

**REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022
FOR
OLDHAM COMMUNITY LEISURE LIMITED**

Wallwork Nelson & Johnson
Chartered Accountants & Statutory Auditors
Chandler House
7 Ferry Road Office Park
Riversway
Preston
Lancashire
PR2 2YH

OLDHAM COMMUNITY LEISURE LIMITED

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OLDHAM COMMUNITY LEISURE LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2022**

DIRECTORS:

K Wheelton
S Lockwood
J Smallwood
C Murray
D Whaley
S McDonnell
N Hewitt
R Holloway
S Slater
E Taylor
H Sykes
B Sutcliffe
C Tipper
L Wood
C Dean
E Portsmouth

SECRETARY:

L Walton

REGISTERED OFFICE:

Chadderton Wellbeing Centre
Burnley Street
Chadderton
OL9 0JW

REGISTERED NUMBER:

IP29372R (England and Wales)

AUDITORS:

Wallwork Nelson & Johnson
Chartered Accountants & Statutory Auditors
Chandler House
7 Ferry Road Office Park
Riversway
Preston
Lancashire
PR2 2YH

OLDHAM COMMUNITY LEISURE LIMITED

CHAIRMAN'S REPORT

This year, in my first year as the Chair, has been a year of adapting and rethinking how we operate and deliver services considering our experiences of Covid and all that it has taught us. I have been so proud of the way the teams have embraced the need to flex and adapt how we offer services and to focus on providing support and assurance to our customers.

We continue to reach out into our communities working alongside them to encourage more activity where we can, and we will continue to do that through the coming year. With the challenge of rising costs and the strain that can place on individuals' families and communities we know that keeping active is so important in supporting physical and mental health and increasing everyone's capacity to respond well.

It has and will continue to be a challenging time financially for us and the leisure industry as we struggle to balance a very tight financial envelope. We have been and will continue to focus on how we can retain and attract talented colleagues who are aligned to our values and keen to deliver our purpose of supporting our communities in Oldham to be more active more often.

We have been well supported by our partners across Oldham in particular Oldham Council who commission us to deliver many of the services we provide. We have also been an effective partner helping to deliver on the council's strategic objectives and supporting the physical and mental health of our communities across Oldham in lots of different ways.

I would like to thank all of the board including our outgoing Chair for all of their hard work in supporting the trust and welcome our new board members who bring a wealth of expertise and skills to the organisation. A big thankyou goes to all of our hardworking staff who go above and beyond to support customers to use our facilities and services and without whom none of this would be possible.


.....

Sheena McDonnell

Chair

Dated: 15th September 2022

OLDHAM COMMUNITY LEISURE LIMITED

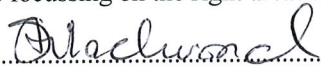
CHIEF EXECUTIVE'S STATEMENT

This year has been the first unbroken period of trading after the coronavirus outbreak and the focus has been promoting the business and delivering programmes that have encouraged the customer base to return to use our services in facilities regularly and consistently. Whilst not starting from scratch, the membership base was severely depleted compared to pre-Covid numbers and it was clear to the Council that the industry would not recover straight away. We quickly agreed a safety net of up to £1m to meet income shortfalls during the recovery phase but with no further additional support beyond the financial year it was clear that we would need to do everything we could to accelerate the growth rate of income. We consolidated and raised membership prices at the outset and this meant that our income growth was ahead of membership number growth, but at year end fitness income was circa £500k short of pre-Covid levels.

Our second largest income stream, junior swimming lessons, bounced back much faster and we finished the year with monthly income levels at their highest ever; this was due to the increased demand for lessons as parents were keen to get their children on the lesson ladder to learn a key life skill they had been missing out on due to Covid restrictions over a two year period. We expanded our team of swimming teachers and grew the programme to meet demand and looking forward there is confidence that we can grow this income stream even further.

We soon recognised that certain customer cohorts were ready to return at different rates but the overall position, with Council and other nationally available funding support streams, is a break even end to the year.

Looking forward, with the cost of living crisis already upon us and likely to worsen, we are focussing on retention of existing trade, especially membership and swimming lessons, rather than relying on strong sales to new customers; put simply, if members stay longer then income overall will grow. This requires investment in staffing, training and customer relations management to ensure the service experiences and interactions are high quality and motivational. There are protections in our contract with the Council that largely shield the organisation from the excessively high rises in utility prices but we will be working hard on reducing our environmental impact to mitigate these costs. Overall, whilst the coming year will arguably be one of the most challenging years in the Group's history, we are cautiously confident that we are focussing on the right areas and our relationship with the Council is as strong as ever.



