

Leisure & Culture Dundee

**Report and financial statements
for the year to 31 March 2021**

Charity number SC042421

Leisure & Culture Dundee

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Leisure & Culture Dundee

Scottish charitable incorporated organisation Information

Trustees	M Methven MBE (Chair) J Dobbie (Managing Director) I Mathers G Laidlaw W Dawson Prof S Cross C Roberts A Day N Mohammed BEM R Emmott C Malone J Scobie S Moody
Senior management team	J Dobbie (Managing Director) J Gair (Acting Head of Library & Information Services) P Henehan (Head of Support Services) B Gartley (Head of Cultural Services) G Wark (Head of Leisure and Sport)
Registered office	1 Shore Terrace Dundee DD1 3AH
Website	www.leisureandculturaldundee.com
E-mail address	www.leisureandculturaldundee.com/contactus
Telephone	01382 307460
Auditors	Henderson Loggie LLP The Vision Building 20 Greenmarket Dundee DD1 4QB
Solicitors	Burness Solicitors 50 Lothian Road Edinburgh EH3 9WJ
Bankers	Royal Bank of Scotland plc Dundee Chief Office PO Box 70 Chief Office 3 High Street Dundee DD1 9LY
Charity number	SC042421

Leisure & Culture Dundee

Chair's report

I am proud and heartened to reflect on the response of Leisure & Culture Dundee to the unprecedented challenges brought by COVID-19.

Having closed all services on the 18th March 2020, the year that followed marks a remarkable journey illustrating the resilience, flexibility and commitment of our staff. The new financial year began with enormous uncertainty, as it became clear that the impact of the pandemic would go beyond anything previously experienced.

The focus had to be on ensuring that the financial position of the organisation remained viable, with the majority of staff placed on furlough as part of the Job Retention Scheme. Alongside, there was a clear ambition to support Dundee City Council and partners in addressing the crisis.

The pandemic hugely impacted on all our lives in a host of different ways. As we plan for the future we have to factor how COVID has impacted on our work and how it will impact going forward.

We had to respond very quickly to government guidance, adapt to frontline services being suspended and support our employees' mental health and physical wellbeing. Overnight we went from office-based working to working from home, staff being redeployed to key roles and the majority being furloughed.

Alongside this, our staff supported the City's response through taking on key worker roles, supporting the School Hubs, facilitating the Mass Vaccination Centre and promoting strategies to support mental health. In addition, teams across the organisation implemented new ways to enable access to services, with radically enhanced online provision.

The way in which customers have responded and re-engaged with our services is testament to the hard work of our staff teams in re-establishing links, preparing venues, promoting services and providing a reassuring welcome. However, as with similar organisations across Scotland, it is recognised that it will take some time for numbers to return.

The clear challenge for Leisure & Culture Dundee moving forward is to adapt to the new world and ensure that service delivery is fit for purpose in this changed environment. Having witnessed what has been achieved over the past year, I am confident that our organisation is well placed to face this challenge and I thank the staff of Leisure & Culture Dundee and my fellow Trustees for their passion and commitment.

Moira Methven MBE
Chair, Leisure & Culture Dundee

Leisure & Culture Dundee

Managing director's report 2020/21

Leisure & Culture Dundee's purpose is *'to deliver, for the citizens of Dundee, and those who visit the City, high quality Leisure, Sporting, Cultural and Learning Experiences which contribute to their quality of life.'*

These experiences are delivered through three key areas of Library & Information Services, Cultural Services and Leisure and Sport Services, underpinned by Support Services.

The past year has been an extremely challenging period as the organisation has responded to the demands of the pandemic, keeping staff and customers safe, whilst as far as possible delivering our purpose and ensuring access to services within the Scottish Government guidelines, all in a financially difficult environment.

RESPONSE TO THE COVID-19 PANDEMIC

In response to the rapid development of the COVID-19 pandemic, all Leisure & Culture Dundee facilities closed to the public on 17 March. This decision was taken in accordance with Government guidelines issued on 16 March to reduce social interaction.

In preparation for leaving lockdown, careful consideration was given to the principles underpinning the journey towards establishing the 'new normal' way of working, ensuring that staff and customer safety was addressed, alongside provision of a level of services which support the city's economic and social recovery and health and wellbeing, set against the requirement for clear financial modelling.

Health and safety controls remained at the heart of our recovery plan as we worked to establish new working practices and procedures to deliver services to the citizens of Dundee and protect our staff and customers. Following official Government guidance and in consultation with Dundee City Council, health and safety bodies and Trade Unions, new risk control procedures were introduced to minimise the risks associated with the coronavirus.

Detailed risk assessments were completed for each building and service incorporating Covid-19 guidelines, including control of the virus, sanitisation of equipment, frequency of hand-washing and required signage information. These formed the basis for action plans completed prior to re-opening which addressed measures for both staff and public areas and activities.

Using the Scottish Government's phased approach, and working closely with Dundee City Council, a timeline of reopening for services and facilities was identified. This was revisited throughout the year as guidelines changed.

Leisure & Culture Dundee applied to the UK Government Coronavirus Job Retention Scheme with retrospective effect from the date of national lockdown i.e. 24 March 2020 to protect services and safeguard jobs, facilitating an effective forward plan to reinstate services as the situation allowed.

The rationale behind the claim was to safeguard the jobs of employees by covering the cost of salaries which could not be covered by income generation during the closure of facilities as a result of the COVID-19 outbreak and subsequent rulings by the UK Government. This meant that, with the exception of those undertaking essential duties such as Wildlife Centre responsibilities, building checks and financial and HR responsibilities, the majority of staff were placed on furlough.

With the immediate and long-term closure of all facilities for the majority of the year, the impact on Leisure & Culture Dundee has been immense and it is recognised that this will continue for some time, particularly in terms of recovering customers and income generation.

FRONTLINE SERVICE DELIVERY

Throughout the year Leisure & Culture Dundee was aware of the impact on our customers resulting from the closure of services and made every effort to ensure that reopening took place when it was safe and within guidelines.

Leisure & Culture Dundee

Managing director's report 2020/21 (continued)

During the summer there was a gradual re-opening of services in line with guidelines; however, in response to a significant rise in positive cases, all facilities closed again in December 2020.

Despite only limited opening, there was a positive response from customers and in some areas, visitor numbers exceeded performance on the same period for the previous year.

In libraries, the closure and lack of access to IT facilities had a severe impact on the support offered to job seekers. The impact of Covid on the job market is anticipated to increase demand on library services as we start to reopen. Child Disability Payment is to be piloted in Dundee and other areas before its nationwide launch in the autumn and we are working with Social Security Scotland to introduce face-to-face appointments.

With only limited opening for McManus, visitor numbers of 20,380 was still achieved, and this evidenced the importance of the venue to the city. The response from visitors has been extremely positive.

Ancrum Outdoor Centre was able to open some services during the year and showed a significant increase on same period the previous year, only 29% down despite the closures with 24,000 visitors. During this period, we fulfilled our contractual obligations with additional sessions to schools for the Scottish Attainment Challenge (SAC). During the October holidays a local programme was delivered which saw good uptake from new customers within Dundee area. In addition to this, the beginner ski blocks were fully booked.

Dundee Ice Arena was only open between September and December but still had over 25,000 visitors during this period. The only activity during the closure was Elite Figure Skater training, in line with Sport Scotland guidance.

Sports Centres, including the RPC, reopened in September with minimal programmes allowed to participate and closed again on 23rd December, and The McTaggart Centre remained closed for the full year due to the difficulties in allowing access.

Golf facilities were able to open earlier than most of our services, with attendance at Caird Park 9-hole course up by over 7,000 on the previous year, representing an increase of 121% despite opening for only 8 months of the year. Similarly, the 18-hole course showed an increase of 16%.

DISC reopened at the end of August and saw a positive uptake in attendance at the group exercise programme with additional sessions being delivered, and also a higher attendance uptake due to most classes being held in the large sports hall.

Outdoor 3G pitch bookings were 90% capacity between October and December, with the Government restrictions allowing outdoor play.

A focus area for our Community Sports Hub Officer has been the Changing Lives Through Sport and Physical Activity Programme with sportscotland, with weekly sessions supporting Community Sport Hubs and colleagues to develop a mindset to use sport and physical activity to bring about positive change for people and communities.

Lynch remained closed due to Covid restrictions with particular difficulty with social distancing guidance due to the layout of fitness suite in particular and orientation of the building for both LACD staff and members of the public.

Schools have remained closed for community usage since March 2020. Discussions took place between LACD and Education to discuss the reopening for August to December, but it was agreed to delay this after updated Government restrictions.

Leisure & Culture Dundee

Managing director's report 2020/21 (continued)

Olympia was only open for four months, with the Competition Pool reopened for lane swimming, club training, Aquafit and Learn to Swim programmes. The Fitness Studio reopened for individual training. A 'Welcome Back to the Water' video was sent to participants to provide reassurance on social distancing and hygiene measures in place. A virtual building tour highlighted changes made to access and also what was expected of participants and parents when attending. Feedback from those who are attending is very good and, as we would expect, those still waiting to resume their lessons are frustrated and can't wait to get back.

