

Company no. 05386540  
Charity no. 1112020

**Adur Community Leisure Limited**  
**Report and Financial Statements**  
**31 March 2009**

WEDNESDAY



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COMPANIES HOUSE

**sayer vincent**  
consultants and auditors

## **Adur Community Leisure Limited**

### **Reference and administrative details**

**For the year ended 31 March 2009**

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<b>Legal Status</b>	Company limited by guarantee (no. 05386540) and registered charity (no. 1112020). Incorporated on 9 March 2005.	
<b>Registered office</b>	Blackshots Leisure Centre Blackshots Lane Grays, Essex RM16 2JU	
<b>Operational addresses</b>	Southwick Leisure Centre Old Barn Way Southwick, West Sussex BN42 4NT  Wadurs Community Pool Kingston Broadway Shoreham By Sea, West Sussex BN43 6TE	Lancing Manor Leisure Centre Manor Road Lancing, West Sussex BN15 0PH
<b>Trustees</b>	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:  Cllr K Dollemore Mrs S Hellenburgh Mr G Hodgson Miss K Hodgson (resigned 22 September 2008) Mr D Vandyke Mr P Wilson Ms M Woolacott Mr J Wooler (resigned 5 December 2008) Mr R Wright Cllr T Nicklen (resigned 18 May 2009) Mr I Hughes Mr R Brattle (appointed 19 January 2009)	
<b>Bankers</b>	National Westminster Bank Plc 17 High Street Grays, Essex RM17 6NP	
<b>Solicitors</b>	Lawrence Graham 4 More London Riverside London SE1 2AU	
<b>Auditors</b>	Sayer Vincent Chartered accountants and registered auditors 8 Angel Gate, City Road London EC1V 2SJ	

## **Adur Community Leisure Limited**

### **Report of the trustees**

#### **For the year ended 31 March 2009**

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The trustees present their report and the audited financial statements for the year ended 31 March 2009.

Reference 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 1 July 2005.

ACL is a registered charity and company limited by guarantee. ACL is a subsidiary of the Group Parent Impulse Leisure, Impulse Leisure 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

Three of the longest serving independent trustees must retire each year. They can stand for re-election if they wish.

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.

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 2009 was 10.

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 2009**

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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, personnel support and development function from Impulse Leisure and an Intra-group Agreement governs this arrangement.

#### **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 the group and in pursuit of its mission. The mission has been changed during the year to 'Creating active and healthy communities' although this has yet to be fully implemented. 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
- 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

## **Adur Community Leisure Limited**

### **Report of the trustees**

**For the year ended 31 March 2009**

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#### **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 2008 – 2009 Annual Report.

### **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. As in previous years many of our processes and services have in some way been improved to the benefit of the community in compliance with the Memorandum of the Company. These improvements have led to safer more consistent services being available to the community.

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.

## **Adur Community Leisure Limited**

### **Report of the trustees**

#### **For the year ended 31 March 2009**

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The main concentration during the year was to maximise the return from the previously completed redevelopments at Southwick and Lancing Manor Leisure Centres, whilst at the same time minimising costs. The refurbishment of the Southwick Aerobics Studio was completed in July 2008. Whilst income fell significantly below targets during the year the costs, although significantly higher were controlled well. As such the staff cost as a percentage of total income ratio continued to improve.

Attendances increased at all of the sites, most notably in junior sessions and fitness. As a result ACL is contributing to increased physical activity levels in the community and is succeeding in its mission to 'create active and healthy communities.

The above improvements demonstrate our commitment to continuous improvement, makes our facilities more attractive to new customers and obviously increases the value for money our existing customers receive. As a result, our main category of membership (platinum) has continued to grow.

In addition to the above, the following are a list of some notable activities/improvements during 2008/2009: -

- Implementation of significant energy usage reduction technology, reducing carbon emissions
- QUEST registration (Leisure Industry Quality Accreditation) at Southwick
- Continuous safety improvements
- General décor improvements in a number of areas
- Further management and administration efficiencies
- Expanded swimming lesson provision
- Further expansion of partnership working with a number of organisations including ADC Sports Development, Schools, Local Clubs, Sports Governing Bodies, County Sports Development

#### **Finance**

As a result of improvements and expanding service, ACL has been able to increase income by 13% (£215,000) over the previous year. Unfortunately this increase was significantly less than target, partly due to over ambition, this combined with a deepening recession.

