

**The Institute of Leisure and Amenity Management
and Subsidiary Company**

LEGAL AND ADMINISTRATIVE INFORMATION

Constitution

The Institute of Leisure and Amenity Management is a company limited by guarantee (company number 306810) and a registered charity (charity number 802616) governed by its memorandum and articles of association (updated June 2002). The Institute is known by the acronym of ILAM.

Trustees

Officers of the Institute:

The following Trustees served as directors of the charitable company during the year 2004/05:

President

A Kerr*, Local Government Officer (appointed 29.06.04)

President Elect

N Gibbs*, Local Government Officer (appointed 29.06.04)

Immediate Past President

F Grossart*, Commercial sector manager

Other Directors who resigned during 2004/05

L Croney (past Honorary Treasurer) resigned on 29.06.04

Other Trustees

Nationally Elected 2003/04-2004/05

D G Evans*, Local Government Officer (Chair of Council)

P Corcoran*, Leisure Trust Manager

I J Kendall*, Leisure Trust Manager

Nationally Elected 2004/05-2005/06

A Greer, Local Government Officer

I McKenzie, Local Government Officer

D Goldstone*, Consultant

Regionally Elected 2004/05-2005/06

D G O'Connor, Leisure Consultant - Northern Ireland

L Pryde, Consultant - Scotland

R D Bowen, Local Government Officer - South East

A Davis*, Consultant - East Midlands

S Franks*, Operations Director - West Midlands (Honorary Treasurer)

- Yorkshire & Humberside

P Gilpin, Leisure Contractor - South West

D Mitchell, Consultant - Yorkshire and Humberside

A Robertson*, Local Government Officer - North West

I Shipp*, Local Government Officer - Eastern

H Williams, Local Government Officer - Wales

R Giddins, Director of Historic Royal Palaces - Gt London

M Hawkings, Higher Education Officer (co-opted) - North East

* indicates member of Council Cabinet Committee 2004/05

Other Trustees who retired on completion of their term of office on 29.06.04

M Etchells, G Bates and Len Croney

Chief Executive

A Worthington resigned on 30/9/04 L Conaway appointed on 1/10/04

Registered Office

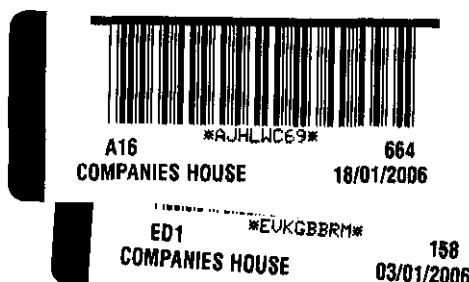
ILAM House, Lower Basildon, Reading, Berkshire, RG8 9NE

Company Secretary

The following served as Company Secretary during the year

B Strange (resigned 29.10.04)

S Franks (appointed 01.11.04)



**The Institute of Leisure and Amenity Management
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Auditors

Hillier Hopkins LLP, Chartered Accountants, St Martin's House, 31-35 Clarendon Road, Watford, Hertfordshire, WD17 1JF

Bankers

Barclays Bank plc, PO Box 27, King Street, Reading, Berkshire, RG1 2HD

Solicitors

Blandy and Blandy, One Friar Street, Reading, Berkshire, RG1 1DA

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TRUSTEES' ANNUAL REPORT

The Trustees have pleasure in presenting their report for the year ended 28 February 2005. The legal and administrative information set out on page one forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities.

Objects of the charity

The object for which the Institute is established, as stated in its memorandum of association is:

To advance public education by the promotion of lectures, courses of instruction and other educational facilities to improve and extend the knowledge and efficiency of those persons engaged in all aspects of leisure and amenity management.

This is pursued through the

- provision of leisure-based qualifications
- provision of a programme of Continuing Professional Development, events, seminars and conferences
- publication of journals, books, Fact Sheets and Policy Position Statements
- provision of an Information Service
- association with Government and other national agencies

There have been no material changes during the last year in the policies and the object of the Institute.

The Institute's memorandum of association requires that it cannot support anything, financially or otherwise, or impose any restriction or condition which, if it were taken to be an object of the Institute, would make it a trade union.

Organisation

The Trustees (listed on page one) are appointed by means of election by the Members of the Institute. All Trustees are members of the National Council. The officers of the Institute are the directors of the charitable company. The National Council meets six times a year, supported by a sub-committee, the Council Cabinet, responsible for the management of internal affairs, which also meets up to six times a year. The Chair of Council and the Honorary Treasurer are elected from within the Trustees. The Council Cabinet is selected by the Chair of Council.

