitable activities £2,196,637, investment income of £40,945 and membership fees £1,310,866, as well as income of £4,479,461 from West Dunbartonshire Council (Management Fee) for our work in managing the leisure facilities and provision within the local area.

The principle sources of expenditure remain within staffing £5,984,583 with elements of spend on property £1,453,710, transport £18,231, administration £540,787 and payments to other bodies £40,216.

The financial activity during the year within each of the charitable areas can be summarised:

	Income	Expenditure	Surplus/(Deficit)
Leisure Facilities	2,111,321	(4,973,578)	(2,862,257)
Community Facilities	344,214	(1,449,907)	(1,105,693)
Sports Development	664,829	(994,796)	(329,967)
Active Schools	187,293	(381,150)	(193,857)
Outdoor Recreation	199,846	(322,806)	(122,960)
Management Fee	4,479,461	0	4,479,461
<b>Total</b>	<b>7,986,964</b>	<b>(8,122,237)</b>	<b>(135,273)</b>

### Fixed Assets

The Trust has a maintenance lease agreement with West Dunbartonshire Council for the use of the buildings linked with the charitable activities and as such the buildings do not belong to the Trust.

### Investment Policy

West Dunbartonshire Council manage investments on behalf of the Trust, following their own organisational investment policy, primarily aimed at mitigating risks associated with safeguarding funds, ensuring liquidity of those funds and finally investment return. As a result, the policy aims to invest in cash and cash-like investments up to a maximum level on acceptable counterparties. Activity is monitored regularly and the policy is reviewed annually.

Due to the limited current level of surplus funds, any funds held by the Trust are invested in an interest bearing account held with our bankers, the Clydesdale Bank. In order to increase investment income for the Trust the board agreed to reinvest a sum of £750,000 with West Dunbartonshire Council on 23 February 2023 at a fixed rate of 4.7% for one year and further £500,000 was reinvested on 23 February 2023 for 6 months at a fixed rate of 4.25%.

During 2022/23, interest received on cash balances held at the bank, and the investment with West Dunbartonshire Council was £40,945 (£19,378 2021/2022).

### Reserves Policy

The reserves policy was last reviewed in November 2021 and is due for its next bi-annual review in November 2023. The reserves policy target is currently 7.5% of expenditure for running all services; based on the budget for 2023/24 the reserves target amount would be £690k. The unrestricted reserves currently sits at £1,530,409 as at end of March 2023. The surplus reserves sits at £610,956 after £94k being utilised to offset the year end budget shortfall and £45k being utilised to replenish the designated funds that were spent in 2022/23. It is anticipated that the remainder of the surplus reserves (that were built up over 2 years during the Covid financial disruption in 2020-2022) will be utilised to offset a projected budget shortfall for year end March 2024.

### Pension Reserve

The balance sheet shown on page 33 would have featured an assessed position pension fund asset of £12,057m based on the valuation of the fund at 31 March 2023 however following advice from our auditors and guidance in FRS102 this was restricted to £nil in the Trust's balance sheet to show a £nil net asset position. Further information on the pension fund is provided in note 9 to the accounts.





# Risk Management

There are many risks to the Trust's service delivery and these risks can affect our performance, our customers and members of the public.

Managing our risks effectively is essential in achieving our strategic outcomes and targets, creating confidence among service users and the public, and ensuring effective governance. Effective Risk Management also enables us to deliver service improvements taking account of the context and environmental factors.

As the leisure, business environment is customer driven and internal and external changes to that environment ultimately influence overall performance risk factors that could have an impact on service delivery require to be identified on an annual basis, with appropriate actions to minimise such risks.

The Trust developed and implemented a Risk Management Strategy, which provides the framework as to how the Trust will manage Business Risks which includes the requirement for a Risk Register.

Therefore, the management team ensures an annual risk analysis is undertaken and a Risk Register with appropriate actions is identified to minimise the impact on service delivery and overall performance.

This register is reviewed on a six monthly basis and reported to the Audit and Risk Committee who scrutinise the progress of the register and where appropriate report to the Board to assist in managing the risks to the Trust.

Health and Safety is also a major risk to the organisation, therefore West Dunbartonshire Leisure Trust has a competent Health & Safety and Child Protection Office to oversee this major area of risk to the organisation.

In addition our insurance company QBE Insurance (Europe) Ltd review our insurance cover on an annual basis to highlight any uninsured risk and exposure elements of cover that require adjusting or deleting. Insurance cover based on this assessment is in place.



The top external risks including those that are related to the COVID pandemic are detailed within the Risk Register for 2022/23 and how they have been managed are as follows:

Key Risk	Existing Control Measures	Update
<b>Financial Funding</b> (The Trust is faced with significant ongoing funding reductions from West Dunbartonshire Council. Austerity is expected to continue for a number of years into the future and likely to result in funding reductions)	<ul style="list-style-type: none"> <li>Reserves Policy.</li> <li>Annual negotiation of Management Fee.</li> <li>Budgetary Control Process .</li> <li>Regular budgetary control and savings monitoring reports provided to Management Team and Board / Committees .</li> <li>Debt collection processes .</li> <li>Work of External Auditors (external control.</li> <li>Annual Governance Checklist / Statement.</li> </ul>	<ul style="list-style-type: none"> <li>A review of Sports Development and Active Schools was completed in 2023 merging the two teams and making savings of around £200k.</li> <li>A review of Community Halls provision is being undertaken by the Council in 2023/24.</li> <li>Further service reviews may follow in 2024/25.</li> </ul>
<b>Managed Assets</b> (The Council's assets and facilities that the Trust manage are not fully fit for purpose with consequent adverse impact on our ability to deliver efficient an effective services. Assets included in this assessment are; the Council's property portfolio, and fleet)	<ul style="list-style-type: none"> <li>WDC Corporate Asset Management Strategy.</li> <li>WDC Capital Investment Team.</li> <li>WDC Capital Plan.</li> <li>Fleet Asset Implementation.</li> <li>WDC Sustainability Policy.</li> <li>Existence of WDC Asset Management Group with meetings held on a regular basis.</li> <li>Detailed WDC asset database that shows relevant information on a property by property basis.</li> <li>WDC CRA Budget</li> </ul>	<ul style="list-style-type: none"> <li>No significant Capital Investment within many facilities since Trust started operating.</li> <li>No increase in CRA budget and discussions regarding a decrease in CRA funding.</li> <li>Investment into those assets that WDC wish to sell/transfer into public ownership etc. therefore reducing available revenue funds.</li> <li>Facilities already deteriorating with major works needed (roof repairs/replacements etc.</li> <li>WDC's rationalisation plan for community facilities will likely result in the Trust no longer managing a number of premises with smaller capital &amp; revenue budgets for retained facilities.</li> <li>Clydebank Leisure Centre may require a pool closure in November/December for essential maintenance work.</li> </ul>
<b>Members &amp; Users</b> (The Trust does not establish or maintain positive communications with local residents and the communities it represents)	<ul style="list-style-type: none"> <li>Customer satisfaction questionnaires</li> <li>Customer comments scheme</li> <li>Communications Strategy</li> <li>Delivery of effective communications and public information through social media</li> <li>Telephone survey</li> </ul>	<ul style="list-style-type: none"> <li>Use of social and digital media through digital marketing plan has shown great engagement and reach.</li> <li>Localised operational issues have led to increased negative comments in relation to specific services with the risk of reputational damage across the Trust a potential outcome.</li> <li>Active Schools social media channels are well utilised alongside school communication channels to inform parents and children / young people about opportunities to participate and lead in sport.</li> </ul>



## Plans for the Future

The following outlines West Dunbartonshire Leisure Trust's (WDLT) plans for the forthcoming year.