Controlling costs has been successful despite huge increases in utility costs during the year, and this has helped minimise the deficit to bottom line budget.

ACL made a small loss on the year but this is mainly due to expenditure on energy usage reduction technology, without which a surplus of approximately £30,000 would have been achieved. Nevertheless, as a result accumulated losses from previous years were increased keeping pressure on cash flow.

Management and Trustees have planned carefully both during 2008/2009 and ongoing, to ensure sufficient cash is available in coming years to improve the financial stability of ACL. A number of options to bridge short-term cash flow problems are being considered by the Trustees.

#### **Future Plans**

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

## **Adur Community Leisure Limited**

### **Report of the trustees**

#### **For the year ended 31 March 2009**

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We will provide new and improved services both in and outside of our 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 2009/2010 we plan to consolidate our position and continue our efforts into developing and maximising the returns from the existing services. Our other main area of concentration will be the achievement of QUEST registration at Lancing Manor during 2009. Our plans include maximising financial efficiency over the next 2 years by growing the turnover of the organisation, whilst controlling costs.

Other longer-term potential facility improvements include: -

- Continuous redecoration and facility improvement
- Improvements to front of house appearance at Lancing Manor and Wadurs
- Investigation into alternative usage for Southwick sports hall
- Investigation into relocating bar and catering at Southwick
- Disabled access improvements during all refurbishment work
- Environmental conservation measures including:
  - Use of new pool water disinfection technology, reducing the need for chemical additives
- Seeking external funds for applicable investments
- Security improvements

#### **Reserves policy**

The charity is at present reliant upon the funding from ADC. The charity is therefore looking to control 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 to generate surpluses.

#### **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 while retaining sufficient liquidity.

## **Adur Community Leisure Limited**

### **Report of the trustees**

**For the year ended 31 March 2009**

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#### **Statement of responsibilities of the trustees**

The trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income or expenditure, of the charity for the year. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 in operation.

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

Each of the trustees confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. Each of the trustees also confirms that they have taken all necessary steps to ensure that they themselves are aware of all relevant audit information and that this information has been communicated to the auditors.

#### **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 24 August 2009 and signed on its behalf by

  
Geoff Hodgson - 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 2009 which comprise the statement of financial activities, balance sheet and related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the 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 the trustees and auditors**

The responsibilities of the trustees (who are also the directors of Adur Community Leisure Limited for the purposes of company law) for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), are set out in the statement of responsibilities of the trustees.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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

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

#### **Basis of opinion**

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

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Independent auditors' report**

**To the members of**

**Adur Community Leisure Limited**

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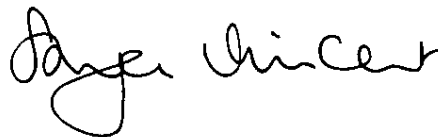
**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice of the charitable company's state of affairs as at 31 March 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the report of the trustees is consistent with the financial statements.

**Emphasis of matter**

In forming our opinion, which is not qualified, we have considered the adequacy of the disclosure made in note 1a) to the financial statements concerning the charitable company's ability to continue as a going concern. The company incurred a net reduction of funds of £209,728 during the year ended 31 March 2009 and, at that date, the charitable company had net liabilities of £268,738. These conditions, along with other matters explained in note 1a) to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the charitable company's ability to continue as a going concern. the financial statements do not include the adjustments that would result if the charitable company was unable to continue as a going concern.



