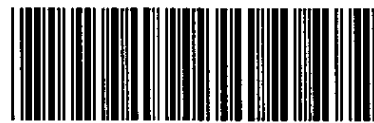


Company no 05386540
Charity no 1112020

Adur Community Leisure Limited
Report and Financial Statements
31 March 2012

SATURDAY



A1JXB6FT

A41

20/10/2012

#140

COMPANIES HOUSE

sayer vincent

auditors and advisors

Adur Community Leisure Limited

Reference and administrative details

For the year ended 31 March 2012

Legal status Company limited by guarantee (no 05386540) and registered charity (no 1112020) Incorporated on 9 March 2005

Registered office Blackshots Leisure Centre
Blackshots Lane
Grays, Essex
RM16 2JU

Operational addresses Southwick Leisure Centre
Old Barn Way
Southwick, West Sussex
BN42 4NT
Lancing Manor Leisure Centre
Manor Road
Lancing, West Sussex
BN15 0PH
Wadurs Community Pool
Kingston Broadway
Shoreham By Sea, West Sussex
BN43 6TE

Trustees The trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows

Mrs S Hellenburgh	
Mr G Hodgson	resigned 19/09/2011
Mr D Vandyke	
Mr P Wilson	
Ms M Woolacott	
Cllr R Hotton	
Mr R Brattle	
Ms A Mckoy	resigned 15/12/2011
Cllr F Lewis	
Ms K Harris	married now Ms K Pollard
Mr A Ryall	appointed 05/12/2011

Bankers National Westminster Bank Plc
17 High Street
Grays, Essex
RM17 6NP

Solicitors Winckworth Sherwood
Minerva House
5 Montague Close
London
SE1 9BB

Auditors Sayer Vincent
Chartered accountants and statutory auditors
8 Angel Gate, City Road
London
EC1V 2SJ

Adur Community Leisure Limited

Report of the trustees

For the year ended 31 March 2012

The trustees present their report and the audited financial statements for the year ended 31 March 2012

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with the current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities

Structure, governance and management

Adur Community Leisure (ACL) is a community organisation working in partnership with Adur District Council (ADC) and other organisations, to provide leisure opportunities within the Adur area. ACL came into existence when ADC transferred leisure facilities to ACL on 1st July 2005.

ACL is a registered charity and company limited by guarantee. ACL is a subsidiary of the Group Parent Impulse Leisure (IL), IL being a non-profit distributing organisation.

A board of 11 trustees are ultimately responsible for ACL. The board of trustees (volunteers) are drawn from all sections of the local community. Two elected councillors of ADC are included on the board. Once appointed, trustees act in their personal capacity and do not act as representatives of the body that nominated them.

The board is made up of the following categories of trustees which are fixed in the articles:

- Independent trustees x 8
- Local Authority elected trustees x 2
- Employee elected trustees x 1

ADC elects two representatives to the board annually, although for continuity it is useful if the same councillors continue to be trustees of ACL whenever possible. As such ADC nominates councillors for terms up to four years.

The trustee board may appoint any person willing to be a trustee in seeking to provide a broad range of skills on the board. No decision on such appointments shall be taken unless the ADC appointed trustees have first been consulted, or reasonable steps have been taken to allow such consultation.

All trustees will hold office for a maximum of three years before retiring. Upon retirement, the other trustees may re-appoint him or another person. At each AGM, the greater of three and 33% of the longest serving trustees shall retire, but may be re-appointed unless the vacancy is filled.

Trustees of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2012 was 11 (12 in 2011).

Should there be a need to attract new trustees to the board, then the membership of the company can be consulted to put prospective trustees forward, in addition adverts are placed in appropriate media.

The trustees have no beneficial interest in the Group or charity.

Adur Community Leisure Limited

Report of the trustees

For the year ended 31 March 2012

As a charity, ACL is a non-profit distributing organisation. Therefore, members do not receive dividends, as all surpluses must be invested to pursue the charitable objectives of the company. ACL buys its senior management, administration, finance, human resources function, support and development function from IL and an Intra-group Agreement governs this arrangement.