The Health and Wellbeing programmes and team members mainly only returned from September until December in line with restrictions and closure of facilities. Examples of success were particularly evident with ParkLives, Urban Moves and Steps to Health. Exercise referral could not return in a group setting and many logistical issues existed around booking and access for many participants of H&WB programmes.

Leisureactive memberships were frozen between the months of March and mid-September due to the national lockdown. Leisureactive continued to offer free group exercise to its members through lockdown live on Facebook. From mid-September limited services resumed and we were able to successfully reinstate many members. All memberships were placed on frozen for a second time for the second lockdown from Christmas eve. We were successful in re-purposing many areas, including Activity rooms and sports halls to help ensure our offering remained competitive and appealing despite the restrictions placed on the industry.

Lifeguard training and NPLQ requalification resumed after the first lockdown at the start of September. This was a big task due to the restrictions and controls put in place to reduce the spread of Covid. Numbers had to be reduced to 6 per course due to the space and the fact that candidates had to have a manikin each for the duration of the course. Costs have increased due to the need to replace manikin lungs after every course and demand is higher for first aid renewals due to qualifications expiring over the period of both lock downs. First aid courses resumed again after the second lock down at the end of April (still at 6 candidates per course), but demand is still high within DCC.

In line with Scottish Government restrictions, the Regional Performance Centre remained closed for the first half of the year. However, between the end of August and the end December the RPC welcomed back a number of key clubs, including Dundee FC, Dundee Hawkhill Harriers, Dundee Rugby, Abertay University clubs, Monifieth Triathlon Club, Peterhead FC and several junior football clubs, as well as the LACD sports development programmes and sportscotland medical and strength conditioning programmes. During the return to lockdown, Scottish Government exemptions allowed professional football teams to continue training and the RPC remained partially open to allow the first teams for both Dundee and Dundee United Football Clubs to continue external access during this period.

The Football Development Officer delivered Frederick programmes at Craigie and North East Campus from September to December 2020 in partnership with DCC Youth teams. These young people are mainly targeted through the youth work team who link to community safety meetings to identify areas with high levels of anti-social behaviour and signpost the youths to this provision.

L&IS Promoted Keep Safe Awareness Day on 4th March. Keep safe is a partnership between I am Me Scotland and Police Scotland, and all Dundee Libraries remain Keep Safe spaces for anyone to use if they feel vulnerable or scared.

BEHIND THE SCENES

As a result of furlough, a difficult balance had to be achieved to ensure that developmental work still took place with much reduced resources. Those on part-furlough and working from home continued to progress a number of projects as well as developing enhanced online resources.

Significant headway was made with the delivery of collections online which will prove to be a major connection with audiences to the city's stored collections and history. Staff have worked hard during the period of flexible furlough to make 5,655 web-ready records.

Leisure & Culture Dundee

Managing director's report 2020/21 (continued)

Staff who continued to work through the initial lockdown, those who worked a flexible furlough and when staff returned between August to December undertook significant retrospective documentation work, which is an essential requirement for the accreditation process. The transcription of the accession registers is a significant piece of work with 3,696 register entries transcribed, improving provenance information for 8,481 object records.

Although the vast majority of staff remained on furlough, significant work was undertaken to gain external funds to acquire new objects. In partnership with CAS (Contemporary Art Society), work has been underway to acquire a contemporary artwork for the fine art collection.

Professional support for cultural providers continued through artists and musicians' grants. Successful delivery of the VACMA and Musicians Awards schemes 2020/21 in which the entire budget for grants was distributed, supporting local practitioners at a particularly challenging time due to COVID restrictions.

A successful funding application to the NHS Community Innovation Fund will enable LACD to recruit a Community Sport Hub Modern Apprentice who will work under the supervision of the CSHO to support the recovery and future development of Community Sport Hubs in Dundee.

Supported by Leisure & Culture Dundee, Street Soccer Scotland took on the lease of the premises at Lynch Sports Centre vacated by Leisure & Sport. The offices will be renovated into a drop-in centre and will host future education and welfare tutorials as well as football drop in sessions.

COMMUNICATION AND ONLINE PRESENCE

Throughout the year, the priority has been to ensure that staff and public are kept updated and informed as far as possible. Regular all-staff updates were sent to corporate and home e-mail accounts to provide timely information on current policy, health & wellbeing advice and service updates. Signposting to appropriate mental health guidance and support was also included, with staff encouraged to get in touch with any concerns so that they could be addressed appropriately.

Service areas were supported by Creative Services to develop a strong digital presence using social media. These elements were pulled together into a Resource Centre as part of the Leisure & Culture Dundee website.

Themed activities for children and families, health and fitness videos, regular online posts and tutorials increased engagement and maintained the public profile of Leisure & Culture Dundee to customers.

Loans of all e-resources rose significantly during the year. E-books and e-audio books showed an increase of 82% on the previous year and loans of e- magazines increased by an astounding 459% from 13,101 to over 73,000.

Virtual author events attracted 2,835 attendees, including an interview for International Women's Day with Janet Skeslien Charles, author of *Moonlight in Odessa* and *The Paris Library*; a performance for World Book Day from Macastory and an online book launch for Margaret Bennett's Dundee Street Songs, Rhymes and Games. A Facebook Live event was held with James Robertson funded by Scottish Book Trust attracting 340 watches of the live-only event.

Children and families were encouraged to Jump into the Future and make and fill in their own time capsule. Staff presented ideas during a design session on Dundee Libraries Facebook page. There were 966 video views, 560 for time capsule craft activity, 406 for authors' favourite things.

Virtual BookBug sessions, including a festive session, were filmed by library staff and made available via YouTube and through the library Facebook account.

An online event *An A-Z of Dundonian Dissent* took place on 25 February - this was a collaboration between the Cooper Gallery at DJCAD and Local History to launch their latest exhibition *The Ignorant Art School*. There were around 200 people watching live when it went out, and the YouTube video had 796 views.

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Managing director's report 2020/21 (continued)

The Tay Reflections banner made by ScrapAntics artists in response to the oral history project featuring recordings with people about their lockdown experience of the Tay was displayed on the side of Discovery.

The two exhibitions at The McManus - *Time and Tide: The Transformation of the Tay* and *A Love Letter to Dundee: Joseph McKenzie photographs 1964-1987* were promoted through weekly posts on our social media channels. Digital access was provided through two filmed exhibition overviews.

A Love Letter to Dundee was featured as a photo story in the January 2021 edition of Scottish Field and Streetlevel Photoworks Glasgow also included the exhibition in their online programme with a talk by The Times Journalist Kenny Farquharson.

John Duncan's *Riders of the Sidhe* was featured in the Great British Art Tour, an initiative by Art UK that featured in the online Guardian in February 2021.

We supported DCA to market their streaming of the Anthony Baxter documentary *Eye of the Storm* which featured artist James Morrison and The McManus exhibition *Among the Polar Ice* and was then broadcast on BBC Two and BBC Scotland.

The Reconnect project took place over a six-month period during the year, with participants from Alzheimer Scotland, Home-Start Dundee and Tayside Healthcare Arts Trust with funding from the Art Fund and Tayside Healthcare Arts Trust. This project provided valuable cultural engagements, resources and experiences, ensuring that isolated and shielding participants could still benefit from the rich experiences the museum has to offer. Feedback from digital participants suggested that key objects within our museum collections improve mental health and wellbeing and are used by the individual as a spur to increased confidence and engagement with society.

During the year, Active Schools provided online virtual support including online activities such as live sessions or pre-recorded activities; physical activity drills/competitions and challenges. Each week the team would connect with classes and set them different PA challenges.

We supported weekly pre-recorded 'Fun in Athletics' drills, a programme usually taking place in school premises. The weekly video was posted for pupils to use through MT channels or Google classrooms. Each week pupils were asked to complete the activities and add their score to the weekly leader board.

The Cross-Country Championships transferred to a virtual competition instead with pupils challenged to run a modified cross-country route in Baxter Park or to run one mile anywhere over a one-month time period. Pupils then had to upload their efforts to the Dundee Active Schools 'club' on a tracking App so we could see the results and chart the fastest times.

The Active school team connected with pupils through a series of videos sent out each week for use in school hubs and to compliment home learning. These encouraged the achievement of one hour of daily physical activity including running, walking, cycling and yoga activities.

In partnership with Scottish Orienteering, online courses have been developed across Dundee for people of all ages and abilities to access. This involved the challenging work of digitally mapping courses providing local routes in urban places, and physically trialling them before uploading them to an app, including accurate maps and clues sheets on the Active Schools website.

SUPPORTING THE CITY

The Leisure & Culture Dundee Board and Senior and Extended Management Teams were clear that the organisation had a responsibility to support the city both during the lockdown and in recovery. Staff on furlough were encouraged to take up redeployment in Health & Social Care and Key Worker roles, and a number of staff worked in positions which put them at potential exposure to the virus.

