

COMPANY NO. 05207019
CHARITY NO. 1117138



ABBEYCROFT LEISURE

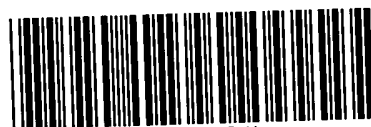
(A Company Limited by Guarantee)

ANNUAL REPORT

FOR

THE YEAR ENDED 31 MARCH 2016

TUESDAY



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Abbeycroft Leisure
FINANCIAL STATEMENTS
for the year ended 31 March 2016

CONTENTS	PAGE
Welcome from the Chief Executive	3
The Report of the Trustees	4
Auditor's report to the members	21
Statement of Financial Activities	22
Balance Sheet	23
Statement of Cash Flows	24
Notes to the financial statements	25

Abbeycroft Leisure
FINANCIAL STATEMENTS
for the year ended 31 March 2016

Trustees & Directors

Sarah Howard MBE (Chairman)
David Howells
Ian Runnacles
Terry Clements
Brian Jones (resigned 24 June 2015)
Selina Austin
Anne Greenfield (appointed 9 December 2015)
Anthony Preece (appointed 9 December 2015)
Eloise Saunders (appointed 9 December 2015)
Rupert Wace (appointed 9 December 2015)
Lois Wreathall (appointed 1 April 2016)
Simon Burton (appointed 1 April 2016)

Chief Executive

Warren Smyth

Company Secretary

Lynda Pope

Registered Office

Abbeycroft Leisure
Haverhill Leisure Centre
Ehringshausen Way
Haverhill
Suffolk
CB9 0ER

Auditors

RSM UK Audit LLP
Abbotsgate House
Hollow Road
Bury St Edmunds
Suffolk
IP32 7FA

Bankers

National Westminster Bank PLC
7 Cornhill
Bury St Edmunds
Suffolk
IP33 1AX

Abbeycroft Leisure

FINANCIAL STATEMENTS

for the year ended 31 March 2016

WELCOME FROM THE CHIEF EXECUTIVE

I am pleased to introduce the annual report and accounts for Abbeycroft Leisure for the 2015/2016 financial year. The report really highlights how hard all staff and trustees have worked to ensure that we continue to operate high quality services for our local communities.

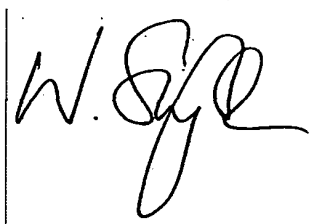
This is the first full year of operating following the merger with Anglia Community Leisure and whilst there is no doubt that this brought some challenges it is clear that things are settling down and the organisation has started to develop again with a new strategic approach to ensure that the organisation is well placed to not only deal with the challenges that the future holds but to capitalise on the opportunities that are being presented within the leisure and social enterprise sectors. This work included a fundamental review of the strategy and five year priorities being set. A new strategic plan has also been developed to ensure that this is also translated into a local set of priorities for each of the localities we work in.

Whilst the organisation's core delivery is the management of leisure centres, sports and physical activity development continues to develop and grow. An example of this is the successful application to the Sport England Community Sport Activation Fund which will see key projects being delivered in Forest Heath to engage both the older and younger populations in this area with the aim of increasing participation rates in these target groups. The funding has been secured for a three year period and the initiative will be rolled out to the different communities within Forest Heath over that period.

The organisation continues to develop mass participation events and once again assisted in hosting a variety of opportunities. This included the 2015 Aviva Women's Tour Grand Depart. This event was also supported with a large community engagement programme for schools and local residents. On a smaller scale the organisation continues to support both the Women on Wheels Cycling event and the Sport Relief Mile. Both of these events continue to attract significant numbers and the informal activity that now takes place beyond these events ensures that people are still engaged in physical activity.

The acquisition of the Self Centre in the prior financial year has also proved successful and has been a welcome addition to the portfolio of services and facilities. This has created new opportunities and some fantastic partnerships.

Moving forward the organisation is in an exciting place with lots of opportunities being created as well as a developing partnership with organisations that work in the health sector. The creation of this great sense of optimism is no small part due to the hard work and commitment of all the Trustees, staff, volunteers and stakeholders that contribute to Abbeycroft Leisure's success and I would like to thank them for their continued efforts.



Warren Smyth
Chief Executive Officer

Abbeycroft Leisure
TRUSTEES' ANNUAL REPORT
for the year ended 31 March 2016

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

The Trustees are pleased to present their annual report together with the financial statements of Abbeycroft Leisure for the year ended 31 March 2016.

Information about the Trustees is given on page 2.

Structure, Governance and Management

Governing document

Abbeycroft Leisure is a Charitable Company Limited by Guarantee (registered number 05207019) governed by its Memorandum and Articles of Association dated 16 August 2004. The Charitable Company began trading on 1 April 2005 and therefore these accounts present the results for the eleventh year of trading. Charitable Status was awarded to the Charitable Company by the Charity Commission on 5 December 2006 (charity number 1117138) and as such the accounts have been prepared in accordance with the Statement of Recommended Practice – Charities (SORP FRS102) and the Companies Act 2006. The objects of the Charitable Company were amended and as adopted as the new objects on the 20th October 2015. Currently the only Members of the charitable company are the Trustees although the Articles of Association do provide for a wider membership with the approval of the Trustees.

Appointment of Trustees

As set out in the Articles of Association the Board of Trustees must comprise at least three and not more than twelve individuals. Local Authority Persons shall be entitled to apply to be a Trustee in the event of a vacancy on the Board, however they shall not have an automatic right to appoint a Trustee to the board. One third of the appointed Trustees must retire at the first Board meeting following the Annual General Meeting (AGM) but shall be eligible for re-appointment, those longest in office resigning first.

Trustee Induction and Training

There is an informal induction process for new Trustees, each one meeting with the Chairman of the Board prior to attending their first full board meeting. Copies of the Trust's Memorandum and Articles of Association and business plan are made available to the new Trustee. During the first Board meeting the new Trustee will meet key employees and the other Trustees.

Trustees are also provided with a copy of the Charity Commission publication CC3 "the Essential Trustee". Further training opportunities are also identified throughout the year and various trustees will attend seminars providing feedback at relevant board meetings.

Organisation

The Board of Trustees administer the Charitable Company. The Board meets at least four times a year for a full Board meeting and sub committees are used to concentrate on key projects to bring value to the development of the organisation and support full Board. Examples of this include the Finance sub-committee, the HR sub-committee and the Stakeholder sub-committee. A Chief Executive is appointed by the Trustees to manage the day to day operations of the Charitable Company. To facilitate effective operations, the Chief Executive has delegated authority for operational matters including finance, employment and day to day management of the organisation with support from a senior management team including a Finance Director, Development Director and Interim Human Resources Director.

The Board is responsible for the employment and terms and conditions of the Chief Executive and general pay and remuneration terms of all employees. The Board's work is supported by the HR Sub-Committee that focuses on:

- review of terms & conditions;
- pensions;
- annual pay awards;
- development and review of personal development review process;

Abbeycroft Leisure
TRUSTEES' ANNUAL REPORT
for the year ended 31 March 2016

- advising on the development of an effective staff structure;
- staff concessions policies;
- employment practices.

Day to day recruitment and pay for operational and management staff is delegated to the Chief Executive.

Related Parties

St Edmundsbury Borough Council and Forest Heath District Council are significant partners and contribute to the delivery of sporting facilities in St Edmundsbury & Forest Heath by providing funding to the Charitable Company in the form of a management fee. This funding also supports the work of the Charitable Company in the community by enabling children and adults to take part in sporting events outside of the Leisure Centres. Both Councils promote the Charitable Company's activities by advertising the Leisure Centres on their website and within other promotional material. A summary of transactions with St. Edmundsbury Borough Council and Forest Heath District Council is set out in note 3 to the Financial Statements.

Objectives and Activities

The Trustees and senior leadership team have spent time in the year reviewing the direction of the organisation in light of the changes in services, engaged customers, the economic climate and the implications of working within the public sector. A new organisational strategy is near complete and will be launched in July 2017. The review has examined vision, mission and core values as well as the direction of travel of the organisation and the need to grow the business to remain sustainable and continue to deliver its charitable objectives in the short to medium term.

The objects of the Charitable Company are:

- to provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals available to the public at large, save for special facilities being provided for those who have need of such by reason of their youth, age, infirmity or disability, poverty, or social circumstances with the object of improving their conditions of life; and/or
- to promote community participation in healthy recreational activities and understanding of the benefits of a healthy active lifestyle, in particular by the provision of facilities for the playing of running, cycling and walking; and/or
- to provide or assist in the provision of community facilities to be available to all sections of the community without distinction, including use for meetings, lectures and classes and/or other forms of recreation and leisure time occupation with the object of improving the conditions of life for all those who use the facilities; and/or
- to promote the education of pupils or students in schools or establishments for further or higher education by the provision or assistance in the provision of facilities for physical education and development, including games or sports equipment, courses, lectures, demonstrations and coaching; and/or
- to promote the education of the public through the provision of facilities for performing arts; and/or
- to advance the education of the public through the preservation of buildings or sites of historic or architectural importance; and/or
- pursue such other charitable purposes as the Trustees in their absolute discretion shall determine (together the "Objects").

Public benefit

In delivering these objectives and developing activities for the forthcoming year the Trustees have considered the Charity Commission guidance on public benefit and fee charging. Abbeycroft Leisure relies on a management fee and the income generated from fees and charges to cover its operating costs. In setting the level of fees and charges and concessions for the activities on offer the charity gives careful consideration to accessibility to the facilities and activities for those on low incomes.

The main activities for the year are the promotion of health and wellbeing through the provision of education, training and support as well as encouraging social interaction within the community.

Abbeycroft Leisure
TRUSTEES' ANNUAL REPORT
for the year ended 31 March 2016

The vision, mission and core values for the organisation are:

Vision

Creating Excellent Leisure Services through Innovation and Quality

Mission

"Inspiring a Healthier You"

Core Values

Supportive - "Supporting people to be the best that they can be"

Ownership - "Taking ownership over what we do"

Caring - "Care about our role and what we are there to achieve"

Informed - "Remain informed about the service we provide and communicate clearly"

Adaptable - "Adapt to the environment around us so that we can overcome challenges"

Local - "Remain at the heart of our community by delivering local services and employment for local people"

The key actions employed to achieve the objectives are to:

- Deliver high quality leisure facilities and provide customers with tailored expert advice at an affordable price.
- Create opportunities for people to take part in sport and leisure activities in groups to enhance general wellbeing, encourage support and friendship and create a sense of belonging for members of the community.
- Create and manage relationships with key partners and stakeholders to ensure that the Charitable Company is aware of and can contribute to relevant initiatives taking place elsewhere in the community.
- Work in partnerships that add value to the organisation and improve the services available to the community.
- Organise and engage in local, regional and national initiatives to further enhance the opportunities available to participate in sport and physical activity.
- Ensure that the facilities and activities on offer are accessible to all sections of the community.
- Ensure continuous improvement is achieved throughout the organisation.

