

**Registered Charity Number 1103980  
Company Limited By Guarantee Number 04868497**

**DACORUM SPORTS TRUST  
TRUSTEES' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2016**

**DACORUM SPORTS TRUST**  
**(A company limited by guarantee)**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2016**

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Registered Charity Number - 1103980

Company Number - 04868497

**DACORUM SPORTS TRUST**  
**(A company limited by guarantee)**

**LEGAL AND ADMINISTRATIVE INFORMATION**  
**FOR THE YEAR ENDED 31ST MARCH 2016**

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**Status**

Dacorum Sports Trust is a registered charity (Registered No 1103980) and a Company Limited by Guarantee (Registered Number 04868497).

The charity is constituted as a company limited by guarantee and was set up on 15 August 2003 and commenced its activities on 1 April 2004. Its activities are governed by its Memorandum and Articles of Association, which have not been amended since 15 August 2003.

**Registered office address**

The official address of Dacorum Sports Trust is: Park Road, Hemel Hempstead, Herts, HP1 1JS.

**Website addresses**

The website addresses are: [www.sportspace.co.uk](http://www.sportspace.co.uk); [www.thexc.co.uk](http://www.thexc.co.uk); [www.littlehaygolf.co.uk](http://www.littlehaygolf.co.uk)

**Appointment of directors**

The Directors of the charitable company (the Charity) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. The Trustees serving during the year and since the year end were as follows:

<b>Trustees:</b>	E Emptage	(Chair)
	B Malyon	(Vice Chair)
	I Phipps	(Vice Chair)
	M Armstrong	
	P Batten	(Appointed 21st July 2015)
	B Bickel	
	M Carpenter	
	S Day	(Appointed 21st July 2015)
	M Dennis	
	I Grant	
	V Patel	(Resigned 8th September 2015)
	D Rance	
	L Topping	(Resigned 21st May 2015)
	M Wood	
	J Dealey	DST Staff Nominee (Appointed 25 January 2016)
	A Adams	DST Staff Nominee (Resigned 3rd December 2015)
	M Hicks	(Dacorum Borough Council Nominee - Appointed 26th November 2015)
	I Imarni	(Dacorum Borough Council Nominee - Appointed 26th November 2015)
	P Matthews	(Dacorum Borough Council Nominee - Appointed 26th November 2015)
	G Elliot	(Dacorum Borough Council Nominee - Resigned 27th July 2015)
	G Adshead	(Dacorum Borough Council Nominee - Resigned 12th May 2015)

**Company Secretary:** R Hemmant

**Chief Executive Officer:** D Cove

**Independent Auditor**

haysmacintyre, 26 Red Lion Square, London, WC1R 4AG

**DACORUM SPORTS TRUST**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31ST MARCH 2016**

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**Introduction**

The Trustees present their report, incorporating the strategic report, and financial statements for the year ended 31<sup>st</sup> March 2016.

In these financial statements all references to the Company mean the Trust and references to the Directors in the Notes to the Financial Statements mean the Trustees.

**Structure, Governance and Management**

**Appointment of Trustees**

As set out in the Articles of Association the Chair of the Trustees is nominated by the Trustees. Dacorum Borough Council (DBC) nominates three trustees and the staff nominate one trustee. The Trustees have the power to co-opt further trustees if required. All members are circulated with invitations to nominate trustees prior to the AGM advising them of the retiring trustees and requesting nominations for the AGM. When considering co-opting trustees, the Board has regard to the requirement for any specialist skills.

Trustees nominated by Dacorum Borough Council are subject to the nomination processes of that body, and of DST and the guidelines on appointment to public office as they apply to Local Government nominees. The staff nominee is subject to the nomination process as agreed by the Staff Partnership Board.

**Trustee induction and training**

Potential new trustees undergo an initial meeting with the Chief Executive who briefs them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the history and the planned future of the charity.

The potential trustee is interviewed by 2 existing trustees and attends a Board meeting before being invited to join the Board. This gives them the chance to see the Board in action, meet and talk to existing trustees and senior staff. A Trustee Induction Pack has been produced and trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

**Organisation**

The Board of Trustees, which can have up to 16 members, administers the charity. The Board meets six times a year and there are two standing committees covering (1) Appointments, Remuneration and Human Resources and (2) Finance and Audit that meet regularly. A Chief Executive is appointed by the Trustees to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment and sport and recreation related activity. Although formally known as Dacorum Sports Trust, the majority of the Trust's activities are conducted under the banner of "Sportspace".

The Trustees consider the Chief Executive and Senior Management Team as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 8 to the accounts.

