

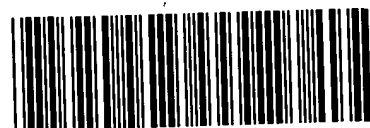
Company Registration No. 06822082 (England and Wales)

Registered Charity No. 1131013

ABSOLUTELY LEISURE
(A company limited by guarantee)

**REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2016**

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COMPANIES HOUSE

ABSOLUTELY LEISURE

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06822082 (England and Wales)

Registered Charity number

1131013

Registered office

Montem Leisure Centre

Montem Lane

Slough

Berkshire

SL1 2QG

Trustees

R A Hodgson

R Dhokia

B E Edwards

B R Doe (Resigned 7th December 2015)

A C Taylor

J H Gillan (Appointed 7th December 2015)

Sales Director

Solicitor

Managing Director

Technical Manager

Physiotherapist

Relationship Director

Secretary

W Cheeld (Appointed 1st April 2015 and Resigned 14th June 2016)

J A Watson (Appointed 14th June 2016)

Auditors

RSM UK Audit LLP

Davidson House

Forbury Square

Reading

Berkshire

RG1 3EU

ABSOLUTELY LEISURE

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2016

The Trustees of Absolutely Leisure present their annual report and audited accounts for the year ended 31 March 2016 and confirm that they comply with the requirements of the Charities Act 2011, as amended by the Companies Act 2006, the Memorandum and Articles of Association and the Charities Statement of Recommended Practice (SORP) 2015.

Structure, Governance and Management

Governing document

The charitable company is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new Trustees

In exercising its powers to nominate, appoint, reappoint, elect, re-elect, approve and dismiss members, the members shall seek to ensure that the board is representative of the local community and also comprises persons with a broad range of skills who are likely to contribute to the charity's success.

Board members induction and training

All new members joining the Board receive a full induction that is aimed at training them in their statutory responsibilities under charity and company law. The induction will normally include:

- Meeting with the Chairman of the Board and the Managing Director
- Tour of all facilities and an opportunity to meet staff
- Receive copies of the Charity's rules
- Receive copies of strategy and business planning documents
- Receive copies of corporate policies and documents
- Receive an organisational structure and overview of the management process
- Details of the charity's relationship with the parent organisation – Slough Community Leisure, as well as associations with other relevant third parties such as landlords, clients etc.

Organisational structure & how decisions are made

The Board of Trustees has responsibility for administering the charity. The trustees have appointed a Managing Director to manage the operations of the charity. The Board has agreed to delegated powers to manage this arrangement.

Setting of pay

The People Development Scheme is a company policy that endorses all pay rate levels across both SCL and AL. Both Boards approve any pay rises on an annual basis and these are then confirmed with the policy.

Risk management

The members of the Board have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The Board members confirm that the major risks to the charity have been reviewed and that systems or procedures have been established to manage those risks.

ABSOLUTELY LEISURE

REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 MARCH 2016

STRATEGIC REPORT

Objectives and activities

Objectives and aims

The objects of the charity as per its governing document are:

- To provide or assist in the provision of facilities and services for recreational or other leisure time occupation in the interests of social welfare, such facilities being provided to the public at large save that special facilities may be provided for persons who by reason of their youth, age, infirmity or disability, poverty or social or economic circumstances may have need of special facilities and services. An example of this is the use of the twin seat karts enabling people with physical disabilities to be able to experience karting.
- To promote and preserve good health through community participation in healthy recreation and / or such other charitable purposes beneficial to the community consistent with the objects of the charity.

All business decisions are made having given reference to the objects of the charity.

Community activities are provided at the following locations

- | | |
|---------------|---|
| • Slough | Absolutely Ice
Absolutely Ten Pin
Absolutely Fitness
Herschel Sports |
| • Langley | East Berkshire College Sports Centre |
| • Maidenhead | Absolutely Karting
Absolutely Combat |
| • Basingstoke | Absolutely Karting
Absolutely Paintball |
| • Bracknell | Absolutely Fitness |
| • Iver | Richings Sports Park |

Business Objectives and Aims:

- Provide a minimum of £150,000 of subsidized activities to charities and community groups, by attracting at least 40,000 user visits from such groups and charities.
- Ensure our pricing strategy achieves a balance between the maximisation of income and the implementation of targeted concessionary schemes.
- Continue to grow a sustainable business with a reputation for delivering high quality, value for money leisure provision across the communities we work in. This year we aim to increase turnover to £5.4M.
- Provide educational opportunities for young people in the communities we work in through the introduction of apprenticeships.
- Continue to focus on reducing energy usage across our facilities to limit the impact on the environment.