### Implementation of our current Three Year Strategies (2023– 2028)

We will implement the Key Actions highlighted in the first year Delivery Plan and Action Plan associated with our Strategic Plan.

#### Partnership Working

Establish Sport and Physical Activity Strategic Meetings with key WDC departments and sportscotland to highlight and identify the needs of young people and plan for how these needs will be addressed

#### Reviews

- Implement the recommendations of the Council's review of Community Facilities
- Carry out a review of the Sports Pitches Provision
- Review pricing policy and concessionary scheme
- Implement and roll out the revised Sport & Physical Activity Delivery Mode
- Grow the Learn to Swim Scheme to meet the local demand following the increase in resources

#### Development of New and Existing Facilities

The Trust will continue to identify and implement the appropriate infrastructure to manage the new Athletics Track at Posties Park

#### Consultation Framework

The Trust will continue to identify, develop and implement a Consultation Framework to ensure appropriate and meaningful consultation is undertaken when required.

#### Reinvestment of Surplus Funds

Now that WDLT has been operating successfully, and are financially in a position to consider reinvesting surplus funds back into the services we deliver, we will encourage applications through our Surplus Funds Framework.

The Equipment Replacement Fund is set aside to fund the replacement of equipment with the potential replacement of gym equipment in 2024/25 at all three leisure centres.



# Structure, Governance and Management

West Dunbartonshire Leisure Trust is a company limited by guarantee with charitable status and governed by its Articles of Association. In addition to being regulated by the Companies Act (2006), the company is also subject to the charities regulator in Scotland, OSCR (Office of the Scottish Charity Regulator).

The company was incorporated in December 2011 and started trading on 5th April 2012 and is responsible for the strategic and operational management of West Dunbartonshire Council's Sport and Leisure Facilities; Community Facilities; Sports Development; Active Schools; and Events.

## Trustees (Directors)

There are nine members of the company who serve as Trustees comprising of three (3) Councillors (Partner Trustees), an Employee Representative Trustee and five (5) Independent Trustees. They have the ultimate control of the company subject to providing and operating the services in accordance with the Legal Agreement reached with West Dunbartonshire Council and provide strategic direction to the General Manager and his Management Team.

**The list of current and former Trustees serving in the financial year 2022/23 and since is detailed below:**

Name	Trustee (Director) Role	Appointed	Resigned
Anthony Wacławski	Independent	11/01/12	N/A
David McBride	Partner (appointed Vice Chair 08/09/22)	11/01/12	N/A
David Smith	Independent	11/01/12	N/A
Charles Gibson	Independent	28/08/14	N/A
James Finn	Partner	26/02/15	05/05/22
David Marshall	Independent (appointed Chair 08/09/22)	24/11/16	N/A
William Hendrie	Partner (appointed Chair 10/09/20)	25/05/17	05/05/22
Tony Dempster	Employee Representative	24/06/19	N/A
Clare Steele	Partner	26/05/22	N/A
David McCowan	Independent	26/05/22	N/A
Gordon Scanlon	Partner	26/05/22	N/A

# Recruitment and Training of Trustees

## Recruitment

Authority and responsibility for the appointment of Partner Trustees sits with West Dunbartonshire Council, (WDC) who allocate this responsibility to three WDC Councillors. West Dunbartonshire Council appointed Clare Steele & Gordon Scanlon to replace the outgoing elected members Provost William Hendrie and Jim Finn on the Board of Directors taking up their position as of 26 May 2022.

Authority and responsibility for the recruitment of Independent Trustees is delegated by the Board of Directors to the Nominations Committee. David McCowan was appointed as an Independent Director taking up his appointment on 26 May 2022.

The selection of the Employee Representative Trustee is completed in consultation with the unions representing employees in the Leisure Trust (Unite, Unison, and GMB). No appointments were made during the period 1 April 2022 to 31 March 2023.





### Induction

New Trustees receive a briefing on their role as Board Trustees operating a company limited by guarantee with charitable status as per Companies Act 2006. The briefing includes background information on the Company; Business; Governance Structure; Management Structure; Partnership Working; Mission & Values; Key Strategic Outcomes; Charitable Objects; and Contact Details. In addition it also includes the following documentation:

- Briefing Note: Director's Role and Responsibilities
- Articles of Association
- Terms of Reference Sub Committees
- Latest WDLT Annual Report
- Latest WDLT Business Plan
- WDLT Partnership Book
- Health & Safety Policy
- Anti-Bribery Policy
- Last Annual General Meeting Papers
- Last 4 Board Meeting Papers

### Training

Trustees who sit on specific Committees also receive where appropriate training to allow them to effectively carry out their duties. This training includes the following:

- Discipline and Grievance Procedures
- Finance (annual finance reporting regulations and Charity Accounting
- Health & Safety



# Management Arrangements

### Key Management Personnel

The Directors, who are the Trust's Trustees, and the management team, comprise the key management personnel of the charity in charge with directing and controlling, running and operating the Trust on a day to day basis.



A General Manager is appointed by the Board to manage the day to day operations of the Company. To ensure that operations are carried out effectively, the General Manager has delegated authority within an approved scheme for matters including Personnel; Finance; Procurement; and Operations.

Remuneration of Key Management Personnel

All Trustees give their time freely and do not receive remuneration apart from reimbursement of costs incurred while serving on the board, including travel (within Scotland) and any reasonable subsistence expenses. Details of Trustee’s expenses are disclosed in Note 7 to the accounts.

West Dunbartonshire Leisure Trust is committed to ensuring a fair, open, transparent and legally compliant approach to the evaluation of jobs and ensuring equal pay for work of equal value. The Trust’s Job Evaluation Policy has been developed to ensure consistency in the evaluation of new jobs and the re- evaluation of existing jobs beyond the initial application of the Scottish Councils’ Job Evaluation Scheme (SCJE).

The posts of General Manager and the other managers who make up the management team have all been subject to Job Evaluation to identify the appropriate grade for each post.

Board & Committee Arrangements

The Board meets quarterly to consider Company business with decisions taken to set the overall strategy for the business as well as to monitor its activities. Management are charged with the task of implementing these decisions. The Board can also refer decision-making on Independent Directors,

General Manager and Company Secretary recruitment; overseeing company finances; approving financial reports; and disciplinary appeals to sub-committees.