**SAYER VINCENT**  
Chartered accountants & registered auditors  
London

14 October 2009

**Adur Community Leisure Limited**

**Statement of financial activities**

*(incorporating an income and expenditure account)*

**For the year ended 31 March 2009**

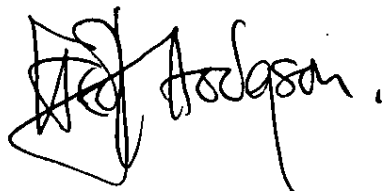
		<b>31 March 2009 Total £</b>	<b>31 March 2008 Total £</b>
	<b>Note</b>		
<b>Incoming resources</b>			
<i>Incoming resources from generated funds</i>			
Investment income		<b>1,628</b>	3,690
<i>Incoming resources from charitable activities</i>			
Service fees	2	<b>238,500</b>	299,300
Fees & charges:			
Leisure centre income		<b>1,673,121</b>	1,469,057
Catering facilities		<b>178,172</b>	166,881
<b>Total incoming resources</b>		<b>2,091,421</b>	1,938,928
<b>Resources expended</b>			
<i>Costs of generating funds:</i>			
Promotion & publicity	3	<b>41,295</b>	35,515
<i>Charitable activities</i>	4,5		
Leisure centres		<b>1,906,562</b>	1,729,828
Catering facilities		<b>148,244</b>	136,793
<i>Governance costs</i>		<b>34,048</b>	31,478
<b>Total resources expended</b>		<b>2,130,149</b>	1,933,614
<b>Net (outgoing) / incoming resources for the year</b>	6	<b>(38,728)</b>	5,314
Actuarial (losses) / gains on defined benefit scheme	14	<b>(171,000)</b>	181,000
<b>Net movement in funds</b>		<b>(209,728)</b>	186,314
<b>Reconciliation of funds</b>			
Funds at the start of the year		<b>(59,010)</b>	(245,324)
<b>Funds at the end of the year</b>		<b>(268,738)</b>	(59,010)

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)****Balance sheet****As at 31 March 2009**

	Note	2009 £	2008 £
<b>Fixed assets</b>			
Tangible fixed assets	9	118,157	128,289
<b>Current assets</b>			
Stocks		13,401	14,006
Debtors	10	7,805	53,289
Cash at bank and in hand		<u>58,670</u>	<u>106,284</u>
		79,876	173,579
<b>Current liabilities</b>			
Creditors: amounts due within one year	11	<u>298,366</u>	<u>258,364</u>
<b>Net current liabilities</b>		(218,490)	(84,785)
<b>Total assets less current liabilities</b>		<u>(100,333)</u>	<u>43,504</u>
<b>Creditors: amounts falling due after more than one year</b>	12	<u>(19,405)</u>	<u>(136,514)</u>
<b>Net liabilities excluding pension liability</b>		(119,738)	(93,010)
<b>Defined benefit pension scheme liability</b>	14	<u>(149,000)</u>	<u>34,000</u>
<b>Net liabilities including pension liability</b>		<u>(268,738)</u>	<u>(59,010)</u>
<b>The funds of the charity</b>			
Unrestricted income funds			
Pension reserve		(149,000)	34,000
General funds		<u>(119,738)</u>	<u>(93,010)</u>
<b>Total charity funds</b>	13	<u>(268,738)</u>	<u>(59,010)</u>

Approved by the trustees on 24 August 2009 and signed on their behalf by



Geoff Hodgson - Chair

# **Adur Community Leisure Limited**

## **Notes to the financial statements**

**For the year ended 31 March 2009**

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### **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 1985. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in March 2005).

#### **Going concern**

The organisation has negative unrestricted general funds at 31 March 2009 of £119,738. This is a result of activity in the year being less than budgeted. The Board of Trustees is confident that further income can be generated and costs reduced if necessary to produce future surplus. They therefore consider it appropriate to prepare the financial statements on a going concern basis.

- 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 a 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 2009

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#### 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

	31 March 2009 Total £	31 March 2008 Total £
Promotion & publicity - direct costs	<u>41,295</u>	<u>35,515</u>
	<u>41,295</u>	<u>35,515</u>

**Adur Community Leisure Limited**

**Notes to the financial statements**

**For the year ended 31 March 2009**

<b>4. Charitable expenditure</b>	<b>Leisure centres £</b>	<b>Catering facilities £</b>	<b>Support costs £</b>	<b>Governance costs £</b>	<b>31 March 2009 Total £</b>	<b>31 March 2008 Total £</b>
Staff Costs (Note 7)	748,887	38,712	180,954	-	968,553	938,447
Premises costs	262,661	701	82,810	-	346,172	260,741
Purchases for resale	47,858	77,233	-	-	125,091	134,666
Office administration costs	199,769	17,823	424,946	-	642,538	557,395
Audit & accountancy	-	-	-	6,500	6,500	6,850
<b>Total resources expended</b>	<b>1,259,175</b>	<b>134,469</b>	<b>688,710</b>	<b>6,500</b>	<b>2,088,854</b>	<b>1,898,099</b>
Re-allocation of support costs	647,387	13,775	(688,710)	27,548	-	-
<b>Total resources expended</b>	<b>1,906,562</b>	<b>148,244</b>	<b>-</b>	<b>34,048</b>	<b>2,088,854</b>	<b>1,898,099</b>