ABSOLUTELY LEISURE

REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 MARCH 2016

Who used and benefited from our services

The members confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have regard to the Charity Commission's general guidance on public benefit and have used this information when devising our aims and objectives and planning future activities.

The Charity is committed to providing affordable leisure and recreational facilities for the communities it works with and will achieve this by robust management, allowing prices to be kept affordable, and by reinvesting in new and existing activities. The Charity recognises that in order to successfully deliver its objectives it must also provide a high quality experience for each and every customer. The monitoring of this is achieved through the use of monthly independent mystery visits.

The Charity works with a range of other charities and community groups to extend its impact and benefit to the wider community. An example of this is the provision of free bowling every Monday evening to other charities to assist with their own fundraising activities. Groups that we have worked with this year include:

National Trust – karting activity
Norden Farm Arts – karting events
Arborvale School – karting events for disabled young people
SPICE – ice skating and fundraising for young people with learning difficulties
Sports Able – fundraising events
Cancer Research
British Heart Foundation
Rajasthani Welfare Society
Slough Food bank
Britwell Scouts & Guides
Slough Blind Society

In 2015/16 over 570,000 visits to our facilities were recorded by the general public and other groups.

Equity of Access

- There is a concessionary pricing structure across the group to provide affordable access for those customers who are on low income or disadvantaged.
- Support for local authority partners in delivering Council led initiatives at our centres.
- Proactive research into grant funding to support the provision of activities for disadvantaged groups.
- A peak and off peak pricing structure providing subsidised activity at off peak times.

Disabled

- Working with local disability groups across our operating area to run activities and sessions for various ages and ability levels.
- Active involvement with the Disability Sports Network to enable us to better provide for the needs of disabled people in our area.
- The provision of dual seat and hand controlled karting to enable individuals with a disability to participate.

Community

- Working with various NGBs to encourage people back into sport.
- We run open days group wide offering free or very low cost activities to encourage the local community to find out about what is available at Absolutely Leisure facilities
- Work with local charities assisting them with fund raising and making facilities available for their use.
- Work with comfort care to provide educational opportunities for individuals returning to work following difficult periods in their lives.

ABSOLUTELY LEISURE

REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 MARCH 2016

Achievements and performance

The charity has successfully completed its 7th year of trading. Trading conditions have continued to be challenging but the charity has managed its businesses well and has seen a steady increase in income from its activities. During the year the charity successfully refurbished its Maidenhead kart Centre and installed a new mezzanine floor to accommodate more users.

Financial review

The results for the year are set out in the annexed financial statements.

- Total incoming resources increased by 9.3% to £4.7M from £4.3M arising from both like for like growth and income from new facilities.
- The net surplus from operating activities increased to £53K as a result of business consolidation being offset by start-up of our Richings Park business. Our expectation for 2016/17 is to achieve a surplus exceeding £160K as we continue with our planned investments in our facilities.

Financial Management

The executive management team prepare the annual operational budget for the charity and this is approved by the board of management prior to the commencement of the financial year.

The board of management receive monthly reports on the financial performance of the charity. These reports include an income and expenditure statement and balance sheet, both compared to budget and last year for the month and year to date.

All funds are generated through receipts from customers or from contractual deficit funding provided by our local authority partners. The majority of funds are spent on staffing, utilities and facility/equipment maintenance and improvement. Expenditure of these funds supports the key community objectives of the charity and the continued investment in improved services and facilities for the community.

Plans for future periods

We strive to continue to deliver high quality community facilities and to develop and expand our business into new communities. A greater focus is to be given to quality in all venues whilst improving efficiency. Development of new facilities is also an on-going focus – identifying new opportunities that meet the needs of the community and also fulfil our charitable objectives.

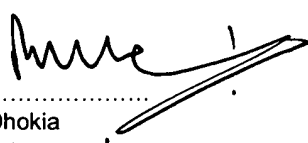
Auditors

The auditor, RSM UK Audit LLP, are deemed reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditors

So far as the Trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each Trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

ON BEHALF OF THE BOARD:


.....
R Dhokia
Trustee
Date: 01/11/16

ABSOLUTELY LEISURE

REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 MARCH 2016

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees (who are also the directors of Slough Community Leisure for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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.

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 those financial statements, the Trustees are required to

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 Charities Act 2011 and 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.