Abbeycroft Leisure offers a competitive membership package to customers of the leisure facilities, comprising of access to the fitness studios, swimming pools, health suites and exercise class programmes. Concessionary rates are given to students, senior citizens, people with disabilities, the unemployed and people on income support.

There is a wide range of pay and play activities including squash, badminton and short tennis at each Centre as well as weekly sessions run especially for the over 50s, adults with disabilities and children. The Leisure Centres operate a crèche to enable parents to access the facilities and activities on offer.

The organisation also provides facilities for outdoor sports such as football and hockey enabling clubs to train and compete in local leagues throughout the season. Abbeycroft Leisure works in partnership with a number of stakeholders to offer these opportunities. Examples of this include working with Haverhill Lawn Tennis Club and St Edmundsbury Borough Council to provide access to tennis courts at Haverhill Leisure Centre, and with King Edwards School and Suffolk County Council to provide access to the athletics track at Bury St Edmunds Leisure Centre.

The sports development and physical activity function also organise a wide range of outreach activities so that those communities who have difficulty accessing leisure facilities based in the main settlements still get the opportunity to engage in sport and physical activities. The team also access a number of local, county, regional and national initiatives to raise the profile of sport and physical activity and offer more opportunity for participation.

Achievements and Performance

This section of the report highlights the key areas of work over the past year and demonstrates how the strategies adopted to deliver the overall objects of the charity are employed. These areas of work are organised into four key areas of activity which are health and wellbeing, sport, education and partnerships.

Abbeycroft Leisure

TRUSTEES' ANNUAL REPORT

for the year ended 31 March 2016

All of these areas of work contribute to encouraging all members of the local community to access opportunities to improve their quality of life by participating in or assisting with the delivery of some form of physical activity.

Health and Wellbeing

Stand Tall

Stand Tall is a 12 week physical activity and wellbeing programme that targets 14-25 year olds who are both inactive and are known to suffer with a mental health condition.

The programme delivers weekly sessions, made up of a wellbeing workshop and a physical activity session. The wellbeing workshops focus on a range of subjects regarding health and making achievable lifestyle changes. The physical activity component is based around boxing techniques and pad-work skills. The aim of this element is to encourage the group away from their sedentary lifestyles, giving them the confidence and core fitness to cope with a medium intensity group exercise class or cope with an hour gym session.

Stand Tall has achieved 214 referrals

- 55% of individuals have attended at least 1 session
- 22% of individuals completed 6 of the 12 weeks
- 16% of individuals completed 12 weeks

At completion of course 78% of the individuals referred show improved wellbeing, 10% show no change, and 12% show worsened wellbeing.

Monday Mums

Abbeycroft Leisure's partnership programme with Lark Community Midwife is an antenatal group held at Bury Leisure Centre. Its purpose is to educate and empower pregnant women who are overweight or obese to support them to have a healthy pregnancy and birth experience.

Currently Lark Community Midwife Caseload looks like this; with 38% overweight or obese, 25% overweight (BMI 25-30), 13% obese (BMI over 30).

The group sessions include discussing healthy eating/antenatal education, 1-2-1 consultation with the Midwife and a final half an hour dedicated to exercise

The programme has audited 40 women with positive results and feedback. The average weight gain in pregnancy is between 10-12.5kg (NHS 2011). The average weight gain over the 6 week course was 1.46kg.

Of the women that did not attend Monday Mums only 53% had a vaginal birth, whereas 86% of women who attended Monday Mums had a vaginal delivery.

The programme continues with scope to be replicated across a wider geographical area; and Charitable Company intend to continue to be the support partner.



The Self Centre

The Self Centre became part of Abbeycroft Leisure in 2015, following a review, adaption and restructure of the business. The arrival of Allied Health Professionals (AHP) saw a huge increase in footfall to the business and has raised awareness of the facilities and services available. Two new therapy rooms were created during the year in order to create more space for hire and to meet demand.

Abbeycroft Leisure

TRUSTEES' ANNUAL REPORT

for the year ended 31 March 2016

The Self Centre celebrated its 10th birthday in September and ran a Facebook promotion for customers to win one free class for 10 weeks as part of its celebrations as well as taking part in the Festival of Sport with a belly dancing display in Charter Square.

Customers continue to attend classes and workshops in Yoga, Pilates, Tai Chi and Meditation plus a full range of complementary therapies, helping to improve the health of the community.

Allied Health Professionals

Allied Health Professionals provide high quality accessible musculoskeletal physiotherapy and back and neck services to help people return to optimal health and stay healthy. Allied Health have become a key partner and this has shown to be a successful partnership with more than 113 referrals or 29% of all referrals using the pathway developed between Allied Health and Abbeycroft Leisure. The potential of this programme is really exciting with the capacity of Allied Health's existing service requiring an alternative route for patients.

The co-ordinator team continue to promote the scheme with a range of outreach. These include attending; Lymphedema Open Day, Osteoporosis Day, Burwell Surgery, Guildhall Surgery, Orchard House Surgery, Pulmonary Rehabilitation West Suffolk Hospital (WSH), Staploe Medical Centre, West Suffolk Hospital Physio, Cancer Education Day and many more of our health partners.

Exercise on Referrals

The Exercise on Referral Scheme has seen almost 400 referrals across sites. The programme has seen positive retention with 63% of those clients who started going on to complete the scheme. Outcomes have included clients reducing blood pressure, weight and even medication. Individual stories include many such as Diane's:

'I am 70 years old and have been attending the Otago class at Wickhambrook MSC Hall. When I started going to the class I had lost my confidence when out walking as 18 months ago I had a fall and broke my hip. The Otago class has helped me regain my balance and that in turn has helped my confidence. A few weeks ago I slipped on a wet floor, and was able to get myself up again. This was entirely due to lessons where we were taught how to get up; along with my improved strength and balance. I now have problems with my other hip and I am due to have a hip replacement in the next month. As part of the Otago class they have helped with exercise to strengthen the muscles ready for my operation.'

With a range of more than 60 referral partners; each scheme has built relationships in many health settings. The coordinator team continue to promote the scheme with a range of outreach. These included attending; Lymphedema Open Day, Osteoporosis Day, Burwell Surgery, Guildhall Surgery, Orchard House Surgery, Pulmonary Rehabilitation WSH, Staploe Medical Centre, West Suffolk Hospital Physio, Cancer Education Day and many more of our health partners.

Future developments include a large training initiative with at least 10 existing fitness staff undertaking an Abbeycroft Leisure funded Exercise on Referral course supported through our training partner YMCAFit. This will see each programme supported with a greater resource to underpin the growth of the scheme. The growth of the scheme is being supported through the establishment of 3 coordinators to oversee its operation. Key responsibilities will be to develop the services on offer such as supervised sessions, aqua gym, aqua exercise classes, falls prevention classes and linking with programmes such as the Keep Active Sport England programme.

Otago Falls Prevention

Otago falls prevention sessions continue to be successful with more than 500 attendances at Bury St Edmunds and more than 1,056 attendances at Wickenbrook Village Hall and Haverhill Leisure Centre. Sessions support more than 60 individuals on a regular basis as well as supporting those as part of their 12 week Exercise on Referral programme.

Children's Physio

A pilot programme took place at Bury St Edmunds Leisure Centre offering children's classes in partnership with the Suffolk Community Healthcare team. The classes were split into 2 age groups, 5-11yrs and 12-16yrs with the younger group

Abbeycroft Leisure
TRUSTEES' ANNUAL REPORT
for the year ended 31 March 2016

utilising physio and mobility games led by Abbeycroft Leisure Sports Development Staff and the older group making use of the fitness studio and combining physio with detailed instruction from our gym fitness instructors.

As a result of the programme, parents have increased awareness of the benefits of exercise and have more knowledge about community activities and how to access them in the future, whilst the children benefitted from being more active, and developed confidence about accessing activities that they may not normally consider.

A further pilot is being arranged for October 2016 to gather further evidence of the benefits of this partnership working.

Livewell Weight Management Programmes

The West Suffolk Livewell Weight management team continued to be based in Bury St Edmunds Leisure Centre continuing the strong partnership. This year a further 10 Livewell adult weight management programmes have been held in our centres with more than 160 attendees. Of these, more than 40 clients continue to use our facilities as members or casual users. An example of the impact the courses had is demonstrated with a Haverhill course who combined lost 11st 3lb and 75cm off waists; having a huge impact on many of the clients health and wellbeing.



A new adult weight management programme was created at The Gym Ipswich, whilst the scheme worked on the same basis with free access to the facilities throughout the 12 week programme, the partnership seemed to be more successful. The regular contact encouraged clients to be more active and sustain their weight loss. In the first year 40 clients completed the course and 23 joined as members at the end; this year 81 clients started on the programme and 25 joined the Gym Ipswich at the end.

Sport

Abbeycroft Leisure continues to operate closely alongside the County Sports Partnership (CSP); Suffolk Sport, in delivery and provision of sport within Suffolk. This year has also seen Abbeycroft Leisure work alongside the Norfolk CSP – Active Norfolk, to provide 'learn to run courses' in Ickworth Park and Hardwick Heath. The Active Norfolk partnership saw part funding from either party to train local 'run leaders' and Active Norfolk funded staff costs for the 6 week 'learn to run courses'. The programme has developed quickly and with support from Run England and the Bury St Edmunds Pacers, a Suffolk Community Foundation grant has been successfully obtained to create 4 run-walk routes around the various wards in Bury St Edmunds. It is expected that in 2016/17 Abbeycroft Leisure will operate further 'learn to run' courses throughout the communities within Bury St Edmunds.

The relationship with Suffolk Sport has seen Abbeycroft Leisure entering as a key partner alongside other local leisure providers, the county council, the ASA (Amateur Swimming Association) and iCan (Suffolk Sport: Disability Sport NGB) in improving provision for people with disabilities to access our swimming pools since the removal of Avenues East support from 'Big Splash' sessions. The disability specific sessions take place throughout all of the swimming pools operated by Abbeycroft Leisure.