All Trustees automatically retire, but may stand for re-election at the end of the period for which they are elected. Trustees may resign by written notice to the Directors of the Institute. A Trustee may be removed by means of an extraordinary resolution.

A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the charity.

Investment powers, policy and performance

Under the memorandum of association, the Trustees have the power to invest the monies of the Institute in such investments, securities or property as they see fit. During the past financial year, cash flow requirements have meant that surplus funds could only be invested in a high interest deposit account.

Reserves

The Trustees had established a policy whereby the long-term aim is for the 'free' reserves held by the charity to be equivalent to between three and six months operating expenditure. Total unrestricted funds now amount to £45,280, but there are currently no free reserves as all funds are invested in fixed assets, or in funds that are restricted for other purposes. Therefore, given that the previous reserves policy would not be readily achievable, the aim must now be to generate operating surpluses in order to have a positive balance of free reserves and that this should be achieved over the next three to five financial years.

Risk management

In considering the annual budget the Trustees consider the risks to which the Institute are exposed. The major risk is that the Institute is entirely dependent on the income from its membership subscriptions and its trading activities. In order to mitigate this risk the Trustees ensure that prudent estimates of income and that sufficient provision for expenditure are included in all financial planning, with financial forecasts prepared throughout the year based on different levels of membership and trading subsidiary income. The Trustees are given regular reports on the financial performance of the Institute and of the trading subsidiary to enable them to monitor the Institute's position.

Related parties

The Institute is not reliant on any donated services and facilities either within or outside the Institute's accounts nor is it dependent on the support of any particular individuals, organisations or groups of donors. The Institute is not 'connected' to any other

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Registered Charity in the context of the requirements of this Declaration. Related party transactions involving Trustees are disclosed in note 14 to the financial statements.

Financial results

The loss for the year amounted to £93,770. The Trustees consider this to be an improvement on last years financial performance and this was primarily due to a significant increase in the covenanted income from the trading subsidiary, up from £121,072 last year to £165,295.

Review of activities

Principal activities

The principal activities of the Institute are the provision of services to Members including education services and the representation of Members' views to Government and other national agencies.

The principal activities of its subsidiary undertaking, ILAM Services Limited, are disclosed in note 8 to the financial statements.

Activities relating to the Institute's objects

The Institute continued to provide a Professional Qualification Scheme and technical qualifications, together with an extensive programme of Continuing Professional Development courses, seminars and conferences organised by ILAM Services Limited.

The Institute continued to keep its membership informed and updated through dealing with specific enquiries through the Information Centre, through news items in its weekly magazine, *Leisure News & Jobs*, and through articles in its monthly journal, *Leisure Manager*, both of which were mailed to every member of the Institute within ILAM's Weekly Mailing Service.

The Institute has again made further progress in forging links with national organisations, associations, statutory bodies and other institutes. This year it held a joint National Conference with the Chief Cultural and Leisure Officers Association (CLOA), supported by the Department of Culture Media and Sport (DCMS). The Institute's Chief Executive is now on the Professional Development Board of SkillsActive. The Institute also responded to six consultation documents from government departments and other national agencies.

During the year considerable input was made to discussions between ILAM, the Institute of Sport and Recreation Management (ISRM) and the National Association for Sports Development (NASD) on the creation of one new professional body from the three.

Initiatives and developments

Significant developments during the last financial year include the following:

- Gift Aid of £119,070 (net of costs), backdated to April 2000, was received from the Inland Revenue in July 2004 and the gift aid claim will now become an annual exercise in maximising the Institute's income.
- The outsourcing of our membership administration and finance began in October 2004, it is with regret that the partnership between ILAM and Associa Limited has not generated the anticipated benefits. Therefore a decision has been reached to terminate the agreement and bring those functions back in-house.
- A new legal helpline was initiated, which was launched on 1 March 2005, further enhancing the Institute's services to its membership.