The trustees and senior management undertake an annual risk assessment process and report on this to the full board. The trustees are satisfied that adequate processes are in place to mitigate the key risks faced by the charity.

Objectives and activities

The objectives of ACL as set out in its memorandum of association, are to run the facilities primarily for the benefit of the community of Adur and its neighbourhood. ACL must therefore operate in a manner that does not discriminate against any person by virtue of their gender, age, infirmity, disability, poverty or socio-economic status.

ACL aligns its strategy with that of IL and in pursuit of its mission. The mission is 'Creating active and healthy communities'. The company has a number of goals. These are to, -

- *Provide clean, safe, friendly and accessible leisure facilities, which provide a value for money top class service to all members of the communities in which we work*
- *Cultivate relationships with potential partners including local authorities, education (schools), health providers, youth services, crime reduction agencies and social care providers*
- *To improve the communities in which we work, as healthier places to work, live and grow*
- *Identify areas, and where appropriate with partners create and influence the provision of new leisure facilities, and or opportunities*
- *Explore and take opportunities to expand the operations of the company and its subsidiaries, increasing turnover to above £10,000,000 before March 2013, with a view to improved operational efficiency*
- *To continue to value all members of staff as important assets*
- *Where relevant seek external funding, and or sponsorship in identified areas*

In defining its objects ACL has defined aims which are, -

People

- To recruit, retain and reward well motivated staff who provide a friendly service to all of our customers all of the time
- To maintain a personnel policy and training plans, that develop professional staff to their full potential, improves performance instils self value and ensures succession
- To react swiftly and decisively to staff problems and issues in a fair and equitable manner

Quality of Service

- Obtain and maintain relevant quality assurance accreditation at each unit, where applicable
- To identify and carry out planned improvements to facilities and services each year
- To constantly consult with our customers to obtain their views, measure their satisfaction levels and develop their ideas into actions wherever possible
- Conduct one non-user survey regularly in conjunction with ADC where appropriate

Adur Community Leisure Limited

Report of the trustees

For the year ended 31 March 2012

- Develop and maintain the image of ACL/Impulse Leisure as a distinct forward thinking top quality leisure provider
- Develop services and facilities that promote social inclusion and provide equity of access

Performance

- To continually improve, maintain and manage budgeting and accounting systems that enhance management control and effectiveness
- Increase overall attendance levels therefore providing services to the wider community
- Agree specific usage targets for specific groups and activities with ADC, the Primary Care Trust (PCT) and other partners
- Increase income levels year on year, but control costs so that viability improves
- Reduce reliance on ADC funding
- To plan, organise and review services in line with customer expectations using Best Value principles
- Use expansion/acquisition (internal or external) to improve financial stability

Funding

- To seek external funding (excluding ADC) to expand the services and facilities on offer
- Undertake activity which will ensure ADC understand the value of ACL/Impulse Leisure to the community and its development

Partnerships

- Enhance existing or develop new partnerships wherever possible
- To be an influential member of relevant partnerships, as well as taking a lead role in forming new partnerships which will improve leisure opportunities or reduce costs
- To become the 'Partner of Choice' with a wide range of organisations

Facilities

- Develop wide ranging and varied program of activities and events at all facilities
- Use surpluses to continually maintain and invest in facilities to improve services, accessibility and the physical surroundings
- To provide the cleanest and safest possible facilities

Systems

- To continually improve, maintain and manage systems and procedures in all areas, which are clear and comprehensive
- To continually improve and develop the use of new information communication technology systems to enhance the services and management of ACL/Impulse Leisure

A full review of the activities of ACL, throughout the year is published in the 2011 – 2012 Annual Report

Adur Community Leisure Limited

Report of the trustees

For the year ended 31 March 2012

Achievements and performance

ACL took over the management of three leisure centres at Lancing Manor, Southwick and Wadurs in July 2005. ACL have since that time traded as Impulse Leisure.

In line with our aims around quality of service we have continued to undertake customer satisfaction surveys in which customers allocate scores in the areas of cleanliness, staffing and health and safety. It was pleasing that previous improvements in customer satisfaction have been maintained and improved yet further.

