

SOLL (VALE)
ACCOUNTS FOR THE YEAR ENDED
31 MARCH 2011



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Company number 5184368

Charity number 1107823

SOLL (VALE)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2011

Reference and administrative details

The Trustees present their report for the year ended 31 March 2011 SOLL (Vale) is a registered charity (number 1107823)

Trustees

The trustees (who are also directors of the company) during the year were as follows

V Jonas – Chair
P Turner
T Hampson
R Booker Vice Chair
D Woodwark Appointed 28 February 2011

Registered Office

Greyfriars Court
Paradise Square
Oxford
OX1 1BE

Managing Director

Mark Jagers

Bankers

National Westminster Bank

Auditors

Critchleys LLP
Greyfriars Court
Paradise Square
Oxford
OX1 1BE

SOLL (VALE)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2011 (CONTINUED)

Structure Governance and Management

SOLL (Vale) was established as a trading subsidiary of SOLL Leisure Group and commenced trading on 1 September 2004

The governing document of SOLL (Vale) is the Memorandum and Articles of Association. SOLL (Vale) is part of the SOLL Leisure Group of companies providing leisure management services principally to local authority clients. In the notice for an annual general meeting, the Board sets out its requirements for the skills, qualities and experience that it needs from its members. In exercising its powers to nominate, appoint, reappoint, elect, re-elect, approve and dismiss Trustees, both the members and Trustees shall seek to ensure that the Board of Trustees is representative of the local community and users of the services and facilities offered by the Trust and also comprises persons with a broad range of skills and who are likely to contribute to the Company's success. Potential Trustees are inducted by means of an induction programme that includes background to SOLL (Vale), purpose of the post, duties, liabilities, and roles and responsibilities. Training is also provided by the Managing Director who is also the Company Secretary. The key roles that the Board performs and provides are leadership, advocacy, influence, strategic direction and governance. The day to day operational management and decision making within the business is provided by the Managing Director and the Senior Management Team.

SOLL (Vale) recognises that there are risks within the business including competition, limited catchment, and changes in fashion and lifestyle. The SOLL (Vale) Board and the SOLL Leisure Group Finance Sub-Committee review these on an ongoing basis. A risk management matrix has been produced that identifies the potential risks impacting on the business and this is reviewed annually. Systems and procedures are in place to manage both the strategic and operational risks. The company keeps abreast of research in the leisure industry and is constantly reviewing and changing its programme to cater for new activities and examples of these can be found at all centres. In previous years it has been reported that the industry recognised area for significant growth in the next 5-10 years is health and fitness and wellness and the Trustees continue to believe that this is the case. The Trustees are however mindful of the need to develop strategies to create reserves that will cushion the charity against any economic downturn, change in legislation or threat to grant funding arrangements from public sector partners.

Objectives and Activities

The objects of the Trust (Memorandum of Association clauses 3.1 & 3.2) are to provide or assist in the provision of or to promote for the benefit of the inhabitants and visitors to the Vale of White Horse and surrounding area, facilities for recreation and other leisure time occupation for individuals who have need of such facilities by reason of their youth, age, infirmity, disablement, financial hardship, social or economic circumstances or for the public at large in the interests of social welfare and with the object of improving the conditions of life of the said individuals, and such other charitable purposes beneficial to the community consistent with the objects as the Trustees shall determine.

SOLL (Vale) is a management company that uses its experience, skills and expertise to manage sports/leisure facilities. It maintains strong partnerships with local authorities and schools. Oxfordshire County Council (OCC) owns two of the four facilities managed by the company. OCC has Joint-Use Agreements for community use with the Vale of White Horse District Council (VOWHDC). The Joint-Use Agreements ensure school use of the facilities during specified times with remaining time available for the community. The company manages the centres under an agreement with VOWHDC that reflects the respective Joint-Use Agreements and receives funding for this in the form of a contribution to revenue costs from OCC and a fee for services from VOWHDC.