Activities since the year end and future developments

Other developments planned for 2006 include:

- Further enhancement of the web site, which will include a members' area and on-line purchasing and event booking capability.
- A review of the Continuing Professional Development Scheme for members. The launch of a revised scheme is anticipated for November 2005.
- Links with the educational sector will be further developed through the launch of a Dissertation Award, whereby universities and colleges can nominate dissertations for submission to the Institute.
- The ILAM Health and Leisure Recognition Programme will be launched, which will be managed by ILAM Services Limited.
- ILAM Services Limited will be providing services on a commercial basis to the National Association for Sports Development (NASD), including ILAM's Weekly Mailing Service, and organising NASD's conference and CPD programme.

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ILAM Services Limited

ILAM's trading subsidiary was able to covenant profits of £165,295 to the Institute (2003/04: £121,072). Turnover overall increased by 14.8% and gross profit by 6.5%. Two areas of growth during the year were the Events activity (21%) as a result of the CPD courses and the Business Development (57%) primarily due to the NASD and the UK Warehouse conferences. Income from consultancy remained relatively steady and savings in support costs of 2.3% helped to improve the company's performance.

Statement of Directors' responsibilities in relation to the financial statements

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

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

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Special Exemptions

The financial statements have been prepared in accordance with the provisions of Part VII of the Companies Act 1985 relating to small companies.

On Behalf of the Trustees



A. Kerr
President

13 Sept 2005

**The Institute of Leisure and Amenity Management
and Subsidiary Company**

**STATEMENT OF GROUP FINANCIAL ACTIVITIES
for the year ended 28 February 2005**

		2004/05	2004/05	2004/05	2003/04
		Unrestricted	Restricted	Total	Total
Note		Fund	Fund		
Activates in Furtherance of Charitable Objectives					
Incoming Resources					
		£	£	£	£
Grants Received - The Sports Councils		0	0	0	782
Less: Deferred Income		0	0	0	(782)
Membership Subscriptions		477,607	0	477,607	483,015
Professional Development		19,875	0	19,875	26,813
Information Services		12,631	0	12,631	49,239
Regional Activities		7,956	0	7,956	8,455
Activities for Generating Funds:					
Letting of ILAM House & Grounds		25,727	0	25,727	19,042
Commercial Trading Operations	1	1,691,356	0	1,691,356	1,473,380
Investment Income	4	1,410	0	1,410	1,518
Other Income		36,322	0	36,322	11,558
Total Incoming Resources		2,272,884	0	2,272,884	2,073,020
Less Cost of Generating Funds:					
Letting of ILAM House & Grounds		3,405	0	3,405	2,442
Commercial Trading Operations	1	1,526,599	0	1,526,599	1,352,514
		1,530,004	0	1,530,004	1,354,956
Net Incoming Resources available For Charitable Application		742,880	0	742,880	718,064
Resources Expended					
	2				
Cost of Activities in furtherance of the Charity's Objectives					
Council Initiatives		120,623	0	120,623	79,506
Policy		5,506	0	5,506	11,076
Membership Administration		34,314	0	34,314	65,421
Professional Development		122,311	0	122,311	134,455
Information Services		57,064	0	57,064	88,599
Publications		129,183	0	129,183	158,112
Regional Activities		33,660	0	33,660	39,321
Administration and Management		333,989	0	333,989	279,624
Total Resources Expended		836,650	0	836,650	856,114

**The Institute of Leisure and Amenity Management
and Subsidiary Company**

**STATEMENT OF GROUP FINANCIAL ACTIVITIES - Continued
for the year ended 28 February 2005**

		2004/05	2004/05	2004/05	2003/04
		Unrestricted	Restricted	Total	Total
	Note	Fund	Fund		
Net Incoming Resources		(93,770)	0	(93,770)	(138,050)
Property Maintenance		0	0	0	(15,322)
Dissemination of Information		0	0	0	(17,041)
		<hr/>	<hr/>	<hr/>	<hr/>
Net Movement in Funds		(93,770)	0	(93,770)	(170,413)
Restated Fund Balances brought forward at 1 March 2004		139,050	6,784	145,834	197,177
		<hr/>	<hr/>	<hr/>	<hr/>
Fund Balances carried forward as at 28 February 2005	3 & 12	45,280	6,784	52,064	26,764
		<hr/>	<hr/>	<hr/>	<hr/>

The statement of Group Financial Activities includes the income and expenditure of the group and its subsidiary. The details of the subsidiary trading are detailed in Note 1.

