

SOLL (VALE)

Company number: 5184368

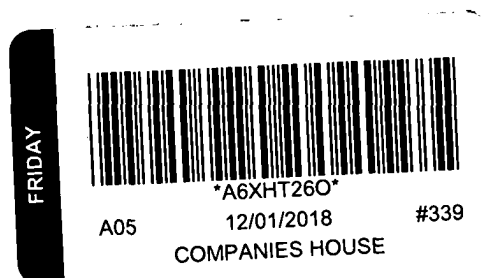
Charity number: 1107823

Accounts

For the year ended

31 March 2017

Wenn Townsend
Chartered Accountants
Oxford



SOLL (VALE)

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for the year ended 31 March 2017**

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SOLL (VALE)

Reference and Administrative information for the year ended 31 March 2017

Charity Reference:	1107823
Trustees:	R Booker – Chair P Sambrook – Vice Chair P Turner T Hampson K Robinson M Foster (appointed 6th June 2017) S Holder (appointed 18th April 2017)
Company Secretary:	R Bachelor – Company Secretary & Head of Finance
Managing Director:	A Williams (effective 1 August 2017)
Address:	The Park Club 17 Milton Park Abingdon Oxfordshire OX14 4RS
Auditors:	Wenn Townsend 30 St Giles Oxford OX1 3LE
Solicitors:	Hedges Law 13 Beaumont Street Oxford OX1 2LP
Bankers:	National Westminster Bank 121 High Street Oxford OX1 4DD

SOLL (VALE)

Trustees' Report for the year ended 31 March 2017

Structure Governance and Management

SOLL (VALE) (The Company) was established as a trading subsidiary of SOLL LEISURE GROUP and commenced trading on 1 September 2004. SOLL LEISURE GROUP closed on the 31 March 2014 and was formally struck off at Companies House in 2015. The governing document of The Company is the Memorandum and Articles of Association and SOLL (VALE) has no controlling Parent.

The company operates 5 sites located in South Oxfordshire, Hampshire and Kent

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. The Board of Trustees comprises of persons with a broad range of skills and who are likely to contribute to the Company's success. As the current sites have a large geographic spread the Board are considering ways that this aspect of local representation within the communities in Chatham, Ashford and Fleet can be enhanced and represented on the Board. The strategy would be to ensure that those sites are best serving their local communities and ensuring that the Charities target groups in those areas are aware of the benefits offered by the Charity.

Potential Trustees are inducted by means of an induction programme that includes background to the Company, the purpose of the post, duties, liabilities, and roles and responsibilities. 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 company is provided by the Senior Management Team.

Pay and remuneration of staff is reviewed annually for all staff that work for the charity and increases awarded not only in line with national minimum wage increases but also taking into consideration job responsibilities. This is presented as a proposal to the trustees for review.

Key management personnel, as in the senior management team is reviewed on the same basis with further comparison to industry standards and salary guides. Proposals for increases are presented to the trustees by the Company General Manager for review and authorisation.

Objectives and Activities

SOLL (VALE) is a management company that uses its experience, skills and expertise to manage sports/leisure facilities. SOLL (VALE) continues to maintain its strong partnership with Didcot Town Council by managing Willowbrook Leisure Centre on their behalf.

As well as the running of Willowbrook Leisure Centre the company operates at 4 other sites:

- The Park Club Milton, Oxfordshire
- The Park Club Ashford, Kent
- The Park Club Chatham, Kent
- The Park Club Fleet, Hampshire

SOLL (VALE)

Trustees' Report for the year ended 31 March 2017 (continued)

Achievements and Performance

As a charitable trust our mission is to get **More People, More Active, More Often**.

SOLL (VALE) seeks to engage with those within the community who, because of their circumstances, would not otherwise be able to participate in sport and recreation, whilst supporting the national agenda to reduce physical inactivity and the high numbers of adults suffering with obesity and diabetes.

As a registered charity SOLL (VALE) allocates significant resources to identify target groups low in participation and implement programmes to increase their activity levels.