In June of 2010 Soll (Vale) took on the management of the Park Club in Milton for a period of three months. After a successful three months operating the facility and after a due diligence process the company agreed terms for a 23 year lease on the premises. The facility comprises a 20 meter swimming pool, sports hall, two dance studios and a 100 station gym.

SOLL (Vale) aims to provide quality assured services and in the year utilised its brands and relationships with key industry partners as well as nationally recognised quality frameworks including Sport England Quest and Investors in People (IiP).

SOLL (VALE)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2011 (CONTINUED)

Achievements and performance

To assist the integration of new elements of the business and achieve the objectives outlined above a corporate consultation and alignment process was further developed in 2007/08. As part of this process stakeholders, supported by an external facilitator, collaborated to define the purpose and values of the company in a way that is simple to articulate. The outcome of the consultation was a new mission statement for the Charity.

"Inspiring People to Feel Great!"

The organisation believes in the value of developing its people and so it recognises that to meet the challenges of its future growth it needs to develop a strategy that incorporates the commitment and development of people at all levels of the business. SOLL (Vale) continues to continuously improve and this has resulted in a policy to put forward the leisure centres operated by the company for the Sport England Quest Standard. Quest is the UK quality scheme and is the recognised industry quality standard for the management of sport and leisure facilities throughout the UK. Quest is based on, and meets all the criteria, of the European Foundation for Quality Excellence model that facilitates continuous improvement and quality standards for customers. When coupled with the Sport England Benchmarking Surveys, Quest accreditation provides quality assurance for clients and customers. In the last year SOLL (Vale) has provided more activities for more people than ever before and surveys of customer's show that there is a very high level of satisfaction with service provision.

Public benefit

The Trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

SOLL (Vale) made recreational facilities available for the community at large during the course of 2010/2011. Within the year participation in sport and recreation within the facilities rose from 445,307 to 482,757 an increase of over 8%.

As a charity SOLL seeks to engage with those within the community who, because of their circumstances, would not otherwise be able to participate in sport and recreation. The targeted activities that were provided over the course of the year included a GP referral scheme (2,897 participants), disability swim session (1,241 participants) and disabled multi use sessions (777 participants).

SOLL (Vale) provides a concessionary entrance schemes that provides discounts on activities for those within target groups and these concessions are available at all facilities offered by SOLL Vale. In total 5,028 members of the community participated in these schemes over the course of the year.

Soll (Vale) is conscious of the national agenda to reduce the incidence of childhood obesity. Having considered how to effectively support an increase in participation from this target group Soll introduced a free swimming initiative for children under the age of eight and also for children under the age of sixteen for a specific time period. As a consequence participation in this target group increased by 3,038.

Financial Review

SOLL Vale receives the majority of its income in advance or at the time of providing the service and as a consequence the company benefits from a good cash flow. Cash flow in the year was affected by new competition in Faringdon, inclement weather over the summer period which affected trading at the outdoor swimming pool and a winter that was comparatively harsh. Income continued to grow in the year and it is anticipated that there will continued growth in following years.

Within the financial year costs were incurred at a lesser level than anticipated on facility maintenance and this is as a consequence of the investment in the previous years. Employee costs reduced year on year as a consequence of the reduction in opening hours at Tilsley Park and reduced costs associated with a human resource needs assessment.

In summary the charity was able to deliver excellent services, fulfil its charitable objects, reduce the grant requirement from public sector partners and create a surplus which will contribute towards the reserves of the charity.

SOLL (VALE)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2011 (CONTINUED)

Future Plans

SOLL (Vale) has been operating as a company for 6 years. It has already established a strong platform. Prospects for 2011/12 look very good particularly because of the acquisition of the Park Club, a review of the membership structure and revisions and improvements to the offer, the move towards Membership Agreements and improving membership sales and retention. Regular promotional and marketing initiatives support the new focus. SOLL (Vale) continues to build on the four key brands of SOLLutions, Camp SOLL, Soll Swim School and the Kool 'n' Krazy children's birthday parties. SOLL (Vale) will continue to work with partners to identify priority areas for developing existing centres to increase income and improve the customer experience.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Annual Report and the accounts in accordance with applicable law and regulations.