The full board met 5 times throughout the financial year April 2021 to end of March 2022. These meetings were held with management representatives to consider the business of the Company.

It was recognised that the organisations committee structure, roles and responsibilities had evolved over the first few years following inception of the Leisure Trust in 2012. The Board therefore felt it was prudent to undertake a review of the Articles of Association in 2016. Amendments to reflect these changes were agreed by special resolution in September 2016 and the Company Secretary was tasked with updating Companies House and OSCR by submitting the new Articles of Association.

The full Board met on the following dates during 2022/23:

- 26 May 2022;
- 25 August 2022;
- 08 September 2022 (Annual General Meeting);
- 24 November 2022;
- 19 January 2023 (Special Board Meeting); and
- 23 February 2023

Board Committees met in the periods between Board Meetings to consider business and to make formal recommendations to the full Board of Trustees.

Board Committees exist in the following areas

- Audit & Risk Committee – Responsible for monitoring the financial performance of the Trust; for the recruitment and appointment of an external auditor to audit final annual accounts for submission to Companies House and OSCR; the review of the governance of the Trust (including the Articles of Association and Financial Regulations); and the review of major risks with management and agree and scrutinise the annual risk register.
- Appeals Committee – Responsible for hearing and determining appeals against dismissal and appeals against all disciplinary action taken by the General Manager and to consider and reach decisions on Stage 3 Grievances by employees in terms of the Trust’s Grievance Procedures.
- Joint Consultative Forum (JCF) – Responsible for exchanging information between Management and Employees and securing the greatest possible measure of joint action between West Dunbartonshire Leisure Trust and its employees.
- Health & Safety Committee – To act as the focal point for all matters relating to the management of Fire, Security and Health and Safety.
- Nominations & Individual Performance Committee – Responsible for recommending appropriate individuals for appointment as Independent Trustees and Employee Representative to form the Board. Responsible for the recruitment and appointment of the General Manager and Company Secretary and formally oversees the performance management system for the General Manager.

Trustee representation on Board Committees and dates Committees were held:



An update on all Committees in the previous quarter (including copies of notes of meetings) are presented by the General Manager at each Board Meeting.



# Statement of Trustees' Responsibilities

The Trustees (who are also directors of West Dunbartonshire Leisure Trust for the purposes of company law) are responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

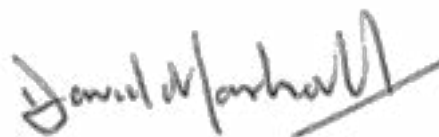
# Statement to Auditors

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued March 2005) and in accordance with the Companies Act 2006.

Approved by the Trustees and signed on their behalf by:



Name: David Marshall, Chair of West Dunbartonshire Leisure Trust

Date: 7 September 2023



# INDEPENDENT AUDITORS REPORT

To The Trustees And Members Of West Dunbartonshire Leisure Trust For The Year Ended 31 March 2023

## Opinion

We have audited the financial statements of West Dunbartonshire Leisure Trust (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities (incorporating an Income and Expenditure Account), Balance Sheet, the Statement of Cash Flow and related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and trustees report thereon. The trustees are responsible for the other information contained within the Annual Report and Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees, which includes the directors report prepared for the purpose of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors report has been prepared in accordance with applicable legal requirements.



### Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors Report included within the Report of the Trustees.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirements to prepare a strategic report.

### Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 25, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

### Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

We identify and assess risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we have considered the following:

- The nature of the charitable company and the sector it operates in; and
- Our enquiries of management about their identification and assessment of the risks of irregularities.

Based on our understanding of the charity and the industry we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to;

- Regulations and legislation pertinent to the charitable company's sector; and
- UK tax and Employment legislation;

We considered the extent to which non-compliance might have a material impact on the financial statements. We also considered those laws and regulations which have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006. We evaluated management and trustees' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of management override of controls), and determined that the principal risks were related to;

- Posting inappropriate journal entries; and
- Management bias in accounting estimates



### Audit response to the risks identified;

Our procedures to respond to the risks identified included the following:

- Gaining an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statement
- Enquiring of management, the audit committee, the internal auditors and legal advisors concerning actual and potential litigation and claims;
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC;
- In addressing the risk of fraud as a result of management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether judgements made in making accounting estimates are indicative of a potential bias; and, evaluating rationale of any significant transactions that are unusual or outside the normal course of business;

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx> This description forms part of our auditor's report.

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Wylie & Bisset

Scott Gillon, BA (Hons) FCCA CA  
Senior Statutory Auditor  
For and on behalf of Wylie & Bisset (Audit) Limited, Statutory Auditor

168 Bath Street  
Glasgow  
G2 4TP

Wylie & Bisset (Audit) Limited  
is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.  
Date: 7/9/2023





**Statement of Financial Activities (incorporating the Income and Expenditure Account) for the year ended 31 March 2023**

	Notes	Unrestricted Fund 2023	Restricted Fund 2023	Pension Fund 2023	Total Funds 2023	Unrestricted Fund 2022	Restricted Fund 2022	Pension Fund 2022	Total Funds 2022
		£	£	£	£	£	£	£	£
<b>Income and endowments from: Donations and legacies</b>									
<b>Investments</b>									
- Investment Income	<b>3</b>	40,945	0	0	<b>40,945</b>	19,378	0	0	<b>19,378</b>
<b>Income from Charitable Activities:</b>									
- Management Service Fee	<b>2</b>	4,479,461	0	0	<b>4,479,461</b>	4,015,047	0	0	<b>4,015,047</b>
- Membership Fees	<b>2</b>	1,310,866	0	0	<b>1,310,866</b>	1,023,350	0	0	<b>1,023,350</b>
- Charitable Activities	<b>2</b>	2,196,637	0	0	<b>2,196,637</b>	2,025,419	0	0	<b>2,025,419</b>
<b>Other</b>									
- Gain on sale of Fixed Assets		0	0	0	<b>0</b>	0	0	0	<b>0</b>
- Job Retention Scheme		0	0	0	<b>0</b>	0	183,951	0	<b>183,951</b>
- Other Finance Income	<b>9</b>	0	0	(9,000)	<b>(9,000)</b>	0	0	(78,000)	<b>(78,000)</b>
<b>Total Incoming resources</b>		<b><u>8,027,909</u></b>	<b><u>0</u></b>	<b><u>(9,000)</u></b>	<b><u>8,018,909</u></b>	<b><u>7,083,194</u></b>	<b><u>183,951</u></b>	<b><u>(78,000)</u></b>	<b><u>7,189,145</u></b>



**Statement of Financial Activities (incorporating the Income and Expenditure Account) for the year ended 31 March 2023**