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Managing director's report 2020/21 (continued)

The main Caird Hall opened as the Mass Vaccine Centre for the City at the beginning of February 2021, contributing enormously to the city response to dealing with the COVID pandemic. Caird Hall staff responded positively to change the concert and conference venue into a facility that supports the NHS effort to vaccinated the population. This has seen seven day opening and will continue for the foreseeable future. In addition, we supported the SNBTS with blood collecting in the Marryat Hall.

Our Active Schools Team worked with colleagues in Dundee City Council to provide access to sport and support mental health and wellbeing for vulnerable children and those of key workers attending the three Hubs established during lockdown.

The pandemic has had a huge impact on Community Sport Hubs with restrictions putting a stop to sporting activity. However, supported by the Community Sport Hub Officer, the strong, hardworking and committed network of volunteers in Dundee saw many sports clubs continue to provide activities to keep individuals active at home and respond to wider community need. Fairfield CSH and Dundee North West CSC have both operated food larders, while Forthill CSH issued activity workbooks to support parents with home-schooling.

Through a successful application to the Connecting Scotland initiative, we obtained 20 iPads supplied with Mi-Fi Units supplying 12 months of free internet access. Working in partnership with Dundee City Council, these were distributed to families with young children without internet access or devices with library staff providing online training and direct support.

Support in school has been welcomed with open arms, with pupils delighted to see a familiar face back in school. With activities outside we have been enjoying the latest sunshine and so have the pupils. Activities in school have taken shape through playground games, resilience activities, leadership sessions and the daily mile programme. Pupils are working hard and are aware more than ever that their physical fitness and health is a priority and that 60mins is the minimum to be active every day.

THE YEAR AHEAD

Intelligence gathered from the experiences of other countries and advice from national bodies representing different service sectors strongly suggests that the recovery period for Leisure & Culture Dundee is likely to extend beyond the next two years.

Although the previous year has demonstrated that customers still have an appetite for accessing services, and the practical measures towards getting back to the 'new normal' are relatively quantifiable, the medium to long term damage to the organisation has to be highlighted.

An added complication to the recovery process is the news that Olympia swim centre will be closed until late 2022 due to the requirement for maintenance and refurbishment works. The closure has been agreed in conjunction with Dundee City Council and the impact on the organisations finances will form part of the overall support provided by Dundee City Council.

The managed transition of service return will focus on the continuation of measures to protect public and customers, and these measures are likely to remain in place for a considerable period. In addition, public confidence in using our services will not return to previous levels in the immediate term.

There is a clear role for the organisation in resilience planning for communities and implementing preventative measures to support people's health and wellbeing. In addition, support to job seekers, claimants, and those needing access to IT will be even more important. The organisation will continue to work in partnership with other providers across the city to jointly make best use of our facilities.

As a result of the pandemic, capital project plans were put on hold, and these will be reviewed to ensure that they are still as relevant and critical to the organisation.

Projects initiated during the year will be implemented in the year ahead, including the 'Best Foot Forward' programme developed by Active Schools in partnership with the NHS, aimed at the Changing Lives agenda. encouraging families to improve healthy lifestyle habits.

Leisure & Culture Dundee

Managing director's report 2020/21 (continued)

Moving forward we will be working to safely bring volunteers back to our facilities. Our volunteers remain committed although have not been able to come in and work on projects since the start of Covid-19 restrictions in March 2020.

As part of the recovery process, emphasis will be given to changing methods of service delivery to directly target community needs and support society in adapting to the new normal. Mental health issues in our city are likely to be a serious concern as people adjust to life after lockdown, and Leisure & Culture Dundee will identify how services can help the wider recovery process of the city.

Judy Dobbie

Managing Director, Leisure & Culture Dundee

Leisure & Culture Dundee

Trustees' Report

The trustees have pleasure in submitting their annual report and financial statements for the year ended 31 March 2021. The charity information set out on page 1 and the Chairman's and Managing Director's reports on page 2 and pages 3 to 8 respectively, form part of this report. The financial statements comply with the recommendations of the Statement of Recommended Practice and Accounting and Reporting by Charities and current statutory requirements.

Structure, Governance and Management

Charitable status

Leisure & Culture Dundee is a Scottish Charitable Incorporated Organisation (SCIO), governed by its constitution, and has charitable status under the Charities and Trustee Investment (Scotland) Act 2005 and the Scottish Charity Number is SC042421. The SCIO was recognised by the Office of the Scottish Charity Regulator (OSCR) on 29 June 2011.

Trustees

There are thirteen trustees of which five have been appointed by Dundee City Council, three elected members and two officers, specifically the Vice Chair and Managing Director. There are eight independent trustees in accordance with the SCIO's constitution.

At the conclusion of each Annual General Meeting, required under the constitution, two out of the required seven independent trustees shall retire from office, but may then be re-appointed. The trustees to retire shall consist of those who have been longest in office since they were last appointed or re-appointed. A trustee appointed by the Council (elected members) who has served for a period of six years shall not be eligible for re-appointment until a further period of one year has elapsed. The board may, by way of a resolution passed by majority vote at a board meeting, waive the provisions in relation to a particular charity trustee if they consider that exceptional considerations make that appropriate.

The trustees as at the date of this report are as detailed on page 1.

Sinclair Aitken OBE resigned as trustee and chair on 2nd June 2021, and Moira Methven MBE was appointed Chair of Leisure & Culture Dundee on at the AGM on the same date. Louis Lee resigned as a trustee on 9th September 2020 and Michael Marra stood down as a trustee on 26th May 2021.

Joanne Scobbie and Sue Moody were appointed to the Board as trustees on 2nd June 2021 and Charlie Malone was appointed to the Board on 28th July 2021 to replace Michael Marra as one of the elected members sitting on the Board.

Policies and procedures for induction and training of trustees

The ongoing training needs of trustees are considered by the board from time to time.

Organisation Structure

The Trustees meet bimonthly where decisions are taken to set the overall strategy for the SCIO as well as to monitor its activities. Senior management are charged with the task of implementing these decisions.

Pay policy for key management personnel

The trustees consider the board of trustees, and the senior management team to comprise the key management personnel of the charity, in charge of directing and controlling, running and operating the charity on a day to day basis. All trustees give of their time freely and no trustee received remuneration in the year.

Leisure & Culture Dundee

Trustees' Report (continued)

Pay policy for key management personnel (continued)

As Leisure & Culture Dundee has a TUPE+ agreement under The Transfer of Undertakings (Protection of Employment) Regulations (TUPE) with Dundee City council, the pay of senior staff is set in line with policies and procedures for setting salary grades and scales for Dundee City Council Local Government employees. Each job description is subject to an evaluation process, which has been agreed with CoSLA, and through this process, the post is graded accordingly. Salaries will then increase through incremental progression through the four increments of the particular grade. Reviews of the grade will only take place if there is a significant change to the duties of the post.

Risks

The major strategic, business and operational risks that the organisation faces have been identified and are contained within the Risk Management Policy & Business Risk Assessment which was approved by the Board. In accordance with the policy, there will be an ongoing review of risks, with a formal review annually, which will be reported to the Board.

There are, within the assessment, identified existing controls and, where relevant, further actions detailed with timescales for completion and identified officers responsible.

Financial sustainability is identified as a major risk for Leisure & Culture Dundee.

The controls in place to mitigate the risk are as follows;

- Monthly monitoring position reported to the Finance Committee along with options identified to address any adverse variances
- Establish and maintain principles and timeline for settlement of Leisure & Culture Dundee revenue budget in conjunction with Finance Committee and Dundee City Council, with particular focus on any material changes to the management fee for Dundee City Council
- Treasury management, ensuring surplus balances are working for Leisure & Culture Dundee

Non-financial risks arising from health and safety, employee relations and total loss of IT are managed by having robust policies and procedures in place and maintaining staff standards through training and development.

In light of the COVID-19 pandemic since March 2020, a COVID-19 specific risk register was produced by Dundee City Council to cover all areas of responsibility of the council and partnership organisations. Leisure & Culture Dundee are included within this risk register and has its own section covering all areas affected by the pandemic.

In addition to this, the main standing committees, Finance, Health & Safety and Property, and HR & Equalities all have standing agenda items to discuss the risks following within each committee's remit, and updates are provided at each committee meeting. Updates from each are then presented to the Board.

It is planned that the organisational risk register will be updated to include any ongoing risks associated with the pandemic in the next six months.

Reserves policy

The organisation's principal charitable activities are:

- The operation, management and development of Galleries, museums, and other facilities which provide public access to collections of work of art, antiquities and objects of scientific interest;
- The development and delivery of arts and cultural activities and events, artistic programmes, and educational projects;
- The operation, management and development of libraries and provision of library and archive services

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Trustees' Report (continued)

Reserves policy (continued)

- The operation, management and development of indoor and outdoor sports facilities
- The development and delivery of sports activities directed towards wider participation in sport

These activities are funded by service fees from Dundee City Council and income generated from fees charged to access some of the activities.

The organisation's accounts reflect liquid or readily realisable assets, ie cash held to fund activities and operating costs.

The Board considers it appropriate that the Reserves Policy be established by reference to the organisation's liquidity position.

