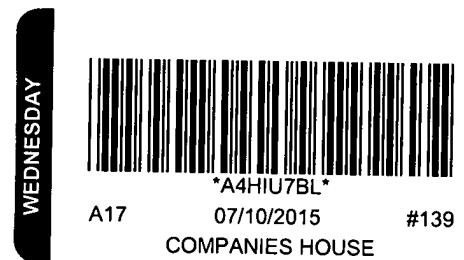


Company number: 05386540
Charity Number: 1112020

Adur Community Leisure Limited

Report and financial statements
For the year ended 31 March 2015



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Adur Community Leisure Limited

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Adur Community Leisure Limited

Reference and administrative details

For the year ended 31 March 2015

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

Company number 05386540

Charity number 1112020

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

Operational addresses

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

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

Mr D Vandyke	Mr J Trotman
Dr P Wilson	Mr C Albury (appointed 12/06/2014)
Ms M Woolacott	Mr J Seymour (appointed 01/04/2015)
Cllr R Hotton (resigned 12/06/2014)	Mr P Pickard (appointed 01/04/2015)
Mr R Brattle	Ms J Lester (appointed 01/04/2015)
Cllr F Lewis	Ms B Gale (appointed 01/04/2015)
Mr A Ryall	Mr M Roberts (appointed 01/04/2015)
Mr L Saunders	Mr S Kibblewhite (appointed 01/04/2015)
Ms J Roberts	

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 LLP
Chartered Accountants and Statutory Auditors
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

Adur Community Leisure Limited

Report of the trustees

For the year ended 31 March 2015

The trustees present their report and the audited financial statements for the year ended 31st March 2015.

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 2015 was 11 (11 in 2014).

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.

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 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'.

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 2014 – 2015 Annual Report.

ACL continues 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.

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.

Report of the trustees

For the year ended 31 March 2015

Consequently, our main category of membership (Platinum) has been maintained at good levels. Attendance has increased at Wadurs, particularly numbers in swimming lessons and junior attendances also increased across the sites. As a result, ACL continues to succeed towards its mission of 'creating active and healthy communities'.

Improvements at the sites included

At Lancing Manor –

- With the help of external funding the bar, catering and function rooms were completely remodelled and refurbished
- Improvements to the sports hall heating
- Flooring and turnstiles were installed throughout reception.

At Southwick –

- A cycling studio was created within the functional training suite
- Branded décor was completed throughout the site
- The cricket net was improved.

At Wadurs –

- A pool cover was installed, promoting more efficient utility use
- A UV (ultra violet) Light disinfection system was installed to improve pool water quality, and reduce chemical usage, whilst reducing environmental impacts
- Refurbished reception, walkways and viewing area was completed.

Generally –

- ACL achieved ISO14001 (the international standard for energy and environmental good practice) and continues to make improvements through a bi-monthly Environment Management Committee
- New voice over internet protocol telephones (VOIP) were installed, increasing functionality potential and reducing line and call costs
- At the end of the year an investment into ICT hardware replaced all remaining Windows XP PCs
- 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.

Following Board and Member agreement, management carried out significant work during 2014/15, with legal advice, to merge ACL with another Group subsidiary, West Chanctonbury Recreation Association (WCRA) with effect from 1 April 2015. As such, ACL's budget for 2015/16 now includes Chanctonbury Leisure Centre (WCRA). The merged balance sheet for the bigger ACL is much stronger than the individual balance sheets of the two separate subsidiaries.

Report of the trustees

For the year ended 31 March 2015

Finance

ACL made an operational surplus in the year which was better than the set budgets. The surplus was an improvement on prior year and was achieved through an increase in income and a reduction in costs.

Net assets have improved during the year excluding pension deficits, whilst outstanding loan commitments were paid off. This is largely a result of an increase in fixed assets and maintaining cash balances.

Future Plans

ACL has been able to set budgets for 2015/16 including Chanctonbury Leisure Centre that anticipate a net cash in-flow to the business. 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.

Although the existing loan was repaid in full during the year, Chanctonbury Leisure Centre brings with it significant loan liability albeit with planned improved surpluses that are sufficient to repay the loan over the next ten years.

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 2015/2016 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.