	Notes	Unrestricted Fund 2023	Restricted Fund 2023	Pension Fund 2023	Total Funds 2023	Unrestricted Fund 2022	Restricted Fund 2022	Pension Fund 2022	Total Funds 2022
		£	£	£	£	£	£	£	£
<b>Expenditure on:</b>									
Charitable Activities	4	(8,122,237)	(0)	770,000	(7,352,237)	(6,979,278)	(183,951)	718,000	(6,445,229)
Current and past service cost	6	0	0	(1,786,000)	(1,786,000)	0	0	(1,913,000)	(1,913,000)
<b>Total Expenditure</b>		<b>(8,122,237)</b>	<b>(0)</b>	<b>(1,016,000)</b>	<b>(9,138,237)</b>	<b>(6,979,278)</b>	<b>(183,951)</b>	<b>(1,195,000)</b>	<b>(8,358,229)</b>
<b>Net income / (expenditure) for the year before transfers</b>		<b>(94,328)</b>	<b>0</b>	<b>(1,025,000)</b>	<b>(1,119,328)</b>	<b>103,916</b>	<b>0</b>	<b>(1,273,000)</b>	<b>(1,169,084)</b>
<b>Net incoming / (outgoing) resources</b>		<b>(94,328)</b>	<b>0</b>	<b>(1,025,000)</b>	<b>(1,119,328)</b>	<b>103,916</b>	<b>0</b>	<b>(1,273,000)</b>	<b>(1,169,084)</b>
Actuarial gain / (loss) on retirement benefit scheme	9	0	0	12,909,000	12,909,000	0	0	4,673,000	4,673,000
Restriction on Pension Asset	9	0	0	(12,057,000)	(12,057,000)	0	0	0	0
<b>Net movement in funds (after retirement benefit scheme gain/loss)</b>	<b>20</b>	<b>(94,328)</b>	<b>0</b>	<b>(173,000)</b>	<b>(267,328)</b>	<b>103,916</b>	<b>0</b>	<b>3,400,000</b>	<b>3,503,916</b>
<b>Total Funds brought forward</b>	<b>20</b>	<b>3,295,393</b>	<b>0</b>	<b>173,000</b>	<b>3,468,393</b>	<b>3,191,477</b>	<b>0</b>	<b>(3,227,000)</b>	<b>(35,523)</b>
<b>Total Funds carried forward</b>	<b>20</b>	<b>3,201,065</b>	<b>0</b>	<b>0</b>	<b>3,201,065</b>	<b>3,295,393</b>	<b>0</b>	<b>173,000</b>	<b>3,468,393</b>

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.



# BALANCE SHEET

Balance sheet as at 31 March 2023

	Notes	2023	2022
		£	£
<b>Fixed Assets:</b>			
Intangible Assets	10	1,200	6,286
Tangible Assets	11	<u>146,186</u>	<u>180,645</u>
Total Fixed Assets		<b>147,386</b>	<b>186,931</b>
<b>Current Assets:</b>			
Stock	12	38,551	30,088
Debtors	13	514,469	373,370
Investments	14	1,250,000	1,000,000
Cash at bank and in hand	22	<u>2,959,393</u>	<u>3,560,184</u>
<b>Total Current Assets</b>		<b>4,762,413</b>	<b>4,963,642</b>
<b>Liabilities:</b>			
Creditors falling due within one year	15	<u>(1,708,734)</u>	<u>(1,855,180)</u>
<b>Net Current Assets</b>		<b><u>3,053,679</u></b>	<b><u>3,108,462</u></b>
<b>Total assets less current liabilities – excluding retirement benefit scheme</b>		<b>3,201,065</b>	<b>3,295,393</b>
Retirement benefit scheme asset/(liability)	9	<u>0</u>	<u>173,000</u>
<b>Total Net Assets</b>		<b><u>3,201,065</u></b>	<b><u>3,468,393</u></b>
<b>The Funds of the Charity:</b>			
Funds – Unrestricted	20	3,201,065	3,295,393
Funds – Restricted	20	0	0
Funds – Pension Reserve	20	<u>0</u>	<u>173,000</u>
		<b><u>3,201,065</u></b>	<b><u>3,468,393</u></b>



The financial statements were approved and authorised for issue by the Board on 7 September 2023.

David Marshall  
Chair

David McBride  
Vice Chair

Company No: SC413707

These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 and are for circulation to the members of the company'



# CASH FLOW STATEMENT

Cash Flow Statement for the year to 31 March 2023

	Notes	2023	2022
		£	£
Net cash (used in / provided by operating activities)	<b>21</b>	(346,572)	659,434
Interest received		40,945	19,378
Funds (invested) in the year		(250,000)	(243,818)
Purchase of intangible fixed assets		<u>(45,164)</u>	<u>(27,220)</u>
<b>(Decrease) / increase in cash</b>		<b><u>(600,791)</u></b>	<b><u>407,774</u></b>

Reconciliation of net cash flow to movement in debt

	2023	2022
	£	£
Net cash as at 31 March 2022	3,560,184	3,152,410
Net (increase in cash)	(600,791)	407,774
Net cash at 31 March 2023	<b><u>2,959,393</u></b>	<b><u>3,560,184</u></b>



# NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

## 1. Accounting Policies

### Basis of preparation and assessment of going concern

The financial statements are prepared under the historical cost convention as modified by Revaluation of Pension Asset, and in accordance with applicable accounting standards in the United Kingdom, the Companies Act 2006 and the Statement of Recommended Practice – Accounting and Reporting by Charities (FRS102) effective 1 January 2019 and the Charities Accounts (Scotland) Regulations 2006.

West Dunbartonshire Leisure Trust constitutes a public benefit entity as defined by FRS102.

The Trustees consider that there are no material uncertainties about West Dunbartonshire Leisure Trust's ability to continue as a going concern.

### Incoming resources

Membership subscriptions and income relating to Trust activity are recognised in the period in which the Trust is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the Trust has to fulfil conditions before becoming entitled to it. Management fees and other incoming resources are recognised in the period to which they relate, on an accruals basis.

Investment income is accounted for on an accruals basis.

### Allocation of expenditure

Where possible, expenditure is charged direct to charitable expenditure or governance costs. Where this is not possible the expenditure is allocated on a basis consistent with use of the resources.

Charitable expenditure comprises those costs incurred by Trust in the delivery of its activities and services for its beneficiaries. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management and set-up of the charity.

### Intangible Fixed Assets

Software costs are capitalised and amortised over a useful life of 5 years.

### Tangible Fixed Assets and Depreciation

It is the policy of the Trust to capitalise expenditure of a capital nature in excess of £5,000. Any irrecoverable VAT related to the assets is capitalised and recognised as an expense in the Statement of Financial Activities (SOFA) over the depreciated life of the asset.

Assets donated to the Trust are included in the Balance Sheet and Statement of Financial Activities at deemed cost.

Depreciation is charged to write off the cost less the estimated residual value of fixed assets by equal instalments over their estimated useful lives as follows:

Furniture and equipment: 5 years

Motor Vehicles: 5 years

### Stock

Stocks of materials and consumables are valued at the lower of cost and net realisable value in the ordinary course of activities. Net realisable value is based on estimated selling price less further costs to completion and disposal.

### Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

### Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably

result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

### Contingent Liabilities

A contingent liability is identified and disclosed for those grants resulting from:

- a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the Trustees' control; or
- a present obligation following a grant offer where settlement is either not considered probable; or
- the amount has not been communicated in the grant offer and that amount cannot be estimated reliably.

### Operating Leases

Operating leases are charged to income and expenditure on a straight line basis over the period of the lease.

### Employee Benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### Financial Instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured by their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

## Pensions

The Trust participates in the Strathclyde Pension Fund by virtue of its status as an 'admitted' body. It is a defined pension scheme and the assets are invested in external funds. In accordance with 'FRS 102 – Retirement Benefit', the operating and financing costs of pension and post retirement schemes (determined by a qualified actuary) are recognised separately in the Statement of Financial Activities. Service costs are systematically spread over the working lives of the members and financing costs are recognised in the period in which they arise. The difference between the actual and expected returns on assets during the period and changes in the actuarial assumptions are also recognised in the Statement of Financial Activities.

## VAT

The Trust is partially exempt from VAT. Irrecoverable VAT is charged to the Statement of Financial Activities as an expense.

## Taxation

The company is a charitable company within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

## Unrestricted funds

Unrestricted funds are expendable at the discretion of the Board in furtherance of the objectives of the Trust.

Surplus revenue funds held within unrestricted funds are carried forward to meet the cost of future activities, mainly of a revenue nature.

Commitments for specific activities and needs in the future are dealt with by making allocations to designated funds.

## Restricted funds

Restricted funds are used for specific purposes as laid down by the donor. Some are restricted income funds expendable at the discretion of the Board in furtherance of a particular activity such as government grants to a particular centre or activity. Expenditure which meets the set criteria will be charged to the appropriate fund.

## Judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, the trustees are required to make judgements, estimates and assumptions

about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The Trustees are satisfied that the accounting policies are appropriate and applied consistently. Key sources of estimation have been applied as follows:

Estimate	Basis of estimation
Depreciation of fixed assets	Fixed assets are depreciated over the useful life of the asset. The useful lives of fixed assets are based on the knowledge of senior management with reference to assets expected life cycle.
Bad debt provision	Trade debtors are reviewed by appropriately experienced senior management on a case by case basis with the balance outstanding and the aging of the debtor taken into consideration.
The obligations under the Strathclyde Pension Scheme	The actuarial assumptions are prepared by a qualified actuary. The Trustees review these assumptions to ensure they are reasonable.

Allocation of expenditure between activities Expenditure is allocated between each charitable activity.





## 2. Incoming Resources

Income is attributable to sporting activity fees and other sales throughout the Trust. In addition, a management service fee of £4,479,461 (2022: £4,015,047) was received from West Dunbartonshire Council for the period. Membership fees is income collected by direct debit membership of the Trust's leisure facilities.

Total incoming resources from charitable activities for the period are detailed as follows:

	2023	2022
	£	£
Leisure Facilities	2,111,321	1,758,196
Community Facilities	344,214	494,965
Sports Development	664,829	519,342
Active Schools	187,293	252,641
Outdoor Recreation	199,846	207,576
Management Fee	<u>4,479,461</u>	<u>4,015,047</u>
<b>Total Incoming Resources from Charitable Activities</b>	<b><u>7,986,964</u></b>	<b><u>7,247,767</u></b>

Government Grants included in income for the year to 31 March 2020 were as follows:

	2022-2023	2021-2022
Management Fee – West Dunbartonshire Council	4,479,461	4,015,047
Other income from West Dunbartonshire Council	17,250	23,000
Income From Govt Covid 19 Job Retention Scheme	0	2,292,252
Income from NHS	84,770	88,770
Income from Sport Scotland	<u>228,691</u>	<u>271,203</u>
<b>Total</b>	<b><u>4,810,172</u></b>	<b><u>4,581,971</u></b>

This income relates to health improvement programmes involving sporting activities. There are no unfulfilled conditions or contingencies in relation to this income.

## 3. Investment Income

	2023	2022
	£	£
Interest on cash deposits	<u>40,945</u>	<u>19,378</u>
<b>Total Investment Income</b>	<b><u>40,945</u></b>	<b><u>19,378</u></b>

## 4. Charitable Expenditure

	2023	2022
	£	£
Leisure Facilities	4,973,578	4,136,642
Community Facilities	1,449,907	1,249,243
Sports Development	994,796	859,652
Active Schools	381,150	445,174
Outdoor Recreation	<u>322,806</u>	<u>288,567</u>
<b>Total Charitable Expenditure</b>	<b><u>8,122,237</u></b>	<b><u>6,979,278</u></b>
Less Pension cost	(770,000)	(718,000)
Plus Job Retention Scheme	0	183,951
<b>Total</b>	<b><u>7,352,237</u></b>	<b><u>6,445,229</u></b>

Staff and utility costs are the main expenditure items included in charitable expenditure above.

## 5. Support Costs

Support costs have been allocated to the following areas of resources expended.

	Basis of Allocation
Salary:	Percentage of Staff Time
Training:	Percentage of Staff Time
Property:	Percentage of Usage
Insurance:	Salary Cost
Supplies:	Salary Cost
Other:	Percentage of Usage

	Leisure	Community Facilities	Sports Development	Active Schools	Outdoor Recreation	Governance
	2022 £	2022 £	2022 £	2022 £	2022 £	2022 £
Salary	255,706	77,324	53,546	51,507	25,775	51,637
Training	0	0	0	0	0	0
Insurance	48,286	14,592	13,115	6,119	3,155	0
Supplies	52,176	15,767	14,172	6,612	3,409	0
Other	138,389	23,818	8,779	9,314	4,508	2,108
<b>Total</b>	<b>494,557</b>	<b>131,501</b>	<b>89,612</b>	<b>73,552</b>	<b>36,847</b>	<b>53,745</b>

	Leisure	Community Facilities	Sports Development	Active Schools	Outdoor Recreation	Governance
	2023 £	2023 £	2023 £	2023 £	2023 £	2023 £
Salary	257,801	78,003	53,517	51,310	26,001	53,385
Insurance	43,768	12,373	11,437	3,939	2,798	0
Supplies	11,356	3,210	2,967	1,022	726	0
Other	180,757	38,576	15,580	12,793	7,537	3,557
<b>Total</b>	<b>493,682</b>	<b>132,162</b>	<b>83,501</b>	<b>69,064</b>	<b>37,062</b>	<b>56,942</b>

#### Governance Costs

	2023	2022
	£	£
Audit and other Accountancy Fees	10,075	10,525
Allocated support costs	56,942	53,745
Pension Report and other audit expenditure	600	480
<b>Total Governance Costs</b>	<b>67,617</b>	<b>64,750</b>