S Lockwood
CEO

Dated: 15/9/22

OLDHAM COMMUNITY LEISURE LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2022

The directors present their report with the financial statements of the Company and Group for the year ended 31 March 2022.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2022.

DIRECTORS

The directors during the year under review were:

K Wheelton	
N Harrison	- resigned 28/9/2021
S Lockwood	
J Smallwood	
C Murray	
Z Chauhan	- retired 05/05/2022
D Whaley	
S McDonnell	
C Gloster	- retired 05/05/2022
N Hewitt	
R Holloway	
S Slater	

The directors holding office at 31 March 2022 did not hold any beneficial interest in the issued share capital of the Company at 1 April 2021 or 31 March 2022.

The following were appointed as directors after the year end but prior to the date of the signing of these accounts.

E Taylor – 05/05/2022
H Sykes – 05/05/2022
B Sutcliffe – 19/05/2022
C Tipper – 19/05/2022
L Wood – 19/05/2022
C Dean – 19/05//2022
E Portsmouth – 19/05/2022

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Groups transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

OLDHAM COMMUNITY LEISURE LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2022**

AUDITORS

The auditors, Wallwork Nelson & Johnson, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

.....
S Lockwood - Director

Date: 15/9/22

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF OLDHAM COMMUNITY LEISURE LIMITED

Opinion

We have audited the financial statements of Oldham Community Leisure Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2022 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and 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 Groups' and Parent Company's affairs as at 31 March 2022 and of its profit 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 Co-operative and Community Benefit Societies Act 2014.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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.

Material uncertainty related to going concern

In auditing the financial statements, we have concluded that the directors' 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 Group'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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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 Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF OLDHAM COMMUNITY LEISURE LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate 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 directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors 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 directors determine 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 directors are responsible for assessing the Group'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 directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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 a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to support documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
OLDHAM COMMUNITY LEISURE LIMITED**

Use of our report

This report is made solely to the Group's members, as a body, in accordance with Section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Group's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and the Group's members as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Woodburn FCA (Senior Statutory Auditor)
for and on behalf of Wallwork Nelson & Johnson
Chartered Accountants & Statutory Auditors
Chandler House
7 Ferry Road Office Park
Riversway
Preston
Lancashire
PR2 2YH

Date: 15/09/2022

OLDHAM COMMUNITY LEISURE LIMITED

**CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

		2022	2021
	Notes	£	£
TURNOVER	3	7,000,242	5,642,891
Cost of sales		<u>500,552</u>	<u>285,641</u>
GROSS PROFIT		6,499,690	5,357,250
Administrative expenses		<u>6,388,372</u>	<u>5,479,872</u>
OPERATING PROFIT	5	111,318	(122,622)
Interest receivable and similar income		<u>55</u>	<u>32</u>
		111,373	(122,590)
Interest payable and similar expenses		<u>3,337</u>	<u>48,334</u>
PROFIT BEFORE TAXATION		108,036	(170,924)
Tax on profit		<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>108,036</u></u>	<u><u>(170,924)</u></u>

The notes form part of these financial statements

OLDHAM COMMUNITY LEISURE LIMITED

**CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
PROFIT FOR THE YEAR		108,036	(170,923)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>108,036</u>	<u>(170,923)</u>

The notes form part of these financial statements

OLDHAM COMMUNITY LEISURE LIMITED (REGISTERED NUMBER: IP29372R)

CONSOLIDATED BALANCE SHEET
31 MARCH 2022

		2022	2021
	Notes	£	£
FIXED ASSETS			
Intangible assets	8	-	-
Tangible assets	9	<u>182,299</u>	<u>416,319</u>
		182,299	416,319
CURRENT ASSETS			
Stocks	10	28,704	22,720
Debtors	11	784,146	695,955
Cash at bank and in hand		<u>394,733</u>	<u>619,568</u>
		1,207,583	1,338,243
CREDITORS			
Amounts falling due within one year	12	<u>1,039,764</u>	<u>1,382,848</u>
NET CURRENT ASSETS		<u>167,819</u>	<u>(44,605)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		350,118	371,714
CREDITORS			
Amounts falling due after more than one year	13	<u>51,945</u>	<u>181,577</u>
NET ASSETS		<u><u>298,173</u></u>	<u><u>190,137</u></u>
CAPITAL AND RESERVES			
Called up share capital		2,100	2,100
Retained earnings		<u>296,073</u>	<u>188,037</u>
SHAREHOLDERS' FUNDS		<u><u>298,173</u></u>	<u><u>190,137</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 15/4/22 and were signed on its behalf by:


.....
S Lockwood - Director


.....
S McDonnell - Director

The notes form part of these financial statements

OLDHAM COMMUNITY LEISURE LIMITED (REGISTERED NUMBER: IP29372R)

COMPANY BALANCE SHEET
31 MARCH 2022

		2022		2021 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	8		-		-
Tangible assets	9		<u>182,299</u>		<u>238,355</u>
			182,299		238,355
CURRENT ASSETS					
Stocks	10	28,704		22,720	
Debtors	11	784,146		695,955	
Cash at bank and in hand		<u>394,733</u>		<u>612,524</u>	
		1,207,583		1,331,199	
CREDITORS					
Amounts falling due within one year	12	<u>1,039,764</u>		<u>1,188,596</u>	
NET CURRENT ASSETS			<u>167,819</u>		<u>142,603</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			350,118		380,958
CREDITORS					
Amounts falling due after more than one year	13		<u>51,945</u>		<u>82,785</u>
NET ASSETS			<u>298,173</u>		<u>298,173</u>
CAPITAL AND RESERVES					
Called up share capital			2,100		2,100
Retained earnings			<u>296,073</u>		<u>296,073</u>
SHAREHOLDERS' FUNDS			<u>298,173</u>		<u>298,173</u>

The financial statements were approved by the Board of Directors and authorised for issue on 15/4/22 and were signed on its behalf by:



S Lockwood - Director



S McDonnell - Director

The notes form part of these financial statements

OLDHAM COMMUNITY LEISURE LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2020	2,080	358,961	361,041
Changes in equity			
Issue of share capital	20	-	20
Total comprehensive income	-	(170,924)	(170,924)
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2021	<u>2,100</u>	<u>188,037</u>	<u>190,137</u>
Changes in equity			
Total comprehensive income	-	108,036	108,036
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2022	<u><u>2,100</u></u>	<u><u>296,073</u></u>	<u><u>298,173</u></u>

The notes form part of these financial statements

OLDHAM COMMUNITY LEISURE LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2020	2,080	1,584,670	1,586,750
Prior year adjustment	-	(1,438,799)	(1,438,799)
As restated	<u>2,080</u>	<u>145,871</u>	<u>147,951</u>
Changes in equity			
Issue of share capital	20	-	20
Total comprehensive income	<u>-</u>	<u>150,202</u>	<u>150,202</u>
Balance at 31 March 2021	<u>2,100</u>	<u>296,073</u>	<u>298,173</u>
Changes in equity	<u>-</u>	<u>-</u>	<u>-</u>
Balance at 31 March 2022	<u><u>2,100</u></u>	<u><u>296,073</u></u>	<u><u>298,173</u></u>

The notes form part of these financial statements

OLDHAM COMMUNITY LEISURE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. STATUTORY INFORMATION

Oldham Community Leisure Limited ("The Company") is a community benefit society registered in England and Wales. The Company is limited by shares. The Company's registered number and registered office address can be found on the Company Information page.

Oldham Community Leisure Limited controls Wellbeing Leisure, a charity registered in England and Wales ("The Group").

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires the Group management to exercise judgement in applying the Group's accounting policies.

The following principal accounting policies have been applied:

Basis of consolidation

The consolidated financial statements present the results of the Group as it formed a single entity. Intercompany transactions and balances between group entities are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. Control is gained through Oldham Community Leisure Limited being the sole member of Wellbeing Leisure Limited.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

2. ACCOUNTING POLICIES - continued

Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- The Group has transferred the significant risks and rewards of ownership to the buyer
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective over the goods sold
- The amount of revenue can be measured reliably
- It is probable that the Group will receive the consideration due under the transaction
- The costs incurred or to be incurred in respect of the transaction can be measured reliably

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all the following conditions are satisfied:

- The amount of revenue can be measured reliably
- It is probable that the Group will receive the consideration due under the contract
- The costs incurred or to be incurred in respect of the contract can be measured reliably

Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

The periods amortised over are as follows:

Computer software - 5 years

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date, the Group assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined, which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the income and expenditure account during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Improvements to property - 10-25% straight line
Plant and machinery - 10-25% straight line
Computer equipment - 20% straight line

The de-minimus capital expenditure level is £500.

Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment cost is recognised immediately in profit or loss.

Financial instruments

The following assets and liabilities are classified as financial instruments; investment in subsidiaries, trade debtors, amounts owed by group undertakings, other debtors, trade creditors, hire purchase contracts, other creditors and invoice discounting loans.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the income and expenditure account on a straight line basis over the period of the lease.

Assets obtained under finance leases and hire purchase contracts are capitalised at their fair value on acquisition and depreciated over their estimated useful lives. The finance charges are allocated over the period of the lease in proportion to the capital element outstanding.

Pension costs and other post-retirement benefits

The Group operates a defined contribution pension scheme. Contributions payable to the scheme are charged to the income and expenditure account in the period to which they relate.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

2. ACCOUNTING POLICIES - continued

Debtors

Short term debtors are measured at transaction price, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

Creditors

Short term creditors are measured at their transaction price. Other financial liabilities, including loans are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

Interest income

Interest income is recognised in the income and expenditure account using the effective interest method.

Borrowing costs

All borrowing costs are recognised in the income and expenditure account in the period in which they are incurred.

Taxation

As from May 2012, the Group obtained charitable status for tax purposes and is therefore exempt from taxation in respect of its relevant operating activities.

Going concern

In April 2013, Oldham Metropolitan Borough Council agreed a ten year Leisure Management Contract with the option to extend for a further five years. The members of the Board consider that the Group will continue to operate within the available facilities for the foreseeable future. Therefore, the board consider it appropriate to prepare the financial statements on a going concern basis subject to the uncertainties detailed below.

Having been closed at varying points of 2020/21 due to the Covid-19 worldwide pandemic OCL resumed operations on 12th April 2021.

The Company approached Oldham Metropolitan Borough Council for additional support, which was received as compensation during 2020/21, and a further sum of potentially up to £1m was earmarked for further support during the 2021/22 financial year, and a proportion of this along with other external support resulted in the break-even position for the year.

The continued effect of the pandemic on the member numbers and the current economic climate on future operations is uncertain at this time. A high proportion of members have been retained and there has been growth from the numbers retained as at April 2021, however there remains uncertainty as to the timescale by when (or indeed if) they will reach pre-pandemic levels.

Wellbeing Leisure's accounts are consolidated in Oldham Community Leisure Limited's Group Accounts and, with cross guarantees in place for liabilities within Wellbeing forming a material part of those accounts, the ability of Wellbeing to continue operating is relevant to these accounts.

The trustees of Wellbeing Leisure consider the charity which has ceased to operate following the transfer of the GloGym business to Oldham Event Centre on 31st January 2022 will be dissolved following the acceptance of the 2021/22 accounts.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

2. ACCOUNTING POLICIES - continued

Judgements in applying accounting policies and key sources of uncertainty

In preparing these financial statements, the members of the board have had to make the following judgements.

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and their residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Intangible assets

Intangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and their residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Bad debt provision

The Group establishes a provision for receivables that are estimated not to be recoverable. When assessing the recoverability, the members of the board consider factors such as the ageing of the receivables, past experience of recoverability, and the credit profile of individual or groups of customers.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the Group.

An analysis of turnover by class of business is given below:

	2022	2021 as restated
	£	£
Management Fee	242,865	109,083
Membership income	2,842,236	840,869
Sale of goods	75,362	20,880
Provision of services	3,700,327	4,615,750
Other income	139,452	56,309
	<u>7,000,242</u>	<u>5,642,891</u>

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 245 (2021 - 263).

	2022	2021
	£	£
Directors' remuneration	<u>191,618</u>	<u>186,481</u>

There were no expenses paid to Trustees for the year ended 31 March 2022 or for the year ended 31 March 2021.

With the exception of the Chief Executive, whose role is ex officio on the Board, the Directors remuneration is not intended to be remuneration solely for being a director but reflects the remuneration to staff employed in substantive roles and are staff representative on the Board.