Accordingly, the Board has decided that the organisation should maintain cash and readily realisable assets equivalent to one month's planned income to be generated from activities. Based on the current income position, our policy requires the organisation to hold £725,000 including a minimum of £100,000 in cash, within unrestricted reserves excluding the pension deficit. At 31 March 2021 the unrestricted reserves were £1,035,679 and cash in bank was £1,986,270.

The reserves policy is adopted to ensure that the organisation remains able to continue providing its charitable activities in the event of greater volatility in our future income.

Purpose statement

To deliver, for the citizens of Dundee, and those who visit the City, high quality Leisure, Sport, Cultural and Learning Experiences which improve their quality of life.

Objectives and activities

Principal activity

The principal activity of the SCIO is the provision of recreation and leisure facilities on behalf of Dundee City Council in accordance with the following charitable objectives:

To advance the arts, heritage, culture and science; To advance public participation in sport; To provide recreational facilities, and organise recreational activities with such facilities/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; through the provision of services (including those entrusted to it by Dundee City Council), which contribute to advancing well-being (primarily the wellbeing of residents of Dundee) including (i) the operation, management and development of galleries, museums and other facilities which provide public access to collections of works of art, antiquities and objects of scientific interest; (ii) the development and delivery of arts and cultural activities and events, artistic programmes, and educational projects; (iii) the operation, management and development of libraries and provision of library and archive services; (iv) the operation, management and development of indoor and outdoor sports facilities (including arrangements to facilitate access to such facilities by those on lower incomes or having special needs and to encourage wider participation in healthy exercise); (v) the development and delivery of sports activities and events directed towards wider participation in sport; (vi) the development and delivery of community learning and adult learning initiatives; and (vii) the delivery of services focused on social renewal and the needs of young people.

Objectives and activities (continued)

The Trustees and employees of Leisure & Culture Dundee are expected to abide by Leisure & Culture Dundee's Organisational Values in delivering its purpose, as set out in section 4 of the constitution: www.leisureandculturedundee.com/home/about-us

The Trustees agreed a set of organisational values which highlight:

- **The Commitment to Service Quality and Excellence:**

Leisure & Culture Dundee is committed to attaining and maintaining the highest possible standards of service quality and excellence across all of our services and to working with a continuous focus on service improvement. This includes the way we will work and the quality of the outputs and outcomes we aim to achieve. We will not be complacent; we will review progress, challenge assumptions and push boundaries so that we continuously improve.

We are committed to the principles of delivering excellent public service.

We will show respect to those we work with and expect them to show respect to our staff.

We continuously seek to improve the quality of the learning and cultural experiences offered by the organisation, and will work to include those who find it more difficult to participate, for whatever reason.

We value diversity and retain a commitment to empowering people to become more involved in the services we provide and the decisions which affect their lives.

These principles will underpin all of our actions.

- **The Commitment to our staff being Empowered and Accountable:**

We will ensure that our managers work in a way which facilitates people taking pride in their work. This will include systems and processes to support and manage performance, so that staff are both empowered to work effectively for Leisure & Culture Dundee, and are able to take individual responsibility for meeting the needs of our customers.

Management will also review and address issues which may undermine staff or reduce the effectiveness of the organisation. We will encourage and support employee and trade union engagement in the development of the organisation.

Everyone will be accountable - this means we will recognise success as well as mistakes and learn from these.

We know that it is the attitude, outlook and ethos of our staff that will deliver great results.

- **The Commitment to actively share Knowledge and Skills:**

We will value staff and Board members who harness knowledge from diverse sources and who seek to share that knowledge across the organisation.

We will work in an environment that supports and thrives on co-operation, inter-agency working and mutual support. Our working practices will make time and space for staff to share knowledge and skills.

Leisure & Culture Dundee

Trustees' Report (continued)

Objectives and activities (continued)

- **The Commitment to ensuring Equality and promoting Diversity:**

We are committed to promoting equality of opportunity which recognises and respects the diversity of those who use our services and those who work for us.

Our Equality and Diversity Policies and Practices mirror those of Dundee City Council and seek to promote equal treatment and opportunity for all, regardless of gender, sexuality, marital status, race, colour, disability, religion, age, ethnicity or nationality.

- **The Commitment to practice Corporate and Social Responsibility:**

We will seek to ensure that our present actions do not have a negative future impact on our community. This includes considering the environmental and ethical implications and opportunities of our decisions and actions.

Achievements and performance

Review of activities and performance

A wide range of measures are used to assess the performance of the SCIO. These are reported to the board on a regular basis. The main measures are related to customer visits and these are incorporated within the Managing Director's Report.

Financial review

Review of the year

The results for the year are shown in the attached Statement of Financial Activities and Balance Sheet for the year to 31 March 2021. Before taking account of FRS 102 pension adjustments the deficit on unrestricted funds amounted to £278,129 and the surplus on the restricted funds was £124,268, giving an overall deficit of £153,861 (2020 - £294,813 deficit).

After accounting for the service costs for FRS 102 adjustments the deficit on unrestricted funds for the year to 31 March 2021 was £4,718,157 and the surplus on restricted funds was £124,268. The overall fund balances are then impacted by the actuarial losses arising on the pension scheme during the year of £2,890,192 (2020 – gain of £2,285,896). Resulting in an overall deficit of £4,593,887 (2020 – surplus of £31,758).

Plans for future periods

With the onset of the COVID-19 pandemic in March 2020, the priority for the trustees in the short term was to focus on the how the organisation progressed through the past financial year. As services have gradually reopened over the past few months, the ongoing impact on the financial viability of the organisation remains of huge concern.

The COVID-19 pandemic continues to have a significant impact on the organisation as a whole through reduced visitor numbers and remaining financial viability during this period remains the key issues for the Board by assessing customer attendance numbers, income generated and through ongoing discussions with our main funder, Dundee City Council.

The impact of the closure of Olympia on the organisations finances will be closely monitored and reported to Dundee City Council on a regular basis so that the impact can be factored in to any additional financial support provided as part of the recovery from the COVID-19 pandemic.

Leisure & Culture Dundee

Trustees' Report (continued)

It is hoped that customer numbers will continue to increase over the remaining months of the current financial year 2021/22 which will enable planning to be undertaken for the medium to longer term, with an assessment being taken on what services require to be changed to adapt to new customer habits, and the subsequent impact this may have on income generation for the organisation going forward.

The Leisure & Culture Dundee Board are committed to ensuring that the organisation is financially viable in the longer term and continues to deliver for the citizens of Dundee and will continue to work closely with Dundee City Council to develop its medium and long term strategies post COVID.

Auditors

So far as each trustee is aware, there is no relevant audit information of which the auditors are unaware. Each trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the auditors are aware of it.

By order of the board



William Dawson - 2021-12-15, 16:39:13 UTC

W Dawson

Trustee, Leisure & Culture Dundee

15 December 2021

Leisure & Culture Dundee

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to SCIO's in Scotland 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 SCIO and of the incoming resources and application of resources of the SCIO 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 SCIO will continue in operation.

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

Leisure & Culture Dundee

Independent auditor's report to the trustees of Leisure & Culture Dundee

Opinion

We have audited the financial statements of Leisure & Culture Dundee for the year ended 31 March 2021 which comprise, the statement of financial activities, the balance sheet, the statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, 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 Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis of 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 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 charities 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

Other information

The other information comprises the information included in the Trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

Independent auditor's report to the trustees of Leisure & Culture Dundee (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- The information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- proper accounting records have not been kept, or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees 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 charity'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 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 report in accordance with regulations made under that Act.

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.

- Enquiry of entity staff and management in compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of board meetings for evidence of any non-compliance with laws and regulations and fraud.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular the assumptions used in the pension scheme actuary report,

As a result of the nature of Leisure & Culture Dundee's operations, we identified the following areas as those most likely to have a material impact on the financial statements: Health and safety regulations; OSCR requirements; Data Protection Act 2018; employment law (including payroll and pension regulations).

Independent auditor's report to the trustees of Leisure & Culture Dundee (continued)

Owing to the inherent limitations of an audit, there is unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Henderson Loggie LLP
David Taylor - 2021-12-15, 18:11:08 UTC

Henderson Loggie LLP **Chartered Accountants**

Statutory Auditors
Dundee

(Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006)

15 December 2021

Leisure & Culture Dundee

Statement of financial activities for the year ended 31 March 2021

	Note	Unrestricted general funds £	Unrestricted pension fund £	Restricted funds £	2021 Total £	2020 Total £
Income						
Charitable activities	2	13,491,282	-	1,069,385	14,560,667	15,850,245
Investments		18,582	-	-	18,582	8,212
Total income		13,509,864	-	1,069,385	14,579,249	15,858,457
Expenditure						
Charitable activities	3	(13,787,993)	(1,549,834)	(945,117)	(16,282,944)	(18,112,595)
Net expenditure		(278,129)	(1,549,834)	124,268	(1,703,695)	(2,254,138)
Other recognised gains and losses:						
Re-measurement of the defined benefit pensions schemes	11	-	(2,890,192)	-	(2,890,192)	2,285,896
Net movement in funds		(278,129)	(4,440,028)	124,268	(4,593,887)	31,758
Reconciliation of funds						
Total funds brought forward		1,314,008	(7,790,134)	765,186	(5,710,940)	(5,742,698)
Total funds carried forward		1,035,879	(12,230,160)	889,454	(10,304,827)	(5,710,940)
		=====	=====	=====	=====	=====
	Note	Unrestricted general funds £	Unrestricted pension fund £	Restricted Funds £	2020 Total £	2019 Total £
Income						
Charitable activities	2	14,611,422	-	1,238,823	15,850,245	15,913,926
Investments		8,212	-	-	8,212	8,264
Total income		14,619,634	-	1,238,823	15,858,457	15,922,190
Expenditure						
Charitable activities	3	(14,742,204)	(1,959,955)	(1,410,436)	(18,112,595)	(18,053,072)
Net (expenditure)/ Income		(122,570)	(1,959,955)	(171,613)	(2,254,138)	(2,130,882)
Other recognised gains:						
Re-measurement of the defined benefit pensions schemes	11	-	2,285,896	-	2,285,896	203,236
Net movement in funds		(122,570)	325,941	(171,613)	31,758	(1,927,646)
Reconciliation of funds						
Total funds brought forward		1,436,578	(8,116,075)	936,799	(5,742,698)	(3,815,052)
Total funds carried forward		1,314,008	(7,790,134)	765,186	(5,710,940)	(5,742,698)
		=====	=====	=====	=====	=====


All gains and losses recognised in the year are included above.