Prior to 2015/16 our objective was to grow participation by 10% through establishing partnerships with new and existing target groups, and continuing to develop fitness/health projects to support health and physical activity in the local community. This financial year we achieved a 10.1% (76,884 visits) increase in participation across our sites compared to last year, with a total of 758,799 visits. Highest percentage increases in participation have been seen at Fleet (34.1%), Milton (13.6%) and Ashford (13.2%). Park Club Milton has the highest total visits with 210,068.

The company believes in the value of developing its people and facilities and this has resulted in a policy to put forward the leisure centre in Didcot 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.

The Trustees have complied with the duty within the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Community Development Successes and Highlights 2015-16:

- Achieving our target to increase usage by 10% compared to last year, and 20% for our target groups (achieving 7,021 visits).
- Launching new projects such as Walking Football, Active Body Healthy Mind, Boditrax and Let's Talk Weight.
- Growth in Active Concessionary usage by 50% (765 visits).
- Active Health usage at Park Club Chatham reaching 898 visits with 130 people continuing on to a membership.
- Growth in Active Forever usage for over 50s by 50% (1,566 visits).
- Successful fundraising events for Children in Need and Sport Relief, as well as Spinathon's for Play2Give and Breast Cancer.
- Becoming part of the Oxfordshire Improvement Group for participation.
- Positive performances for our Active Star members, including Park Club Milton's Jordan Beecher being named in the 2016 UK Invictus Games and Niall O'Leary as becoming no 1 in Britain for Swimming following a record-breaking performance in the South East Region Winter Championships this year.

SOLL (VALE) continues to promote successes through external communication including press releases and website articles.

SOLL (VALE)

Trustees' Report for the year ended 31 March 2017 (continued)

Financial Review

SOLL (VALE) receives the majority of its income in advance or at the time of providing the service therefore cash flow needs to be carefully monitored. This close monitoring has enabled the Board to consider and agree upon several capital improvements during 2015/2016 and also plans for future years.

These improvements in 2015/2016 included:

- Wet area refurbishment at The Park Club Ashford including installing a new steam room and sauna along with heated loungers. Total cost of project £101,000
- Conversion of the sports hall at The Park Club Milton into a functional training area with state of the art equipment costing over £70,000
- Initial building works at The Park Club Chatham for conversion of disused rooms into a studio cycling studio.

The company recognises that there are risks within the business including competition, limited catchment, and changes in fashion and lifestyle. The SOLL (VALE) Board and the Finance Sub-Group 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 sites. In previous years it has been reported that the industry recognised area for growth in the next 5-10 years is low cost health and fitness and the Trustees and the Senior Management Team agree with this. The Trustees are mindful of the need to develop strategies to both satisfy the company's charitable objective and to create reserves that will cushion the charity against any economic downturn, change in legislation and the reduction in business from the public sector.

Financial Reserves

SOLL (VALE) has created a reserves policy and funds are managed to ensure that the Company remains within an acceptable range in relation to operational costs. The Head of Finance is responsible for reviewing the actual level of reserves monthly and reporting by exception to the Company General Manager. All reserves are reported to the Trustees.

We aspire to maintain at least 1 month of unrestricted free reserves amounting to £500,000 to cope with unforeseen expenditure or loss of income.

As at 31 March 2016 the charity had total reserves (all unrestricted) of £638,869. Once the amounts represented by fixed assets (£831,698, net of a finance lease creditor of £36,042) £795,656 are removed the charity has negative free reserves of £156,787.

This is a result of investing in our facilities as detailed within our financial review, to enable us to provide enhanced facilities at some of our sites and therefore providing value for money and the ability to compete with local competition.

Our deferred income for the year has also doubled due to a more conservative approach in our course fee prepayments along with changes to accounting for our annual memberships.