**The Institute of Leisure and Amenity Management
and Subsidiary Company**

**GROUP PROFIT AND LOSS ACCOUNT
for the year ended 28 February 2005**

Note	2004/05	2003/04
	£	£
Turnover	2,157,874	1,942,703
Cost of Sales	(978,607)	(834,196)
	<hr/>	<hr/>
Gross Profit	1,179,266	1,108,507
Administrative Costs	(1,271,626)	(1,248,075)
	<hr/>	<hr/>
Operating (Loss)/Profit	(92,360)	(139,568)
Interest Receivable	1410	1518
	<hr/>	<hr/>
Retained Loss for the Year transferred to Accumulated Fund	 (93,770)	 (138,050)
	<hr/>	<hr/>

All of the Group's operations are continuing operations.

The Group had no recognised gains or losses other than the loss for the year ended 28 February 2005.

**The Institute of Leisure and Amenity Management
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**GROUP BALANCE SHEET
as at 28 February 2005**

	Note	2004/05 Group	2004/05 Institute	2003/04 Group (restated)	2003/04 Institute (restated)
		£	£	£	£
Fixed Assets					
Tangible Assets	7	181,033	181,033	209,992	209,992
Investments	8	1	1,000	1	1,000
		<u>181,034</u>	<u>182,033</u>	<u>209,993</u>	<u>210,992</u>
Current Assets					
Stock		11,597	9,852	13,577	11,636
Debtors	9	351,249	138,508	447,517	156,940
Cash		8,519	7,701	18,333	17,310
		<u>371,365</u>	<u>156,061</u>	<u>479,427</u>	<u>185,886</u>
Creditors: amounts falling due within 1 year	10	467,963	253,658	511,016	218,474
Net Current (Liabilities)/Assets		<u>(96,598)</u>	<u>(97,597)</u>	<u>(31,589)</u>	<u>(32,588)</u>
Total Assets less Current Liabilities		<u>84,436</u>	<u>84,436</u>	<u>178,404</u>	<u>178,404</u>
Creditors: amounts falling due after more than 1 year	11	32,372	32,372	32,570	32,570
Net Assets		<u>52,064</u>	<u>52,064</u>	<u>145,834</u>	<u>145,834</u>
Reserves	12				
Unrestricted Funds		45,280	45,280	139,050	139,050
Restricted Funds		6,784	6,784	6,784	6,784
		<u>52,064</u>	<u>52,064</u>	<u>145,834</u>	<u>145,834</u>

The financial statements have been prepared in accordance with the provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the Institute



A Kerr
President

Date: 13 Sept 2005

**The Institute of Leisure and Amenity Management
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**NOTES ON THE FINANCIAL STATEMENTS
for the year ended 28 February 2005**

ACCOUNTING POLICIES

A. Convention

The Financial Statements are prepared under the historic cost convention, which takes no account of the effect of inflation and in accordance with applicable Financial Reporting Standards, Statements of Standard Accounting Practice and Statement of Recommended Practice, Accounting and Reporting by Charities Issues October 2000.

The accounts are maintained on the accruals basis in that income and expenditure are recorded in the years to which they relate.

The accounts of the Regions are included in the accounts of the Institute.

The consolidated accounts include the results of the Institute and its wholly owned subsidiary ILAM Services Ltd, which was incorporated on 10 February 1989. The results of subsidiaries are consolidated from their effective dates of acquisition using the acquisition accounting method. No Profit and Loss Account is presented for the Institute as provided by Section 230 of the Companies Act 1985.

Expenditure is allocated between Direct Charitable Expenditure and Support Costs based on the nature of the expenditure.

The Institute's deficit for the year was £93,770 (2003/04 deficit: £138,050).

Fund account Policy - The unrestricted fund consists of those funds that the Institute may use in furtherance of its objectives at the discretion of the Board of Trustees. The restricted funds are monies raised for, and their use restricted to, specific purposes

B. Income

Income is the gross amount receivable by the Institute in the ordinary course of business for services supplied, net of Value Added Tax.

Subscription income is the fees received from members for the current and earlier years. No account is taken of subscriptions unpaid.

Interest Receivable is interest receivable on bank accounts and short-term investments.

Grants and Donations are recognised in the year in which they are received except when conditions of receipt require deferment.

C. Turnover

Turnover comprises the income of the Institute as described above and the gross amount receivable by the and ILAM Services Limited in the ordinary course of business for services supplied, net of Value Added Tax.