**Adur Community Leisure Limited**

**Notes to the financial statements**

**For the year ended 31 March 2009**

**5. Support costs**

Support costs are allocated to charitable activities as follows:

	Leisure Centres £	Catering facilities £	Governance costs £	31 March 2009 Total £	31 March 2008 Total £
Staff costs	170,097	3,619	7,238	180,954	178,859
Premises costs	77,841	1,656	3,313	82,810	27,759
Office costs	399,449	8,499	16,998	424,946	409,086
	<u>647,387</u>	<u>13,774</u>	<u>27,549</u>	<u>688,710</u>	<u>615,704</u>

**6. Net incoming / (outgoing) resources for the year**

This is stated after charging:

	31 March 2009 £	31 March 2008 £
Interest payable	12,504	21,984
Depreciation	13,992	11,660
Trustees' remuneration	-	-
Trustees' reimbursed expenses	-	-
Auditors' remuneration:		
▪ Audit	6,500	6,850
Operating lease rentals:		
▪ Equipment	128,145	75,806

**7. Staff costs and numbers**

Staff costs were as follows:

	31 March 2009 £	31 March 2008 £
Salaries and wages	836,538	833,712
Social security costs	45,299	46,667
Pension costs	41,564	45,442
Other staff costs	45,152	12,626
	<u>968,553</u>	<u>938,447</u>
Total emoluments paid to staff were:	<u>878,102</u>	<u>879,154</u>



**Adur Community Leisure Limited**

**Notes to the financial statements**

**For the year ended 31 March 2009**

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**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:

	<b>31 March 2009 No.</b>	<b>31 March 2008 No.</b>
Leisure centres	<b>56</b>	53
Support staff	<b>1</b>	1
Promotion and publicity	<b>3</b>	3
	<b><u>60</u></b>	<b><u>57</u></b>

**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**

	<b>Leasehold improvements £</b>
<b>Cost</b>	
At the start of the year	139,949
Additions in year	<u>3,860</u>
At the end of the year	<u>143,809</u>
<b>Depreciation</b>	
At the start of the year	11,660
Charge for the year	<u>13,992</u>
At the end of the year	<u>25,652</u>
<b>Net book value</b>	
At the end of the year	<b><u>118,157</u></b>
At the start of the year	<b><u>128,289</u></b>

# Adur Community Leisure Limited

## Notes to the financial statements

For the year ended 31 March 2009

### 10. Debtors

	2009 £	2008 £
Amounts due from parent holding company	-	23,333
Prepayments	7,805	29,956
	<u>7,805</u>	<u>53,289</u>

### 11. Creditors: Amounts falling due within one year

	2009 £	2008 £
Bank loan	116,677	116,667
Trade creditors	29,391	62,984
Taxation & social security	16,528	15,591
Pension contributions	4,427	3,445
Other creditors	-	4,351
VAT payable	1,148	2,269
Amount owed to parent	86,759	-
Amount owed to other group companies	4,198	-
Accruals	39,238	49,971
Income in advance	-	3,086
	<u>298,366</u>	<u>258,364</u>

### 12. Creditors: Amounts falling due after one year

	2009 £	2008 £
Bank loan (payable in 1-2 years)	19,405	116,667
Bank loan (payable in 2-5 years)	-	19,847
	<u>19,405</u>	<u>136,514</u>

No interest was payable on the bank loan in the prior year. The repayments now fall due as the full available loan has been drawn down, so from May 2007 the total loan is payable over three years.

### 13. Movements in funds

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers £	At the end of the year £
<b>Unrestricted funds:</b>					
Pension reserve	34,000	-	(183,000)	-	(149,000)
General funds	(93,010)	2,091,421	(2,118,149)	-	(119,738)
<b>Total unrestricted funds</b>	<u>(59,010)</u>	<u>2,091,421</u>	<u>(2,301,149)</u>	<u>-</u>	<u>(268,738)</u>

**Adur Community Leisure Limited****Notes to the financial statements****For the year ended 31 March 2009**

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**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 2009.