#### Allocation of Governance and other support costs

	Support Costs	Governance	2023	Support Costs	Governance	2022
	£	£	£	£	£	£
Leisure	493,682	37,356	531,038	497,557	35,694	533,251
Community Facilities	132,162	11,303	143,465	131,501	10,794	142,295
Sports Development	83,501	7,755	91,256	89,612	7,475	97,087
Active Schools	69,064	7,435	76,499	73,552	7,190	80,742
Outdoor Recreation	37,062	3,768	40,830	36,847	3,597	40,444
<b>Total</b>	<b>815,471</b>	<b>67,617</b>	<b>883,088</b>	<b>829,069</b>	<b>64,750</b>	<b>893,819</b>

#### 6. Current and past pension service cost

	2023	2022
	£	£
Pension – Pension Current Service Cost	1,786,000	1,913,000
<b>Total Pension Service Costs</b>	<b>1,786,000</b>	<b>1,913,000</b>

#### 7. Staff Costs and Numbers

	2023	2022
	£	£
Wages and Salaries	4,843,359	4,404,518
Social Security costs	394,484	342,643
Other Pension costs	1,768,915	1,902,048
Other Staff costs	(6,175)	28,778
<b>Total Staff Costs</b>	<b>7,000,583</b>	<b>6,677,987</b>

Only two employees earned more than £60,000 for the year to 31 March 2023. (2022:2)

	Number of employees	Number of employees
	2022:1-2023	2021:2022
Between £90,000 and £99,999	1	1
Between £80,000 and £89,999	0	0
Between £70,000 and £79,999	1	1
Between £60,000 and £69,999	0	0



## Key Management Personnel

	2023	2022
	£	£
Salaries and wages	351,613	333,239
Social Security costs	41,703	37,490
Employer contribution to defined pension scheme	67,188	64,000
Total staff costs & employee benefit	460,504	434,729

The change in the net defined benefit pension scheme liability arising from service of key management personnel rendered during the reporting period was as follows;

Pension	150,268	137,518
Lump Sum	165,792	165,793

The average weekly number of persons by headcount, employed by the charity during the year was:

	2023	2022
Total Staff Numbers	207	198

During the period no Trustees received any remuneration or made any donations to the charity nor were any expenses reimbursed (£0 in 2021/22) and there were no unclaimed travel costs in 2022/23 (£0 in 2021/22).

There were no redundancy or termination payments during the financial year (2022 £0).

## 8. Operating Surplus

The operating surplus is stated after charging/ (crediting):

	2023	2022
	£	£
Auditor's Remuneration (including expenses):	10,075	10,525
Depreciation – Intangible Fixed Assets	5,086	5,087
Depreciation – Tangible Fixed Assets	79,623	80,370

## 9. Pension Costs

The company is an admitted body of the Strathclyde Pension Fund. The Superannuation Fund is a defined benefit scheme into which employee' and employer's contributions, and interest and dividends from investments are paid and from which pensions, lump sums and superannuation benefits are paid out. Employees' contributions are tiered and employer's basic contributions are assessed every three years by an actuary and are fixed to ensure the fund remains solvent and in a position to meet its future liabilities. The actuarial method used is known as Projected Unit Credit Method. The last actuarial valuation was at 31 March 2020 and following this valuation employer's contributions increased to 19.3% for the years ended 31 March 2013, 2014 and 2015 respectively. Actual employer's contributions for the period 31 March 2023 amounted to £752,915.

In accordance with FRS 102 – Retirement Benefits – a valuation of the fund was carried out at 31 March 2015 by Hymans Robertson, independent actuaries, appointed by Strathclyde Pension Fund. Hymans Robertson calculated the pension assets and liabilities as at 31 March 2023 by rolling forward its full actuarial valuation, allowing for the changes in financial assumptions as prescribed under FRS 102. The main assumptions used in the calculations are:

	31 March 2023	31 March 2022
	% per annum	% per annum
Inflation / Pension Increase Rate	2.95%	3.15%
Salary Increase Rate	3.65%	3.85%
Discount Rate	4.75%	2.75%

## Mortality

Life expectancy is based on the Fund's Vita Curves with improvements in line with the CMI 2021 model, with a 10% weighting of 2021 data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% pa. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current Pensioners	19.3 years	22.2 years
Future Pensioners	20.5 years	24.2 years

The major categories of plan assets as a % of the total plan assets are as follows:

	31 March 2023	31 March 2022
Equities	60%	64%
Bonds	28%	24%
Property	10%	10%
Cash	2%	2%

The actuarial estimated employer contributions for the year to 31 March 2024 are £763,000.



The amounts recognised in the balance sheet are as follows:

	31 March 2023	31 March 2022
	£000	£000
Present value of funded liabilities	(17,714)	(29,248)
Fair value of plan assets	29,924	29,618
	12,210	370
Present value of unfunded obligations	(153)	(197)
	12,057	173
<b>Amount in balance sheet</b>		
Liabilities	0	0
Assets	12,057	173
Restriction on Net Assets	(12,057)	0
<b>Net (liability)/asset</b>	<b>0</b>	<b>173</b>

	31 March 2023	31 March 2022
	£000	£000
<b>Analysis of the amount charged to net incoming resources:</b>		
Current service cost of the defined benefit scheme	(1,786)	(1,913)
<b>Total Service Cost</b>	<b>(1,786)</b>	<b>(1,913)</b>
<b>Analysis of amount credited to incoming resources:</b>		
Expected return on employer assets	(825)	(557)
Interest on pension scheme liabilities	834	635
<b>Net return</b>	<b>9</b>	<b>78</b>

	31 March 2023	31 March 2022
	£000	£000
<b>Analysis of amounts included in other recognised gains and losses:</b>		
Actuarial (Loss) / gain	(12,909)	(4,673)
Actuarial (loss) / gain recognised in net movement of funds	(12,909)	(4,673)
Cumulative Actuarial Gains and Losses	12,057	0
Cumulative Actuarial Gains and Losses	852	0

Changes in fair value of the scheme assets are as follows:

	31 March 2023	31 March 2022
	£000	£000
Opening fair value of employer assets	29,618	26,819
Contributions by members	228	216
Contributions by the employer	763	711
Contributions in respect of unfunded benefits	7	7
Actuarial Gain	(471)	2,102
Estimated Benefits paid	(214)	(230)
Estimated Unfunded Benefits paid	(7)	(7)
<b>Closing fair value of employer assets</b>	<b>29,924</b>	<b>29,618</b>

Reconciliation of defined benefit obligation

	31 March 2023	31 March 2022
	£000	£000
Opening defined benefit obligatio	29,248	29,865
Current service cost	1,786	1,913
Interest cost	834	635
Contributions by members	228	216
Present value of unfunded liabilities	197	181
Actuarial (loss)/gain	(14,205)	(3,128)
Estimated benefit paid	(214)	(230)
Estimated unfunded benefits paid	(7)	(7)
<b>Closing defined benefit obligatio</b>	<b>17,867</b>	<b>29,445</b>

Amounts for the current period:

	2023	2022
	£000	£000
Present value of Defined Benefit Obligatio	(17,867)	(29,445)
Fair Value of Employer Assets	29,924	29,618
Restrictions on Net Assets	(12,057)	0
<b>Surplus (Deficit)</b>	<b>0</b>	<b>173</b>

	2023	2022
Experience gains / (losses) on assets	(471)	2,102
Experience gains / (losses) on liabilities	(1,268)	(83)

Under the Transfer Agreement entered into between the Trust and West Dunbartonshire Council, the Council has undertaken to guarantee the pension scheme should the liability crystallise and insufficient funds be held by the trust to settle their obligation.