Company law requires the Trustees to prepare accounts for each financial year. Under that law the Trustees have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these accounts, the Trustees are required to

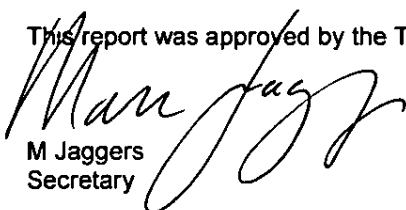
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the trustees are aware, there is no relevant information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware and each trustee has taken all steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report was approved by the Trustees on

28 November 2011.


M Jagers
Secretary

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

OF SOLL (VALE)

We have audited the financial statements of SOLL (Vale) for the year ended 31 March 2011 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set on page 4, the trustees (who are also the directors of the charitable company for the purposes of the company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors, including APB Ethical Standard – Provisions Available for Small Entities (Revised), in the circumstances set out in note 1 to the financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS
OF SOLL (VALE) (continued)

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosure of trustees' remuneration specified by law are not made, or
- we have not received all the information and the explanations we require for audit



Robert Kirtland
Senior Statutory Auditor
For and on behalf of Critchleys LLP, Statutory Auditor
Oxford

5/12/11

SOLL (VALE)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2011

		Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
INCOMING RESOURCES				
Incoming resources from charitable activities	3	<u>2,620,833</u>	<u>2,620,833</u>	<u>1,983,480</u>
Total incoming resources		<u>2,620,833</u>	<u>2,620,833</u>	<u>1,983,480</u>
RESOURCES EXPENDED				
Charitable activities Leisure Centres	4	2,699,043	2,699,043	1,946,182
Governance costs		<u>4,509</u>	<u>4,509</u>	<u>4,165</u>
Total Resources Expended		<u>2,703,552</u>	<u>2,703,552</u>	<u>1,950,347</u>
NET INCOMING (RESOURCES EXPENDED) / RESOURCES	6	(82,719)	(82,719)	33,133
Total funds brought forward		<u>20,052</u>	<u>20,052</u>	<u>(13,081)</u>
Total funds carried forward		<u>(62,667)</u>	<u>(62,667)</u>	<u>20,052</u>

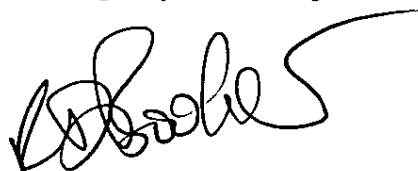
All activities are continuing

There are no recognised gains and losses other than shown above

SOLL (VALE)
BALANCE SHEET
AT 31 MARCH 2011

	Note	2011 £	2010 £
FIXED ASSETS			
Intangible assets	7	23,279	-
Tangible assets	8	<u>254,753</u>	<u>151,807</u>
		278,032	151,807
CURRENT ASSETS			
Stocks	9	8,811	9,461
Debtors	10	171,473	163,423
Cash at bank and in hand		<u>207,966</u>	<u>13,046</u>
		388,250	185,930
CREDITORS			
Amounts falling due within one year	11	<u>(667,229)</u>	<u>(317,685)</u>
NET CURRENT LIABILITIES		<u>(278,979)</u>	<u>(131,745)</u>
Total assets less current liabilities		(947)	20,052
CREDITORS			
Amounts falling due after more than one year	12	<u>(61,720)</u>	<u>-</u>
NET (LIABILITIES)/ASSETS		<u>(62,667)</u>	<u>20,052</u>
RESERVES			
Unrestricted funds		<u>(62,667)</u>	<u>20,052</u>

The accounts on pages 7 to 14 were approved and authorised for issue by the board of directors on 28/11/11 and signed on its behalf by



R Booker
Chairman

SOLL (VALE)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

1 ACCOUNTING POLICIES

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice (SORP), Accounting and Reporting by Charities published in April 2005 and the Companies Act

a) **Tangible fixed assets**

These are included at cost less accumulated depreciation. Fixed assets with a cost of less than £1,000 are not capitalised. Depreciation of fixed assets is calculated to write off their cost less any residual value over their estimated useful lives as follows

Leasehold buildings	- 10 years (length of lease)
Equipment	- 3 to 5 years

b) **Leases**

Rentals paid under operating leases are charged to income as incurred. Lease incentives (including rent free periods) are spread over the period up until the next rent review date.