The year produced many other successes with Southwick retaining its QUEST (the leisure industry quality standard) registration with an improved score to the 'good' category. Lancing Manor achieved QUEST registration for the first time also in the 'good' category.

ACL remains committed to continuous improvement, this makes our facilities more attractive to new customers and obviously increases the value for money our existing customers receive. Consequently, our main category of membership (Platinum) has continued to grow. As a result more people have attended the fitness facilities ensuring that ACL continues to succeed towards its mission of 'creating active and healthy communities'.

Refurbishments to the fitness suite, including some replacement equipment and refurbished sports hall flooring at Lancing Manor were completed during the year. The MUGA surface was refurbished.

Some minor improvements were made to the first floor and meeting room, and new office space was created at Southwick.

The porta cabin was replaced at Wadurs.

Significant additional services were delivered, some with the help of external funding, most notably activity days for disabled people.

In addition to the above, the following are a list of some notable activities/improvements during 2011/2012 -

- Continued Increase in staff satisfaction
- Sickness absence rates were low
- External audit of our training function receiving a 100% score again
- Work with ADC to maintain building fabric
- Continuous safety improvements
- Continued partnership work with a local trust, boosting income levels for both organisations
- Continued partnership working with a number of organisations including ADC Sports Development, Schools, Local Clubs, Sports Governing Bodies, County Sports Development
- New ICT arrangements adding online payment to the existing booking system
- A significant amount of work was undertaken by management in an attempt to expand the organisation
- Energy management improvements

Adur Community Leisure Limited

Report of the trustees

For the year ended 31 March 2012

Finance

Income fell well below targets during the year but grew by £70,000 (3%) on the previous year, despite the economic climate. Costs were controlled well within budget but generally increased over previous years and there was an unavoidable increase in staff costs.

ACL made an operational surplus of £19,500 in the year marginally under target and this also accounted for expected costs associated with boiler breakdowns at Lancing Manor towards the end of the financial year. The balance sheet remained largely similar to the previous year.

ACL has been able to set achievable budgets for 2012/13 that anticipate a small net cash in flow to the business, in line with plans outlined in previous years by Management and Trustees. This approach continues to ensure sufficient cash is available in coming years to improve the financial stability of ACL.

Future Plans

The trustees are pleased that the financial position of the organisation remains stable and improving. Existing loan repayments will be complete in the next two years and this will help to improve the financial position further.

ADC and ACL have agreed funding levels for the foreseeable future (next 3 years). This gives ACL some stability and a platform for future planning. Work continues to implement solutions to deal with the recession and the expected prolonged recovery.

In line with ADC agreements and our own strategy, ACL aims to decrease dependency on funding, whilst improving services and facilities.

ACL will continue to provide new and improved services both to its existing, and external to its current provision and through the holding company (IL), will actively seek to work with other local authorities, although this is proving difficult at present. Further expansion, or joint work with other like-minded organisations in future will enable us to become more efficient and provide best value to the local area, as well as the new areas in which we may work.

In 2012/2013 we plan to continue to consolidate our position against the backdrop of the poor economy and continue our efforts into developing and maximising the returns from the existing services. Our plans include maximising financial efficiency over the coming years by growing the turnover of the organisation, whilst controlling costs.

Other longer-term potential facility improvements include -

- Continuous redecoration and facility improvement
- Expanding the first floor fitness facilities and refurbishing the first floor at Southwick
- Improvements to front of house appearance at Lancing Manor and Wadurs
- Investigation into alternative usage for part of Southwick's sports hall
- Disabled access improvements during all refurbishment work
- Environmental conservation measures including
 - Installing LED lighting systems
 - Use of new pool water disinfection technology, reducing the need for chemical additives
- Seeking external funds for applicable investments
- Security improvements

Adur Community Leisure Limited

Report of the trustees

For the year ended 31 March 2012

Public Benefit statement

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. ACL relies on grants and the income from fees and charges to cover its operating costs. In setting the level of fees, charges and concessions, the trustees give careful consideration to the accessibility of the centres for those on low incomes and those from other disadvantaged groups.