Abbeycroft Leisure and Suffolk Sport have worked alongside each other at various events throughout the year including Explore Outdoor attendance in the Suffolk Show Sports Village, hosting of the Suffolk School Games and event planning the Cycle Suffolk Initiative 'Women on Wheels (WoW)'.

Abbeycroft Leisure

TRUSTEES' ANNUAL REPORT

for the year ended 31 March 2016

The relationship between Abbeycroft Leisure and the Suffolk F.A. has also strengthened through playing host to coaching courses and children's participation events such as the Western Area Youth Soccer (WAYS) league as well as sitting on the Suffolk F.A. walking football council to increase the provision of walking football in Suffolk. Walking football currently takes place in Newmarket and Brandon Leisure Centres with aspirations to begin in Haverhill in the near future. Abbeycroft Leisure work alongside the Suffolk F.A. and Haverhill Community Sports Association to improve the provision for young people within our communities. Cash funding from Abbeycroft Leisure this year has been spent to create disability football provision, coaching bursary schemes, girls football (years 6, 7 and 8), and football for boys aged 5-11 in Haverhill. In 2016/17 the cash funding will be used more widely across West Suffolk.

This year Abbeycroft Leisure has continued its relationship with Badminton England having delivered products such as 'Smash-Up' and 'Essentials'. Smash-up has been delivered in schools around both St Edmundsbury and Forest Heath whereas an Essentials course for beginner's badminton has taken place in Haverhill Leisure Centre.

Keep Active

Successful applications to the Sport England Community Sport Activation Fund will see key projects delivered in Forest Heath to engage both the older and younger populations in this area with the aim of increasing participation rates in these target groups. The funding has been secured for a three year period and the initiative will be rolled out to the different communities within Forest Heath over that period.

Over 55 population

Progress to date has seen community engagement sessions taking place in 4 locations throughout the target town of Newmarket. Taking place in Exning Church Hall, Newmarket Day Centre, Newmarket Library and the Leisure Centre, both males and females from ages 55 with our oldest regular participant who is 92 years of age are participating in the programme. Free taster sessions were used successfully to build interest in users at the start of the year and begin to build the sessions to a sustainable level of participation. Taster sessions have included bowls, bocchia, badminton, short tennis and a resounding favourite, table tennis. We are transitioning between phase 3 and 4 of the plan from a varied session to more structured 'single sport' sessions whereby a successful walking football session has been created.

The key successes are:

- Regular users from the age of 55 to 92 attend our sessions which suggests that the sessions are suited to a large span of age and ability. Our older people's activators have been extremely successful in ensuring the attendees experience a variety of sport during the session.
- The start-up of the Newmarket walking football session has been a terrific success, even to the point that in May 2016 a team was created and entered (linking with a team from Stowmarket) into the first Ipswich Walking Football tournament organised by the Suffolk F.A. The team made it through the group stage and was knocked out in the Semi-Final by the overall winning team.
- Users taking initiative for the success of the sessions – We have found that now we are receiving regular feedback from participants upon ways that we can use marketing to promote ongoing sessions further to encourage new people to join in. This is hugely rewarding to see that participants are taking ownership of these sessions.
- Partnership development between Keep Active and GP Referral Scheme – A developing partnership is being created to support people 55+ remain in physical activity between the Keep Active programme and the GP Exercise on Referral Team at the Leisure Centre. Participants that cite reasons for not using the gym are encouraged to take part in the Keep Active programme and vice versa, participants whom find their confidence in physical activity through Keep Active are joining fitness memberships.

14-25 Age group population

We are on target to fulfil commitment in terms of numbers of sessions delivered to Mildenhall, Newmarket and Brandon (currently standing at 23 sessions completed in each venue), targeting the correct age ranges and delivered to the stated geographical areas.

The success of the 14-25 activities has been formed through community partnership working between Catch 22, local schools and youth groups. The correct age range has therefore been targeted ensuring programmes are run in the key priority geographical areas. Working closely with school and other local youth and sport agencies in order to push and

Abbeycroft Leisure
TRUSTEES' ANNUAL REPORT
for the year ended 31 March 2016

promote each individual project. The Mildenhall project has already reached its yearly target for individual attendees and is on course to hit the yearly throughput target in the next 12 months.

Coaches have received some encouraging feedback from the young people themselves about how much they value the weekly sessions.

County Sports Partnership

Abbeycroft Leisure continues to work in partnership with Suffolk Sport, the County Sports Partnership for Suffolk. This includes assistance in rolling out national initiatives locally and analysis of sport and physical data to further inform marketing campaigns and programming. In addition to this partnership work the Chief Executive is also a member of the Suffolk Sport Board and assists in developing strategies for increasing physical activity in the county.

Sport Relief

Sport Relief is a national incentive that encourages people to take part in swimming, cycling or running to raise money for Comic Relief. This year Abbeycroft Leisure facilities were selected by event organisers after applications were submitted in 2015 for Newmarket, Brandon, Haverhill and Bury St Edmunds Leisure Centres. Events taking place were 1, 3 and 6 mile walk/runs in Haverhill, Brandon and Bury St Edmunds as well as individual and team 1, 2.5 and 5km swims at Newmarket and Haverhill. Total attendance across all sites including running and swimming stood at 330.

Swim Scheme

A new Swim Scheme was launched in April 2015. There is now a consistent and diverse programme operating across all sites, with competitive prices and an online parent portal which ensures that the parent has greater involvement and access to their child's learning developments. The programme includes adult and junior learn to swim, mini polo, additional needs, private lessons and intensive courses.

Great East Swim

Working in partnership with Suffolk County Council, Abbeycroft Leisure delivered a 12 week training programme for 48 inactive 14-25 and 50+ years. All achieved a minimum of ½ a mile in the Great East Swim with many completing a mile.

Crucial Crew

Working in partnership with Suffolk County Council Abbeycroft Leisure delivered a Water Safety presentation at West Suffolk College as part of the Crucial Crew week. The young people that attended Crucial Crews in Suffolk gain first-hand experience from trained professionals about how to keep themselves and their friends and family safe, how to be environmentally conscientious and how to lead healthy lives.

Mr & Mrs Strong

After a successful competition in 2014 and on the back of the Strength Training and Mr & Mrs Strong classes, it was decided to run another Mr & Mrs Strong Competition in 2015. 19 people took part, 5 more than the previous year, and this led to a further 3 members of public to join Brandon's Gym. 2015 has seen Brandon's Power Lifting Club go from strength to strength, becoming registered members of a power lifting body, obtaining funding for more training equipment and allowing over 100 spectators to view a well organised competition. This event raised over £400 for charity.

Smash Up Badminton

Smash up Badminton is an initiative from Badminton England to get more children aged 12-16 to play badminton in an informal setting and saw 538, 12 – 16 year olds take part.

Abbeycroft Leisure

TRUSTEES' ANNUAL REPORT

for the year ended 31 March 2016

Education

Explore Outdoor

Explore Outdoor had a successful year working with approximately 9,000 young people and adults on a wide range of sessions including climbing wall sessions, corporate team building, school holiday activities and parties.

Explore Outdoor worked with 8 young volunteers from West Suffolk College to support events and activities held at Bury St Edmunds and the Priory School last financial year.

Explore Outdoor invested in 12 new primary school sized mountain bikes purchased from British Cycling which have been incorporated in holiday activities and school one day sessions.

Community Use Support Framework

Abbeycroft Leisure works in partnership with Suffolk County Council to support nine schools on a Community Use Support Framework to improve access to community use facilities for the public and increase efficiency for the school.

This work is now in its third year, and saw three schools complete the programme during 2015/16 with the aim of increasing income generation and efficiencies in expenditure, understanding of the sports and leisure landscape, access, attendance, standards of operation, informing complementary programming and pricing, improving marketing and developing plans and operations.

The Suffolk School Games

Bury St Edmunds Leisure Centre hosted the Suffolk School Games on Friday 10 July 2015. Working closely with Suffolk Sport the games organiser, the games consisted of 8 different sports with 14 different competitions within these sports with individual school winners. The sports held at the leisure centre ranged from swimming, basketball and athletics. 828 young people took part in the events from 52 different schools.

Make Your Move

Make your Move uses physical activity as a lever to help young people develop a number of skills that will increase their self-confidence, alongside providing individuals with job ready skills, and opportunities for people to obtain leisure qualifications that can lead to employment.

The course works with individuals who are Not in Employment, Education or Training (NEETs) in Haverhill, Bury St Edmunds, Newmarket and Mildenhall and will see 12 courses run up to the end of 2016. Funding to deliver this programme was secured through the Greater Cambridge Greater Peterborough LEP Prize Challenge.

Partnerships

Abbeycroft Leisure continues to work in partnership with a wide variety of partners including:

St Edmundsbury Borough Council
Forest Heath District Council
Suffolk County Council
South Suffolk Leisure
West Suffolk Clinical Commissioning Group
Allied Health Professionals
Livewell Suffolk
King Edwards School
County Upper School
West Suffolk College
Havebury Housing
Catch 22

Abbeycroft Leisure
TRUSTEES' ANNUAL REPORT
for the year ended 31 March 2016

Sport England
Suffolk Sport
Haverhill Town Council
Sports Clubs
Focus 12
Open Road
Cangle Junction
Activities Unlimited
Young Family Careers
Samuel Ward Academy Trust
One Haverhill
Suffolk Norse
Age UK
Castle Manor Academy Trust
Haversports
Haverhill Community Sports Assoc.

Working with Local Communities

St Edmundsbury Sports Awards

The St Edmundsbury Sports Awards was the 9th annual celebration of local sporting talent in St Edmundsbury. There were 192 people in attendance joining in celebrating the 10 award categories, of which 67 local competitors, clubs, coaches or volunteers nominated to receive an award. Subsequently, winners from the St Edmundsbury Sports Awards were forwarded to the Suffolk Sports awards to which 4 St Edmundsbury individuals or teams also saw success. The awards were an important chance to improve networks between Abbeycroft Leisure and local industry. This event proved to be a success in both celebrating local sporting talent as well as showcasing Abbeycroft Leisure within the local business community.