Other longer-term potential facility improvements include: –

- Continuous redecoration and facility improvement.
- Complete a redevelopment of Lancing Manor –
 - Extended gym
 - Front of house appearance at Lancing Manor
 - Upgrading the MUGA surface to 3G
 - Improved Car parking – the works at Lancing Manor described above can only take place in conjunction with extension to the car park which ADC has agreed to carry out during the year.
- Disabled access improvements during all refurbishment work
- Environmental conservation measures including:
- Introduction of Solar Power in conjunction with ADC.
- Seeking external funds for applicable investments.
- Security improvements.

Report of the trustees

For the year ended 31 March 2015

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 (see detail in Annual Report).

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.

Report of the trustees

For the year ended 31 March 2015

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.

Adur Community Leisure Limited

Report of the trustees

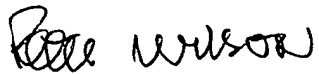
For the year ended 31 March 2015

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.

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

Approved by the trustees on 21 September 2015 and signed on its behalf by

A handwritten signature in black ink, appearing to read 'Peter Wilson'.

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 2015 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. 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Independent auditors report

To the members of

Adur Community Leisure Limited

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 2015 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 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)

6 October 2015

for and on behalf of Sayer Vincent LLP, Statutory Auditors

Invicta House, 108-114 Golden Lane, LONDON EC1Y 0TL

Adur Community Leisure Limited

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2015

	Note	Restricted £	Unrestricted £	2015 Total £	2014 Total £
Incoming resources					
<i>Incoming resources from generated funds</i>					
Investment income		-	799	799	1,352
<i>Incoming resources from charitable activities</i>					
Service fees	2	-	190,000	190,000	200,000
Fees & charges:					
Leisure centre income		50,470	2,112,711	2,163,181	2,088,565
Catering facilities		-	127,941	127,941	139,547
Other income		-	5,000	5,000	5,000
Total incoming resources		<u>50,470</u>	<u>2,436,451</u>	<u>2,486,921</u>	<u>2,434,464</u>
Resources expended					
<i>Costs of generating</i>					
Promotion & publicity	3	-	51,640	51,640	48,005
<i>Charitable activities</i>	4,5				
Leisure centres		50,470	2,131,455	2,181,925	2,229,557
Catering facilities		-	117,617	117,617	122,596
<i>Governance costs</i>		-	34,154	34,154	35,530
Total resources expended		<u>50,470</u>	<u>2,334,866</u>	<u>2,385,336</u>	<u>2,435,688</u>
Net incoming/(outgoing) resources for the year	6	-	101,585	101,585	(1,224)
Actuarial gains on defined benefit scheme	13	-	217,000	217,000	77,000
Net movement in funds		-	318,585	318,585	75,776
Reconciliation of funds					
Funds at the start of the year		-	149,939	149,939	74,163
Funds at the end of the year		<u>-</u>	<u>468,524</u>	<u>468,524</u>	<u>149,939</u>

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 12 to the financial statements.

Adur Community Leisure Limited

Balance sheet

Company no. 05386540

At at 31 March 2015

	Note	2015 £	2014 £
Fixed assets			
Tangible fixed assets	9	131,569	51,352
Current assets			
Stocks		19,627	14,713
Debtors	10	12,147	11,273
Cash at bank and in hand		<u>317,698</u>	<u>314,614</u>
		349,472	340,600
Current liabilities			
Creditors: amounts due within one year	11	<u>(138,517)</u>	<u>(144,013)</u>
Net current assets		210,955	196,587
Total assets less current liabilities		<u>342,524</u>	<u>247,939</u>
Defined benefit pension scheme asset/(liability)	13	<u>126,000</u>	<u>(98,000)</u>
Net assets including defined benefit pension	12	<u><u>468,524</u></u>	<u><u>149,939</u></u>
The funds of the charity			
Restricted funds		-	-
Unrestricted funds			
Pension reserve		126,000	(98,000)
Designated funds		-	21,341
General funds		<u>342,524</u>	<u>226,598</u>
Total charity funds	12	<u><u>468,524</u></u>	<u><u>149,939</u></u>

Approved by the trustees on 21 September 2015 and signed on their behalf by



Peter Wilson
Chair

Adur Community Leisure Limited

Notes to the financial statements

For the year ended 31 March 2015

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 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 2015

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 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 13.