## 10. Intangible Fixed Assets

	Software	Total
	£	£
<b>Cost at 1 April 2022</b>	25,432	25,432
Additions	0	0
Disposals	0	0
<b>As at 31 March 2023</b>	<b><u>25,432</u></b>	<b><u>25,432</u></b>
<b>Depreciation at 1 April 2022</b>	19,146	19,146
Charge for the year	5,086	5,086
On disposals	0	0
<b>As at 31 March 2023</b>	<b><u>24,232</u></b>	<b><u>24,232</u></b>
<b>Net Book Value at 31 March 2022</b>	<b>6,286</b>	<b>6,286</b>
<b>Net Book Value at 31 March 2023</b>	<b><u>1,200</u></b>	<b><u>1,200</u></b>

## 11. Tangible Fixed Assets

	Furniture & Equipment	Total
	£	£
<b>Cost at 1 April 2022</b>	534,842	534,842
Additions	45,164	45,164
Disposals	0	0
<b>As at 31 March 2023</b>	<b><u>580,006</u></b>	<b><u>580,006</u></b>
<b>Depreciation at 1 April 2022</b>	354,197	354,197
Charge for the year	79,623	79,623
On disposals	0	0
<b>As at 31 March 2023</b>	<b><u>433,820</u></b>	<b><u>433,820</u></b>
<b>Net Book Value at 31 March 2022</b>	<b>180,645</b>	<b>180,645</b>
<b>Net Book Value at 31 March 2023</b>	<b><u>146,186</u></b>	<b><u>146,186</u></b>

At 31 March 2023 all fixed assets are used for charitable purposes.

## 12. Stock

	2023	2022
	£	£
Cleaning materials, first aid materials and uniform stock	<u>38,551</u>	<u>30,088</u>

## 13. Debtors

	2023	2022
	£	£
Trade Debtors	152,532	179,381
Amounts owed by West Dunbartonshire Council	251,904	82,549
Other debtors and prepayments	110,033	111,440
	<b><u>514,469</u></b>	<b><u>373,370</u></b>

## 14. Investment

	2023	2022
	£	£
Fixed Term 2 year Investment with West Dunbartonshire Council until 25 February 2024.	0	500,000
Fixed term 12 months Investment with West Dunbartonshire Council until 25 February 2024.	750,000	250,000
Fixed term 6 months Investment with West Dunbartonshire Council	500,000	250,000
<b>Total Investment</b>	<b><u>1,250,000</u></b>	<b><u>1,000,000</u></b>

## 15. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade Creditors	5,284	16,755
Tax and Social Security Creditors	83,453	74,957
Amounts owed to West Dunbartonshire Council	872,078	1,024,567
Other Creditors	450,585	371,766
Accruals and Deferred Income (note 16)	<u>297,334</u>	<u>367,136</u>
	<b><u>1,708,734</u></b>	<b><u>1,855,181</u></b>

## 16. Deferred Income

Included in the Accruals and deferred income figure in note 15 is deferred income of:

	2023	2022
	£	£
Balance b/f	121,741	155,238
Released in year	(121,741)	(155,238)
Deferred in year	<u>203,134</u>	<u>121,741</u>
	<b><u>203,134</u></b>	<b><u>121,741</u></b>

The items deferred comprises Income for memberships of £97,575, direct debits £13,737 and £91,822 of additional income received in advance for services being provided in financial year 2023-2024.

## 17. Operating Leases

The Trust has acquired photocopiers by entering into operating leases. The Trust was committed to making the following payments in the year to 31 March 2023:

	2023	2022
	£	£
Payable less than 1 year	3,871	3,871
Total Payable	<u>3,871</u>	<u>3,871</u>

## 18. Share Capital

The charitable company is limited by guarantees of £1 per member and has no share capital.

## 19. Company Limited by Guarantee

The company is limited by guarantee, the Special member being West Dunbartonshire Council (entitled to 3 votes at a general meeting).

## 20. Funds

Unrestricted Funds	Balance at 31 March 2021	Incoming Resources	Resources Expended	Transfers	Balance at 31 March 2022	Incoming Resources	Resources Expended	Transfers	Balance at 31 March 2023
	£	£	£	£	£	£	£	£	£
Unrestricted - general	1,371,156	7,083,194	(6,882,239)	(126,411)	1,445,700	8,027,909	(7,992,364)	49,164	1,530,409
<b>Designated</b>									
Small Projects	63,070	0	(11,582)	11,582	63,070	0	(4,452)	4,452	63,070
Equipment Replacement	562,367	0	0	0	562,367	0	(40,712)	40,712	562,367
Service Development Projects	286,877	0	0	0	286,877	0	0	0	286,877
Fixed Assets	245,168	0	(85,457)	27,220	186,931	0	(84,709)	45,164	147,386
Surplus Reserves	662,839	0	0	87,609	750,448	0	0	(139,492)	610,956
<b>Total Designated</b>	<b>1,820,321</b>	<b>0</b>	<b>(97,039)</b>	<b>126,411</b>	<b>1,849,693</b>	<b>0</b>	<b>(129,874)</b>	<b>(49,164)</b>	<b>1,670,656</b>
<b>Total unrestricted</b>	<b>3,191,477</b>	<b>7,083,194</b>	<b>(6,979,278)</b>	<b>0</b>	<b>3,295,393</b>	<b>8,027,909</b>	<b>(8,122,237)</b>	<b>0</b>	<b>3,201,065</b>
<b>Restricted - Gov JRS</b>	<b>0</b>	<b>183,951</b>	<b>(183,951)</b>	<b>0</b>					
<b>Total</b>	<b>3,191,477</b>	<b>7,267,145</b>	<b>(7,163,229)</b>	<b>0</b>	<b>3,295,393</b>	<b>8,027,909</b>	<b>(8,122,237)</b>	<b>0</b>	<b>3,201,065</b>

In 2021/2022 the Trustees have designated funds of £1,849,663 which comprises tangible fixed assets £186,931, other small projects to deliver sporting activities £63,070, future equipment replacement £562,367, Service Development Projects £286,877 and Surplus Reserves £750,448.