The Big Splash

The Big Splash is a disability specific swimming session including a qualified swimming instructor at the session to lead engagement. The session enables the users to access facilities and services that they may not usually feel able to engage with in a safe and supportive environment, helping to build their confidence, swimming abilities and physical activity levels. It is run in Bury St Edmunds, Haverhill, Newmarket and Mildenhall however statistics are only collated from Bury St Edmunds and at this location 1,828 swimmers and 1,348 carers attended in 2015/16.

The Big Sport Club

The Big Sport Club was established in August 2015 to provide structured sporting activities for people with disabilities. The 2 hour session on a Friday afternoon has seen a variety of disability specific sessions set up such as; football, basketball, table tennis, badminton, new age kurling, boccia, and low impact aerobics.

From the outset, this initiative has not only benefitted the participants in engaging them with physical activities and sports but it has also benefitted the carers to the sessions some of whom have been on disability sport activator sessions such as bowls and boccia. The project has seen our working relationship with iCan (Suffolk Sport) and Leading Lives Bury St Edmunds grow from strength to strength. Total attendance in 2015/16 was 492.

Teen Chillout

Teen Chillout is a weekly diversionary activity held at Haverhill Leisure Centre and continues to provide a safe environment for local youngsters in Haverhill to gather. Predominantly this includes use of the Kid City play structure. Total attendances for 2015/16 were 1,631 and additional funding will be provided by Haverhill Town Council to fund other Youth activities in 2016/17.

Abbeycroft Leisure
TRUSTEES' ANNUAL REPORT
for the year ended 31 March 2016

Suffolk Positive Futures

The Suffolk Positive Futures (Street Sports) was initially set-up and operated through Abbeycroft Leisure. The Street Sports sessions are designed to reduce and prevent anti-social behaviour within communities in West Suffolk by providing young people with facilities, equipment and a member of staff to facilitate sports sessions, including football and tennis. The sessions are for boys and girls between the ages of 8-18 years. In 2015 Abbeycroft Leisure sought alternative delivery methods to ensure the sustained delivery of the Street Sports Sessions. In June 2015 Suffolk Positive Futures took ownership of the programme with a view to ensure continued delivery and development of the programme.

These sessions have been influential in not only reducing levels of anti-social behaviour within communities but also to provide young people within the communities the opportunity to work within Abbeycroft Leisure. In 2015 a member of the Brandon session was able to secure employment within the Sports Development department. During the year the total attendance reached 2,676.

School's Out holiday camps

This project aims to provide increased opportunities for children aged 6-14 to participate in sport and other activity during all school holidays. Due to the nature of the holiday camps they also act as childcare for working parents.

Activities include a wide range of sports (football, basketball, tag rugby, rounders, dodgeball etc.) and other activities such as swimming, arts and crafts, film afternoons, skating and laser tag. Total attendance across all sites stands at 8,570.

Haver Tri

HaverSports is committed to delivering premier athletics events. The organisation also has the goal of raising thousands of pounds for local charities and began with Haverhill 10k and Haverhill Half Marathon in 2014.

Following on from the success of these events, Haversports hosted the Haverhill Triathlon & Duathlon in October 2015, starting and finishing at Haverhill Leisure Centre.

Wednesday for Women

Wednesdays for Women is a registered charity and women's group that provides emotional support and counselling to its members. Abbeycroft Leisure continued to support 'Wednesdays For Women' by delivering a weekly free exercise class at the Leiston Centre. Attendances for the year totalled 288. In addition, Haverhill Leisure Centre supports the group by providing a free venue for meetings & charity events.

Aviva Women's Tour

On Wednesday 17 June 2015 Angel Hill in Bury St Edmunds was transformed into the Aviva Women's Tour start line for around 96 riders to begin the 5 stage race. Abbeycroft Leisure worked in partnership with Suffolk County Council, St Edmundsbury Borough Council and Our Bury St Edmunds to ensure a safe and successful event was delivered to the community and the participants. 2015 was the first occasion that a whole stage of either the Women's Tour or the Tour of Britain had been held in the county. 57 volunteers worked with us to ensure that a safe and positive event was experienced by all.

Alongside the race start, the town was able to host the first ever presentation evening in Charter Square on the 16 June. Much of the community work was on show at this event, with a total of approximately 410 pupils of all ages having been engaged in activities. These included creating artwork, and performing a flash mob dance routine. The community engagement was a crucial part of the event in terms of local impact and legacy.

The Aviva Women's Tour gave a total return on investment of £488,656 to keep the Aviva Women's Tour event going and Angel Hill saw a 25% increase in footfall on Wednesday 17 June compared to the previous 2 Wednesdays. Alongside this there is anecdotal evidence to suggest that the event created a feel good factor which further enhanced community cohesion. Along with excellent feedback from the town's stakeholders, Abbeycroft Leisure are pleased to say that the event as a whole had a positive impact on Bury St Edmunds and left a legacy with the town which can be built upon.

Abbeycroft Leisure

TRUSTEES' ANNUAL REPORT

for the year ended 31 March 2016

Women on Wheels charity cycle ride

The Women on Wheels charity cycle event is a community event, comprising cycle routes of 5, 20 or 50 miles, for women interested to engage with cycling. In its second year the event works with St Nicholas Hospice, who are also the benefactors of the monies raised. It was showcased at the Aviva Women's Tour grand depart, with 50 golden ticket winners riding out from the start line ahead of the professional teams. The Aviva Women's Tour played a significant role in attracting nearly 200 participants to the event. The number of participants more than doubled in its second year, showing a truly successful event, thanks to the Women's Tour and Suffolk's cycling ambitions, and went on to raise a total of £9,051 for St Nicholas Hospice.

Organisational Development

Bury St Edmunds studio development

The new Supersize studio successfully opened on 5 May following the investment of £88,000 by Abbeycroft Leisure, converting the underutilised squash courts and maximising the potential usage per square metre of that area. The project was conceived to cater for growing capacity issues within the group exercise class program and the negative effect this was having with increased membership cancellations, in addition to limiting future growth of the membership base. The studio has proven a great success increasing the most popular class capacities from 20 to 35 equating to approximately 16,400 more class spaces per year, in addition to increasing the block booking usage and income.

Flume Replacement

Two brand new flumes 'The Twister' and 'Aqua Rush' replaced the previous 23 year old flumes installed in 1992 when the Leisure pool was originally built. The Flumes were officially opened in conjunction with the Leisure Centres 40th Birthday celebrations by the children from Tollgate and Rougham Primary Schools who won the flume naming competition and staff that were working at the Centre when it first opened. This was followed by the cutting of the 40th birthday cake and then on Saturday (27 June) the Centre offered free flume rides for every swimmer and group exercise classes at 1970s prices, just 20p, with proceeds donated to St Nicholas Hospice. In excess of 7,000 people have ridden the flumes in the 9 months since they opened. The flumes were part of a £618,000 capital refurbishment project undertaken by St Edmundsbury Borough Council and included the installation of a new glazed lobby and cladding on the north elevation that took place over a 10 month period.

Haverhill Leisure Centre Astro turf Replacement

During the summer of 2015, the Astro pitch at Haverhill Leisure Centre undertook a complete refurbishment and now boasts a new playing surface. The pitches have been well received by a variety of junior & adult users of both football and hockey including club and casual use.

This was funded by St Edmundsbury Council & officially opened by Councilor Patrick Chung, Mayor of St Edmundsbury, on 3 October 2015.

Marketing and Public Relations (PR)

2015/16 saw the charity take a new direction with its marketing with a number of new digital based platforms introduced. A new social media based approach to customer engagement saw increases in weekly reach of as much as 80% in some cases, and a new social media hub 'Crowd Control' was purchased to house all the sites, and new training for staff implemented.

The charity also purchased the 'Brief Your Market' software and now engages customers & members through monthly newsletters and to promote in house & partner offers.

Social media growth saw some staggering figures with over 100,000 people reached through the St Edmundsbury activities unlimited voting and Abbeycroft Leisure's involvement in the Girls Night Out charity walk recorded views of over 15k on one video in a 24 hour period.

Abbeycroft Leisure

TRUSTEES' ANNUAL REPORT

for the year ended 31 March 2016

PR coverage increased considerably with major focus on our sports delivery activity and the merger with Anglia Community Leisure. The increase has required investment in more sophisticated measurement & monitoring software as a result.

Leisure Facilities

Abbeycroft Leisure currently manages 11 facilities:

Local Authority Facilities:

Brandon Leisure Centre
Bury St Edmunds Leisure Centre
Haverhill Leisure Centre
Mildenhall Swimming Pool
Mildenhall Dome
The Gym Mildenhall
Newmarket Leisure Centre

Other Facilities:

Port of Felixstowe
The Gym Ipswich
The Self Centre
Thurston Sports & Education Centre

Looking ahead – future plans

New Strategic plan

The Trustees and senior leadership team have spent time in the year reviewing the direction of the organisation in light of the changes in services, engaged customers, the economic climate and the implications of working within the public sector. A new organisational strategy is near complete and will be launched in July 2017. This work has a plan that will see resources shift to areas of priority and create a platform to deliver the plan at a corporate level as well as achieving local outcomes. This is now allowing the organisation to work with stakeholders regarding the development of longer term partnerships in a structured way. There is no doubt that this is part due to the merger last year and Abbeycroft's ability to work across a geographical area aligned with other key agencies.

This work has also been further enhanced by a successful bid to the National Lottery Funded, Big Potential Advance initiative. This will enable Abbeycroft Leisure to receive support from Eastside Primetimers to develop plans to grow the organisation and gain investment to achieve this

Suffolk Saxons

Abbeycroft Leisure have been working with partners to bring a national badminton league team to Suffolk with the aim of raising the profile of this sport in Suffolk. Following a successful application the team will play in the league in the 2016/2017 season which will see some of the world's best badminton players coming to Suffolk. The team will play home fixtures across the county and instigates a county badminton development plan which supports community participation in Badminton through a variety of initiatives. There is no doubt that the team will act as great role models to encourage broader participation.

Velodrome

Following the success of last year's cycling 'Tour' events, there was a desire to build on West Suffolk's participation in cycling and to promote the area to visitors. Suffolk County Council, with Abbeycroft Leisure, St Edmundsbury Borough Council, Bury Town Council and Our Bury St Edmunds, will host the Street Velodrome event in July 2016. The 3 day event will see local community groups, schools, corporate partners and the public take to the track, culminating in a final Professional and Amateur racing day.

Skyliner Sports Centre

Abbeycroft Leisure have been working with St Edmundsbury Borough Council to develop a new leisure facility to serve its growing community in Bury St Edmunds. The new facility will be located on the site of a new High School development and includes facilities aligned with the Council's Playing Pitch and Built Facilities Strategy.