Leisure & Culture Dundee

Balance sheet at 31 March 2021

	Note	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	6		206,958		236,698
Current assets					
Stocks	7	54,125		67,840	
Debtors	8	1,670,933		1,442,658	
Cash in hand		1,986,270		1,594,722	
			3,711,328	3,105,220	
Current liabilities					
Creditors: amounts falling due in one year	9	(1,992,954)		(1,262,724)	
Net current assets					
			1,718,375		1,842,496
Pension deficit	11		(12,230,160)		(7,790,134)
Net liabilities including pension deficit					
			(10,304,827)		(5,710,940)
Funds					
Unrestricted funds	14	1,035,880		1,314,008	
Less pension deficit	11	(12,230,160)		(7,790,134)	
			(11,194,281)		(6,476,126)
Restricted funds	15		889,454		765,186
Total funds					
			(10,304,827)		(5,710,940)

The financial statements were approved and authorised for issue by the Board on 15 December 2021 and signed on its behalf by:


William Dawson - 2021-12-15, 16:39:13 UTC

W Dawson
Trustee

Leisure & Culture Dundee

Statement of cash flows for the year ended 31 March 2021

	Note	2021 £	2020 £
Cash generated by/(used in) operating activities	16	372,966	(937,672)
Cash flows from investing activities:			
Interest received		18,582	8,212
Net cash provided by investing activities		18,582	8,212
Increase/(decrease) in cash and cash equivalents		391,548	(929,460)
Cash and cash equivalents at the beginning of the year		1,594,722	2,524,182
Total cash and cash equivalents at the end of the year		1,986,270	1,594,722

1 Accounting policies

Basis of accounting

The financial statements are prepared under the historical cost convention.

The financial statements have been prepared in accordance with applicable accounting standards and Accounting and Reporting by Charities; Statements of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP 2019 (FRS 102)) and the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102).

Leisure & Culture Dundee meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

Funds

Funds are classified as either restricted funds or unrestricted funds, defined as follows:

Restricted funds are funds subject to specific trusts, which may be declared by the donor or with their authority. Some are restricted income funds expendable at the discretion of the Board in furtherance of a particular activity, such as government grants for a specific centre, and funds raised for particular client groups or activities. Others are capital funds where the assets are required to be invested for long term use.

Unrestricted funds are expendable at the discretion of the Board in furtherance of the objectives of Leisure & Culture Dundee. If part of the unrestricted funds is earmarked at the discretion of the Board for a particular project it is designated as a separate fund. This designation has an administrative purpose only, and does not legally restrict the Board's discretion to apply the fund.

A transfer is made from unrestricted funds to restricted funds to compensate fully all restricted funds which would otherwise be in deficit at the accounting date.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

1 Accounting policies (continued)

Income (continued)

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of an event, performance or provision of other specified service is deferred until the criteria for income recognition are met.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of providing services and their associated support costs.

Irrecoverable VAT, due to partial exemption, is included within supplies and services in note 3.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities. These costs have been allocated to expenditure on charitable activities.

Pensions

The Authority participates in the Tayside Superannuation Fund by virtue of its status as an "admitted body". This is a defined benefit scheme, and the assets are invested in external funds. Dundee City Council sponsor Leisure & Culture Dundee's participation in the scheme and in the event of the charity winding up the pension liability will be payable by Dundee City Council.

The costs of providing pensions are charged to the profit and loss account on a consistent basis over the working life-time of the members. These costs are determined by a qualified actuary and any variations from the regular costs are spread over the remaining working life-time of the current members.

1 Accounting policies (continued)

Leases

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

Fixed assets

When expenditure of a capital nature is incurred by Leisure & Culture Dundee, this expenditure will be capitalised and depreciated over an agreed period, defined as its "useful economic life". Expenditure should be capitalised when it is:

- Acquisition, enhancement, construction or replacement of buildings or other structures
- Acquisition, installation or replacement of plant, machinery, apparatus or vehicles

Enhancing an asset would be lengthening the useful economic life of the asset or increasing its market value. Expenditure on maintaining an assets previous standard of performance or useful life will be recognised as revenue.

Depreciation is provided on all tangible fixed assets at rates calculated to write-off the cost, less estimated residual value, of each asset evenly over its expected useful life.

The useful economic life of each asset will be determined on its own merits but it is anticipated that it will roughly fall into one of the following categories,

- Tenants improvements 10-15 years

All capitalised expenditure will be recorded at historic cost and depreciated using the straight line method over the agreed useful life of the asset.

Stocks

Stocks of materials and consumables are stated at the lower of cost and net realisable value in the ordinary course of operating.

Going concern

The finances of the organisation continue to be significantly impacted by COVID-19 since the beginning of the pandemic in March 2020, however through continuing to access the Government Coronavirus Job Retention Scheme up to its cessation in September 2021 and by actively managing recruitment and other expenditure during the period of closures and periods of opening limited by restrictions, costs have been kept to a minimum. Marketing has also been undertaken to notify customers that our facilities have re-opened, which has restarted income generation.

At its Policy & Resources Committee meeting on 6th December 2021, Dundee City Council agreed to the issuing of a Letter of Comfort to Leisure & Culture Dundee assuring its continued financial support to the organisation in financial year 2021/22 and to at least 15 December 2022 in financial year 2022/23 to avoid the organisation having to go into negative reserves. The letter also agrees that the council will undertake cash flow management support to allow the organisation to remain in credit at all times and meet cash liabilities over the 12 months from the date of this audit report. The continued support is subject to the organisation using its best endeavours and taking appropriate action to minimise any losses and to continue to work in Partnership with Dundee City Council to access any available external funding.

1 Accounting policies (continued)

Going concern (continued)

In addition, the pension deficit of £12,230,160 does not represent a liability which the charity is required to meet in the foreseeable future and the trustees have confirmed that it does not impact the charity's ability to meet all its obligations and commitments.

On this basis of the above action taken by the organisation and the support of Dundee City Council, the trustees are of the opinion that Leisure & Culture Dundee can continue to meet its obligations as they fall due over the next 12 months from the date of the audit report and as such have prepared the financial statements on a going concern basis.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Financial instruments

The company has elected to apply the provision of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies (continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reported end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

Accounting estimates

In the trustees' opinion, the only figure in these accounts which results from a significant estimate is the defined benefit pension scheme liability, calculated by the pension scheme actuary in compliance with FRS 102.

The actual performance is unlikely to be in line with actuarial valuation as a result of the valuation being based upon assumptions on future unpredictable events such as return on assets and materiality rates.

The estimate has a material impact on the accounts and is explained in more detail in note 11.