We are monitoring closely all expenditure and reviewing all discretionary expenditure to ensure costs stay at a minimum including staffing costs, to enable us to reduce expenditure whilst still driving the commercial aspect of the company to improve on revenues. This is an ongoing process to try to ensure that we meet our aspirations in terms of our free reserves

SOLL (VALE)

Trustees' Report for the year ended 31 March 2017 (continued)

Future Plans

Prospects for 2016/17 look reasonable particularly due to the improved performances at Milton Park, Fleet and Ashford. A review of the membership pricing structure at Willowbrook and Fleet has seen to assist those sites in making an improved financial contribution. The Company will continue to work with partners to identify priority areas for developing existing sites to increase income and improve the customer experience through independent mystery visits.

Along with plans to improve financial performance we are focusing on improving team retention through development and internal prospects.

The Company continues to review opportunities to expand the number of sites it manages

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.

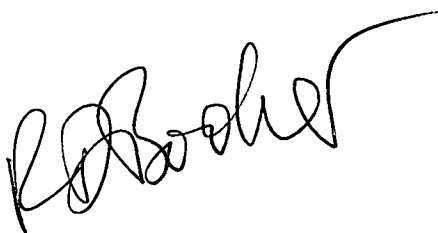
The Trustees are responsible for ensuring that adequate accounting records are kept that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies 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 has been prepared in accordance with the small company's regime under section 419(2) of the Companies Act 2006.

This report was approved by the Trustees on 17th December 2017.

R Booker
Chairman



SOLL (VALE)

Independent Auditors' Report to the Members of SOLL (VALE)

We have audited the financial statements of SOLL (Vale) for the year ended 31 March 2017 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 (United Kingdom Generally Accepted Accounting Practice), including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland."

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 Practises Board's (APB's) Ethical Standards for Auditors.

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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2017 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.


SOLL (VALE)

Independent Auditors' Report to the Members of SOLL (VALE)

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; or
- the Trustees were not entitled to take advantage of the small companies' exemption in preparing the Trustees' report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.



**Lee Baker ACA
Senior Statutory Auditor
For and on behalf of Wenn Townsend
Statutory Auditor
30 St Giles
Oxford**

17th December 2017

SOLL (VALE)

Statement of Financial Activities (including income and expenditure account) for the year ended 31 March 2017

	Note	Unrestricted & Total Funds 2017 £	Unrestricted & Total Funds 2016 £
Income			
Charitable activities	3	3,531,192	3,502,780
Total income		<u>3,531,192</u>	<u>3,502,780</u>
Expenditure			
Charitable activities	4	3,311,609	3,672,672
Total expenditure		<u>3,311,609</u>	<u>3,672,672</u>
Net movement in funds		219,583	(169,892)
Total funds brought forward		<u>638,869</u>	<u>808,761</u>
Total funds carried forward		<u>858,452</u>	<u>638,869</u>

All activities are continuing.

There are no recognised gains and losses other than shown above.

The notes on pages 10 to 16 form part of the accounts.

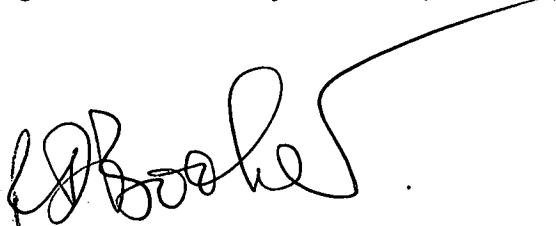
SOLL (VALE)

Balance Sheet for the year ended 31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	7	-	-
Tangible assets	8	967,477	831,698
		<u>967,477</u>	<u>831,698</u>
Current assets			
Stocks	9	6,255	9,206
Debtors due within one year	10	199,110	178,650
Cash at bank and in hand	11	518,309	363,903
		<u>723,674</u>	<u>551,759</u>
Creditors			
Amount falling due within one year	12	(704,561)	(722,479)
Net current (liabilities)/assets		<u>19,113</u>	<u>(170,720)</u>
Total assets less current liabilities		986,590	660,970
Amount falling due after more than one year	14	(128,138)	(22,109)
Net assets		<u>858,452</u>	<u>638,869</u>
Reserves			
Unrestricted funds		<u>858,452</u>	<u>638,869</u>

The accounts were approved and authorised for issue by the Board of Trustees on the 17th December 2017

and signed on its behalf by R Booker (Chairman)



The notes on pages 10 to 16 form part of the accounts.

