

Company number: 05386540

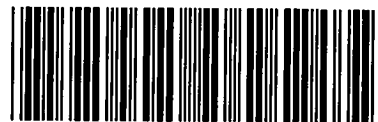
Charity number: 1112020

# **Adur Community Leisure Limited**

## **Report and Financial Statements**

**31 March 2014**

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COMPANIES HOUSE

**sayer vincent**

auditors and advisors

## **Adur Community Leisure Limited**

### **Reference and administrative details**

**For the year ended 31 March 2014**

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**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

<b>Operational addresses</b>	Southwick Leisure Centre Old Barn Way Southwick, West Sussex BN42 4NT	Lancing Manor Leisure Centre Manor Road Lancing, West Sussex BN15 0PH
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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	resigned 16/09/2013
Mr D Vandyke	
Mr P Wilson	
Ms M Woolacott	
Cllr R Hotton	
Mr R Brattle	
Cllr F Lewis	
Mr A Ryall	
Mr Leonard Saunders	commenced 15/07/2013
Ms Janice Roberts	commenced 17/03/2014
Mr James Trotman	commenced 17/03/2014

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

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

**Adur Community Leisure Limited**

**Reference and administrative details**

**For the year ended 31 March 2014**

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<b>Auditors</b>	Sayer Vincent LLP
	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 2014**

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The trustees present their report and the audited financial statements for the year ended 31st March 2014.

Reference and administrative information set out on pages 1 and 2 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 2014 was 11 (9 in 2013).

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 including various websites. 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 2014**

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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, human resources, support and development functions 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 manage 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'.

ACL's priorities include -

- Instilling pride in communities through training, education, improving the quality of life, youth engagement and increasing opportunities
- Contributing towards achieving safer communities
- Developing prosperous communities through the attraction of inward investment
- Promoting inclusive and diverse communities
- Promoting community regeneration through environmental and cultural improvements
- Delivering healthier, more active communities

A full review of the activities of ACL, throughout the year is published in the 2013 – 2014 Annual Report.

ACL continue to manage the three leisure centres at Lancing Manor, Southwick and Wadurs whilst trading as Impulse Leisure.

#### **Achievements and performance**

The year showed continued progress with all centres retaining their QUEST (the leisure industry quality standard) registrations.

Customer satisfaction surveys returned improved results in the areas of cleanliness, staffing and health and safety.

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 been maintained at good levels. Attendance has increased across the sites and as a result ACL continues to succeed towards its mission of 'creating active and healthy communities'.

## **Adur Community Leisure Limited**

### **Report of the trustees**

#### **For the year ended 31 March 2014**

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Improvements at the sites included

At Lancing Manor – improvements to the sports hall heating

At Southwick – Energy efficient LED lighting was installed in the sports hall

Generally –

- GRITT - The latest high intensity exercise classes to music were introduced across all sites
- New vending machines were installed
- Work continued on achieving ISO14001 (the standard for energy and environmental good practice). Management are working to an action plan with a view to accreditation during 2014. Management have continued to monitor and manage energy usage through a bi-monthly Environment Management meeting.
- External funding was utilised to continue with and develop activity days and for disabled people and contribute to our existing GP referral scheme
- Staff satisfaction was improved
- Staff turnover was within targeted rates
- Sickness absence rates were retained at low levels
- Continued partnership working with a number of organisations including ADC Sports Development, Schools, Local Clubs, Sports Governing Bodies, County Sports Development, Brighton and Hove Albion Football Club.

#### **Finance**

Although ACL made a small operational surplus on unrestricted funds in the year which was better than the set budgets this was a reduced surplus compared to prior year. The reduced surplus was a consequence of a relative lack of income growth whilst costs increased.

Nevertheless net assets have improved during the year, whilst outstanding loan commitments have reduced.

#### **Future Plans**

ACL has been able to set budgets for 2014/15 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 ensures continual improvement in the financial position of ACL. The trustees are pleased that the financial position of the organisation continues to get stronger year on year. Existing loan repayments will be complete in the coming year and this will help to improve the financial position further.

In line with ADC agreements and our own plans, we aim 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. 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 2014/2015 we plan to continue to improve the organisation, maximising financial efficiency over the coming years by growing the turnover of the organisation, whilst controlling costs.

## **Adur Community Leisure Limited**

### **Report of the trustees**

**For the year ended 31 March 2014**

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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 part of Southwick's sports hall
- Completing planning of further redevelopment of Lancing Manor:
  - Extended gym and studio
  - Improved Car parking
  - Improvements to bar and catering facilities
  - 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.

### **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.

ACL is actively expanding its work in the community, often in partnership with others, improving health, wellbeing, social inclusion and community safety.