Abbeycroft Leisure
TRUSTEES' ANNUAL REPORT
for the year ended 31 March 2016

The project has engaged a number of stakeholders and will further develop Abbeycroft's model for leisure facilities on schools sites.

Mildenhall Hub

Abbeycroft Leisure have been part of a project to deliver improved public services to the community of Mildenhall. Forest Heath District Council have led a project to create the "Mildenhall Hub" which will become a one stop shop for the community to access services that will include education, health, leisure, revenues and benefits services, citizens advice and library services from one site. This is an exciting opportunity, and is part of the Cabinet Office One Public Estate Programme, which will see three small, aged facilities developed into a brand new facility that will meet the needs of the community at this point in time and into the future.

The project is now entering a detailed design phase with a planning application due to be submitted in the 2016/2017 financial year.

Scaltback

Abbeycroft Leisure has been selected by Suffolk County Council to be the preferred partner for the development of a Community Sports Facility at a former middle school site in Newmarket.

The development of this facility will assist in meeting the needs of Newmarket and create a home for a number of sports clubs in this area. This will also enable the development of a multi-functional space required by a number of community groups.

A final feasibility study is being undertaken to define both the capital and revenue requirements of the scheme and demonstrate whether the facility is financially viable in the longer term.

Abbecroft Leisure

TRUSTEES' ANNUAL REPORT

for the year ended 31 March 2016

Financial Review

This is the first full year of operating following the merger with Anglia Community Leisure. Our overall income is £7,794,543 for the financial year, representing growth of 3.6% against the prior year (2014/15 £7,526,613 combined and restated). Outgoing expenditure for the year was £7,923,085, leaving us with net expenditure of £128,542. Expenditure includes a pension service cost of £106,000. When this is taken out we are left with a net expenditure for the year of £22,542 which is a positive position set against a management fee reduction of £130,500 in 2015/16.

Abbecroft Leisure generates income primarily from operating Leisure Centres for recreation including income from memberships, swimming, other sporting and recreational and development activities and a management fee from the Local Authority.

The level of unrestricted funds included within the Financial Statements for the year ended 31 March 2016 is £1,976,890 of which £222,887 has been earmarked for initiatives which grow the business and £782,030 represents the net book value of the assets excluding restricted funds. These figures exclude the Pension Reserve deficit of £1,627,000 which does not impact on the level of cash available for the Charity to spend.

The level of restricted funds included within the Financial Statements for the year ended 31 March 2016 is £4,081.

Management Accounts are produced monthly for Senior Management scrutiny and action. The charity's financial performance is also considered at each Trustee board meeting and typically includes:

- latest management accounts
- a comparison of budget to actual figures
- an explanation of variances between forecasts and what actually happened
- details of bank balances

The Trust also has a Finance and Business Development Sub-Committee to work on focused areas of work to support the financial performance and growth of the charity.

Going forward management, supported by the Trustees continue to strive to improve the quality of the charity's services; challenge and improve value for money; build on current partnerships; seek out new opportunities in the area and increase the number of people participating in physical activity to improve their quality of life all of which support financial sustainability.

Our strategy is to drive growth in sales and to re-invest it in services to the community. We will focus on providing good quality services, through improvements in availability and choice with more relevance to our customers. We will continue to seek opportunities where we can, for example Moreton Hall joint use site.

Pricing Policy

The pricing policy reflects our strategy to enable all people within the local community to access our facilities and services.

The board introduced a concessionary pricing policy in 2007 which is still in operation. Concessionary prices are available for a broad range of products including memberships and pay and play activities.

Concessionary prices are also made available for outreach activity although the main aim of these activities is to improve access and therefore activities are generally free or at a nominal charge.

Principal Risks

The Trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the Charity faces,
- establishing systems and procedures to mitigate the risks identified in the annual review,
- implementing procedures designed to minimise any potential impact on the Trust should those risks materialise, and,
- providing training opportunities for Trustees and Staff.

Abbeycroft Leisure
TRUSTEES' ANNUAL REPORT
for the year ended 31 March 2016

This work has identified that the continued financial pressure our significant partners Forest Heath District Council and St Edmundsbury Council are under from reductions in Government funding is a key element in the management of this risk is a regular review and partnership dialogue with the Councils.

Attention has also been focussed on non-financial risks. These risks are managed by ensuring industry accreditation through Quest, regular independent review by Right Directions and having robust policies and procedures in place, and regular awareness training for staff in operational areas.

Pension Scheme

The Trust adopts the requirements of section 28 of FRS102: Employee Benefits in respect of its defined benefit pension scheme as it continues to be possible to identify the Trust's share of the pension scheme administered by Suffolk County Council. The impact of this standard has been reflected throughout the financial statements. The year saw a reduction in the deficit of by £1,367,000 with the deficit standing at £1,627,000 (2014/15: £2,994,000) as at 31 March 2016.

Investment Powers and Policy

Under the Memorandum and Articles of Association the Charity has the power to invest in any way the Trustees wish.

The Trustees, having regard to the liquidity requirements of operating the Leisure Centres and to the reserves policy have operated a policy of keeping available funds in either an interest bearing deposit account or more recently, on a call account, and seek to achieve a rate of interest which matches or exceeds inflation as measured by the retail prices index.

Surplus funds are placed on a call account achieving the best available interest rates.

Reserves Policy

The Board have established the level of reserves (that is those funds that are freely available) required by the Charity. Reserves are needed to cover unexpected expenditure such as repairs to equipment or to compensate for loss of income should the centres have to be closed unexpectedly, for example due to bad weather or loss of power. Reserves will also be built up to replace key equipment for the fitness studio and IT equipment at regular intervals and to cover any potential loss in value of the asset form in which the reserves are held. Furthermore, Trustees have given consideration to the strategic direction and growth of the Charity and designated a reserve specifically for initiatives that grow the business and further the charitable objectives of Abbeycroft Leisure (Strategic Investment Fund). The policy is to maintain, as a minimum, free reserves equivalent to approximately 3 months of expenditure to grow in line with planned expenditure, 31 March 2016 £1,980,771 (2014/15: £1,916,042).

The actual free reserves at 31 March 2016 were £971,973 (2014/15: £999,731) equating to between 1 and 2 month's average expenditure based on forecast expenditure for 2015/16. Actual free reserves are lower than the Trustees would like due to prior year transfers from free reserves to the designated pension reserve to ring-fence funds that may be required in future to fund the defined pension scheme deficit. As at 31 March 2016 the pension reserve was in deficit and stood at £1,627,000 (2014/15: £2,994,000). Budgeted surpluses for 2016/17 will contribute to the increase of the free reserves bringing the actual in line with the policy.

Fixed assets belonging to the Charity are also excluded from free reserves and are represented by separate designated reserves. As at 31 March 2016 the designated fixed asset reserve totalled £782,030 (2014/15: £665,740).

The Reserves Policy will be reviewed in 2016/7 for appropriateness and relevance to the merged organisation and to reflect current operating conditions and best practice within the leisure industry.

Abbeycroft Leisure
TRUSTEES' ANNUAL REPORT
for the year ended 31 March 2016

Trustees' responsibilities in relation to the Financial Statements

The Trustees (who are also the directors for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its charitable activities.

The Trustees are responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enables them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charitable company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Statement as to disclosure of information to Auditors

In accordance with company law, as the company's Trustees, we certify that:

- so far as we are aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- As the directors of the charitable company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

The auditor, RSM UK Audit LLP, Chartered Accountants, has indicated its willingness to continue in office.

The above Trustees Report and incorporated Strategic Report were approved by order of the Trustees and signed on its behalf by:



Sarah Howard MBE
Chairman

20/10/16

Abbeycroft Leisure

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABBEYCROFT LEISURE for the year ended 31 March 2016

We have audited the financial statements of Abbeycroft Leisure for the year ended 31 March 2016 on pages 22 to 41. 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 charitable 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 charitable 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' responsibilities set out on page 20, the trustees (who are also the directors of the charitable company for the purposes of 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

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 2016 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 Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

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:

- the charitable company has not kept adequate accounting records, 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 disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

RSM UK Audit LLP

CLAIRE SUTHERLAND (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Abbotsgate House
Hollow Road
Bury St Edmunds
Suffolk
IP32 7FA

4 November 2016

Abbeycroft Leisure

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) for the year ended 31 March 2016

	Note	Restricted Funds	Unrestricted Funds	Total 2016	Total 2015 (see note 27&29) Combined and restated £
		£	£	£	£
Income from:					
Donations and grants	4	51,904	-	51,904	2,999
Charitable activities	5	-	7,039,321	7,039,321	6,867,493
Other trading activities	6	-	681,087	681,087	652,947
Investments	7	-	3,102	3,102	3,174
Other		-	19,130	19,130	-
Total		51,904	7,742,640	7,794,543	7,526,613
Expenditure on:					
Raising funds	8	-	626,941	626,941	586,835
Charitable activities	9	37,628	7,258,516	7,296,144	7,077,332
Total		37,628	7,885,457	7,923,085	7,664,167
Net income/(expenditure)	10	14,276	(142,818)	(128,542)	(137,554)
Transfers between funds		(23,348)	23,348		
Actuarial gains/(losses) on defined benefit pension scheme	14	-	1,575,000	1,575,000	(959,000)
Net movement in funds		(9,072)	1,455,530	1,446,458	(1,096,554)
Reconciliation of funds					
Total funds brought forward		13,153	(1,105,641)	(1,092,488)	4,066
Total funds carried forward	23	4,080	349,891	353,971	(1,092,488)

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

The notes on pages 25 to 41 form part of these financial statements.