SOLL (VALE)

Statement of Cash Flows for the year ended 31 March 2017

	2017 £	2016 £
Cash flows from operating activities:		
Net cash provided by operating activities (see below)	257,227	205,664
Cash flows from investing activities:		
Purchase of property, plant and equipment	(73,295)	(208,852)
Cash flows from financing activities:		
Repayment of hire purchase agreements	(29,526)	-
Change in cash and cash equivalent in the reporting period	154,406	1,812
Cash and cash equivalents at the start of the reporting period (note 11)	363,903	362,091
Cash and cash equivalents at the end of the reporting period (note 11)	518,309	363,903

Reconciliation of net movement in funds to net cash flow from operating activities

	2017 £	2016 £
Net movement in funds for the reporting period (as per the Statement of Financial Activities)	219,583	(169,892)
Adjustments for:		
Depreciation charges	140,614	101,117
Decrease / (increase) in stock	2,949	(3,238)
(Increase) / decrease in debtors	(20,460)	93,440
(Decrease) / increase in creditors	(85,459)	184,237
Net cash provided by operating activities	257,227	205,664

SOLL (VALE)

Notes to the Accounts for the year ended 31 March 2017

1 Charitable Company Information

The company is limited by guarantee (incorporated in the United Kingdom), 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. It is a public benefit entity with its registered office at The Park Club, 17 Milton Park, Abingdon, OX14 4RS

2 Accounting Policies

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards, FRS 102, the Statement of Recommended Practice (SORP), Accounting and Reporting by Charities (FRS 102) and the Companies Act 2006.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

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 to 20 years (or length of lease if shorter)
Equipment	- 3 to 5 years

b) Leases

Rentals paid under operating leases are charged to the Statement of Financial Activities as they are 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 to defined contribution pension schemes are charged to the statement of financial activities as they become payable in accordance with the rules of the scheme.

e) Income

Income from clubs is normally accounted for when received. However, course income is deferred until the dates in which it relates to 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) Expenditure

Expenditure is included on an accruals basis and apart from governance costs all relate to the charity's sole charitable activity of operating clubs. Any irrecoverable VAT is included within expenses.

SOLL (VALE)

Notes to the Accounts for the year ended 31 March 2017 (continued)

g) Trade creditor

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operation from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right at the end of the reporting period, to defer settlement of the creditor for at least 12 months after the reporting date. If there is an unconditional right to defer settlement for at least 12 months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised at the transactions price.

h) Funds

Unrestricted funds comprise those funds which the Trustees are free to use in accordance with the charitable objective.

i) 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.

j) Cash at bank and in hand

This includes balances with banks and short-term deposits.

3 Income from Charitable activities

	2017 £	2016 £
Leisure centres - ongoing	3,531,192	3,502,780
	<u>3,531,192</u>	<u>3,502,780</u>

4 Expenditure on Charitable activities

Leisure Centres:

	2017 £	2016 £
Direct costs – ongoing centres	2,773,945	3,047,169
Support costs – other central costs	530,364	614,663
Support costs – governance costs	7,300	10,840
	<u>3,311,609</u>	<u>3,672,672</u>

SOLL (VALE)

Notes to the Accounts for the year ended 31 March 2017 (continued)

5 Staff Costs

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

	2017 No:	2016 No:
Employees	<u>47</u>	<u>48</u>

The aggregate payroll costs of these persons were as follows:

	2017 £	2016 £
Wages and salaries	1,085,957	1,039,384
Social security costs	65,687	58,105
Pension scheme contributions	6,314	5,831
	<u>1,157,958</u>	<u>1,103,320</u>

No employee of the Charity received remuneration of more than £60,000 during this period.

Other than the trustees, 2 (2016: 2) staff members were considered key management during the year.

	2017 £	2016 £
Key Management Compensation	<u>101,657</u>	<u>77,357</u>

Pension Scheme

Pension contributions were payable to defined contribution schemes in respect of all applicable employees.