Assets obtained under finance leases are capitalised as tangible assets and depreciated over the lease term. Obligations under such agreements are included in creditors net of the finance charge allocated to future years. The finance element of the rental payment is charged to the statement of financial activities on a straight line basis.

c) **Stocks**

Stocks are valued at the lower of cost and net realisable value.

d) **Pensions**

Contributions are charged to the statement of financial activities as they become payable in accordance with the rules of the scheme.

e) **Incoming resources**

Income from leisure centres is normally accounted for when received. However, courses income is deferred until the course commences and annual membership is taken to income over the membership year. Funding from local authorities is accounted for in the period to which it relates.

f) **Resources expended**

Resources expended are included on an accruals basis and apart from governance costs all relate to the charity's sole charitable activity of operating leisure centres. Any irrecoverable VAT is included under the supplies and services heading.

g) **Intangible assets**

Specific pre-start up costs (including payment for goodwill) are capitalised as an intangible asset and amortised over a period of 2 years.

SOLL (VALE)

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2011 (CONTINUED)**

2 GOING CONCERN

Notwithstanding the net liabilities shown in the balance sheet of £62,667, the trustees have prepared the accounts on a going concern basis as

- a) The deficit in the year ended 31 March 2011 is attributable to the first period of operation of a new centre and mostly relates to the accounting entry to spread the cost of the rent free period,
- b) The entity has positive cash balances, and
- c) Projections for 2011/12 show the entity generating surpluses

3 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2011 £	2010 £
Leisure centres	<u>2,620,833</u>	<u>1,983,480</u>

4 LEISURE CENTRES

	2011 £	2010 £
Direct expenses	2,556,475	1,181,614
Support costs – management support fee	<u>142,568</u>	<u>134,568</u>
	<u>2,699,043</u>	<u>1,946,182</u>

Below is a summary of the results of three centres operated under a contract with Vale of White Horse District Council

	Wantage £	Faringdon £	Tilsley Park £
Expenses	872,706	703,993	383,009
Direct income (including Oxfordshire County Council) income	<u>787,115</u>	<u>585,194</u>	<u>271,967</u>
Deficit before funding fee	(85,591)	(118,799)	(111,042)

5 STAFF COSTS

The average number of full time equivalent employees during the year was as follows

	2011 No	2010 No
	<u>74</u>	<u>69</u>

SOLL (VALE)

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2011 (CONTINUED)**

5 STAFF COSTS (continued)

The aggregate payroll costs of these persons were as follows

	2011 £	2010 £
Wages and salaries	1,314,777	953,706
Social security costs	72,710	51,766
Pension scheme contributions	<u>14,074</u>	<u>16,755</u>
	<u>1,401,561</u>	<u>1,022,227</u>

No employee's emoluments exceeded £60,000 in the year (2010 none)

Pension scheme

Contributions to the Oxfordshire County Council Pension Scheme were payable at a rate of 21.4% of the salary for the year ended 31 March 2011. It is a defined benefit scheme. As this is a multi-employer scheme any further disclosure is not considered appropriate.

The charity is protected from any pension deficit accruing by virtue of the arrangements contained within the agreement with the Vale of White Horse District Council.

