

ETWALL LEISURE CENTRE

STATEMENT OF ACCOUNTS

2008/2009

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FOREWORD

1. INTRODUCTION

The Statement of Accounts which follows shows the financial performance of the swimming and squash facilities provided by the Etwall Leisure Centre Joint Management Committee for the year 2008/09. The Joint Management Committee consists of representatives of South Derbyshire District Council and the John Port School, Etwall.

2. FUNDING ARRANGEMENTS

The original Joint Use agreement provided for revenue expenditure to be funded 60% by South Derbyshire District Council and 40% by Derbyshire County Council. However, the John Port School became Grant Maintained in 1993. Initially the school met the contribution previously made by the County Council. However, from 1995 the School reduced its contribution pending the Education Asset Board's (EAB) determination. The matter was then referred to the Secretary of State and revenue expenditure is now to be funded 60% by South Derbyshire District Council, 26% by the John Port School and 14% by the County Council.

3. FINANCIAL SUMMARY

In 2008/09 the net spending of the Joint Management Committee at £217,452 was £53,930 lower than the budgeted expenditure of £271,382. This is shown in more detail below.

The position was as follows:

	Original Budget	Actual	Variance
	£	£	£
Expenditure	455,942	390,661	(65,281)
Operating Income	<u>(184,560)</u>	<u>(173,209)</u>	<u>11,351</u>
Net Expenditure	<u>271,382</u>	<u>217,452</u>	<u>(53,930)</u>
Financed by:			
South Derbyshire District Council	131,852	105,284	(26,568)
John Port School	90,696	72,909	(17,787)
Derbyshire County Council	<u>48,834</u>	<u>39,259</u>	<u>(9,575)</u>
	<u>271,382</u>	<u>217,452</u>	<u>(53,930)</u>

4. ASSETS

The ownership of the swimming pool and squash courts is vested in John Port School. The assets are therefore not included in the Joint Management Committee's accounts.

5. DERBYSHIRE COUNTY COUNCIL LUMP SUM PAYMENT

During 1999/00 Derbyshire County Council made a Lump Sum payment of £260,000. The payment is in respect of a “buy-out” of the County Council’s involvement in the management of Etwall Leisure Centre, when the new Leisure Centre opens in July 2009.

While the existing Leisure Centre is still in use the County Council will continue to pay their annual share of the running costs.

6. FINANCE AND OPERATING LEASES

An operating lease is used to finance a vending machine. The amount paid under this lease in 2008/2009 was £3,042. The future cash payments required under these leases are estimated at £1,521 expiring in September 2009.

STATEMENT OF ACCOUNTING POLICIES

1. REVENUE TRANSACTIONS

These are maintained on an income and expenditure/accruals basis in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2008 – a Statement of Recommended Practice (SORP). This means that sums due to or from the Joint Committee during the year are included whether or not the cash has actually been received or paid in the year.

An exception to this principle relates to telephone charges which are charged on the due date rather than being apportioned between financial years. This policy is applied consistently each year and therefore does not have a material effect on the year's accounts.

2. ALLOCATION OF EXPENDITURE AND CENTRAL SUPPORT SERVICES

The cost of management and administration have been allocated as follows:

<u>Cost</u>	<u>Basis of Allocation</u>
SDDC Central Departments	Estimated time spent by staff reflected in service level recharges
Central Personnel Costs	Number of staff employed

SQUASH COURTS - REVENUE ACCOUNT

2007/2008		2008/2009	
£	Expenditure	£	£
2,218	Employees	2,200	
1,699	Premises	5,362	
1,905	Supplies and Services	1,129	
4,086	Establishment	7,368	
<u>9,908</u>		<u> </u>	16,059
	Income		
9,346	Admissions and Sales		9,211
<u>562</u>			<u>6,848</u>
	(Surplus)/Deficit Financed by:		
<u>562</u>	South Derbyshire D C		<u>6,848</u>

The squash court is managed by the Etwall Pool Joint Management Committee on behalf of the Housing and Community Services Committee of South Derbyshire District Council, the (surplus)/deficit being the responsibility of the Housing and Community Services Committee.

BALANCE SHEET

2007/2008		Notes	2008/2009
	Fixed Assets		
£			£
-	Nil	1	-
	Current Assets		
1,037	Stocks		730
36,881	Debtors	2	35,613
200	Cash in Hand	3	200
260,000	Investment	4	260,000
	Current Liabilities		
(38,118)	Creditors	5	(36,543)
(260,000)	Long Term Liability	6	(260,000)
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NOTES

1. FIXED ASSETS

Ownership of the Swimming Pool and Squash Courts is vested in John Port School. These are therefore included in their accounts, together with any related financing transactions.