Trustees' remuneration and expenditure

Three trustees (2016: One trustee) received reimbursement of expenses totalling £1,191 during the year (2016: £470).

The trustees received no remuneration during the year.

SOLL (VALE)

Notes to the Accounts for the year ended 31 March 2017 (continued)

6 Net Incoming Resources is Stated After Charging

	2017 £	2016 £
Auditors remuneration	7,300	9,000
Depreciation of owned assets	115,649	99,363
Deprecation of assets held under finance leases	24,965	1,754
Operating lease – land and buildings	604,450	558,305
Operating lease – motor vehicles	-	6,013
Operating lease – plant and machinery	6,091	16,180
	<u>604,450</u>	<u>558,305</u>

7 Intangible Fixed Assets

	Pre-start up costs £
Cost:	
At 1st April 2016	232,908
Addition	-
Disposals	-
At 31st March 2017	<u>232,908</u>
Amortisation:	
At 1st April 2016	232,908
Charge for the year	-
Disposal	-
At 31st March 2017	<u>232,908</u>
Net book value:	
At 31st March 2017	<u>-</u>
At 31st March 2016	<u>-</u>

SOLL (VALE)

Notes to the Accounts for the year ended 31 March 2017 (continued)

8 Tangible Fixed Assets

	Equipment	Leasehold Property	Total
	£	£	£
Cost:			
At 1st April 2016	405,058	874,971	1,280,029
Additions	224,028	52,363	276,391
At 31st March 2017	629,086	927,334	1,556,420
Depreciation:			
At 1st April 2016	(312,946)	(135,383)	(448,329)
Charge for the year	(78,312)	(62,302)	(140,614)
At 31st March 2017	(391,258)	(197,685)	(588,493)
Net book value:			
At 31st March 2017	237,828	729,649	967,477
At 31st March 2016	92,112	739,588	831,700

Tangible fixed assets are all held for direct charitable purposes. Included above are assets with a net book value of £227,571 (2016 £41,811) held under finance leases.

9 Stocks

	2017 £	2016 £
Consumables and re-saleable items	6,255	9,206

10 Debtors

	2017 £	2016 £
Rent deposit and bond (due after more than one year)	52,000	52,000
Repayments and accrued income	147,110	126,650
	199,110	178,650

SOLL (VALE)

Notes to the Accounts for the year ended 31 March 2017 (continued)

11 Cash at Bank and in Hand

	2017 £	2016 £
Cash balance	461	452
Bank balance	308,231	154,296
Term deposit	209,617	209,155
	<u>518,309</u>	<u>363,903</u>

12 Creditors: Amounts falling due Within One Year

	2017 £	2016 £
Trade creditors	134,874	193,828
Other tax and social security	35,412	25,679
Amounts due under finance leases contracts	81,474	13,963
Accruals and deferred income	452,801	489,009
	<u>704,561</u>	<u>722,479</u>

13 Deferred Income

	Course fees and subscriptions	
	2017 £	2016 £
At 1st April 2016	124,614	64,259
Released in the year	(124,614)	(64,259)
Deferred in the year	261,805	124,614
At 31st March 2017	<u>261,805</u>	<u>124,614</u>

14 Creditors: Amounts falling due after more than One Year

	2017 £	2016 £
Amounts due under finance lease contracts (1-5 years)	<u>128,138</u>	<u>22,079</u>

SOLL (VALE)

Notes to the Accounts for the year ended 31 March 2017 (continued)

15 Financial Commitments

Financial commitments under operating leases will result in the following total future lease payments being made:

	2017 Land & Buildings £	2017 Other £	2016 Land & Buildings £	2016 Other £
Payable				
Within 1 year	574,250	2,929	574,250	7,928
Within 2 to 5 years	2,297,000	-	2,297,000	4,338
After 5 years	5,640,385	-	6,214,635	-
	<u>8,511,635</u>	<u>2,929</u>	<u>9,085,885</u>	<u>12,266</u>

In additional financial commitments under management contracts will result in £79,069 (2016 £80,223) the being payable next year.