### **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.

## **Adur Community Leisure Limited**

### **Report of the trustees**

**For the year ended 31 March 2014**

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

The trustees (who are also directors of Adur Community Leisure Limited for the purposes of company law) are responsible for preparing the report of the trustees' 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 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 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.

The report of the trustees has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

#### **Auditors**

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

Approved by the trustees on 15 September 2014 and signed on its behalf by



Peter Wilson  
Chair



## **Independent auditors' report**

### **To the members of**

#### **Adur Community Leisure**

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We have audited the financial statements of Adur Community Leisure Limited for the year ended 31 March 2014 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 the responsibilities of the trustees set out in the report of the trustees, 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. In addition, we read all the financial and non-financial information in the report of the trustees 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 2014 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.

## **Independent auditors' report**

**To the members of**

**Adur Community Leisure**

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### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the report of the trustees 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:

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

Joanna Pittman (Senior statutory auditor)

23 September 2014

for and on behalf of Sayer Vincent LLP, Statutory Auditors

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 2014**

	Note	Restricted £	Unrestricted £	2014 Total £	2013 Total £
<b>Incoming resources</b>					
<i>Incoming resources from generated funds</i>					
Investment income		-	1,352	<b>1,352</b>	1,441
<i>Incoming resources from charitable activities</i>					
Service fees	2	-	200,000	<b>200,000</b>	210,000
Fees & charges:					
Leisure centre income		25,492	2,063,073	<b>2,088,565</b>	2,095,772
Catering facilities		-	139,547	<b>139,547</b>	144,374
Other income		-	5,000	<b>5,000</b>	47,109
<b>Total incoming resources</b>		<b>25,492</b>	<b>2,408,972</b>	<b>2,434,464</b>	<b>2,498,696</b>
<b>Resources expended</b>					
<i>Costs of generating funds:</i>					
Promotion & publicity	3	-	48,005	<b>48,005</b>	45,896
<i>Charitable activities</i>					
Leisure centres	4,5	27,799	2,201,758	<b>2,229,557</b>	2,145,000
Catering facilities		-	122,596	<b>122,596</b>	179,262
<i>Governance costs</i>		-	35,530	<b>35,530</b>	34,697
<b>Total resources expended</b>		<b>27,799</b>	<b>2,407,889</b>	<b>2,435,688</b>	<b>2,404,855</b>
<b>Net incoming resources for the year</b>	6	<b>(2,307)</b>	<b>1,083</b>	<b>(1,224)</b>	<b>93,841</b>
Actuarial gains / (losses) on defined benefit scheme	14	-	77,000	<b>77,000</b>	(106,000)
<b>Net movement in funds</b>		<b>(2,307)</b>	<b>78,083</b>	<b>75,776</b>	<b>(12,159)</b>
<b>Reconciliation of funds</b>					
Funds at the start of the year		<b>2,307</b>	<b>71,856</b>	<b>74,163</b>	<b>86,322</b>
<b>Funds at the end of the year</b>		<b>-</b>	<b>149,939</b>	<b>149,939</b>	<b>74,163</b>

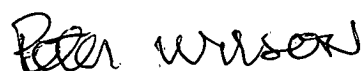
All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 13 to the financial statements.

## Balance sheet

At at 31 March 2014

	Note	2014 £	2013 £
<b>Fixed assets</b>			
Tangible fixed assets	9	51,352	94,200
<b>Current assets</b>			
Stocks		14,713	15,985
Debtors	10	11,273	53,376
Cash at bank and in hand		<u>314,614</u>	<u>287,339</u>
		340,600	356,700
<b>Current liabilities</b>			
Creditors: amounts due within one year	11	<u>(144,013)</u>	<u>(205,819)</u>
<b>Net current assets</b>		196,587	150,881
<b>Total assets less current liabilities</b>		<u>247,939</u>	<u>245,081</u>
<b>Creditors: amounts falling due after more than one year</b>	12	<u>-</u>	<u>(12,918)</u>
<b>Net assets excluding pension liability</b>		247,939	232,163
<b>Defined benefit pension scheme liability</b>	14	<u>(98,000)</u>	<u>(158,000)</u>
<b>Net assets including pension liability</b>		<u>149,939</u>	<u>74,163</u>
<b>The funds of the charity</b>			
Restricted funds		-	2,307
Unrestricted funds			
Pension reserve		(81,000)	(158,000)
Designated funds		21,341	13,461
General funds		<u>209,598</u>	<u>216,395</u>
<b>Total charity funds</b>	13	<u>149,939</u>	<u>74,163</u>

Approved by the trustees on 15 September 2014 and signed on their behalf by



Peter Wilson - Chair

## Adur Community Leisure Limited

### Notes to the financial statements

#### For the year ended 31 March 2014

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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 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.