Leisure & Culture Dundee

Notes to the financial statements (continued)

2 Income

	Unrestricted funds £	Restricted funds £	2021 Total £
Admissions etc	597,564	-	597,564
Membership	337,832	-	337,832
Library income	155,939	-	155,939
Hire of facilities	8,593	-	8,593
Resaleable goods	37,543	89	37,632
Funding	310,729	912,441	1,223,170
Other income	323,565	93,065	416,630
Catering income	2,065	-	2,065
Service fee	7,327,378	-	7,327,378
Government grants - CJRS	4,390,074	63,790	4,453,864
	<u>13,491,282</u> =====	<u>1,069,385</u> =====	<u>14,560,667</u> =====
	Unrestricted funds £	Restricted funds £	2020 Total £
Admissions etc	3,770,245	1,200	3,771,445
Membership	1,453,893	-	1,453,893
Library income	213,057	-	213,057
Hire of facilities	114,014	-	114,014
Resaleable goods	281,656	898	282,554
Funding	316,083	1,210,147	1,526,230
Other income	956,161	26,578	982,739
Catering income	224,847	-	224,847
Service fee	7,180,939	-	7,180,939
Government grants - CJRS	100,527	-	100,527
	<u>14,611,422</u> =====	<u>1,238,823</u> =====	<u>15,850,245</u> =====

Leisure & Culture Dundee

Notes to the financial statements (continued)

3	Costs of providing service	Unrestricted funds £	Restricted Funds £	2021 Total £
	Employee costs	12,037,035	755,582	12,792,617
	Pension costs	1,367,050	-	1,367,050
	Property costs	175,401	-	175,401
	Supplies and services	1,390,856	182,495	1,573,351
	Transport costs	175,901	7,040	182,941
	Pension finance costs	164,827	-	164,827
	Pension administration expenses	17,957	-	17,957
	Governance costs	8,800	-	8,800
		<u>15,377,827</u> =====	<u>945,117</u> =====	<u>16,282,944</u> =====
		Unrestricted Funds £	Restricted funds £	2020 Total £
	Employee costs	11,841,012	958,582	12,799,594
	Pension costs	1,762,977	-	1,762,977
	Property costs	88,061	-	88,061
	Supplies and services	2,589,527	428,522	3,018,049
	Transport costs	213,913	23,332	237,245
	Pension finance costs	180,203	-	180,203
	Pension administration expenses	16,771	-	16,771
	Governance costs	9,695	-	9,695
		<u>16,702,159</u> =====	<u>1,410,436</u> =====	<u>18,112,595</u> =====
4	Governance costs		2021 £	2020 £
	Audit fees		8,800	8,500
	Non audit fees		-	1,195
			<u>8,800</u> =====	<u>9,695</u> =====

Trustees and officers' indemnity insurance was included within the main insurance policy this year and the cost is included within the supplies and services costs above.

Leisure & Culture Dundee

Notes to the financial statements (continued)

5 Staff numbers and costs

	2021 £	2019 £
Wages and salaries and other staff costs	10,681,388	10,509,256
Social security costs	757,662	760,796
Pension costs	1,523,677	3,292,519
	<u>12,962,727</u>	<u>14,562,571</u>
	=====	=====

No member of the Board received remuneration or any expenses other than trustees indemnity insurance in either year from the charity.

Judy Dobbie a trustee and member of the senior management team, is remunerated through Dundee City Council, and received remuneration of £134,956 (2020 - £32,881). Also in 2020 Stewart Murdoch received remuneration from Dundee City Council of £78,454. Remuneration is for the role of Managing Director of Leisure & Culture Dundee and not for the role of trustee.

The average monthly number of employees, based on head count, of the charity during the year was 706 (2020 - 685).

During the year, 3 employee's received remuneration between £60,000 and £70,000 (2020 - 2), no employee received remuneration of between £70,000 and £80,000 per annum (2020 - 1) and one employee received remuneration of between £100,000 and £110,000 (2020 - nil).

The total remuneration of the five members of the senior management team is £463,699 (2020 - £443,960). Including £134,956 (2020- £133,684) paid by Dundee City Council as noted above.

6 Fixed assets

	Tenants Improvements £
Cost	
At 1 April 2020 and 31 March 2021	355,658

Depreciation and impairment	
At 1 April 2020	118,960
Depreciation charged in the year	29,740

At 31 March 2021	148,700

Carrying amount	
At 31 March 2021	206,958
	=====
At 31 March 2020	236,698
	=====

Leisure & Culture Dundee

Notes to the financial statements (continued)

7	Stocks	2021	2020
		£	£
	Stocks	54,125	67,840
		=====	=====
8	Debtors	2021	2020
		£	£
	Trade debtors	294,980	185,926
	Prepayments and accrued income	966,408	235,457
	Other debtors	10,329	1,177
	Dundee City Council	359,256	932,118
	Other taxation and social security	39,960	87,980
		-----	-----
		1,670,933	1,442,658
		=====	=====
9	Creditors	2021	2020
		£	£
	Amounts falling due within one year:		
	Trade creditors	115,175	68,473
	Dundee City Council	389,381	572,689
	Accruals	1,251,621	312,438
	Deferred income	236,777	309,124
		-----	-----
		1,992,954	1,262,724
		=====	=====
	Deferred income consists of amounts received during the year relating to events to be held after the year end.		
		2021	2020
		£	£
	Deferred income		
	Deferred income at 1 April 2020	309,124	494,395
	Released in year	(309,124)	(494,395)
	Received in year	236,777	309,124
		-----	-----
	Deferred income at end of year	236,777	309,124
		=====	=====

Leisure & Culture Dundee

Notes to the financial statements (continued)

10 Commitments

Lessee

Total commitments under non-cancellable operating leases are as follows:

	Land & Buildings		Other	
	2021 £	2020 £	2021 £	2020 £
Due within one year	30	29	-	9,119
Due in two to five years	116	116	-	-
Due in more than five years	319	319	-	-
	<u>465</u>	<u>464</u>	<u>-</u>	<u>9,119</u>
	=====	=====	=====	=====

Lease payments recognised as an expense during the year amounted to £66,698 (2020 - £85,896).

The land and buildings commitment is the rent payable to the Dundee City Council for the use of the premises for the provision of recreation and leisure facilities on behalf of the Council for the period to 2036.

11 Pension

Leisure & Culture Dundee is an admitted body to the Local Government Pension Scheme which is a funded defined benefit scheme. During the year Leisure & Culture Dundee made employers contributions of £1,530,595 (2020 - £1,530,995).

	2021 £	2020 £
i) Retirement benefit scheme deficit		
Change in benefit obligation		
Benefit obligation at 1 April 2020	55,522,259	57,896,635
Current service cost	2,897,645	3,293,976
Interest cost	1,291,728	1,408,213
Change in financial assumptions	20,502,220	(6,234,343)
Change in demographic assumptions	(1,518,888)	-
Experience loss/(gain) on defined benefit obligation	2,692,322	-
Past service costs, including curtailments	-	-
Contributions – employee	525,479	522,109
Benefits paid	(1,622,566)	(1,346,704)
Unfunded payments	(19,562)	(17,627)
	<u>80,270,637</u>	<u>55,522,259</u>
	=====	=====
Benefit obligations at end of year	80,270,637	55,522,259

Leisure & Culture Dundee

Notes to the financial statements (continued)

11 Pension (continued)

	2021 £	2020 £
Change in scheme assets		
Fair value of scheme assets at 1 April 2020	47,732,125	49,780,560
Interest on assets	1,126,541	1,228,010
Return on assets less interest	14,526,932	(3,948,447)
Other actuarial gains/(losses)	4,258,530	-
Administration expenses	(17,597)	(16,771)
Contributions - employee	525,479	522,109
Benefits paid	(1,642,128)	(1,364,331)
Contributions - employer	1,530,595	1,530,995
	<hr/>	<hr/>
Fair value of scheme assets at end of year	68,040,477	47,732,125
	<hr/>	<hr/>
Retirement benefit deficit	12,230,160	7,790,134
	=====	=====
Reconciliation to the balance sheet		
Present value of funded scheme liabilities	(79,861,184)	(55,188,815)
Fair value of scheme assets at end of year	68,040,477	47,732,125
Present value of unfunded obligations	(409,453)	(333,444)
	<hr/>	<hr/>
Deficit	(12,230,160)	(7,790,134)
	=====	=====
ii) Amounts recognised in net expenditure		
Current service cost	2,897,645	3,293,976
Past service cost	-	-
Interest costs	165,187	180,203
Administrative expenses	17,597	16,771
	<hr/>	<hr/>
	3,080,429	3,490,950
	=====	=====
iii) Re-measurements of the net assets/(defined liability)		
Return on fund assets in excess of interest	14,526,832	(3,948,447)
Change in financial assumptions	(20,502,220)	6,234,343
Experience gain on defined benefit obligations	(2,692,322)	-
Other actuarial gains/(losses) on assets	4,258,530	-
Change in demographic assumptions	1,518,988	-
	<hr/>	<hr/>
	(2,890,192)	2,285,896
	=====	=====

Leisure & Culture Dundee

Notes to the financial statements (continued)

11 Pension (continued)

iv) Financial assumptions

The principal assumptions used by the independent qualified actuary in updating the most recent valuation to 31 March 2021 for FRS 102 purposes were:

	2021 %	2020 %
Discount rate	2.00	2.35
Consumer price inflation/retail price inflation	2.85	1.85
Rate of increase of salaries	3.85	2.85
Rate of increase of pensions in payment	2.85	1.85
	=====	=====

iv) Financial assumptions (continued)

	2021 Years	2020 Years
Life expectancy from age 65		
Retiring today:		
Males	19	20
Females	22	22
Retiring in 20 years:		
Males	20	21
Females	24	24
	=====	=====

The assets of the scheme were:

	2021 %	2020 %
Asset category		
Equities	71.6	66.1
Gilts	4.0	1.4
Other bonds	13.1	17.7
Property	9.1	12.3
Cash	2.1	3.0
Alternatives	0.1	(0.5)
	-----	-----
	100.0	100.0
	=====	=====

	2021 £	2020 £
Amounts included in the fair value of assets for:		
Equities	48,719,966	31,557,559
Gilts	2,690,436	662,136
Other bonds	8,880,999	8,434,065
Property	6,218,826	5,870,994
Cash	1,433,197	1,443,530
Alternatives	97,053	(236,159)
	-----	-----
Total market value of assets	68,040,477	47,732,125
	=====	=====

Leisure & Culture Dundee

Notes to the financial statements (continued)

12 Related party transactions

Leisure & Culture Dundee was contracted to provide recreation and leisure services by Dundee City Council. In the year to 31 March 2021 Leisure & Culture Dundee received from Dundee City Council £10,183,342 (2020 - £10,229,531) for services provided and paid them £258,085 (2020 - £337,928) for goods and services received including a peppercorn rent for the use of the facilities occupied by Leisure & Culture Dundee. At 31 March 2021 Dundee City Council owed Leisure & Culture Dundee £359,256 (2020 - £932,118) and the charity owed Dundee City Council £364,752 (2020 - £572,689) in relation to normal trading activities.