In 2022/2023 the Trustees have designated funds of £1,670,656 which comprises tangible fixed assets £147,386, other small projects to deliver sporting activities £63,070, future equipment replacement £562,367, Service Development Projects £286,877 and Surplus Reserves £610,956.





# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

The **Small Projects** Projects fund was used this financial year to enhance the staging facilities at the Denny Civic Theatre and a starcloth backdrop was installed at a cost of £4,452. Funds of £4,452 from 2022/23 surplus reserves have been used to replenish the 2022/23 actual spend. The fund therefore remains at £63,070 for 2023/24.

The **Equipment Replacement** fund is being built up to fund the replacement of the gym and fitness equipment at the main sites on a rolling basis. Cardio Vascular (CV) equipment is recommended to be replaced every 5 – 6 years and resistance equipment every 7 – 9 years. It

is planned to complete a major equipment replacement project in 2023/24 with CV and resistance equipment being replaced across all 3 main sites. £24,568 was spent on replacing spin bikes at Clydebank Leisure Centre and £16,144 was spent on audio-visual equipment for the Denny Civic Theatre. Funds of £40,712 from 2022/23 surplus reserves have been used to replenish the 2022/23 actual spend. The fund therefore remains at £562,367 for 2023/24.

**Service Development Projects** fund has been built up to be used for larger projects within the service as per our charitable objectives that will improve the service

and/or generate additional income. There has been no spend from this fund in 2022/23 therefore the fund remains at £286,877 for 2023/24.

**Fixed Assets** fund represents the amounts the trust has invested in fixed assets.

**Surplus Reserves** - It had been planned to utilise a substantial amount of surplus reserves fund balance of £750,448 to balance the budget with income still in post pandemic recovery mode in 2022/23. Due to increased income and unanticipated reduced expenditure as detailed earlier in the report we have now utilised a reduced sum of £94,328 of this

reserve fund in 2022/23 along with the amounts noted above to replenish the small project and equipment replacement funds. A total of £139,492 has been used from surplus reserves fund in 2022/23 leaving a balance of £610,956 for use in 2023/24.

**Restricted Funds** - this represents income and expenditure relating to furloughed staff costs from the Governments Job Retention Scheme.

## Analysis of Net Assets Over Funds

Funds Balance at 31 March 2022 Represented by:	Unrestricted Funds £	Restricted Funds £	Pension Reserve £	2022 Total £	Unrestricted Funds £	Restricted Funds £	Pension Reserve £	2023 Total £
<b>Fixed assets</b>	<b>186,931</b>	<b>0</b>	<b>0</b>	<b>186,931</b>	<b>147,386</b>	<b>0</b>	<b>0</b>	<b>147,386</b>
<b>Current Assets</b>								
Stock	30,088	0	0	30,088	38,551	0	0	38,551
Debtors	373,370	0	0	373,370	514,469	0	0	514,469
Investment	1,000,000	0	0	1,000,000	1,250,000	0	0	1,250,000
Cash	3,560,184	0	0	3,560,184	2,959,393	0	0	2,959,393
<b>Total Current Assets</b>	<b>4,963,642</b>	<b>0</b>	<b>0</b>	<b>4,963,642</b>	<b>4,762,413</b>	<b>0</b>	<b>0</b>	<b>4,762,413</b>
<b>Creditors</b>								
Amounts falling due within one year	(1,855,180)	0	0	(1,855,180)	(1,708,734)	0	0	(1,708,734)
<b>Net Current Assets</b>	<b>3,108,462</b>	<b>0</b>	<b>0</b>	<b>3,108,462</b>	<b>3,053,679</b>	<b>0</b>	<b>0</b>	<b>3,053,679</b>
<b>Total Assets less Current Liabilities</b>	<b>3,295,393</b>	<b>0</b>	<b>0</b>	<b>3,295,393</b>	<b>3,201,065</b>	<b>0</b>	<b>0</b>	<b>3,201,065</b>
Retirement benefit scheme deficit	0	0	173,000	173,000	0	0	0	0
<b>Total</b>	<b>3,295,393</b>	<b>0</b>	<b>173,000</b>	<b>3,468,393</b>	<b>3,201,065</b>	<b>0</b>	<b>0</b>	<b>3,201,065</b>

## 21. Notes to the cash flow statement

Reconciliation of operating surplus to net cash inflow from operating activities	2023	2022
	£	£
Net (outgoing)/incoming resources	(1,119,328)	(1,169,085)
Investment income	(40,945)	(19,378)
Depreciation	84,709	85,457
Net Pension charge	1,025,000	1,273,000
(Increase)/Decrease in investments	(8,463)	(13,870)
(Increase)/Decrease in stock	(141,099)	609,885
(Decrease)/Increase in creditors	(146,446)	(106,575)
<b>Net cash (used in)/provided by investing activities</b>	<b>(346,572)</b>	<b>659,434</b>

## 22. Cash at bank and in hand

	31 March 2023	1 April 2022
	£	£
Cash at bank and in hand	2,959,393	3,560,184

## 23. Trustees Interests and related party transactions

Due to the nature of the charity's operations and composition of its Board, being comprised of individual public sector and commercial organisations, it is inevitable that transactions will take place with companies and organisations in which a Board member of the Trust has an interest. The charity works in partnership with West Dunbartonshire Council with which transactions have been undertaken during the period. The following is a list of members of the Board (Committee of Management) who held potentially connected positions during the period.

Table showing potential for Trustee's connected interests:

Name	Income	Occupation	Joined	Resigned
David McBride	West Dunbartonshire Council	Councillor	11/01/12	N/A
Claire Steele	West Dunbartonshire Council	Councillor	26/05/22	N/A
Gordon Scanlan	West Dunbartonshire Council	Councillor	26/05/22	N/A
Jim Finn	West Dunbartonshire Council	Councillor	09/12/14	04/05/2022
William Hendrie	West Dunbartonshire Council	Councillor	25/05/17	04/05/2022

West Dunbartonshire Leisure Trust is a body incorporated under the Companies Act 2006.

All transactions involving organisations in which a member of the Board of Management may have a material interest are conducted at arm's length and in accordance with normal project and procurement procedures.

West Dunbartonshire Leisure Trust had transactions during the year as follows:

	2022-2023	2021-2022
	£	£
Income received from West Dunbartonshire Council	£6,085,376	£5,705,680
Expenditure paid to West Dunbartonshire Council	£131,967	£70,536

	2022-2023	2021-2022
	£	£
Due from West Dunbartonshire Council	£251,904	£82,549
Due to West Dunbartonshire Council	£872,078	£1,024,567





[www.wdeisure.net](http://www.wdeisure.net)







## West Dunbartonshire Leisure Trust

(Company Limited by Guarantee)

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**[www.wdleisure.net](http://www.wdleisure.net)**



West Dunbartonshire Leisure Trust is a recognised Scottish Charity: SC 042999;  
VAT Registered: GB 129 7502; and Company Registered: SC413707  
Delivering services on behalf of West Dunbartonshire Council