D. Fixed Assets and Depreciation

Tangible assets are depreciated on a straight-line basis over their estimated useful lives as follows:

Freehold Property	1% - 10% per annum
Furniture and Fittings	5% - 20% per annum
Information Technology Equipment	20% - 33.33% per annum

E. Stock

Stock represents stock of recent ILAM publications and paper stocks held by the printers of Leisure Manager, and is stated at the lower of cost and net realisable value.

F. Cash Flow Statement

The Institute has taken advantage of the exemption in Financial Reporting Standard No 1 from producing a Cash Flow Statement on the grounds that the Group is a small Group.

G. Operating and Finance Leases

Payments made under operating leases are charged to the Profit and Loss Account as they fall due.

Assets held under finance lease where substantially all the benefits and risks of ownership are transferred to the Group are capitalised as tangible fixed assets and depreciated over their useful economic lives. The capital element of the future obligations under the leases is included as a liability in the balance sheet, classified as a creditor due within or after one year. Lease payments are split between capital and interest elements using the actuarial method and the interest is then charged to the profit and loss accounts.

H. Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year.

**The Institute of Leisure and Amenity Management
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**NOTES ON THE FINANCIAL STATEMENTS
for the year ended 28 February 2005**

1. Net Income from Trading Activities of Subsidiary

	ILAM Services Limited	
	2004/05	2003/04
	£	£
Turnover	1,691,356	1,473,380
Cost of Sales	(972,640)	(797,561)
Gross Profit	718,716	675,819
Administration Costs	(553,960)	(554,953)
Operating Profit/(Loss)	164,756	120,866
Covenant to Parent Company	(165,295)	(121,072)
Interest Receivable	539	206
Retained in Subsidiary	0	0

Summary Balance sheet of the Subsidiary

	ILAM Services Limited	
	2004/05	2003/04
	£	£
Fixed Assets	1	1
Current assets	367,198	356,915
Creditors (amounts falling due within one year)	(356,025)	(355,916)
Net Current assets	999	999
Total Assets Less Current Liabilities	1,000	1,000
Shareholders Funds	1,000	1,000

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**NOTES ON THE FINANCIAL STATEMENTS
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2. Resources Expended

	2004/05 Direct Costs	2004/05 Support Costs	2004/05 Total Costs	2003/04 Total Costs
Charitable Expenditure	£	£	£	£
Council Initiatives	120,623	75,608	196,231	144,140
Policy	5,506	19,248	24,754	26,749
Membership Administration	34,314	53,501	87,815	114,245
Professional Development	122,311	33,369	155,680	162,505
Information Services	57,064	72,993	130,057	150,849
Publications	129,183	39,138	168,321	196,404
Regional Activities	33,660	25,543	59,203	61,222
Total Charitable Expenditure	502,661	319,400	822,061	856,114

3. Analysis of Group Net Assets Between Funds

	2004/05 Unrestricted Funds	2004/05 Restricted Funds	2004/05 Total Funds
	£	£	£
Tangible Fixed Assets	181,034		181,034
Current Assets	364,581	6,784	371,365
Current Liabilities	(467,963)		(467,963)
Long Term Liabilities	(32,372)		(32,372)
Net (Liabilities) / Assets	45,280	6,784	52,064

	2004/05 Group £	2003/04 Group £
4. Interest Receivable		
Short-term investments	-	914
Bank deposits	1,410	604
	1,410	1,518

5. Operating (Loss)/Profit on ordinary activities is stated after:

Rent receivable	(10,800)	(11,700)
Auditor's remuneration	25,000	8,000
Indemnity Insurance	2,888	2,625
Depreciation	44,720	32,799
Depreciation of asset held under finance lease	3,902	0
Pension costs	45,179	45,236
Payments made under operating leases	29,033	27,503
Finance charges paid in relation to finance leases	558	0

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**NOTES ON THE FINANCIAL STATEMENTS
for the year ended 28 February 2005**

The Company operates a group personal pension scheme. Two employees are members of a local government final salary scheme, which is now closed to new members. The costs relating to the period are included in the Profit and Loss Account. Contributions accrued but not paid at the Balance Sheet date amounted to nil (2002/03 nil).

	2004/05 Group £	2003/04 Group £
6. Staff		
Employee Costs		
Wages and Salaries	688,406	757,609
Social Security Costs	62,926	72,216
Pension Costs	45,179	45,236
Agency and Contract Staff	53,077	44,468
	<hr/> 849,588 <hr/>	<hr/> 919,529 <hr/>

Higher Paid Staff

The number of employees whose emoluments as defined for taxation purposes amounted to over £50,000 in the year was Nil (2003/04 Nil).