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) Unrestricted funds are core grants and other incoming resources received or generated for the charitable purposes. Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of support costs.
- e) Designated funds are unrestricted funds earmarked by the trustees for particular purposes.
- f) 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 2014

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#### 1. Accounting policies (continued)

- g) 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.

- h) Stocks are stated at the lower of cost and net realisable value. Provision is made where necessary for obsolete, slow moving and defective stocks.
- i) 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

	2014 £	2013 £
Promotion & publicity - direct costs	<u>48,005</u>	<u>45,896</u>
	<u><u>48,005</u></u>	<u><u>45,896</u></u>

Adur Community Leisure Limited

Notes to the financial statements

For the year ended 31 March 2014

4. Charitable expenditure

	Leisure centres £	Catering facilities £	Support costs £	Governance costs £	2014 Total £	2013 Total £
Staff Costs (Note 7)	960,235	33,320	150,133	-	1,143,688	1,094,094
Premises costs	327,886	1,353	66,110	-	395,349	417,429
Purchases for resale	73,351	62,533	-	-	135,884	149,295
Office administration costs	206,536	11,314	487,532	80	705,462	690,841
Audit & accountancy	-	-	-	7,300	7,300	7,300
<b>Total resources expended</b>	<b>1,568,008</b>	<b>108,520</b>	<b>703,775</b>	<b>7,380</b>	<b>2,387,683</b>	<b>2,358,959</b>
Re-allocation of support costs	661,549	14,076	(703,775)	28,150	-	-
<b>Total resources expended</b>	<b>2,229,557</b>	<b>122,596</b>	<b>-</b>	<b>35,530</b>	<b>2,387,683</b>	<b>2,358,959</b>

**Adur Community Leisure Limited**

**Notes to the financial statements**

**For the year ended 31 March 2014**

**5. Support costs**

Support costs are allocated to charitable activities as follows:

	Leisure centres £	Catering facilities £	Governance costs £	2014 Total £	2013 Total £
Staff costs	141,125	3,003	6,005	150,133	159,930
Premises costs	62,144	1,322	2,644	66,110	58,496
Office costs	458,280	9,751	19,501	487,532	464,209
	<u>661,549</u>	<u>14,076</u>	<u>28,150</u>	<u>703,775</u>	<u>682,635</u>

**6. Net incoming resources for the year**

This is stated after charging:

	2014 £	2013 £
Interest payable	5,890	5,890
Depreciation	38,987	36,630
Trustees' remuneration	20,302	19,853
Trustees' reimbursed expenses	81	92
Auditors' remuneration:		
▪ Audit	7,300	7,300
Operating lease rentals:		
▪ Equipment	92,478	94,930

The trustees' reimbursed expenses relate to 1 trustee (2013: 1) for travel and other expenses

Trustees' remuneration represents the gross salary and employer pension contributions of the employee elected trustee who is paid for his services as an employee in his role as Duty Manager.

**7. Staff costs and numbers**

Staff costs were as follows:

	2014 £	2013 £
Salaries and wages	1,042,419	1,010,505
Social security costs	52,320	48,915
Pension costs	31,949	34,674
Other Pension costs	17,000	-
	<u>1,143,688</u>	<u>1,094,094</u>
Total emoluments paid to staff were:	<u>1,059,419</u>	<u>1,010,505</u>



**Adur Community Leisure Limited**

**Notes to the financial statements**

**For the year ended 31 March 2014**

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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 2014 No.</b>	<b>31 March 2013 No.</b>
Leisure centres	<b>53</b>	52
Support staff	<b>7</b>	7
Promotion and publicity	<b>3</b>	2
	<b><u>63</u></b>	<b><u>61</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	262,865
Disposals	<u>(111,213)</u>
At the end of the year	<u>151,652</u>
<b>Depreciation</b>	
At the start of the year	168,665
Disposals	<u>(107,352)</u>
Charge for the year	<u>38,987</u>
At the end of the year	<u>100,300</u>
<b>Net book value</b>	
At the end of the year	<u><u>51,352</u></u>
At the start of the year	<u><u>94,200</u></u>

**Adur Community Leisure Limited**

**Notes to the financial statements**

**For the year ended 31 March 2014**

**10. Debtors**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Prepayments	<b>9,644</b>	26,015
Other Debtors	<b>1,629</b>	<b>27,361</b>
	<b>11,273</b>	<b>53,376</b>

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

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Other loans	<b>12,918</b>	51,674
Trade creditors and accruals	<b>83,658</b>	108,183
Taxation & social security	<b>8,809</b>	16,025
VAT payable	<b>2,078</b>	22,647
Amounts owed to companies in the Impulse Leisure Group	<b>36,550</b>	<b>7,290</b>
	<b>144,013</b>	<b>205,819</b>

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

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Other loans (payable in 1-2 years)	-	12,918
	-	<b>12,918</b>

The loan is provided by Thurrock Community Leisure, another subsidiary of the Impulse Leisure group. The loan is payable over 36 months.