13 Control

The Members of Leisure & Culture Dundee are Dundee City Council and D.C.C. Nominees Ltd.

The trustees are appointed by the Members and 5 of the 13 trustees of Leisure & Culture Dundee are appointed from the Council (38%) while the other 8 trustees are required to be independent of the Council.

14 Funds

Analysis of movements in funds

	Balance at 1 April 2020 £	Net income/ (expenditure) £	Transfer between funds £	Balance at 31 March 2021 £
Unrestricted funds	1,014,270	(185,349)	-	828,921
Unrestricted pension deficit	(7,790,134)	(4,440,026)	-	(12,230,160)
Designated funds	299,738	(92,780)	-	206,958
	<u>(6,467,126)</u>	<u>(4,718,155)</u>	-	<u>(11,194,281)</u>
Restricted funds	765,186	124,268	-	889,454
	<u>(5,710,940)</u>	<u>(4,593,887)</u>	-	<u>(10,304,827)</u>
	=====	=====	=====	=====
	Balance at 1 April 2019 £	Net income/ (expenditure) £	Transfer between funds £	Balance at 31 March 2020 £
Unrestricted funds	833,165	(68,895)	250,000	1,014,270
Unrestricted pension deficit	(8,116,075)	325,941	-	(7,790,134)
Designated funds	603,413	(53,675)	(250,000)	299,738
	<u>(6,163,032)</u>	<u>203,371</u>	-	<u>(6,467,126)</u>
Restricted funds	936,799	(171,613)	-	765,186
	<u>(5,742,698)</u>	<u>31,758</u>	-	<u>(5,710,940)</u>
	=====	=====	=====	=====

Leisure & Culture Dundee

Notes to the financial statements (continued)

14 Funds (continued)

Unrestricted funds	The 'free reserves' after allowing for all designated funds.
Unrestricted pension deficit	The pension deficit liability (note 11).
Designated funds	Funds for specific approved expenditure on various projects including ICT equipment, events development and ongoing costs of employing Modern Apprentices. Expenditure in 2019/20 relates to costs of employing Modern Apprentices. £250,000 was transferred to unrestricted funds in respect of an allocation for proposed extension to Broughty Ferry Library which is now included in the capital plan of Dundee City Council.
Restricted funds	Analysis of restricted funds is shown in note 15.

Analysis of net assets over funds

2021	Unrestricted funds £	Designated funds £	Unrestricted pension deficit £	Restricted funds £	Total funds £
Fixed assets	-	206,958	-	-	206,958
Stocks	54,125	-	-	-	54,125
Debtors	1,670,933	-	-	-	1,670,933
Cash	1,096,816	-	-	889,454	1,986,270
Creditors	(1,992,954)	-	-	-	(1,992,954)
Pension deficit	-	-	(12,230,160)	-	(12,230,160)
	<u>828,920</u>	<u>206,958</u>	<u>(12,230,160)</u>	<u>889,454</u>	<u>(10,304,827)</u>
	=====	=====	=====	=====	=====
2020	Unrestricted funds £	Designated funds £	Unrestricted pension deficit £	Restricted funds £	Total funds £
Fixed assets	-	236,698	-	-	236,698
Stocks	54,125	-	-	-	67,840
Debtors	1,670,933	-	-	-	1,442,658
Cash	1,096,816	-	-	765,186	1,594,722
Creditors	(1,992,954)	-	-	-	(1,262,724)
Pension deficit	-	-	(7,790,134)	-	(7,790,134)
	<u>1,014,270</u>	<u>236,698</u>	<u>(7,790,134)</u>	<u>765,186</u>	<u>(5,710,940)</u>
	=====	=====	=====	=====	=====

Leisure & Culture Dundee

Notes to the financial statements (continued)

15 Restricted funds

Fund	Purpose	Balance at 1 April 2020 £	Income in year £	Expenditure in year £	Balance at 31 March 2021 £
Cultural services					
Acquisition Fund	Museum acquisitions and conservation	379,296	16,239	41,184	354,350
Dundee Dance Day	Dance Day Event	1,538	-	-	1,538
Civilisations Project	Project	103	-	-	103
Commonwealth Ceilidh	Event	1,199	-	-	1,199
Dundee Fusion Fest	Music Development	4,185	-	-	4,185
Dundee Visual Artist Awards	Music Development Awards Scheme	6,224	5,500	5,078	6,646
YMI Development Grant	Music Development	5,735	-	-	5,735
Soundbase Sessions	Music Development Programme	3,788	-	-	3,788
Steinway Purchase	Purchase of new piano for Caird Hall	5,244	-	-	5,244
Time & Tide	Exhibition	1,426	-	-	1,426
Lunchtime Concerts	TBC	-	1,404	-	1,404
Reconnect	TBC	-	4,532	4,532	-
Performance Arts Relief Fund	TBC	-	25,000	4,085	20,915
PPE	TBC	-	7,410	7,410	-
Laptops & Software	TBC	-	2,096	2,096	-
Library and information					
Dundee in the Great War	Authors can write a children's book on war experiences in Dundee	7,058	-	-	7,058
Great War Dundee	Events celebrating Dundee Great War involvement	6,967	-	300	6,667
BOS Community Fund	Community prize for use of on IT equipment for community use	352	-	-	352
Reader in Residence	Resources for use by Reader in Residence	346	-	-	346
Read, Write, Count	Library Project	58	-	-	58
Carried forward		423,519	62,181	64,685	421,014

Leisure & Culture Dundee

Notes to the financial statements (continued)

15 Restricted funds (continued)

Fund	Purpose	Balance at 1 April 2020 £	Income in year £	Expenditure in year £	Balance at 31 March 2021 £
Brought forward		423,519	62,181	64,685	421,014
Creative Apprentice	Funded Apprenticeship	544	-	-	544
Scottish Reading Strategy	Reading project for Dyslexia sufferers	5,325	-	-	5,325
Bequests to Dundee Library Services	Bequests and gifts in relation to various library related purposes	12,931	-	-	12,931
Scottish Book Trust Fund	Funding for children's books	1,000	750	750	1,000
Carnegie Trust Talkin' Bout Teddies	Project exploring attachment to soft toys for children	3,365	-	-	3,365
Broughty Ferry Library Extension	Fund raising and donations	15,972	-	-	15,972
Dundee Partnership Small Grants	Small one off grants to assist with purchase of resources	1,837	-	95	1,742
Wellbeing Garden - Central Library	Development of an indoor Wellbeing garden in Central library	3,113	-	-	3,113
Digital Storytelling	Support delivery of training for staff to develop confidence in storytelling and using IT	3,195	-	-	3,195
Two Moons- SLIC Funding	Funding for a Festival for Young Adults Linking Literacy to Life and Work	2,574	-	-	2,574
Volunteer Accreditation	Funding for Public Libraries Volunteers Accreditation Framework	6,223	-	-	6,223
Donations	One off donation to libraries	1,000	-	-	1,000
DWP	Partnership working with DWP to increase employability skills	10,042	-	-	10,042
Drawn From Experience	Engaging with S1 children to reflect on transition from Primary to Secondary school	9,327	-	8,000	1,327
BT Skills For Tomorrow	TBC	-	1,250	1,250	-
Leisure and sport					
Hockey	Activities	13,997	2,000	2,000	13,997
Rugby	Rugby Development	12,749	-	-	12,749
Carried forward		526,713	66,181	76,780	516,114

Leisure & Culture Dundee

Notes to the financial statements (continued)