Continuous improvement to community facilities increases opportunities for all to become more physically active and healthy. In particular some community groups that require specialist attention are targeted to improve their health and wellbeing.

Reserves policy

The charity is at present reliant upon funding from ADC. The charity is therefore looking to increase income whilst controlling its costs to reduce its reliability on this funding. The trustees and management team are aware of the ongoing need to increase the working capital base, whilst also making commitments to continual improvements in facilities. ACL will seek agreement with ADC on an appropriate level of reserves when ACL is in a position that reserves are building.

Investment policy & performance

As all funds are anticipated to be required for further improvements to facilities in the short to medium term, no long-term investments are held. Instead, it is the policy of the trustees to hold cash balances not required for immediate day-to-day operations on short-term deposit so as to maximise return whilst retaining sufficient liquidity.

Statement of trustees' responsibilities

The trustees (who are also directors of Adur Community Leisure Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (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 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 these financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- 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 charitable company will continue in operation.

Adur Community Leisure Limited

Report of the trustees

For the year ended 31 March 2012

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

In so far as the trustees are aware

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Auditors

Sayer Vincent were re-appointed as the charity's auditors during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 17 September 2012 and signed on its behalf by



Peter Wilson - Chair

Independent auditors' report

To the members of

Adur Community Leisure Limited

We have audited the financial statements of Adur Community Leisure Limited for the year ended 31 March 2012 which comprise the statement of financial activities, balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the 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 auditors' 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 auditors

As explained more fully in the Statement of Trustees' responsibilities set out in the trustees' report, 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report

To the members of

Adur Community Leisure Limited

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain 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

Catherine L Sayer (Senior statutory auditor)

18 October 2012

for and on behalf of Sayer Vincent, Statutory Auditors

Sayer Vincent, 8 Angel Gate, City Road, LONDON EC1V 2SJ

Adur Community Leisure Limited

Statement of financial activities

(incorporating an income and expenditure account)

For the year ended 31 March 2012

	Note	Restricted £	Unrestricted £	2012 Total £	2011 Total £
Incoming resources					
<i>Incoming resources from generated funds</i>					
Investment income		-	2,161	2,161	843
<i>Incoming resources from charitable activities</i>					
Service fees	2	-	210,000	210,000	220,000
Fees & charges					
Leisure centre income		17,000	1,952,744	1,969,744	1,888,021
Catering facilities		-	154,301	154,301	165,187
Other income		-	26,403	26,403	21,365
Total incoming resources		17,000	2,345,609	2,362,609	2,295,416
Resources expended					
<i>Costs of generating funds</i>					
Promotion & publicity	3	-	45,299	45,299	45,775
<i>Charitable activities</i>					
Leisure centres	4,5	16,632	2,111,942	2,128,574	1,777,528
Catering facilities		-	135,829	135,829	110,394
<i>Governance costs</i>		-	33,041	33,041	34,246
Total resources expended		16,632	2,326,111	2,342,743	1,967,943
Net incoming resources for the year	6	368	19,498	19,866	327,473
Actuarial gains / (losses) on defined benefit scheme	14	-	(95,000)	(95,000)	414,000
Net movement in funds		368	(75,502)	(75,134)	741,473
Reconciliation of funds					
Funds at the start of the year		-	161,456	161,456	(580,017)
Funds at the end of the year		368	85,954	86,322	161,456

All of the above results are derived from continuing activities and are unrestricted. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 13 to the financial statements.