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABSOLUTELY LEISURE

We have audited the financial statements of Absolutely Leisure for the year ended 31 March 2016 on pages 8 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' responsibilities set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006 and Charities Act 2011.

Opinion on other matter prescribed by the Companies Act 2006

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABSOLUTELY LEISURE

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 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the charitable company has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

RSM UK Audit LLP

Kerry Gallagher (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Davidson House
Forbury Square
Reading
Berkshire
RG1 3EU

Date: 5 December 2016

ABSOLUTELY LEISURE
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2016

	Notes	Unrestricted funds £	Total 2016 £	Total 2015 £
INCOME AND ENDOWMENTS				
FROM:				
Donations	3	353,434	353,434	251,542
Charitable activities				
Leisure activities	4	4,219,121	4,219,121	3,902,184
Funding income				
Slough Borough Council	4	133,000	133,000	169,000
Total income		4,705,555	4,705,555	4,322,726
EXPENDITURE ON:				
Charitable activities				
Leisure activities	5	4,652,404	4,652,404	4,380,868
Total expenditure		4,652,404	4,652,404	4,380,868
NET MOVEMENT IN FUNDS		53,151	53,151	(58,142)
FUNDS BROUGHT FORWARD				
AT 1 APRIL	17	321,444	321,444	379,586
FUNDS CARRIED FORWARD				
AT 31 MARCH	17	374,595	374,595	321,444


All amounts derive from continuing activities.

All gains and losses for the year are included in the statement of financial activities.

**ABSOLUTELY LEISURE
BALANCE SHEET
AS AT 31 MARCH 2016**

	Notes	2016 £	2016 £	2015 £	2015 £
FIXED ASSETS					
Tangible assets	10		2,642,616		3,020,072
Investments	11		1		-
			<hr/>		<hr/>
			2,642,617		3,020,072
CURRENT ASSETS					
Stock		31,127		24,414	
Debtors: amounts falling due within one year	13	194,305		195,499	
Debtors: amounts falling due after more than one year	13	60,000		60,000	
Cash at bank and in hand		161,568		115,592	
		<hr/>		<hr/>	
		447,000		395,505	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	14	(2,243,189)		(2,069,938)	
		<hr/>		<hr/>	
NET CURRENT LIABILITIES			(1,796,189)		(1,674,433)
TOTAL ASSETS LESS CURRENT LIABILITIES			<hr/>		<hr/>
			846,428		1,345,639
CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR	15		(471,833)		(1,024,195)
			<hr/>		<hr/>
NET ASSETS			374,595		321,444
			<hr/>		<hr/>
UNRESTRICTED FUNDS	17		374,595		321,444
			<hr/>		<hr/>
TOTAL FUNDS			374,595		321,444
			<hr/>		<hr/>

The financial statements on pages 8 to 22 were approved by the Trustees and authorised for issue on 01.11.16 and are signed on their behalf by:



 R Dhokia
 Trustee

ABSOLUTELY LEISURE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2016

	Notes	2016 £	2015 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash provided by operating activities	23	1,009,490	727,616
Interest paid		-	-
		<hr/>	<hr/>
NET CASH USED IN OPERATING ACTIVITIES		1,009,490	727,616
		<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of tangible fixed assets		(349,232)	(498,022)
Proceeds on sale on tangible fixed assets		(5,512)	-
Interest received		-	-
		<hr/>	<hr/>
NET CASH USED IN INVESTING ACTIVITIES		(354,744)	(498,022)
		<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES:			
New finance lease		-	-
Repayments on finance leases		(542,675)	(245,412)
Repayment of loans		(66,095)	(61,846)
		<hr/>	<hr/>
NET CASH USED IN FINANCING ACTIVITIES		(608,770)	(307,258)
		<hr/>	<hr/>
INCREASE/(DECREASE) IN CASH IN THE YEAR		45,976	(77,664)
		<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT 1 APRIL		115,592	193,256
		<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT 31 MARCH		161,568	115,592
		<hr/>	<hr/>

ABSOLUTELY LEISURE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

1 ACCOUNTING POLICIES

GENERAL INFORMATION

Absolutely Leisure is a charitable company limited by guarantee and incorporated in England and Wales.

The address of the charitable company's registered office and principal place of business is Montem Leisure Centre, Montem Lane, Slough, Berkshire, SL1 2QG.

The company's principal activities are disclosed in the Trustees' Report.

BASIS OF PREPARATION

These financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102') and under the historical cost convention. In accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015) issued in January 2015 and the requirements of the Companies Act 2006.