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

	<b>2009</b>	<b>2008</b>
	<b>£'000</b>	<b>£'000</b>
Present value of funded obligations	<b>795</b>	959
Fair value of plan assets	<b>(944)</b>	(929)
	<b>(149)</b>	30
Present value of unfunded obligations	-	-
Unrecognised past service cost	-	-
Net liability	<b>(149)</b>	30
Amounts in the balance sheet		
Liabilities	<b>795</b>	959
Assets	<b>(944)</b>	(929)
Net liability	<b>(149)</b>	30

Amounts recognised in net incoming resources are as follows:

	<b>2009</b>	<b>2008</b>
	<b>£'000</b>	<b>£'000</b>
Current service cost	<b>34</b>	63
Interest on obligation	<b>66</b>	65
Expected return on plan assets	<b>(70)</b>	(76)
Past service cost	<b>16</b>	-
Losses (gains) on curtailments and settlements	-	-
Total	<b>46</b>	52
Actual return on plan assets	<b>(205)</b>	(25)

**Adur Community Leisure Limited**

**Notes to the financial statements**

**For the year ended 31 March 2009**

**14. Pension scheme (continued)**

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

	<b>2009</b>	<b>2008</b>
	<b>£'000</b>	<b>£'000</b>
Opening defined benefit obligation	<b>929</b>	<b>1,182</b>
Service cost	<b>34</b>	<b>63</b>
Interest cost	<b>66</b>	<b>65</b>
Actuarial losses / (gains)	<b>18</b>	<b>23</b>
Losses / (gains) on curtailments	<b>(103)</b>	<b>(346)</b>
Past service costs	<b>16</b>	<b>-</b>
Liabilities extinguished on settlements	<b>-</b>	<b>-</b>
Benefits paid	<b>(16)</b>	<b>(58)</b>
Closing defined benefit obligation	<b>944</b>	<b>929</b>

Changes in the fair value of plan assets are as follows:

	<b>2,009</b>	<b>2,007</b>
	<b>£'000</b>	<b>£'000</b>
Opening fair value of plan assets	<b>959</b>	<b>1,054</b>
Expected return	<b>70</b>	<b>76</b>
Actuarial gains and (losses)	<b>(274)</b>	<b>(164)</b>
Assets distributed on settlements	<b>-</b>	<b>-</b>
Contributions by member	<b>18</b>	<b>23</b>
Contributions by employer	<b>38</b>	<b>28</b>
Benefits paid	<b>(16)</b>	<b>(58)</b>
	<b>795</b>	<b>959</b>

The charity expects to contribute £37,000 to its defined benefit pension plan in 2010

The major categories of plan assets as a percentage of total plan assets are as follows:

	<b>2009</b>	<b>2008</b>
	<b>%</b>	<b>%</b>
Equities (split into material classes eg: European, North American)	<b>70%</b>	<b>71%</b>
Bonds (split into material classes eg: European, North American)	<b>19%</b>	<b>17%</b>
Property	<b>8%</b>	<b>8%</b>
Cash	<b>3%</b>	<b>4%</b>

# Adur Community Leisure Limited

## Notes to the financial statements

For the year ended 31 March 2009

### 14. Pension scheme (continued)

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

	2009 %	2008 %
Discount rate at the end of the year	6.9%	6.9%
Expected return on plan assets at the end of the year	6.4%	7.1%
Future salary increases	4.6%	5.1%
Future pension increases	3.1%	3.6%

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:

	2009 £	2008 £	2007 £	2006 £
Defined benefit obligation	(944)	(929)	(1,182)	(1,189)
Plan assets	795	959	1,054	989
Surplus / (deficit)	(149)	30	(128)	(200)
Experience adjustments on plan liabilities	(1)	127	-	-
Experience adjustments on plan assets	(274)	(164)	(20)	106

### 15. Operating lease commitments

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

	2009 Equipment £	2008 Equipment £
Less than 1 year	17,438	14,253
1 - 2 Years	-	-
2 - 5 Years	114,031	147,423
More than 5 years	20,632	20,632
	<u>152,101</u>	<u>182,308</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.