Adur Community Leisure (Limited by guarantee)

Company no. 05386540

Balance sheet**At at 31 March 2012**

	Note	2012 £	2011 £
Fixed assets			
Tangible fixed assets	9	119,127	154,587
Current assets			
Stocks		20,986	15,755
Debtors	10	38,200	12,445
Cash at bank and in hand		<u>181,620</u>	<u>317,568</u>
		240,806	345,768
Current liabilities			
Creditors amounts due within one year	11	<u>157,019</u>	<u>254,127</u>
Net current assets		83,787	91,641
Total assets less current liabilities		<u>202,914</u>	<u>246,228</u>
Creditors: amounts falling due after more than one year	12	<u>(64,592)</u>	<u>(116,772)</u>
Net assets excluding pension liability		138,322	129,456
Defined benefit pension scheme asset / (liability)	14	<u>(52,000)</u>	<u>32,000</u>
Net assets including pension asset		<u>86,322</u>	<u>161,456</u>
The funds of the charity			
Restricted funds		368	-
Unrestricted funds			
Pension reserve		(52,000)	32,000
Designated funds		55,000	45,000
General funds		<u>82,954</u>	<u>84,456</u>
Total charity funds	13	<u>86,322</u>	<u>161,456</u>

Approved by the trustees on 17 September 2012 and signed on their behalf by



Peter Wilson - Chair

Adur Community Leisure Limited

Notes to the financial statements

For the year ended 31 March 2012

1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 2006. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in March 2005).
- b) Grants and service fees are recognised in full in the statement of financial activities in the year in which they are receivable. Fee income is recognised on an accruals basis and is stated net of VAT where applicable.
- c) Resources expended are allocated to the particular activity where the cost relates directly to that activity. Resources expended include attributable VAT which cannot be recovered. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which is an estimate, based on staff time, of the amount attributable to each activity:

Leisure centres	75%
Catering facilities	13%
Support costs	12%

Support costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity:

Leisure centres	94%
Catering facilities	2%
Governance costs	4%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Costs of generating funds include the salaries of marketing staff and other direct publicity and promotional costs.

- d) All income and activities are within the unrestricted funds of the charity. Unrestricted funds are core grants and other incoming resources received or generated for the charitable purposes.
- e) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the lease duration.

Adur Community Leisure Limited

Notes to the financial statements

For the year ended 31 March 2012

1. Accounting policies (continued)

- f) Expenditure incurred for leasehold improvements is capitalised at cost. Depreciation is provided at rates calculated to write down the cost of each asset on a straight line basis to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Leasehold buildings	25 years
Leasehold improvements	10 years

Items of equipment are capitalised where the purchase price exceeds £10,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

- g) Stocks are stated at the lower of cost and net realisable value. Provision is made where necessary for obsolete, slow moving and defective stocks.
- h) The charity contributes to a multi-employer defined benefit pension scheme. The cost of providing the pensions and related benefits is charged to the SoFA over the employees' service lives on the basis of a constant percentage of earnings which is an estimate of the regular cost. Variations from regular cost, arising from periodic actuarial valuations, are allocated over the expected remaining service lives of current employees on the basis of a constant percentage of current and estimated future earnings. Full details of the scheme are given in note 14.

2. Service fees

The service fee represents amounts payable by Adur District Council, net of VAT.

3. Promotion & publicity costs

	2012 £	2011 £
Promotion & publicity - direct costs	<u>45,299</u>	<u>45,775</u>
	<u>45,299</u>	<u>45,775</u>

Adur Community Leisure Limited

Notes to the financial statements

For the year ended 31 March 2012

4. Charitable expenditure

	Leisure centres £	Catering facilities £	Support costs £	Governance costs £	2012 Total £	2011 Total £
Staff Costs (Note 7)	801,864	68,104	151,584	-	1,021,552	779,157
Premises costs	318,972	581	72,518	-	392,071	305,142
Purchases for resale	72,060	48,349	-	-	120,409	130,813
Office administration costs	323,707	5,774	426,931	-	756,412	700,256
Audit & accountancy	-	-	-	7,000	7,000	6,800
Total resources expended	1,516,603	122,808	651,033	7,000	2,297,444	1,922,168
Re-allocation of support costs	611,971	13,021	(651,033)	26,041	-	-
Total resources expended	2,128,574	135,829	-	33,041	2,297,444	1,922,168

Adur Community Leisure Limited**Notes to the financial statements****For the year ended 31 March 2012****5. Support costs**