OLDHAM COMMUNITY LEISURE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

5. OPERATING PROFIT

The operating profit is stated after charging:

	2022	2021 as restated
	£	£
Depreciation	182,378	278,794
Computer software amortisation	-	7,715
Auditors' remuneration	<u>15,950</u>	<u>15,983</u>

6. PRIOR YEAR ADJUSTMENT

Oldham Community Leisure Limited agreed to write off the opening debt that Wellbeing Leisure could not service. This write off of £1,438,799 has been treated as a prior year adjustment and is shown as a debit to retained reserves.

7. SUBSIDIARY COMPANY

The Group has a subsidiary charitable subsidiary, Wellbeing Leisure. As Wellbeing Leisure is a company limited by guarantee and thus without share capital, there is no investment shown in the Company's financial statements in terms of share capital.

The results of Wellbeing Leisure have been incorporated into these consolidated financial statements on the basis detailed in note 2.

The results of the subsidiary for the year ended 31 March 2021 are as follows:

	31/3/22 £	31/3/21 £
Income	495,292	268,491
Expenses	<u>387,257</u>	<u>589,616</u>
Deficit	<u>108,035</u>	<u>(321,125)</u>

OLDHAM COMMUNITY LEISURE LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

8. INTANGIBLE FIXED ASSETS

GROUP	Computer software £
COST	
At 1 April 2021	81,481
Additions	-
Disposals	(44,153)
At 31 March 2022	<u>37,328</u>
AMORTISATION	
At 1 April 2021	81,481
Amortisation for year	-
Eliminated on disposal	(44,153)
At 31 March 2022	<u>37,328</u>
NET BOOK VALUE	
At 31 March 2022	<u>-</u>
At 31 March 2021	<u>-</u>
COMPANY	Computer software £
COST	
At 1 April 2021	68,897
Disposals	(31,569)
At 31 March 2022	<u>37,328</u>
AMORTISATION	
At 1 April 2021	68,897
Eliminated on disposal	(31,569)
At 31 March 2022	<u>37,328</u>
NET BOOK VALUE	
At 31 March 2022	<u>-</u>
At 31 March 2021	<u>-</u>

OLDHAM COMMUNITY LEISURE LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

9. TANGIBLE FIXED ASSETS

GROUP

	Improvements to property £	Plant and machinery £	Computer equipment £	Totals £
COST				
At 1 April 2021	721,719	1,017,056	3,295	1,742,070
Additions	-	126,322	-	126,322
Disposals	<u>(573,832)</u>	<u>(736,825)</u>	<u>(3,295)</u>	<u>(1,313,952)</u>
At 31 March 2022	<u>147,887</u>	<u>406,553</u>	<u>-</u>	<u>554,440</u>
DEPRECIATION				
At 1 April 2021	449,931	872,525	3,295	1,325,751
Charge for year	68,702	113,676	-	182,378
Eliminated on disposal	<u>(395,868)</u>	<u>(736,825)</u>	<u>(3,295)</u>	<u>(1,135,988)</u>
At 31 March 2022	<u>122,765</u>	<u>249,376</u>	<u>-</u>	<u>372,141</u>
NET BOOK VALUE				
At 31 March 2022	<u>25,122</u>	<u>157,177</u>	<u>-</u>	<u>182,299</u>
At 31 March 2021	<u>271,788</u>	<u>144,531</u>	<u>-</u>	<u>416,319</u>

	Improvements to property £	Plant and machinery £	Totals £
COST			
At 1 April 2021	71,136	860,695	931,831
Disposals	<u>(71,136)</u>	<u>(689,416)</u>	<u>(760,552)</u>
At 31 March 2022	<u>-</u>	<u>171,279</u>	<u>171,279</u>
DEPRECIATION			
At 1 April 2021	35,569	743,655	779,224
Charge for year		34,256	34,256
Eliminated on disposal	<u>(35,569)</u>	<u>(689,416)</u>	<u>(724,985)</u>
	<u>-</u>	<u>88,495</u>	<u>8,495</u>
NET BOOK VALUE			
At 31 March 2022	<u>-</u>	<u>82,784</u>	<u>82,784</u>
At 31 March 2021	<u>35,567</u>	<u>117,040</u>	<u>152,607</u>