2. DEBTORS

	31 March 2008 £	31 March 2009 £
Derbyshire County Council	31,850	34,231
Other	<u>5,031</u>	<u>1,382</u>
	<u>36,881</u>	<u>35,613</u>

3. CASH:

Cash in hand comprises:	£
Till Float	<u>200</u>
	<u>200</u>

4. INVESTMENT

	31 March 2008 £	31 March 2009
Alliance & Leicester	<u>260,000</u>	<u>260,000</u>
	<u>260,000</u>	<u>260,000</u>

5. CREDITORS

	31 March 2008 £	31 March 2009 £
South Derbyshire District Council	4,410	10,940
John Port School	13,106	9,260
Pension Reserve	10,280	12,480
Other	<u>10,322</u>	<u>3,863</u>
	<u>38,118</u>	<u>36,543</u>

6. LONG TERM LIABILITIES

	31 March 2008 £	31 March 2009 £
Derbyshire County Council	<u>260,000</u>	<u>260,000</u>
	<u>260,000</u>	<u>260,000</u>

CASH FLOW STATEMENT

2008/2009

REVENUE ACTIVITIES

£

Expenditure

Payments made on behalf of the Committee

Employees	229,350
Premises	93,904
Transport	994
Supplies and Services	52,091
Establishment	<u>29,472</u>
	<u>405,811</u>

Income

Fees and Charges (178,947)

Contributions:

- South Derbyshire District Council	(105,284)
- Derbyshire County Council	(39,259)
- John Port School	<u>(72,910)</u>
	<u>(396,400)</u>

REVENUE ACTIVITIES NET CASH FLOW AND (INCREASE)/
DECREASE IN CASH AND CASH EQUIVALENTS

9,411

RECONCILIATION OF SURPLUS TO NET CASHFLOW

(Surplus)/Deficit	9,411
Increase/(Decrease in Creditors)	(1,575)
(Increase)/Decrease in Debtors	1,268
(Increase)/Decrease in Stock	307
	<u>9,411</u>

STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS

The Joint Management Committee's responsibilities

The Joint Management Committee is required:

- i) to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility of the administration of those affairs. In this instance that officer is the Treasurer to the Joint Management Committee.
- ii) to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.

The Treasurer to the Joint Management Committee's responsibilities

The Treasurer is responsible for the preparation of the JMC's statement of accounts which, in terms of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in Great Britain ("the Code of Practice"), is required to present fairly the financial position of the JMC at the accounting date and its income and expenditure for the year.

In preparing this statement of accounts, the Treasurer has:

- i) selected suitable accounting policies and then applied them consistently
- ii) made judgements and estimates that were reasonable and prudent
- iii) complied with the Code of Practice.

The Treasurer has also:

- i) kept proper accounting records which were up to date
- ii) taken reasonable steps for the prevention and detection of fraud and other irregularities.

CERTIFICATION BY RESPONSIBLE FINANCIAL OFFICER

I certify that this Statement of Accounts presents fairly the financial position of
Etwall Leisure Centre for the year ended 31 March 2009.

.....
Treasurer to the
Joint Management Committee

.....
Date

ETWALL LEISURE CENTRE JOINT MANAGEMENT COMMITTEE

22nd June 2009

EL/8. STAFFING ARRANGEMENTS – NEW LEISURE CENTRE

A report was submitted updating Members on staffing arrangements for the new facility.

It was confirmed that the Centre Manager had been assimilated into the post of Centre Manager in the new structure and two of the three current Duty Officers had also been successfully assimilated into the roles of Duty Manager in the new structure. The existing part-time Leisure Assistant had been assimilated into a new role as full-time Senior Recreation Assistant. In addition to this, eight new full-time posts had been filled by external recruitment.

It was confirmed that posts commensurate with qualifications and experience were identified in the new structure for all members of the existing team. However, for two members of the team, the part-time Duty Officer and the Swimming Instructor/Lifeguard the terms and conditions were significantly different from those they currently worked under. It had been possible to accommodate the part-time Duty Officer in a new role in the new structure. However, further to a report to the Joint Management Committee on 23rd March 2009, it was confirmed that whilst every effort was taken to find suitable employment for the Swimming Instructor/Lifeguard, this was not possible. This Officer had been advised that the Council's redeployment policy applied. Her employment with the Joint Management Committee would cease effectively on 20th July 2009. Full details were given of the financial implications of this, and it was confirmed that the postholder would be entitled to a severance payment.

RESOLVED:-

- (1) That the update provided in the report be noted.***
- (2) That a redundancy payment of £7,841.50 to be offered to the Swimming Instructor/Lifeguard be approved.***

J. LEMMON

CHAIRMAN

The meeting terminated at 6.35 p.m.