Support costs are allocated to charitable activities as follows

	Leisure centres £	Catering facilities £	Governance costs £	2012 Total £	2011 Total £
Staff costs	142,489	3,032	6,063	151,584	132,723
Premises costs	68,167	1,450	2,901	72,518	110,150
Office costs	401,315	8,539	17,077	426,931	443,286
	<u>611,971</u>	<u>13,021</u>	<u>26,041</u>	<u>651,033</u>	<u>686,159</u>

6. Net incoming resources for the year

This is stated after charging

	2012 £	2011 £
Interest payable	7,973	7,192
Depreciation	35,460	35,460
Trustees' remuneration	nil	nil
Trustees' reimbursed expenses	nil	nil
Auditors' remuneration		
▪ Audit	7,000	6,800
Operating lease rentals		
▪ Equipment	194,735	172,531

7. Staff costs and numbers

Staff costs were as follows

	2012 £	2011 £
Salaries and wages	946,906	859,091
Social security costs	47,069	46,722
Pension costs	27,577	37,344
Gain on pension scheme past service costs	-	(164,000)
	<u>1,021,552</u>	<u>779,157</u>
Total emoluments paid to staff were	<u>974,483</u>	<u>896,435</u>

Adur Community Leisure Limited

Notes to the financial statements

For the year ended 31 March 2012

7. Staff costs and numbers (continued)

No employees earned more than £60,000 during the year

The average weekly number of employees during the period was as follows

	31 March 2012 No.	31 March 2011 No
Leisure centres	53	52
Support staff	4	4
Promotion and publicity	2	2
	<u>59</u>	<u>58</u>

8. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes

9 Tangible fixed assets

	Leasehold improvement £
Cost	
At the start and the end of the year	<u>251,162</u>
Depreciation	
At the start of the year	96,575
Charge for the year	<u>35,460</u>
At the end of the year	<u>132,035</u>
Net book value	
At the end of the year	<u>119,127</u>
At the start of the year	<u>154,587</u>

Adur Community Leisure Limited

Notes to the financial statements

For the year ended 31 March 2012

10 Debtors

	2012	2011
	£	£
Prepayments	28,071	12,445
VAT receivable	10,129	-
	<u>38,200</u>	<u>12,445</u>

11. Creditors. Amounts falling due within one year

	2012	2011
	£	£
Bank loan	-	55,968
Other loans	55,674	42,300
Trade creditors	51,308	3,527
Taxation & social security	15,240	19,025
VAT payable	-	13,123
Amount owed to parent	(434)	51,928
Amount owed to other group companies	2,387	19,207
Accruals	32,844	49,049
	<u>157,019</u>	<u>254,127</u>

12. Creditors. Amounts falling due after one year

	2012	2011
	£	£
Bank loan (payable in 1-2 years)	-	55,968
Other loans (payable in 1-2 years)	51,674	10,100
Bank loan (payable in 2-5 years)	-	50,704
Other loans (payable in 2-5 years)	12,918	-
	<u>64,592</u>	<u>116,772</u>

The loan is provided by Thurrock Community Leisure The loan is payable over 36 months

Adur Community Leisure Limited

Notes to the financial statements

For the year ended 31 March 2012

13 Movements in funds

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers, gains and losses £	At the end of the year £
Restricted funds:					
Inclusive activities fund	-	17,000	(16,632)	-	368
Unrestricted funds:					
Pension reserve	32,000	-	11,000	(95,000)	(52,000)
Designated fund	45,000	-	(45,000)	55,000	55,000
General funds	84,456	2,345,609	(2,292,111)	(55,000)	82,954
Total unrestricted funds	161,456	2,345,609	(2,326,111)	(95,000)	85,954
Total funds	161,456	2,362,609	(2,342,743)	(95,000)	86,322

The restricted fund was for a grant received from West Sussex County Council to provide short break services for disabled children

The designated fund is for future works planned for Lancing Manor and Southwick, boiler repairs £25,000 and LED lighting £30,000

14. Pension scheme

Employees of Adur Community Leisure are admitted to the West Sussex County Council Pension Fund, a defined benefit scheme which is administered by West Sussex County Council under the regulations governing the Local Government Pension Scheme. The deficit on the pension scheme does not represent a liability that will crystallise at any point in time. The calculation can also be very sensitive to the actuarial assumptions used in valuing the scheme. The figures disclosed below have been derived by approximate methods from the full actuarial valuation of the Fund carried out by Hymans Robertson as at 31 March 2010.