OLDHAM COMMUNITY LEISURE LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

9. TANGIBLE FIXED ASSETS – continued

COMPANY

	Improvements to property £	Plant and machinery £	Computer equipment £	Totals £
COST				
At 1 April 2021	365,794	280,231	3,295	649,320
Additions	-	126,322	-	126,322
Disposals	<u>(217,907)</u>	<u>-</u>	<u>(3,295)</u>	<u>(221,202)</u>
At 31 March 2022	<u>147,887</u>	<u>406,553</u>	<u>-</u>	<u>554,440</u>
DEPRECIATION				
At 1 April 2021	271,970	135,700	3,295	410,965
Charge for year	68,702	113,676	-	182,378
Eliminated on disposal	<u>(217,907)</u>	<u>-</u>	<u>(3,295)</u>	<u>(221,202)</u>
At 31 March 2022	<u>122,765</u>	<u>249,376</u>	<u>-</u>	<u>372,141</u>
NET BOOK VALUE				
At 31 March 2022	<u>25,122</u>	<u>157,177</u>	<u>-</u>	<u>182,299</u>
At 31 March 2021	<u>93,824</u>	<u>144,531</u>	<u>-</u>	<u>238,355</u>

Fixed assets, included in the above, which are held under finance leases are as follows:

	Plant and machinery £
COST	
At 1 April 2021 and 31 March 2022	<u>171,279</u>
DEPRECIATION	
At 1 April 2021	54,239
Charge for year	<u>34,256</u>
At 31 March 2022	<u>88,495</u>
NET BOOK VALUE	
At 31 March 2022	<u>82,784</u>
At 31 March 2021	<u>117,040</u>

10. STOCKS	Group 31/3/22	Group 31/3/21	Company 31/3/22	Company 31/3/21 as restated
			£	£
Consumables	15,974	10,297	15,974	10,297
Resaleable	<u>12,730</u>	<u>12,423</u>	<u>12,730</u>	<u>12,423</u>
	<u>28,704</u>	<u>22,720</u>	<u>28,704</u>	<u>22,720</u>

OLDHAM COMMUNITY LEISURE LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 31/3/22	Group 31/3/21	Company 31/3/22	Company 31/3/21 as restated
	£	£	£	£
Trade debtors	641,251	404,428	641,251	404,428
Prepayments and other debtors	<u>142,895</u>	<u>291,527</u>	<u>142,895</u>	<u>291,527</u>
	<u>784,146</u>	<u>695,955</u>	<u>784,146</u>	<u>695,955</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 31/3/22	Group 31/3/21	Company 31/3/22	Company 31/3/21 as restated
	£	£	£	£
Trade creditors	449,751	178,129	449,751	165,130
Social security and other taxes	10,678	-	10,678	-
Accruals and deferred income	437,428	1,072,872	437,428	989,210
Loans (see note 14)	107,652	97,591	107,652	-
Finance leases (see note 15)	<u>34,256</u>	<u>34,256</u>	<u>34,256</u>	<u>34,256</u>
	<u>1,039,765</u>	<u>1,382,848</u>	<u>1,039,765</u>	<u>1,188,596</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 31/3/22	Group 31/3/21	Company 31/3/22	Company 31/3/21 as restated
	£	£	£	£
Loans (see note 14)	-	98,792	-	-
Finance leases (see note 15)	<u>51,945</u>	<u>82,785</u>	<u>51,945</u>	<u>82,785</u>
	<u>51,945</u>	<u>181,577</u>	<u>51,945</u>	<u>82,785</u>

OLDHAM COMMUNITY LEISURE LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

14. LOANS

An analysis of the maturity of loans is given below:

	Group	Group	Company	Company
	31/3/22	31/3/21	31/3/22	31/3/21 as restated
	£	£	£	£
Amounts falling due within one year on demand:				
Other loans	<u>107,652</u>	<u>97,591</u>	<u>107,652</u>	<u>-</u>
Amounts falling between one and two years:				
Other loans – 1-2 years	<u>-</u>	<u>98,792</u>	<u>-</u>	<u>-</u>
Amounts falling due between two and five years:				
Other loans – 2-5 years	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amounts falling due in more than five years:				
Repayable by instalments:				
Other loans more than 5 years by instalment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

OLDHAM COMMUNITY LEISURE LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

15. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Group 31/3/22	Group 31/3/21	Company 31/3/22	Company 31/3/21 as restated
	£	£	£	£
Gross obligations repayable:				
Within one year	36,503	36,503	36,503	36,503
Between one and five years	<u>55,129</u>	<u>88,216</u>	<u>55,129</u>	<u>88,216</u>
	<u>91,632</u>	<u>124,719</u>	<u>91,632</u>	<u>124,719</u>