# Adur Community Leisure Limited

## Notes to the financial statements

For the year ended 31 March 2014

### 13. Movements in funds

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers, gains and losses £	At the end of the year £
<b>Restricted funds:</b>					
Inclusive activities fund	2,307	25,492	(27,799)	-	-
<b>Unrestricted funds:</b>					
Pension reserve	(158,000)	-	-	77,000	(81,000)
Designated fund	13,461	-	(13,461)	21,341	21,341
General funds	216,395	2,408,972	(2,394,428)	(21,341)	209,598
<b>Total unrestricted funds</b>	<b>71,856</b>	<b>2,408,972</b>	<b>(2,407,889)</b>	<b>77,000</b>	<b>149,939</b>
<b>Total funds</b>	<b>74,163</b>	<b>2,434,464</b>	<b>(2,435,688)</b>	<b>77,000</b>	<b>149,939</b>

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

Reserves were designated by the Board for replacement of some flooring at Lancing Manor and the installation of an Access Control system at Lancing Manor

### 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 single 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 2013.

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

	2014 £'000	2013 £'000
Fair value of plan assets	1,484	1,409
Present value of funded obligations	(1,582)	(1,567)
Net asset / (liability)	(98)	(158)

**Adur Community Leisure Limited**

**Notes to the financial statements**

**For the year ended 31 March 2014**

**14. Pension scheme (continued)**

Amounts recognised in net incoming resources are as follows:

	2014 £'000	2013 £'000
Current service cost	51	47
Interest cost	71	61
Expected return on plan assets	(73)	(70)
Total	49	38
Actual return on plan assets	135	180

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

	2014 £'000	2013 £'000
Opening defined benefit obligation	1,567	1,244
Service cost	51	47
Interest cost	71	61
Contributions by members	13	15
Actuarial losses / (gains)	(81)	216
Benefits paid	(39)	(16)
Closing defined benefit obligation	1,582	1,567

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

	2014 £'000	2013 £'000
Opening fair value of plan assets	1,409	1,192
Expected return	73	70
Actuarial gains and (losses)	(4)	109
Contributions by members	13	15
Contributions by employer	32	39
Benefits paid	(39)	(16)
	1,484	1,409

The charity expects to contribute £37,000 to its defined benefit pension plan in 2014/15.

**Adur Community Leisure Limited**

**Notes to the financial statements**

**For the year ended 31 March 2014**

**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:

	<b>2014</b>	<b>2014</b>	<b>2013</b>	<b>2013</b>
	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
Equities	<b>1,157</b>	<b>78%</b>	1,085	77%
Bonds	<b>178</b>	<b>12%</b>	197	14%
Property	<b>119</b>	<b>8%</b>	113	8%
Cash	<b>30</b>	<b>2%</b>	14	1%
	<b><u>1,484</u></b>	<b><u>100%</u></b>	<b><u>1,409</u></b>	<b><u>100%</u></b>

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

	<b>2014</b>	<b>2013</b>
	<b>%</b>	<b>%</b>
Discount rate at the end of the year	<b>4.3%</b>	4.5%
Expected return on plan assets at the end of the year	<b>6.1%</b>	5.2%
Future salary increases	<b>4.2%</b>	5.1%
Future pension increases	<b><u>2.9%</u></b>	<b><u>2.8%</u></b>

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:

	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Defined benefit obligation	<b>(1,582)</b>	(1,567)	(1,244)	(1,082)	(1,685)
Plan assets	<b><u>1,484</u></b>	<b><u>1,409</u></b>	<b><u>1,192</u></b>	<b><u>1,114</u></b>	<b><u>1,153</u></b>
Surplus / (deficit)	<b>(98)</b>	(158)	(52)	32	(532)
Experience adjustments on plan liabilities	<b>183</b>	2	(11)	416	-
Experience adjustments on plan assets	<b><u>(4)</u></b>	<b><u>109</u></b>	<b><u>(40)</u></b>	<b><u>(155)</u></b>	<b><u>275</u></b>

**Adur Community Leisure Limited**

**Notes to the financial statements**

**For the year ended 31 March 2014**

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**15. Operating lease commitments**

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

	<b>2014</b>	<b>2013</b>
	<b>Equipment</b>	<b>Equipment</b>
	<b>£</b>	<b>£</b>
Less than 1 year	-	5,973
2 - 5 Years	<u><b>80,468</b></u>	<u><b>80,468</b></u>
	<u><b>80,468</b></u>	<u><b>86,441</b></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.