2. Service fees

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

3. Promotion & publicity costs

	2015 £	2014 £
Promotion & publicity – direct costs	<u>51,640</u>	<u>48,005</u>
	<u><u>51,640</u></u>	<u><u>48,005</u></u>

Adur Community Leisure Limited

Notes to the financial statements

For the year ended 31 March 2015

4. Charitable expenditure

	Leisure centres £	Catering facilities £	Support costs £	Governance costs £	2015 Total £	2014 Total £
Staff Costs (Note 7)	971,026	32,271	161,447	-	1,164,744	1,143,688
Premises costs	320,121	1,225	54,807	-	376,153	395,349
Purchases for resale	72,751	55,309	-	-	128,060	135,884
Office administration costs	194,717	15,550	446,842	80	657,189	705,462
Audit & accountancy	-	-	-	7,550	7,550	7,300
Total resources expended	1,558,615	104,355	663,096	7,630	2,333,696	2,387,683
Re-allocation of support costs	623,310	13,262	(663,096)	26,524	-	-
Total resources expended	2,181,925	117,617	-	34,154	2,333,696	2,387,683

Adur Community Leisure Limited

Notes to the financial statements

For the year ended 31 March 2015

5. Support costs

Support costs are allocated to charitable activities as follows:

	Leisure centres £	Catering facilities £	Governance costs £	2015 Total £	2014 Total £
Staff costs	151,760	3,229	6,458	161,447	150,133
Premises costs	51,519	1,096	2,192	54,807	66,110
Office costs	420,031	8,937	17,874	446,842	487,532
	<u>623,310</u>	<u>13,262</u>	<u>26,524</u>	<u>663,096</u>	<u>703,775</u>

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

This is stated after charging:

	2015 £	2014 £
Interest payable	491	5,890
Depreciation	25,109	38,987
Trustees' remuneration	23,957	20,302
Trustees' reimbursed expenses	80	81
Auditors' remuneration:		
▪ Audit	7,300	7,300
▪ Other services	250	-
Operating lease rentals:		
▪ Equipment	82,672	92,478

The trustees' reimbursed expenses relate to 1 trustee (2014: 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:

	2015 £	2014 £
Salaries and wages	1,074,081	1,042,419
Social security costs	51,935	52,320
Pension costs	45,728	31,949
Actuarial pension adjustment	(7,000)	17,000
	<u>1,164,744</u>	<u>1,143,688</u>
Total emoluments paid to staff were:	<u>1,119,809</u>	<u>1,059,419</u>

Adur Community Leisure Limited

Notes to the financial statements

For the year ended 31 March 2015

7. Staff costs and numbers (continued)

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

The average weekly number of employees during the year was as follows:

	31 March 2015 No.	31 March 2014 No.
Leisure centres	59	53
Support staff	2	7
Promotion and publicity	2	3
	<u>63</u>	<u>63</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 improvements £
Cost	
At the start of the year	151,652
Additions	<u>105,326</u>
At the end of the year	<u>256,978</u>
Depreciation	
At the start of the year	100,300
Charge for the year	<u>25,109</u>
At the end of the year	<u>125,409</u>
Net book value	
At the end of the year	<u>131,569</u>
At the start of the year	<u>51,352</u>

Adur Community Leisure Limited

Notes to the financial statements

For the year ended 31 March 2015

10. Debtors

	2015 £	2014 £
Prepayments	10,027	9,644
Other Debtors	<u>2,120</u>	<u>1,629</u>
	<u>12,147</u>	<u>11,273</u>

11. Creditors: Amounts falling due within one year

	2015 £	2014 £
Other loans	-	12,918
Trade creditors and accruals	90,855	83,658
Taxation & social security	-	8,809
VAT payable	5,161	2,078
Amounts owed to companies in the Impulse Leisure Group	<u>42,501</u>	<u>36,550</u>
	<u>138,517</u>	<u>144,013</u>

The loan was provided by Thurrock Community Leisure, another subsidiary of the Impulse Leisure group and was fully settled within the year 14/15.