Absolutely Leisure meets the definition under FRS102 of a public benefit entity.

These financial statements are prepared in sterling which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise indicated.

CONSOLIDATED FINANCIAL STATEMENTS

The charitable company has taken advantage of the exemption in section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. Consequently, these financial statements present the financial position and financial performance of the charitable company as a single entity.

FIRST TIME ADOPTION OF FRS102

These financial statements are the first financial statements of Absolutely Leisure prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The financial statements of Absolutely Leisure for the year ended 31 March 2015 were prepared in accordance with previous UK GAAP.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the trustees' have amended certain accounting policies to comply with FRS 102. The trustees' have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

There were no material adjustments on adoption of FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' that had an effect on the charitable company's net assets or total charity funds, and therefore, no reconciliation of equity has been presented.

ABSOLUTELY LEISURE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2016

1 ACCOUNTING POLICIES (CONTINUED)

GOING CONCERN

No material uncertainties that may cast significant doubt about the ability of the charity to continue as a going concern have been identified by the trustees', therefore, the accounts have been prepared on a going concern basis.

REDUCED DISCLOSURES

In accordance with FRS 102, the charitable company has taken advantage of the exemptions from the following disclosure requirements;

- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.
- Section 33 'Related Party Disclosures' – Compensation for key management personnel

The financial statements of the charitable company are consolidated in the financial statements of Slough Community Leisure. The consolidated financial statements of Slough Community Leisure are available from its registered office, Montem Leisure Centre, Montem Lane, Slough, SL1 2QG.

INCOME AND ENDOWMENTS

All incoming resources are included on the Statement of Financial Activities when the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

EXPENDITURE

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

IRRECOVERABLE VAT

VAT on revenue expenditure which can not be recovered is charged as a separate cost to the Statement of Financial Activities. VAT on capital expenditure which can not be recovered is capitalised as part of the cost of acquiring the relevant asset.

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost less depreciation and any provision for impairment. Depreciation is calculated to write off the cost of tangible fixed assets over their estimate useful lives as follows:

Improvements to property	straight line over 6-10 years
Plant and machinery	straight line over 3 years or the life of the lease

ABSOLUTELY LEISURE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2016

1 ACCOUNTING POLICIES (CONTINUED)

FIXED ASSET INVESTMENTS

Interests in subsidiaries entities are measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in income or expenditure.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

STOCK

Stocks are valued at the lower of cost and net realisable value, on a first-in-first-out basis, after making due allowance for obsolete and slow moving items.

LEASES

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the income and expenditure account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

PENSION SCHEME ARRANGEMENTS

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

FUNDS

Restricted income funds are used to account for situations where the donor requires that funds must be spent on a particular purpose. Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

FINANCIAL INSTRUMENTS

Financial instruments are classified and accounted for according to the substance of the contractual arrangement as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

FINANCIAL ASSETS AND LIABILITIES

The charitable company's debtors and creditor's that meet the definition of either a financial asset or a financial liability are initially recognised at the transaction value and thereafter are stated at amortised cost using the effective interest method.

ABSOLUTELY LEISURE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2016

2 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The charitable company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement

In categorising leases as finance leases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred to the charitable company as lessee.

There are no estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

3 DONATIONS

	2016 £	2015 £
Donation from fellow group company Slough Community Trading Limited	353,434	251,542
	<hr/> 353,434	<hr/> 251,542

4 INCOME FROM CHARITABLE ACTIVITIES

The following income was all received as part of the charitable company's principal activities in the United Kingdom.

		2016 £	2015 £
Turnover	Activity		
	Leisure activities	4,219,121	3,902,184
Slough Borough Council	Management fees	133,000	169,000
		<hr/> 4,352,121	<hr/> 4,071,184

ABSOLUTELY LEISURE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2016

5 CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support Costs (see note 6) £	2016 Total £	2015 Total £
Leisure activities	2,571,448	2,080,956	4,652,404	4,380,868

6 SUPPORT COSTS

	2016 £	2015 £
Management		
Depreciation	732,199	608,228
Profit on disposal of fixed assets	(5,511)	-
Overheads	935,360	800,941
Premises expenses	138,801	154,953
Consultancy	32,893	38,157
Legal and professional	3,104	1,471
Support fee	155,000	155,000
Finance:		
Bank loan interest	44,884	61,643
Hire purchase interest	38,446	53,643
Auditor's remuneration	5,780	3,950
	<u>2,080,956</u>	<u>1,877,986</u>