	Group 31/3/22	Group 31/3/21	Company 31/3/22	Company 31/3/21 as restated
	£	£	£	£
Finance charges repayable:				
Within one year	2,247	2,247	2,247	2,247
Between one and five years	<u>3,184</u>	<u>5,431</u>	<u>3,184</u>	<u>5,431</u>
	<u>5,431</u>	<u>7,678</u>	<u>5,431</u>	<u>7,678</u>

	Group 31/3/22	Group 31/3/21	Company 31/3/22	Company 31/3/21 as restated
	£	£	£	£
Net obligations repayable:				
Within one year	34,256	34,256	34,256	34,256
Between one and five years	<u>51,945</u>	<u>82,785</u>	<u>51,945</u>	<u>82,785</u>
	<u>86,201</u>	<u>117,041</u>	<u>86,201</u>	<u>117,041</u>

16. FINANCIAL INSTRUMENTS

	31/3/22	31/3/21	31/3/22	31/3/21 as restated
	£	£	£	£
Financial assets				
Financial assets that are debt instruments measured at amortised cost	<u>641,251</u>	<u>404,428</u>	<u>641,251</u>	<u>1,843,227</u>
Financial liabilities				
Financial liabilities measured at amortised cost	<u>(449,751)</u>	<u>(178,129)</u>	<u>(449,751)</u>	<u>(165,130)</u>

Financial assets measured at amortised cost comprise trade debtors and intercompany debtors.

Financial liabilities measured at amortised cost comprise trade creditors.

OLDHAM COMMUNITY LEISURE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

17. MEMBERS' LIABILITY

In the event of the Group being wound up the liability of the members is limited to any amount remaining unpaid on the member's single share.

18. SECURITY

The bank loans and overdrafts of Oldham Community Leisure Limited are secured by way of a debenture charge over the Group's assets to National Westminster Bank PLC.

The finance leases of the Group are secured against the specific assets to which the agreements relate.

19. PENSION SCHEME

OCL operates a pension scheme pooled with Oldham Council who are an admitted body to the Greater Manchester Pension Fund (GMPF). This scheme is a funded, defined benefit scheme. Contributions are charged in the Statement of Financial Activities as they accrue. There were no contributions not paid over to the scheme administrator at the year-end. The main contributions for the month of March 2022 for both employer and employee pension costs were paid in the month.

The OCL employees who opted to join the scheme prior to its closure are members of the GMPF scheme, which is, in its own right, a scheme of significant size.

Tameside MBC administer the GMPF scheme after taking advice from the scheme actuaries Hymen Robertson and does so predominantly on behalf of the Local Authorities of the Greater Manchester area, but this scheme now includes a substantial number of other independent entities that are not directly part of Local Government.

The Actuaries constantly review the position and contribution levels are revised as appropriate but under OCL's contract with Oldham Council (under which GMPF scheme members are employed and which is closed to new members) the liability for additional employer contribution levels is capped at 17% with any excess being refunded annually by Oldham Council. This actuarial review process will mitigate the value of any potential liabilities and the refunding of any employer costs over the cap level will effectively make the Council liable to fund any deficit that might arise mitigating any implications of increased contribution costs to OCL to fund any such liability.

Additionally the revised agreement states that "the liabilities and (if applicable) any share of surplus of the Employing Body in respect of the Eligible Employees are to be treated from the date of termination as if they were liabilities or surplus attributable to employees of the Guarantor ..".

The most recent triennial review of the scheme was using data to March 2019 published in March 2020 and as a result the employer's contribution rate to the scheme paid by OCL remained unchanged at 20.6%. The next triennial review is scheduled for publication in 2023.

The pension contributions made to the GMPF scheme by OCL and its employees represent only a small part of a significantly larger pension scheme. The underlying assets and liabilities relating to OCL are not readily identifiable to OCL and therefore the deficit or surplus relating to the employer is not known at the date of approving the accounts.

In considering these factors it is felt by the Board that the appropriate treatment of the GMPF scheme is as a defined contribution scheme where the costs are charged to revenue as incurred. This treatment is permitted by FRS 102, under the provisions of multi-employer schemes