Abbeycroft Leisure

BALANCE SHEET

for the year ended 31 March 2016

COMPANY NUMBER: 05207019

		2016	2015 (see note 29) Combined and Restated
	Note	£	£
Fixed Assets			
Intangible assets	16	24,824	23,653
Tangible assets	17	763,406	952,486
Total fixed assets		788,230	976,139
Current Assets			
Stock	18	48,795	51,949
Debtors	19	438,219	481,195
Cash at bank and in hand		1,155,466	1,334,420
Total current assets		1,642,479	1,867,564
Liabilities			
Creditors falling due within one year	20	(426,116)	(887,640)
Net current assets		1,216,364	979,924
Total assets less current liabilities		2,004,594	1,956,063
Creditors: falling due after more than one year	21	(23,622)	(54,552)
Net assets excluding pension liability		1,980,971	1,901,511
Defined benefit pension scheme liabilities	14	(1,627,000)	(2,994,000)
Total net assets / (liabilities)		353,971	(1,092,489)
The funds of the charity:	23		
Restricted funds		4,081	13,153
Unrestricted funds:			
General fund		971,973	999,731
Designated fund		1,004,917	888,627
		1,976,890	1,888,358
Pension reserve		(1,627,000)	(2,994,000)
Total unrestricted funds		349,890	(1,105,640)
Total charity funds		353,971	(1,092,489)

Approved by the Board on 20 October 2016 and signed on its behalf and authorised for issue by:

Sarah Howard Chairman MBE of the Board of Trustees



Abbeycroft Leisure
STATEMENT OF CASH FLOWS
for the year ended 31 March 2016

		2016		2015	
	Note	£	£	Combined	£
Net cash used in operating activities	28		64,189		44,187
Cash flows from investing activities					
Interest income		3,102		3,174	
Purchase of intangible assets		(4,319)		(22,966)	
Purchase of tangible fixed assets		(211,001)		(240,089)	
Proceeds from sale of tangible fixed assets				3,350	
Cash used in investing activities			(212,218)		(256,531)
Repayment of borrowing		(30,929)		(30,163)	
Cash used in financing activities			(30,929)		(30,163)
Decrease in cash and cash equivalents in the year			(178,958)		(242,507)
Cash and cash equivalents brought forward			1,334,420		1,576,928
Cash and cash equivalents carried forward			1,155,466		1,334,420
Relating to:					
Bank balances and short-term deposits included in cash at bank and in hand			1,155,466		1,334,420

Abbeycroft Leisure

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

1) Accounting policies

a. Basis of preparation

The financial statements have been prepared under the historic cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Abbeycroft Leisure is a charitable company domiciled & registered in England. The principal accounting policies adopted in the preparation of the Financial Statements are set out below.

Abbeycroft Leisure meets the definition of a public benefit entity under FRS102. Assets & liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy note.

b. Going Concern

The Trustees have considered the financial position of the charitable company, the level of free reserves and the 2016/2017 budget and accompanying cash flow forecast. As a consequence, the Trustees believe the charitable company is well-placed to manage its business risks successfully through these difficult and uncertain times.

The Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of preparation in the financial statements.

Whilst the pension liability (calculated under FRS102 principles) shows as a significant liability on the balance sheet This does not result in an immediate cash commitment and the liability is not expected to crystallise in the foreseeable future. The charitable company and Pension Scheme Provider (Suffolk county Council) have agreed a repayment schedule which is affordable to the charitable company.

c. Income

Income from charitable activities is recognised as earned (as the related goods and services are provided). Such income is only deferred when:

- Customers pay for swimming lesson courses in advance of the course start dates.
- The management fee is received in advance of the period it relates to.
- Performance related grants are received in advance of the period they relate to.

Income from other trading activities is recognised as earned (as the related goods and services are provided).

Investment income consists of interest earned only and is recognised on a receivable basis.

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably. Abbeycroft considers the substance of any conditions attaching to donations or grants and to the substance of any contractual terms when determining their entitlement to income.

Abbeycroft identifies donations or grants that are subject to terms or performance related conditions or other conditions that must be met before there is unconditional entitlement to the gifted resources. Where terms and conditions have not been met or uncertainty exists as to whether Abbeycroft can meet the terms or conditions otherwise within its control, the income should not be recognised but deferred as a liability until it is probable that the terms or conditions imposed can be met. Deferred income is released to income in the reporting period in which the performance-related or other conditions that limit recognition are met.

Abbeycroft Leisure
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2016

d. Expenditure

All expenditure is accounted for on an accruals basis and recognised when a liability is incurred. Contractual arrangements are recognised as services are supplied.

- Costs of raising funds are those costs incurred in generating income and those incurred in trading activities which raise funds.
- Charitable activities include expenditure associated with the running costs of the leisure facilities and include both the direct costs and support costs relating to these activities.
- Support costs include central functions and have been directly allocated to activity cost categories where possible, otherwise they are allocated based on the percentage of total headcount or turnover represented by that activity in the Leisure Centres or other sites.

e. Irrecoverable VAT

All resources expended are classified according to their VAT recovery position. Irrecoverable VAT is charged to the Statement of Financial Activities as it is incurred under a separate heading.

f. Leases

The charitable company classifies the lease of certain equipment as operating leases. The title to the equipment remains with the lessor and the equipment is replaced every 3- 5 years whilst the economic life of such equipment is estimated to be 10 years. Rental charges are charged on a straight line basis over the term of the lease.

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases') the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor. Lease payments are treated as consisting of capital and interest elements, and the interest is charged to resources expended in proportion to the remaining balance outstanding.

g. Goodwill

Positive purchased goodwill is capitalised as an asset on the balance sheet and amortised. Goodwill upon acquisitions represents payments made by the Trust in anticipation of future economic benefits from assets that cannot be identified individually and cannot be recognised separately.

The amortisation of goodwill is regarded as having a useful economic life and amortised on a straight line systematic basis as follows:

- The Self Centre 5 years

h. Tangible & intangible fixed assets

Individual fixed assets costing £500 or more are capitalised at cost. Smaller capital items may be aggregated and capitalised.

Tangible and intangible fixed assets are depreciated or amortised on a straight line basis over their estimated useful lives as follows:

Leasehold improvements	8.33% - 50%
Plant, furniture and office equipment	14% - 33%
Sports Equipment	14% - 50%
Intangible IT equipment	14% - 33%
Goodwill	20%

i. Stock

Stock is included at the lower of cost or net realisable value.

Abbeycroft Leisure

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

j. Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

k. Cash

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

l. Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

m. Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

n. Funds structure

The charitable companies designated funds are to purchase fixed assets for the Leisure Centres and other operational centres and for the furtherance of Abbeycroft's strategic development and growth. Designated funds are unrestricted funds of the charitable company. A designated fund is used to separately identify the defined benefit pension scheme balance.

Donated assets are valued at cost and depreciated in line with the policy detailed in section g through a movement in funds.

Unrestricted funds are grants and other incoming resources receivable or generated for the objects of the charitable company without further specified purposes and are available as general funds.

Restricted funds are grants and other incoming resources receivable or generated for specific activities carried out by the charitable company.

o. Pension costs

The charitable company participates in the Suffolk County Council Pension Scheme. The schemes assets are held separately from the assets of the charitable company and are administered by trustees and managed professionally. Pension costs are assessed in accordance with actuary advice and based on the most recent actuarial valuations of the schemes. These costs are accounted for in accordance with the requirements of FRS102.

A liability is recognised in the balance sheet in respect of the scheme which represents the present value of the defined benefit obligation at the balance sheet date less the fair value of scheme assets. A full valuation of the liability is calculated by an independent actuary every three years and updated on an annual basis using the projected unit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability. Actuarial gains and losses are recognised in the Statement of Financial Activities in the year that they arise.

Abbeycroft Leisure
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2016

Where changes to the Scheme have resulted in past service costs, these are recognised immediately in the Statement of Financial Activities, unless the changes are conditional on employees remaining in service for a specific period of time (the vesting period). In this case, the past service costs are amortised on a straight line basis over the vesting period.

p. Transition to FRS102

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS102 and the Charities SORP FRS102 the restatement of comparative items was required. At the date of transition, the representation of governance costs was one of two restatements that were required. Governance costs totalling £36,479 have been reclassified to other cost categories for the current and comparative period. Additionally, a restatement was required to amend the previous treatment of interest income on plan assets. The expected rate of return of £389,000 on plan assets held in defined benefit pension schemes was recognised in the SOFA under previous UKGAAP for the year ended 31 March 2015. In the same period, a difference of £601,000 between the actual return and the expected return was recognised as an actuarial gain. Under FRS102, interest income of £278,000 was recognised on plan assets using the discount rate applied to the defined benefit obligations which is based on the market yields for high quality corporate bonds. The amount recognised as an actuarial gain/loss was £712,000 being the difference between the actual return and the interest income recognised in the SOFA.

	Actuarial loss	Interest income/ expected rate of return
	£	£
As previously reported	(1,070,000)	389,000
Reduction in income on assets held in retirement benefit plans	111,000	(111,000)
As reported under FRS102	(959,000)	278,000

2) Legal status of the charity

The charitable company is a company limited by guarantee and has no share capital. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

3) Related party transactions

St Edmundsbury Borough Council

The charitable company has a close working relationship with St Edmundsbury Borough Council. The Council has the right to nominate up to two Trustees to the Board and provide funding to enable the charitable company to carry out its charitable objectives. The following is a summary of transactions with St Edmundsbury Borough Council:

	2016 £	2015 £
Management fee receivable	174,000	260,000
Sales	256,555	236,438
Purchases	243,509	109,221

Sales include reimbursements for maintenance work paid for by Abbeycroft Leisure and car park refunds given to customers, as well as facility hire and corporate membership contributions.

Purchases include payments for service level agreements for Health & Safety, IT and Communications, Payroll, HR services and loan repayments.

St Edmundsbury Borough Council owns all of the land and buildings occupied by Haverhill Leisure Centre and the building occupied by Bury Leisure Centre. The land occupied by Bury Leisure Centre is owned by Suffolk County Council and leased to St Edmundsbury Borough Council who sub lease the land to Abbeycroft Leisure. St Edmundsbury Borough Council charge a peppercorn rent for all land and buildings occupied by Abbeycroft Leisure.

Abbeycroft Leisure

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

The balance outstanding with the St Edmundsbury Borough Council as at 31 March 2016 was a debtor of £28,738 (2015 £69,600)

During 2012/13 the Trust obtained a loan totalling £150,000 from St Edmundsbury Borough Council that is repayable over five years. The amount outstanding at 31 March 2016 was £54,552 (2015: £84,715).