7 NET MOVEMENT IN FUNDS

Net movement in funds are stated after charging/(crediting):	2016 £	2015 £
Auditors' remuneration		
- Statutory audit of the financial statements	3,100	2,075
- Other services	2,680	1,875
Depreciation		
- Owned assets	397,497	319,162
- Held under finance leases and hire purchase contracts	334,702	289,066
Profit on disposal of fixed assets	(5,511)	-
Operating lease rentals		
- Plant and machinery	20,716	20,498
- Land and buildings	422,235	360,355
Cost of stock recognised as an expense	25,941	38,582

ABSOLUTELY LEISURE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2016

8 TRUSTEES' REMUNERATION AND EXPENSES

The Trustees did not receive any remuneration during the year ended 31 March 2016 (2015: £Nil). There were no Trustees' expenses paid for the year ended 31 March 2016 (2015: £Nil).

9 STAFF COSTS

	2016	2015
	£	£
Wages and salaries	1,317,793	1,244,443
Social security costs	76,732	82,215
Other pension costs	31,477	27,830
	<hr/>	<hr/>
	1,426,002	1,354,488
	<hr/>	<hr/>

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

	2016	2015
	No	No
Leisure activities	129	123
	<hr/>	<hr/>

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

	2016	2015
	No	No
£60,000 - £70,000	-	1
£70,001 - £80,000	1	-
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The Charity does not have any employees that meet the definition of key management personnel as all senior staff are employees of the parent Charity, Slough Community Leisure.

ABSOLUTELY LEISURE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2016

10 TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Total £
Cost			
At 1 April 2015	603,782	4,101,522	4,705,304
Additions	-	349,232	349,232
Disposals	-	(242,046)	(242,046)
31 March 2016	603,782	4,208,708	4,812,490
Depreciation			
At 1 April 2015	127,595	1,557,637	1,685,232
Charged in the year	150,946	581,253	732,199
Depreciation eliminated on disposals	-	(247,557)	(247,557)
31 March 2016	278,541	1,891,333	2,169,874
Net book value 31 March 2016	325,241	2,317,375	2,642,616
Net book value 31 March 2015	476,187	2,543,885	3,020,072

Included above are assets held under finance leases or hire purchase contracts as follows

	Plant and machinery £	Total £
Net book values		
At 31 March 2016	1,528,693	1,528,693
At 31 March 2015	1,863,395	1,863,395
Depreciation charge for the year		
At 31 March 2016	334,702	334,702
At 31 March 2015	289,066	289,066

ABSOLUTELY LEISURE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2016

11	FIXED ASSET INVESTMENTS	2016 £	2015 £
	Investment in subsidiaries	1	-
	Movements in fixed asset investments		Shares £
	Cost		
	At 1 April 2015		-
	Additions		1
	At 31 March 2016		1
	Carrying amount		
	At 31 March 2016		1
	At 31 March 2015		-

12 RELATED UNDERTAKINGS

Details of the company's related undertakings at 31 March 2016 are as follows:

Name of undertaking	Country of incorporation or residency	Class of shareholding	% Held	
			Direct	Indirect
Absolutely Commercial Limited	England and Wales	Ordinary	100	-

The company was incorporated in the year and has not started trading.

13	DEBTORS	2016 £	2015 £
	Trade debtors	54,924	56,186
	Prepayments and accrued income	139,381	135,647
	Other debtors	60,000	63,666
		254,305	255,499
	Amounts falling due after more than one year and included in the debtors above are:		
		2016 £	2015 £
	Other debtors	60,000	60,000

ABSOLUTELY LEISURE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2016

14 CREDITORS: Amounts falling due within one year	2016 £	2015 £
Bank loans	70,633	66,094
Net obligations under finance leases	482,420	543,367
Trade creditors	107,451	198,465
Amounts owed to group undertakings	1,272,561	929,030
Other taxation and social security costs	59,163	58,492
Accruals and deferred income	228,529	258,712
Other creditors	22,432	15,778
	2,243,189	2,069,938
15 CREDITORS: Amounts falling due after more than one year	2016 £	2015 £
Bank loans	102,417	173,051
Net obligations under finance leases	369,416	851,144
	471,833	1,024,195
Analysis of debt maturity		
Amounts payable		
In one year or less or on demand	70,633	85,241
In more than one year but not more than two years	75,484	70,633
In more than two years but not more than five years	26,933	102,414
	173,050	258,288
Net obligations under finance leases		
Amounts payable		
Within one year	482,420	543,367
Within one to two years	254,790	482,067
Within two to five years	114,626	369,077
	851,836	1,394,511

There is a debenture dated 20 October 2009 in favour of National Westminster Bank Plc to secure all of the charity's liabilities to the bank by way of a fixed and floating charge over the assets of the charity.