Directors' remuneration	nil	nil
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Staff Numbers

The average number of employees, calculated on a full time equivalent basis, analysed by function was:

Charitable Activities	12	15
Cost of Generating Funds	17	20
Management and Administration of the Charity	2	2
	<hr/> 31 <hr/>	<hr/> 37 <hr/>

During the year payments totalling £31,538 and £21,562 respectively were made to the Institute's Interim Chief Executives during their period of employment.

No remuneration was paid to a trustee

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**NOTES ON THE FINANCIAL STATEMENTS
for the year ended 28 February 2005**

7. Tangible Fixed Assets

	Freehold Property £	Furniture & Fittings £	I.T. Equipment £	Total £
Group and Institute at cost or valuation at 1 March 2004	195,412	86,949	208,865	491,226
Additions	0	12,891	6,772	19,663
Disposals	0	0	0	0
	<hr/>	<hr/>	<hr/>	<hr/>
at 29 February 2005	195,412	99,840	215,637	510,889
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation at 1 March 2004	50,049	59,079	172,106	281,234
Charge for the year	5,589	7,804	35,229	48,622
Disposals	0	0	0	0
	<hr/>	<hr/>	<hr/>	<hr/>
at 29 February 2005	55,638	66,883	207,335	329,856
	<hr/>	<hr/>	<hr/>	<hr/>
Net Book Value at 29 February 2005	139,774	32,957	8,303	181,033
	<hr/>	<hr/>	<hr/>	<hr/>
Net Book Value at 28 February 2004	145,363	27,870	36,759	209,992
	<hr/>	<hr/>	<hr/>	<hr/>

Freehold Property is recorded at a valuation dated 19 August 1963, together with subsequent additions at cost. A valuation was undertaken by Haslams Chartered Surveyors on 11 June 2002 that recorded an open market valuation of the Freehold Property of £2,100,000.

The net book value of fixtures and fittings of £32,957 includes an amount of £7,840 in respect of an asset held under finance lease.

All fixed assets are used for the management and administration of the Group.

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**NOTES ON THE FINANCIAL STATEMENTS
for the year ended 28 February 2005**

	2004/05 Group £	2004/05 Institute £	2003/04 Group £	2003/04 Institute £
8. Investments				
Subsidiary undertakings (100%)				
ILAM Services Ltd				
1,000 Ordinary Shares of £1	0	1,000	0	1,000
Minority Interests (25%)				
Register of Play Inspectors International Ltd				
1 Ordinary Share of £1	1	0	1	0
	<u>1</u>	<u>1,000</u>	<u>1</u>	<u>1,000</u>

ILAM Services Limited is the charity's wholly owned subsidiary, incorporated in England. All of its taxable profits were covenanted to the Charity. ILAM Services Limited's continuing activities are the management of conferences, exhibition and events, training course, telesales, mailing services and consultancy services. A summary of the subsidiary's trading results is shown in note 1 to the Financial Statements.

9. Debtors

Trade debtors	291,489	82,210	256,102	13,746
Other debtors	29,178	28,261	14,293	13,544
Gift Aid Recoverable	0	0	119,070	119,070
Prepayments	28,037	28,037	31,147	10,580
Accrued income	2,547	0	26,905	0
	<u>351,349</u>	<u>138,508</u>	<u>447,517</u>	<u>156,940</u>

10. Creditors: amounts falling due within one year

Bank overdraft	44,912	0	18,863	0
Trade creditors	216,088	70,084	239,771	38,804
Amounts owed to subsidiary undertaking	0	101,651	0	63,374
Other taxation and social security	40,424	10,233	61,372	13,332
Other creditors	10,259	7,358	18,649	6,772
Accruals	72,702	39,632	15,402	9,730
Deferred income	79,853	20,976	156,959	86,462
Obligations under finance lease	3,726	3,726	0	0
	<u>467,963</u>	<u>253,660</u>	<u>511,016</u>	<u>218,474</u>

The bank overdraft within ILAM Services Limited is secured by a debenture dated 23 January 2004

11. Creditors: amounts falling due after more than one year

Pension Obligations	26,056	26,056	32,570	32,570
Obligations under finance lease	6,316	6,316	0	0
	<u>32,372</u>	<u>32,372</u>	<u>32,570</u>	<u>32,570</u>

Pension obligations refer to pension costs included in the 2000/01 accounts payable to the pension provider in instalments over a 10-year period.