Forest Heath District Council

The charitable company also has a close working relationship with Forest Heath District Council and contracts with the Council to enable it to carry out its charitable objectives. The following is a summary of transactions with Forest Heath District Council:

	2016 £	2015 £
Management fee receivable	627,600	625,500
Sales	18,652	1,302
Purchases	33,735	505,488

The balance outstanding with Forest Heath District Council as at 31 March 2016 was a balance of nil (2015 £49,262)

4) Donations and grants

	2016 £	2015 Combined £
Grants	51,904	2,999
	<u>51,904</u>	<u>2,999</u>

5) Charitable activities

	2016 £	2015 Combined £
Operation of leisure facilities	5,942,763	5,821,626
Local authority management fee	755,000	885,500
Sports development	157,793	131,514
Other income	183,765	28,853
	<u>7,039,321</u>	<u>6,867,493</u>

6) Other trading activities

	2016 £	2015 Combined £
Catering	410,186	472,773
Crèche/Kidcity	40,675	45,404
Other income	230,226	134,770
Total	<u>681,087</u>	<u>652,947</u>

7) Investments

	2016 £	2015 Combined £
Bank interest	3,102	3,174
Total	<u>3,102</u>	<u>3,174</u>

Abbeycroft Leisure
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2016

8) Raising funds

	2016	2015 Combined and restated
	£	£
Direct costs	499,191	472,301
Support costs	124,937	110,195
Governance costs	2,813	4,339
	626,941	586,835

9) Charitable activities

	Direct costs	Support costs	Governance costs	2016	2015 Combined and restated
	£	£	£	£	£
Operation of leisure facilities	5,472,822	1,200,168	-	6,672,990	6,866,616
Sports development	303,103	50,696	-	353,799	159,135
Other costs	198,582	37,107	33,666	269,355	51,581
	5,974,507	1,287,971	33,666	7,296,144	7,077,332

10) Net expenditure for the year

	2016	2015 Combined
	£	£
This is stated after charging:		
Loss on disposal of fixed assets	16,742	4,071
Operating leases – land & buildings	77,811	64,967
Operating leases – equipment	12,499	25,840
Depreciation	380,012	324,193
Amortisation	6,474	1,629
Auditors remuneration	13,745	15,250

Combined auditors remuneration in 2015 included £8,750 relating to audit fees from RSM UK Audit LLP in respect of the audit of the financial statements of Abbeycroft Leisure for the year ended 31 March 2015 and £6,500 relating to accounts and audit fees from McCabe Ford Williams for the audit of the financial statements of Anglia Community Leisure for the year ended 31 March 2015.

11) Support costs

The charitable company allocates its support costs as shown in the table below and then further apportions those costs between the charitable activities undertaken (see note 9). Support costs are allocated directly, or where this is not possible allocated on the basis shown below.

	Basis of allocation	2016	2015 Combined
		£	£
Human Resources & Payroll	Headcount	84,023	75,916
Information Technology	Headcount	163,574	91,284
Financial activities	Income	673,337	598,358
Marketing	Income	173,103	129,102
Management	Income	266,440	256,957
Insurance	Income	52,431	59,911
		1,412,908	1,211,529

Abbeycroft Leisure

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

12) Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2016	2015
	£	Combined £
Salaries and wages	3,657,689	3,599,298
Social Security costs	166,475	187,932
Pension costs	400,357	272,900
	4,224,521	4,060,130

The emoluments of 1 employee including benefits in kind were in the range of £70,001 to £80,000 (2015: 1 employee).

The Trustees of Abbeycroft Leisure received £301 during the year of expenses but no donations were received from Trustees. (2015: £670 relating to mileage were reimbursed to three Trustees).

The key management personnel of the charitable company comprise the trustees, the Chief Executive Officer, the Finance Director, Operations Director and the Development Director. The total employee benefits of the key management personnel of the charitable company were £274,828 (2015 £266,445).

13) Staff numbers

The average monthly head count was 441 staff and the average number of full-time equivalent employees (excluding casuals but including part time staff) during the year was as follows:

	2016 Number	2015 Combined Number
Front of house leisure centre staff	141	151
Finance & administration	6	3
Management team	4	7
	151	161

Abbeycroft Leisure
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2016

14) Pension scheme

St Edmundsbury Borough Council Pension Scheme

The charitable company participates in the Suffolk County Council defined benefit pension scheme under an admitted body status. The scheme is a multi-employer defined benefit final salary scheme where the share of the assets and liabilities applicable to each employer has been identified by the Scheme Actuary in this financial year. The scheme is administered for the benefit of Local Authority employees and other bodies and is managed in accordance with the Local Government Pension Scheme Regulations 1997 (as amended). At the year-end there were 82 Abbeycroft Leisure employees in the scheme. The Scheme's assets are held separately from the assets of the Trust.

Contributions totalling £23,638 (2015 £19,676) were payable at the year end and are included within creditors at the reporting date.

The information used for this disclosure has been based on the most recent actuarial valuation, by Hymans Robertson LLP, to take account of the requirements of FRS102 in order to assess the liabilities of the Fund as at 31 March 2016.

The major financial assumptions used by the actuary were:

	31 March 2016	31 March 2015	31 March 2014
	%	%	%
Future pension increases	2.2	2.5	2.9
Future salary increases	4.2	4.4	4.7
Discount rate	3.6	3.3	4.3

Demographic assumptions – mortality

	Male	Female
Current pensioners	22.4 years	24.4 years
Future pensioners	24.3 years	26.9 years

The mortality assumptions are identical to those used in the previous accounting period.

Analysis of amount charged to the Statement of Financial Activities

	31 March 2016	31 March 2015
	£'000	restated £'000
Current service cost	322	200
Interest expense	79	69
	<u>401</u>	<u>269</u>

Movement in deficit during the year

	31 March 2016	31 March 2015
	£'000	restated £'000
Deficit at the beginning of the year	(2,328)	(1,579)
Current service cost	(322)	(200)
Interest expense	(220)	(219)
Employer Contributions	235	186
Interest income	141	150
Net actuarial (losses)/ gains	1,034	(666)
Deficit at the end of the year	<u>(1,460)</u>	<u>(2,328)</u>

The return on assets excluding amounts included in net interest was (£73k), (2015 £384k).

Abbeycroft Leisure

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

Forest Heath District Council Pension Scheme

The charitable company participates in the Forest Heath District Council defined benefit pension scheme under an admitted body status. The scheme is a multi-employer defined benefit final salary scheme where the share of the assets and liabilities applicable to each employer has been identified by the Scheme Actuary in this financial year. The scheme is administered for the benefit of Local Authority employees and other bodies and is managed in accordance with the Local Government Pension Scheme Regulations 1997 (as amended). At the year-end there were 11 Abbeycroft Leisure employees in the scheme. The Scheme's assets are held separately from the assets of the Trust.

Contributions totalling £4,933 (2015 £4,102) were payable at the year end and are included in within creditors at the reporting date.

The information used for this disclosure has been based on the most recent actuarial valuation, by Hymans Robertson LLP, to take account of the requirements of FRS102 in order to assess the liabilities of the Fund as at 31 March 2016.

The major financial assumptions used by the actuary were:

	31 March 2016	31 March 2015	31 March 2014
	%	%	%
Future pension increases	2.2	2.5	2.9
Future salary increases	4.2	4.4	4.7
Discount rate	3.6	3.3	4.3

Demographic assumptions – mortality

	Male	Female
Current pensioners	22.4 years	24.4 years
Future pensioners	24.3 years	26.9 years

Analysis of amount charged to the Statement of Financial Activities

	31 March 2016 £'000	31 March 2015 £'000
Current service cost	65	61
Interest expense	23	15
	<u>88</u>	<u>76</u>

Movement in deficit during the year

	31 March 2016 £'000	31 March 2015 restated £'000
Deficit at the beginning of the year	(666)	(349)
Current Service Cost	(65)	(61)
Interest expense	(138)	(143)
Employer Contributions	46	52
Interest income	115	128
Net Actuarial (losses)/gains	541	(293)
Deficit at the end of the year	<u>(167)</u>	<u>(666)</u>

The return on assets excluding amounts included in net interest was £59k (2015 £328k).

Abbeycroft Leisure
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2016

Forest Heath District Council and St Edmundsbury Borough Council Combined Pension Scheme

<i><u>Movement in deficit during the year</u></i>	FHDC 31 March 2016 £'000	FHDC 31 March 2015 restated £'000	SEBC 31 March 2016 £'000	SEBC 31 March 2015 restated £'000	COMBINED 31 March 2016 £'000	COMBINED 31 March 2015 restated £'000
Deficit at the beginning of the year	(666)	(349)	(2,328)	(1,579)	(2,994)	(349)
Current Service Cost	(65)	(61)	(322)	(200)	(387)	(61)
Interest expense	(138)	(143)	(220)	(219)	(358)	(143)
Employer Contributions	46	52	235	186	281	52
Interest income	115	128	141	150	256	128
Net actuarial gains/(losses)	541	(293)	1,034	(666)	1,575	(293)
Deficit at the end of the year	(167)	(666)	(1,460)	(2,328)	(1,627)	(2,994)

15) Taxation

The charitable company was granted charitable status on 5 December 2006. The charitable company is registered as a Company Limited by Guarantee and has no share capital. The charitable company is governed by a Board of Trustees who receive no financial benefit from the charitable company and whose liability is limited to £1. The income and gains of the charitable company are exempt from tax on income & gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable activities.

16) Intangible assets

	Goodwill £	Software £	Total £
Cost:			
As at 1 April 2015 (combined)	22,966	10,521	33,487
Additions	-	4,319	4,319
Disposals	-	(5,742)	(5,742)
As at 31 March 2016	22,966	9,098	32,064
Amortisation:			
As at 1 April 2015 (combined)	766	4,289	5,055
Charge for the year	4,593	1,881	6,474
Disposals	-	(4,289)	(4,289)
As at 31 March 2016	5,359	1,881	7,240
Net book value			
As at 31 March 2016	17,607	7,217	24,824
As at 31 March 2015 (combined)	22,200	1,453	23,653

Abbeycroft Leisure

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

17) Tangible fixed assets

	Long-term Leasehold Improvements	Plant, furniture & office equipment	Sports Equipment	Total
	£	£	£	£
Cost:				
As at 1 April 2015 (combined)	565,592	742,082	1,315,347	2,668,019
Additions	35,935	146,050	29,015	211,001
Disposals	-	(59,435)	(206)	(59,641)
As at 31 March 2016	601,526	828,698	1,389,155	2,819,379
Depreciation:				
As at 1 April 2015 (combined)	338,662	515,825	865,827	1,720,313
Charge for the year	79,291	103,132	197,588	380,012
Disposals	-	(44,248)	(103)	(44,351)
As at 31 March 2016	417,953	574,708	1,063,312	2,055,974
Net book value				
As at 31 March 2016	183,573	253,989	325,843	763,406
As at 31 March 2015 (combined)	199,380	427,499	325,606	952,486

18) Stocks

	2016	2015 Combined
	£	£
Bar and café	11,351	30,656
Sports equipment	17,372	8,981
Badges and certificates	11,987	9,396
Other	8,086	2,916
	48,795	51,949

19) Debtors

	2016	2015 Combined
	£	£
Trade debtors	346,191	322,426
Prepayments and accrued income	81,360	151,429
Other debtors	10,668	7,339
	438,219	481,194

20) Creditors: amounts falling due within one year

	2016	2015 Combined
	£	£
Trade creditors	66,564	339,832
Accruals	161,443	193,004
Loan from St Edmundsbury Borough Council	30,930	45,006
Other creditors	31,073	30,748
Other taxes and social security	62,110	116,531
Deferred income (see note 22)	73,996	162,518
	426,116	887,640

Abbeycroft Leisure
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2016

21) Creditors: amounts falling due in more than one year

	2016 £	2015 Combined £
Loan from St Edmundsbury Borough Council	23,622	54,552
	<u>23,622</u>	<u>54,552</u>

The ageing of the loan contract is as follows

	2016 £	2015 £
Due within one year	30,930	30,163
Due within one to two years	23,622	30,929
Due within two to five years	-	23,623
	<u>54,552</u>	<u>84,715</u>

22) Deferred income

Deferred income comprises of deferred grant income, swimming lessons from 1 April 2016 and vouchers.