12. 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	<u>-</u>	<u>50,470</u>	<u>(50,470)</u>	<u>-</u>	<u>-</u>
Unrestricted funds:					
Pension reserve	(98,000)	-	7,000	217,000	126,000
Designated fund	21,341	-	(21,341)	-	-
General funds	<u>226,598</u>	<u>2,436,451</u>	<u>(2,320,525)</u>	<u>-</u>	<u>342,524</u>
Total unrestricted funds	<u>149,939</u>	<u>2,436,451</u>	<u>(2,334,866)</u>	<u>217,000</u>	<u>468,524</u>
Total funds	<u>149,939</u>	<u>2,486,921</u>	<u>(2,385,336)</u>	<u>217,000</u>	<u>468,524</u>

Inclusive activities fund includes a grant received from West Sussex County Council (£21,130) to provide short break services for disabled children, as well as funding from Big Lottery (£8,050) and various other funders for healthy living and sports programmes.

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.

Adur Community Leisure Limited

Notes to the financial statements

For the year ended 31 March 2015

13. 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:

	2015 £'000	2014 £'000
Fair value of plan assets	1,741	1,484
Present value of funded obligations	(1,615)	(1,582)
Net asset / (liability)	126	(98)

Amounts recognised in net incoming resources are as follows:

	2015 £'000	2014 £'000
Current service cost	53	51
Interest cost	69	71
Expected return on plan assets	(91)	(73)
Total	31	49
Actual return on plan assets	227	135

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

	2015 £'000	2014 £'000
Opening defined benefit obligation	1,582	1,567
Service cost	53	51
Interest cost	69	71
Contributions by members	13	13
Actuarial gains	(81)	(81)
Benefits paid	(21)	(39)
Closing defined benefit obligation	1,615	1,582

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For the year ended 31 March 2015

13. Pension scheme (continued)

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

	2015 £'000	2014 £'000
Opening fair value of plan assets	1,484	1,409
Expected return	91	73
Actuarial gains and (losses)	136	(4)
Contributions by members	13	13
Contributions by employer	38	32
Benefits paid	(21)	(39)
	<u>1,741</u>	<u>1,484</u>

The charity expects to contribute £39,000 to its defined benefit pension plan in 2015/16.

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

	2015 £'000	2015 %	2014 £'000	2014 %
Equities	1,289	74%	1,157	78%
Bonds	261	15%	178	12%
Property	104	6%	119	8%
Cash	87	5%	30	2%
	<u>1,741</u>	<u>100%</u>	<u>1,484</u>	<u>100%</u>

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

	2015 %	2014 %
Discount rate at the end of the year	3.4%	4.3%
Expected return on plan assets at the end of the year	3.4%	6.1%
Future salary increases	1.0%	4.2%
Future pension increases	<u>2.0%</u>	<u>2.9%</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:

	2015 £'000	2014 £'000	2013 £'000	2012 £'000	2011 £'000
Defined benefit obligation	(1,615)	(1,582)	(1,567)	(1,244)	(1,082)
Plan assets	<u>1,741</u>	<u>1,484</u>	<u>1,409</u>	<u>1,192</u>	<u>1,114</u>
Surplus / (deficit)	126	(98)	(158)	(52)	32
Experience adjustments on plan liabilities	(7)	183	2	(11)	416
Experience adjustments on plan assets	<u>136</u>	<u>(4)</u>	<u>109</u>	<u>(40)</u>	<u>(155)</u>

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14. Operating lease commitments

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

	2015 Equipment £	2014 Equipment £
2 – 5 Years	<u>88,133</u>	<u>80,468</u>
	<u>88,133</u>	<u>80,468</u>

15. 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.

16. Post balance sheet event

On 1 April 2015 all of the activities, assets and funds of WCRA (another charitable company within the Impulse Leisure group) were transferred to Adur Community Leisure.

The balances transferred were:

	£
Fixed assets	
Tangible fixed assets	<u>1,277,927</u>
Current assets	
Stocks	2,281
Debtors	18,216
Cash at bank and in hand	<u>3,521</u>
	24,018
Liabilities	
Creditors: amounts falling due within one year	<u>77,156</u>
Net current assets	(53,138)
Creditors: amounts falling due after more than one year	<u>(580,915)</u>
Net assets	<u>643,874</u>