The employee benefit obligations recognised in the balance sheet are as follows

	2012 £'000	2011 £'000
Fair value of plan assets	1,192	1,114
Present value of funded obligations	(1,244)	(1,082)
Net asset / (liability)	(52)	32

Adur Community Leisure Limited**Notes to the financial statements****For the year ended 31 March 2012****14. Pension scheme (continued)**

Amounts recognised in net incoming resources are as follows

	2012	2011
	£'000	£'000
Current service cost	46	43
Interest cost	61	87
Expected return on plan assets	(78)	(84)
Past service cost/(gain) (note 7)	-	(164)
Total	29	(118)
Actual return on plan assets	39	97

Changes in the present value of the defined benefit obligation are as follows

	2012	2011
	£'000	£'000
Opening defined benefit obligation	1,082	1,685
Service cost	46	43
Interest cost	61	87
Contributions by members	15	15
Actuarial losses / (gains)	55	(569)
Past service costs / (gains)	-	(164)
Benefits paid	(15)	(15)
Closing defined benefit obligation	1,244	1,082

Changes in the fair value of plan assets are as follows

	2012	2011
	£'000	£'000
Opening fair value of plan assets	1,114	1,153
Expected return	78	84
Actuarial gains and (losses)	(40)	(155)
Contributions by member	15	15
Contributions by employer	40	32
Benefits paid	(15)	(15)
	1,192	1,114

The charity expects to contribute £38,000 to its defined benefit pension plan in 2012

Adur Community Leisure Limited

Notes to the financial statements

For the year ended 31 March 2012

14 Pension scheme (continued)

The fair values of employer assets and the major categories of plan assets as a percentage of total plan assets are as follows

	2012 £'000	2012 %	2011 £'000	2011 %
Equities	906	76%	858	77%
Bonds	167	14%	156	14%
Property	107	9%	78	7%
Cash	12	1%	22	2%
	<u>1,192</u>	<u>100%</u>	<u>1,114</u>	<u>100%</u>

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	2012 %	2011 %
Discount rate at the end of the year	4.8%	5.5%
Expected return on plan assets at the end of the year	5.8%	6.9%
Future salary increases	4.8%	5.1%
Future pension increases	<u>2.5%</u>	<u>2.8%</u>

The return on the fund is based on actual fund returns as provided by the Administering Authority and index returns where necessary

Amounts for the current and previous four periods are as follows

	2012 £'000	2011 £'000	2010 £'000	2009 £'000	2008 £'000
Defined benefit obligation	(1,244)	(1,082)	(1,685)	(944)	(929)
Plan assets	1,192	1,114	1,153	795	959
Surplus / (deficit)	(52)	32	(532)	(149)	30
Experience adjustments on plan liabilities	(11)	416	-	(1)	127
Experience adjustments on plan assets	<u>(40)</u>	<u>(155)</u>	<u>275</u>	<u>(274)</u>	<u>(164)</u>

Adur Community Leisure Limited

Notes to the financial statements

For the year ended 31 March 2012

15. Operating lease commitments

The charity had annual commitments at the year end under operating leases expiring as follows

	2012	2011
	Equipment	Equipment
	£	£
Less than 1 year	155,316	-
1 - 2 Years	10,605	156,385
2 - 5 Years	-	10,604
	<u>165,921</u>	<u>166,989</u>

16 Parent undertaking

The ultimate parent undertaking is Impulse Leisure, a company limited by guarantee (no 5220291) The relationship between Impulse Leisure and Adur Community Leisure is governed by an Intragroup Agreement Whereas the intention of the agreement is to grant Adur Community Leisure with as much operational independence as is practicable, control can be exercised by Impulse Leisure as the constitution provides that the parent can remove the majority of the trustees of the subsidiary

Impulse Leisure provides corporate management services to Adur Community Leisure and is responsible for setting group strategies and minimum standards