	2016 Combined £
Balance as at 1 April 2015	115,579
Amount released to incoming resources	(115,579)
Amount deferred in year	<u>73,996</u>
Balance as at 31 March 2016	<u>73,996</u>

Abbecroft Leisure

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

23) Analysis of charitable funds

	Balance at 1 April 2015 Combined	Incoming resources	Resources expended	Actuarial gain	Transfer between funds	Fund at 31 March 2016
	£	£	£	£	£	£
General fund	999,732	7,205,640	(7,140,457)	-	(92,942)	971,973
Pension reserve	(2,994,000)	537,000	(745,000)	1,575,000	-	(1,627,000)
Designated Funds						
Other assets	665,740	-	-	-	116,290	782,030
Strategic Investment	222,887	-	-	-	-	222,887
Subtotal Designated Funds	(1,105,641)	7,742,640	(7,885,457)	1,575,000	23,348	349,890
Restricted Fund						
Environmental Grant	9,300	-	(3,100)	-	-	6,200
Operational Coach Project	773	-	-	-	-	773
FHDC Junior Library Projects	333	-	-	-	-	333
Get Fit Get Fab NLC	822	-	-	-	-	822
Fit for you	1,000	-	-	-	-	1,000
Funded Holiday Camp	925	-	-	-	-	925
Keep Active Project	-	7,316	(19,452)	-	-	(12,136)
Stand Tall Project	-	10,270	(10,739)	-	-	(469)
Make Your Move	-	970	(4,336)	-	-	(3,367)
National Badminton	-	10,000	-	-	-	10,000
Plant and Equipment	-	21,002	-	-	(21,002)	-
Grant for Skates	-	2,346	-	-	(2,346)	-
Subtotal Restricted Funds	13,153	51,904	(37,628)	-	(23,348)	4,081
Total	(1,092,488)	7,794,544	(7,923,085)	1,575,000	-	353,971

Restricted funds

During the year and in prior year, funds were received which carried restrictions upon their use. Non-performance related grants received during this year have been recognised in full on the Statement of Financial Activities. Performance related grants have been recognised to the level of outputs delivered for the period up to 31 March 2016.

Funds are restricted for the purposes of:

Environmental Grant - The environmental grant was received to support the purchase of energy saving equipment. The carrying value on the restricted fund at 31 March 2016 represents the net book value of the restricted assets.

Operational Coach Project - A project designed to train individuals in sports leadership.

FHDC Junior Library Equipment – Forest Heath District Council identified funds to purchase junior play equipment for use at Brandon Leisure Centre.

Get Fit Fab NLC – Provides reduced cost gym memberships for women aged 18 to 25

Funded Holiday Camp – Newmarket Lions provided funding to support the 'School's Out' project to benefit young people of Newmarket.

Abbeycroft Leisure

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

Keep Active Project - The fund will see key projects delivered in Forest Heath to engage both the older and younger populations in this area with the aim of increasing participation rates in these target groups, funding for this project is due to be received in 2016/17.

Stand Tall Project – This is a 12 week physical activity and wellbeing programme that targets 14-25 year olds who are both inactive and are known to suffer with a mental health condition, funding for this project is due to be received in 2016/17.

Make your Move - This finds a programme of physical activity as a lever to help young people develop a number of skills that will increase their self-confidence, alongside providing individuals with job ready skills, and opportunities for people to obtain leisure qualifications that can lead to employment, funding for this project is due to be received in 2016/17.

National Badminton – This is funding to support the work of Abbeycroft Leisure to work with partners to bring a national badminton league team to Suffolk with the aim of raising the profile of this sport in Suffolk.

Plant and Equipment – This is funding for the purchase of plant and equipment at Newmarket Leisure Centre

Grant for Skates – This is grant funding towards the purchase of skates for a new skating activity in Haverhill Leisure Centre.

Designated Funds

A designated fund exists to represent the pension scheme deficit which at 31 March 2016 was £1,627,000. The other asset fund represents the net book value of fixed assets excluding restricted assets. These funds have been ring-fenced by the Trustees such that the general fund represents free reserves to be spent on the running of the Charity. Furthermore, Trustees have given consideration to the strategic direction and growth of the Trust and designated a reserve specifically for initiatives that grow the business and further the Charitable Objectives of Abbeycroft.

Transfers between funds

There has been a transfer to the general fund from the designated other asset fund which represents capital additions and disposals during the year, excluding restricted purchases. The net book value of the other asset fund and the two restricted capital funds agree to the net book value of fixed assets per the balance sheet.

24) Analysis of net assets between funds

	Restricted Fund	General Fund	Designated Fund	Pension Reserve	Total Funds at 31 March 2016
	£	£	£	£	£
Fixed Assets	6,200	-	782,030	-	788,230
Net Current Assets	(2,119)	995,596	222,887	-	1,216,364
Long term liabilities	-	(23,623)	-	-	(23,623)
Pension Scheme Liability	-	-	-	(1,627,000)	(1,627,000)
Total	4,081	971,973	1,004,917	(1,627,000)	353,971

Abbeycroft Leisure
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2016

25) Financial instruments

The carrying amount of the charitable company's financial instruments at 31 March were:

	2016	2015
	£	Combined £
<u>Financial assets</u>		
Debt instruments measured at amortised cost	<u>371,692</u>	<u>394,166</u>
<u>Financial liabilities</u>		
Measured at amortised cost	<u>290,010</u>	<u>601,387</u>

26) Operating lease commitments

As at 31 March 2016, Abbeycroft Leisure had annual commitments under non-cancellable operating leases in respect of plant and machinery and property as shown below:

	2016	2015
	£	Combined £
Other operating leases		
Within one year	8,911	10,384
Within one to two years	-	-
Between two and five years	-	8,911
Sub Total other operating leases	<u>8,911</u>	<u>19,295</u>
Land and buildings		
Within one year	78,613	77,811
Within one to two years	79,613	78,613
Between two and five years	162,519	242,132
Total	<u>320,746</u>	<u>417,852</u>

Abbeycroft Leisure

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

27) Comparative SOFA by fund

	Restricted Funds Restated and Combined £	Unrestricted Funds Restated and Combined £	Total 2015 Restated and Combined £
Income from:			
Donations and grants	2,999	-	2,999
Charitable activities	-	6,867,493	6,867,493
Other trading activities	-	652,947	652,947
Investments	-	3,174	3,174
Total	2,999	7,523,614	7,526,613
Expenditure on:			
Raising funds	-	586,835	586,835
Charitable activities	45,826	7,031,506	7,077,332
Total	45,826	7,618,341	7,664,167
Net (expenditure)/Income	(42,827)	(94,707)	(137,554)
Actuarial losses on defined benefit pension scheme	-	(959,000)	(959,000)
Gross transfers in the year	23,834	(23,834)	-
Net movement in funds	(18,993)	(1,077,541)	(1,096,554)
Reconciliation of funds			
Total funds brought forward	32,146	(28,081)	4,066
Total funds carried forward	5,840	(1,105,622)	(1,092,488)

28) Reconciliation of net expenditure to net cash flow from operating activities

	2016 £	2015 Combined £
Net movement in expenditure	(128,542)	(137,431)
Add back depreciation charge	380,012	347,861
Add back amortisation charge	6,474	1,629
Add back loss on disposal	16,742	4,071
Add back interest income	(3,102)	(3,174)
Decrease in stock	3,154	25,897
Decrease in debtors	42,976	89,234
Decrease in creditors	(461,525)	(390,900)
Costs relating to pensions	208,000	107,000
Net cash used in operating activities	64,189	44,187

Abbeycroft Leisure

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

29) Merger with Anglia Community Leisure

On the 1 April 2015 Abbeycroft Leisure undertook a merger with Anglia Community Leisure, both charitable companies providing leisure facilities. All assets and liabilities including leases were transferred from Anglia Community Leisure to Abbeycroft Leisure. No adjustments to assets or liabilities were required during this process.

Analysis of principal SOFA components for the previous reporting period

	Abbeycroft Leisure	Anglia Community Leisure	Combined Total
	Per signed accounts	Per signed accounts	
	£	£	£
Total income	4,262,793	3,289,266	7,552,059
Total expenditure	(4,288,971)	(3,289,641)	(7,578,612)
Net expenditure	(26,178)	(375)	(26,553)
Actuarial losses	(726,000)	(344,000)	(1,070,000)
Net movement in funds	(752,178)	(344,375)	(1,096,553)

Analysis of net assets at the date of merger

	Abbeycroft Leisure	Anglia Community Leisure	Combined Total
	Per signed accounts	Per signed accounts	
Unrestricted funds			
General fund	463,392	536,340	999,732
Pension reserve	(2,328,000)	(666,000)	(2,994,000)
Designated fund			
Other assets	665,740	-	665,740
Strategic investment	222,887	-	222,887
Restricted funds			
Operational Coach Project	-	773	773
FHDC Junior Library project	-	333	333
Get Fit Get Fab NLC	-	822	822
Fit For You (benchmarking project)	-	1,000	1,000
Funded Holiday Camp (Newmarket Lions)	-	925	925
Environmental grant	9,300	-	9,300
Total net assets	(966,681)	(125,807)	(1,092,488)