15 Restricted funds (continued)

Fund	Purpose	Balance at 1 April 2020 £	Income in year £	Expenditure in year £	Balance at 31 March 2021 £
Brought forward		526,713	66,181	76,780	516,114
Football	Football development	10,269	5,183	5,183	10,269
Community Sports Hub Officer	Community engagement	9,582	47,296	44,461	12,417
Street Football	Providing coaches for Street Football	10,955	24,117	12,584	22,488
McTaggart Surplus	Property costs to DCC	53,272	-	-	53,272
Move More Macmillan Project	Cancer sufferers activities and wellbeing	-	59,044	52,115	6,929
Dundee Disability Sport	Minibus funding	12,000	-	6,000	6,000
Regional Performance Centre Funding	Funding for RPC staffing	60,000	-	-	60,000
Active Schools	Funding for sporting activities within schools	-	493,460	493,460	-
ParkLives	Outdoor activities funding	28,312	4,018	8,327	24,003
Playrangers	Outdoor activities funding	2,351	-	-	2,351
Bikeability Project	Promotion of healthy lives through cycling	3,188	20,801	29,734	(5,744)
Steps to Health	Walking programme in partnership with NHS – various funders	13,701	964	485	14,181
Bairns Tea Party	Small grant from Dundee Bairns for afterschool programme	82	-	82	-
Active Travel	Provision of school active travel delivery programme	7,127	134,411	46,445	95,093
Cycling Scotland	Grant for purchase of equipment to promote healthy lifestyles through cycling	5,735	-	-	5,735
Lochee Walking Group	Grant to provide hillwalking sessions through Ancrum Outdoor Centre	8,000	-	3,200	4,800
Active Schools Bike Project	TBC	-	5,000	1,544	3,456
Support services					
Place Partnership	Cultural projects & UNESCO City of Design for Dundee	13,899	208,910	164,717	58,091
		765,186	1,069,385	945,117	889,454
		=====	=====	=====	=====

Leisure & Culture Dundee

Notes to the financial statements (continued)

15 Restricted funds

Fund	Purpose	Balance at 1 April 2019 £	Income in year £	Expenditure in year £	Balance at 31 March 2020 £
Cultural services					
Acquisition Fund	Museum acquisitions and conservation	345,353	83,488	49,545	379,296
Dundee Dance Day	Dance Day Event	1,538	-	-	1,538
Civilisations Project	Project	103	-	-	103
Commonwealth Ceilidh	Event	1,199	-	-	1,199
Dundee Fusion Fest	Music Development	4,185	-	-	4,185
Dundee Visual Artist Awards	Music Development Awards Scheme	10,955	7,500	12,231	6,224
YMI Development Grant	Music Development	5,735	-	-	5,735
Hogmanay Event	Event	-	2,800	2,800	-
Soundbase Sessions	Music Development Programme	1,818	1,970	-	3,788
Steinway Purchase	Purchase of new piano for Caird Hall	62,698	1,200	58,654	5,244
Time & Tide	Exhibition	-	1,426	-	1,426
Big Explore	Project	-	1,500	1,500	-
Library and information					
Opportunities Project	Wellfare Reform Support	-	6,722	6,722	-
Dundee in the Great War	Authors can write a children's book on war experiences in Dundee	7,058	-	-	7,058
Great War Dundee	Events celebrating Dundee Great War involvement	18,373	11,008	22,414	6,967
BOS Community Fund	Community prize for use of on IT equipment for community use	352	-	-	352
Reader in Residence	Resources for use by Reader in Residence	346	-	-	346
Read, Write, Count	Library Project	58	-	-	58
Carried forward		459,771	117,614	153,866	423,519

Leisure & Culture Dundee

Notes to the financial statements (continued)

15 Restricted funds (continued)

Fund	Purpose	Balance at 1 April 2019 £	Income in year £	Expenditure in year £	Balance at 31 March 2020 £
Brought forward		459,771	117,614	153,866	423,519
Creative Apprentice	Funded Apprenticeship	544	-	-	544
Macmillan @ Dundee Libraries	Cancer sufferers activities and wellbeing	-	44,994	44,994	-
Scottish Reading Strategy	Reading project for Dyslexia sufferers	5,325	-	-	5,325
Bequests to Dundee Library Services	Bequests and gifts in relation to various library related purposes	12,931	-	-	12,931
Scottish Book Trust Fund	Funding for children's books	250	750	-	1,000
Carnegie Trust Talkin' Bout Teddies	Project exploring attachment to soft toys for children	3,365	-	-	3,365
Broughty Ferry Library Extension	Fund raising and donations	15,406	566	-	15,972
Dundee Partnership Small Grants	Small one off grants to assist with purchase of resources	174	2,775	1,112	1,837
Wellbeing Garden - Central Library	Development of an indoor Wellbeing garden in Central library	3,507	-	394	3,113
Digital Storytelling	Support delivery of training for staff to develop confidence in storytelling and using IT	6,457	-	3,262	3,195
Two Moons- SLIC Funding	Funding for a Festival for Young Adults Linking Literacy to Life and Work	2,524	-	(50)	2,574
Volunteer Accreditation	Funding for Public Libraries Volunteers Accreditation Framework	8,828	-	2,605	6,223
Donations	One off donation to libraries.	-	1,000	-	1,000
DWP	Partnership working with DWP to increase employability skills.	-	71,172	61,130	10,042
Drawn From Experience	Engaging with S1 children to reflect on transition from Primary to Secondary school	-	11,100	1,773	9,327
Leisure and sport					
Hockey	Activities	14,878	13,588	14,469	13,997
Eat Well Play Well	Healthy lifestyles	595	-	595	-
Rugby	Rugby Development	12,749	-	-	12,749
Carried forward		547,304	263,559	284,150	526,713

Leisure & Culture Dundee

Notes to the financial statements (continued)

15 Restricted funds (continued)

Fund	Purpose	Balance at 1 April 2019 £	Income in year £	Expenditure in year £	Balance at 31 March 2020 £
Brought forward		547,304	263,559	284,150	526,713
Football	Football development	10,269	72,357	72,357	10,269
Active for Life - NHS	Healthy Lifestyles	-	12,000	12,000	-
Community Sports Hub Officer	Community engagement	6,785	43,924	41,127	9,582
Street Football	Providing coaches for Street Football	5,093	21,000	15,138	10,955
McTaggart Surplus	Property costs to DCC	53,272	-	-	53,272
Move More Macmillan Project	Cancer sufferers activities and wellbeing	476	45,767	46,243	-
Dundee Disability Sport	Minibus Funding	18,000	-	6,000	12,000
Regional Performance Centre Funding	Funding for RPC staffing	60,000	-	-	60,000
Active Schools	Funding for sporting activities within schools	-	486,284	486,284	-
ParkLives	Outdoor activities funding	62,138	-	33,826	28,312
Playrangers	Outdoor activities funding	3,795	-	1,444	2,351
Bikeability Project	Promotion of healthy lives through cycling	1,239	33,000	31,051	3,188
Community Coach Development	Enhanced transition programme for P7 pupils funded through DCC Children & Families Dept	-	6,100	6,100	-
Steps to Health	Walking programme in partnership with NHS – various funders	21,391	5,000	12,690	13,701
Bairns Tea Party	Small grant from Dundee Bairns for afterschool programme	82	-	-	82
Active Travel	Provision of school active travel delivery programme	60,000	10,000	62,873	7,127
Common Good Fund	Grant for purchase of AED's (Automated external defibrillator)	-	3,254	3,254	-
Cycling Scotland	Grant for purchase of equipment to promote healthy lifestyles through cycling	-	7,100	1,365	5,735
J MacDonald Menzies Charitable Trust	Grant to fund school childrens visit to gymnastics facility	-	5,600	5,600	-
Lochee Walking Group	Grant to provide hillwalking sessions through Ancrum Outdoor Centre	-	16,000	8,000	8,000
Support services					
Place Partnership	Cultural projects & UNESCO City of Design for Dundee	86,955	207,878	280,934	13,899
		<u>936,799</u>	<u>1,238,823</u>	<u>1,410,436</u>	<u>765,186</u>
		=====	=====	=====	=====

Leisure & Culture Dundee

Notes to the financial statements (continued)

16 Reconciliation of net income/(expenditure) to net cash inflow/(outflow)

	2021 £	2020 £
Net (expenditure)/income	(4,593,887)	31,758
Adjustments for:		
Depreciation	29,740	29,740
Interest received	(18,582)	(8,212)
Decrease/(increase) in stock	13,715	(208)
Increase in debtors	(228,275)	(198,775)
Increase/(decrease) in creditors	730,229	(466,034)
Pension movement	4,440,026	(325,941)
Net cash inflow/(outflow) from operating activities	372,966	(937,672)

17 Events after the reporting date

The requirement to close Olympia swim centre for essential repairs & maintenance works from October 2020 will have a significant impact on the income generation of the organisation. Early estimates of the financial impact for financial year 2021/22 are in the region of £500,000 loss of income against the amended budget for the year (budget amended from the impact of COVID-19). The loss of income along with projected reduction in costs have been factored in to the 2021/22 financial monitoring and form part of the overall figures submitted to Dundee City Council to support the drawdown of additional financial support as a result of COVID-19.

The closure, projected to be until at least October 2022, will also have an impact on the income generation for financial year 2022/23 but at this stage, it is too early to accurately project the likely impact given the uncertainty around re-opening dates. The full year income for Olympia is in the region of £2m; the loss of income could be in the region of £1.5m for financial year 2022/23.



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Certificate Summary

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SECURITY LEVEL: **Secure Email (Authenticated)**
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E-SIGNED BY: **David Taylor (david.taylor@hlca.co.uk)**
SECURITY LEVEL: **Secure Email (Authenticated)**
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PRINT NAME: **David Taylor** EMAIL: **david.taylor@hlca.co.uk**

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NAME: **Paul Henehan** EMAIL: **paul.henehan@leisureandculturedundee.com**