**The Institute of Leisure and Amenity Management
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**NOTES ON THE FINANCIAL STATEMENTS
for the year ended 28 February 2005**

	2004/05 Group £	2003/4 Group (restated) £
12. Reserves		
General Fund - Unrestricted		
at 1 March	139,050	158,030
Gift Aid receipt (net of fees) relating to prior years	-	119,070
(Deficit)/Surplus for the year	(93,770)	(138,050)
	<hr/>	<hr/>
at 28 February	42,280	139,050
Property Maintenance Fund - Designated		
at 1 March	0	15,322
Maintenance of property	0	(15,322)
	<hr/>	<hr/>
at 28 February	0	0
	<hr/>	<hr/>
Information Centre Fund - Restricted		
at 1 March	6,784	23,825
Dissemination of information	-	(17,041)
	<hr/>	<hr/>
at 28 February	6,784	6,784
	<hr/>	<hr/>
Total Accumulated Funds		
at 28 February	52,064	145,834
	<hr/>	<hr/>

Note:

The reserves as at 29 February 2004 have been restated to reflect the Gift Aid receipt of £128,070 less £9,000 costs received in July 2004.

The Information Centre Fund is a Restricted Fund resulting from a donation from the Amenity and Leisure Educational Trust. Funds are committed to the Designated Funds for specific use as and when the National Council feels that there is a need for this type of reserve.

**The Institute of Leisure and Amenity Management
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**NOTES ON THE FINANCIAL STATEMENTS
for the year ended 28 February 2005**

13. Leasing Commitments

At 28 February 2005 the Company had annual commitments under non-cancellable operating and finance leases as set out below:

	2004/05 Group £	2004/05 Institute £	2003/04 Group £	2003/04 Institute £
Plant and Machinery				
Obligations under Finance Leases				
Finance lease payments:				
due within one year	3,726	3,726	0	0
within two to five years	6,317	6,317	0	0
	<u>10,043</u>	<u>10,043</u>	<u>0</u>	<u>0</u>
Operating Leases				
Operating leases which expire:				
within one year	0	0	0	0
within two to five years inclusive	25,235	25,235	24,950	24,950
	<u>25,235</u>	<u>25,235</u>	<u>24,950</u>	<u>24,950</u>

14. Related Party Transactions

Expenses totalling £17,431 were paid to 23 members of the National Council during the year in respect of their attendance at Council and Committee meetings and other business when representing the Institute.

15. Pension Deficit

The following disclosures are made in accordance with FRS 17 "Retirement Benefits", an accounting standard that is not required to be adopted in full before the year ending 28 February 2005.

As stated in Note 5, two employees are members of a local government final salary pension scheme. In addition, there are a further ten deferred members and seven pensioner members of the scheme, all of whom are former employees of ILAM.

The total deficit in respect of past service for these nineteen members cannot be quantified, as the valuation required by Financial Reporting Standard 17 has not been prepared.

The actuarial valuation at 31 March 2004 revealed that ILAM's share of the scheme is under-funded and the company has agreed to make additional payments over a period of 15 years from 1 April 2005. The agreed annual payments (subject to inflation) are as follows:

2005/06	£8,000
2006/07	£15,000
2007/08 to 2019/20	£21,000

A formal valuation will be prepared at 28 February 2006 to enable the company to comply fully with FRS 17 in the accounts ending on that date, when the liability will be included within the financial statements.

**The Institute of Leisure and Amenity Management
and Subsidiary Company**

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
THE INSTITUTE OF LEISURE AND AMENITY MANAGEMENT**

We have audited the financial statements of the Institute on pages 6 to 18 for the year ended 28 February 2005. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 5 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. However, the company did not obtain a valuation of its share of a defined benefits pension scheme in accordance with Financial Reporting Statement 17.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Qualified audit opinion arising from limitation in audit scope

Except for any adjustments to disclosure that might have been found to be necessary had a pension scheme valuation been obtained in accordance with Financial Reporting Statement 17, in our opinion the financial statements give a true and fair view of the state of the company's and the group affairs as at 28 February 2005 and of its deficit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Hillier Hopkins LLP
Hillier Hopkins LLP
Chartered Accountants
Registered Auditor

St Martins House
31-35 Clarendon Road
Watford, Herts, WD17 1JF

Date: 28 August 2005