Trustees' remuneration

No trustees received any remuneration or reimbursement of expenses during the year (2010 £nil)

6 NET INCOMING RESOURCES IS STATED AFTER CHARGING

	2011 £	2010 £
Auditors remuneration	4,509	4,165
Depreciation of owned assets	53,478	52,328
Depreciation of assets held under finance leases	25,414	17,608
Operating lease - plant and machinery	32,837	16,197
Amortisation	<u>9,586</u>	<u>-</u>

SOLL (VALE)

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2011 (CONTINUED)**

7 INTANGIBLE FIXED ASSETS

	Pre-start Up costs £
Cost:	
Additions	<u>32,865</u>
Depreciation:	
Charge for period	<u>9,586</u>
Net book value.	
At 31 March 2011	<u>23,279</u>

8 TANGIBLE FIXED ASSETS

	Equipment £	Leasehold property £	Total £
Cost:			
At 1 April 2010	160,873	323,762	484,635
Additions	<u>181,838</u>	<u>-</u>	<u>181,838</u>
At 31 March 2011	<u>342,711</u>	<u>323,762</u>	<u>666,473</u>
Depreciation:			
At 1 April 2010	149,522	183,306	332,828
Charge for the year	<u>43,764</u>	<u>35,128</u>	<u>78,892</u>
At 31 March 2011	<u>193,286</u>	<u>218,434</u>	<u>411,720</u>
Net book value*			
At 31 March 2011	<u>149,425</u>	<u>105,328</u>	<u>254,753</u>
At 31 March 2010	<u>11,351</u>	<u>140,456</u>	<u>151,807</u>

Tangible fixed assets are all held for direct charitable purposes

Included above are fixed assets held under finance leases with a net book value of £105,287 (2010 Nil)

9 STOCKS AND WORK IN PROGRESS

	2011 £	2010 £
Consumables and re-saleable items	<u>8,811</u>	<u>9,461</u>

10 DEBTORS

	2011 £	2010 £
Trade debtors	34,343	37,236
Prepayments and accrued income	127,759	92,705
Owed by related parties	<u>9,371</u>	<u>33,482</u>
	<u>171,473</u>	<u>163,423</u>

SOLL (VALE)

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2011 (CONTINUED)**

11	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2011 £	2010 £
	Trade creditors	189,293	96,080
	Other creditors	1,648	1,458
	Other tax and social security	26,798	15,956
	Accruals and deferred income	378,299	126,870
	Amounts owed to related parties	27,624	77,321
	Amounts owed under finance leases	<u>43,567</u>	<u>-</u>
		<u>667,229</u>	<u>317,685</u>

12	CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
	Amounts owed under finance leases	<u>61,720</u>	<u>-</u>

13	DEFERRED INCOME	Course fees and subscriptions	
		2011 £	2010 £
	At 1 April 2010	58,426	43,490
	Released in the year	(58,426)	(43,490)
	Deferred in the year	<u>350,144</u>	<u>58,426</u>
	At 31 March 2011	<u>350,144</u>	<u>58,426</u>

14 LIMITED BY GUARANTEE

The company is limited by guarantee, not having a share capital. However every member undertakes to contribute to the assets of the company such amount as may be required, but not exceeding £1

15 FINANCIAL COMMITMENTS

Financial commitments under operating leases will result in the following payments falling due next year

	2011 Land & Buildings £	2011 Other £	2011 Total £	2010 £
Expiring				
within one year	-	-	-	787
within two to five years	-	18,288	18,288	3,116
after 5 years	<u>154,800</u>	<u>-</u>	<u>154,800</u>	<u>-</u>
	<u>154,800</u>	<u>18,288</u>	<u>173,088</u>	<u>3,903</u>

SOLL (VALE)**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2011 (CONTINUED)****16 CONTROL**

The charity is controlled by SOLL Leisure Group as it is able to appoint the Trustees of the charity

17 RELATED PARTIES

A management support fee of £142,568 (2010 £134,568) has been charged by SOLL Leisure Group for the year. At the balance sheet date SOLL (Vale) was owed £9,370 (2010 £31,630) from SOLL Leisure Group.

SOLL (South Oxfordshire) is also controlled by SOLL Leisure Group.

At the balance sheet date an amount of £26,516 (2010 £76,821) was owed to SOLL (South Oxfordshire). Interest of £nil (2010 £2,923) has been paid on this creditor.

As at the balance sheet date SOLLve Leisure Consultants Limited, a company under common control with SOLL (Vale), was owed £1,108 (2010 £nil) from SOLL (Vale).