There is a Rent Deposit Deed in favour of A Harvey Limited to secure the landlord for any amounts payable pursuant to the lease by way of a fixed charge over the rent deposit balance of £50,000 plus the VAT amount of £10,000.

The finance lease liabilities of the charity, £482,420 of which fall due in less than one year, with £369,416 falling due in more than one year, are secured over the assets which form part of the finance lease agreements.

ABSOLUTELY LEISURE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2016

16 DEFERRED INCOME

Deferred income relates to advance payments for block bookings/events at the sites that relate to future dates.

	2016 £	2015 £
Balance brought forward	73,920	59,278
Amounts released to incoming resources	(73,920)	(59,278)
Amounts deferred in the year	104,471	73,920
	<hr/>	<hr/>
Balance carried forward	104,471	73,920
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17 FUNDS

	At 1 April 2015 £	Incoming resources £	Resources expended £	At 31 March 2016 £
UNRESTRICTED FUNDS				
General fund	321,444	4,705,555	(4,652,404)	374,595
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	321,444	4,705,555	(4,652,404)	374,595
	<hr/>	<hr/>	<hr/>	<hr/>

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Total funds £
Tangible fixed assets	2,642,616	2,642,616
Investments	1	1
Cash at bank and in hand	161,568	161,568
Other net current assets	285,432	285,432
Net current liabilities	(2,715,022)	(2,715,022)
	<hr/>	<hr/>
TOTAL NET ASSETS AT 31 MARCH 2016	374,595	374,595
	<hr/>	<hr/>

19 PENSION COMMITMENTS

The charitable company operates a defined contribution pension scheme. The contributions payable during the year amounted to £31,477 (2015: £27,830). At 31 March 2016 there was £1,029 (2015: £2,422) owing to the scheme and this is included within other creditors.

The pension contributions and liability is all allocated from unrestricted funds which is the only fund basis of the charity.

ABSOLUTELY LEISURE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2016

20 CONTROL

The ultimate parent company is Slough Community Leisure, a company limited by guarantee and incorporated in Great Britain. Company Registration No: 08466394 and Registered Charity No: 1152093. This is the smallest and largest group to consolidate these financial statements. Copies of the financial statements can be obtained from Montem Leisure Centre, Montem Lane, Slough, SL1 2QG.

Or on the companies house website www.companieshouse.gov.uk.

The Trustees consider the Board of Trustees of Slough Community Leisure, a company limited by guarantee, to be the ultimate controlling party.

21 LIMITED BY GUARANTEE

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

22 OTHER FINANCIAL COMMITMENTS

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	2016 £	2015 £
Operating leases which expire:		
Within one year	442,314	400,065
Between two and five years	2,121,004	1,949,115
In over five years	159,864	774,069
	2,723,182	3,123,249

23 NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of net incoming resources to net cash inflow from operating activities before other recognised gains and losses	2016 £	2015 £
Net incoming resources	53,151	(58,142)
Depreciation of tangible assets	732,199	608,228
Interest received	-	-
Interest paid	-	-
Increase in stocks	(6,713)	(6,918)
Decrease/(increase) in debtors	1,194	(3,900)
Increase in creditors	229,659	188,348
	1,009,490	727,616

ABSOLUTELY LEISURE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2016

24 RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

Slough Community Leisure

At the balance sheet date the charity owed £1,162,526 (2015: £908,464) to Slough Community Leisure in the form of a loan. This loan has been repaid since the balance sheet date.

At the balance sheet date the charity owed £110,035 (2015: £19,147) to Slough Community Leisure in the form of a trading balance. This balance relates to salaries and other running costs incurred by Slough Community Leisure and recharged to the charity.

Slough Community Trading Limited

The charity collected income of £825,404 (2015: £676,718) on behalf of Slough Community Trading Limited and also settled costs of £471,970 (2015: £425,236) on its behalf. Profits of £353,434 (2015: £251,542) were distributed to the charity during the year.

25 POST BALANCE SHEET EVENTS

After the year end the assets of both the Ice Arena and Ten Pin were transferred from Absolutely Leisure Limited to Slough Community Leisure at fair market value of £1.4m.