Trustees are required to disclose all relevant interests and register them with the Chief Executive and in accordance with the Trust's policy withdraw from decisions where a conflict of interest arises. Neither the Trust nor any of the Trustees have interests with the leisure industry but any such interests would be disclosed. The pay of the Trust's Chief Executive is reviewed annually and normally increased in accordance with average earnings. The remuneration is also bench-marked with charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

**DACORUM SPORTS TRUST**  
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**TRUSTEES' REPORT CONTINUED**  
**FOR THE YEAR ENDED 31ST MARCH 2016**

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**Health and Safety**

Particular attention has focused on non-financial risks arising from health and safety issues, fire, customer care and food hygiene. A trustee director is appointed to serve on the Health and Safety committee and an independent agency carries out a continual assessment programme and health and safety audit to minimise risks in this area.

**Public Benefit Disclosure**

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

**Objectives and activities**

The objects of the Trust are:

1. To provide or assist in the provision of facilities and services (primarily for the benefit of the community and visitors to the administrative area of Dacorum and any surrounding areas) for recreational, sporting 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 or services.
2. To promote and preserve good health through community participation in healthy recreation.
3. Such other charitable purposes beneficial to the community consistent with the objects above as the Trustees shall in their absolute discretion determine.

The Trust has the general aim of improving the quality of life within the community by the provision of opportunities for sport and other physical activity.

The strategic objectives of the Trust are unchanged:

- 1 To reduce the grant from DBC.
- 2 That facilities and services are provided principally in the community of Dacorum.
- 3 Maximise investment in commercially viable developments, either within or outside of existing facilities and continue to offer Value for Money services, of high quality and affordability.
- 4 Work in collaboration with partner agencies to improve the health of the local population.
- 5 Seek to widen our customer base with new products and services, targeted especially at young people and the ageing population.
- 6 Secure long term capital finance investment in existing and new facilities.
- 7 Reduce our impact on the environment.
- 8 Reduce our relative costs and our potential future costs.
- 9 Ensure that each site/service area returns an operating surplus unless there is an agreed deficit.

The Board will continue to review the Trust's objectives and will amend them further as required. The Trust works closely with numerous partners in health, education and sport to deliver opportunities for the local community. There is a close working relationship with many sports clubs, providing advice, facilities and promotion opportunities to assist them in recruiting new participants and in developing those that want to perform at a higher competitive level.

**DACORUM SPORTS TRUST**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT CONTINUED**  
**FOR THE YEAR ENDED 31ST MARCH 2016**

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**Strategic Report**

**Fair Review of the Company's Business**

The Trust receives income from a variety of sources. The vast majority comes from the operation of the sports centres and golf course, we also receive a small amount of funding from Dacorum Borough Council towards the provision of leisure services and for running the sports facilities at Tring and Longdean schools. The Trust receives no donations from individuals and has obtained some small grants for the provision of Sports Development outcomes. Income from operations has decreased by 2 per cent due mainly to the entry of a rival gym in Hemel Hempstead affecting membership sales. The full impact of this was tempered by the improved performance of Little Hay both on the course and in the renovated Par3 catering suite. Cost increases were held to 3.5% and with the £1.2m reduction in the pension liability we were able to add £928k to our unrestricted reserves.

**Financial Review**

The Trustees report that the Statement of Financial Activities (SOFA) shows a positive Net Movement in Funds of £933,867. This includes the Pension Scheme actuarial gain (£1,217,000 net after DBC allocated contribution), further pension adjustments and depreciation on XC (funded by My Place Restricted Funds received in prior years £253,777).

The Operating activities show a loss of £85,126 (of which £55,245 related to staff costs from the previous year) before taking into account the XC Repairs and Renewals Allocation (£6,000). The Trustees agreed to maintain the Revenue Reserve at the target of £650,000.

Total Funds currently stand at £4,352,569 after inclusion of the pension scheme liability of £605,000 and the balance of restricted funds relating to grants received from My Place for the construction of XC ( £3,709,663).

Tangible fixed assets include the building cost for XC plus the additional cost of the cladding works less depreciation for XC (£5,495,652). Also included is £386,094 relating to the value of the furniture, fittings and equipment transferred from DBC at time of transfer as having been effectively acquired by the Trust less depreciation to date (see note 11).

Intangible costs of facilities have also been included at a notional rental and included both as costs and as Donated Services Accommodation income from DBC (see note 2).

The revaluation of the pension scheme assets and liabilities has resulted in a decrease in the scheme deficit which now stands at £740,000. The liability has been divided between Dacorum Borough Council and the Trust according to employees' length of service before and after the date the Trust commenced operations (1 April 2004) in accordance with the transfer agreement (see note 9).

**Little Hay**

Little Hay continued its improvement with an increase in income of 7%. Memberships increased by 17% with Pay and Play only shrinking by 2%. The Driving Range increased by 15% and Pitch and Putt usage increased by a further 58% due to the addition of FootGolf. Course fees grew from £5k to £7k.

**XC - My Place**

The progression has continued on the overall performance with income increasing by 13% (£60k) with climbing income continuing to grow. There was an upturn in the numbers in the skatepark for the first time since the opening year.

**DACORUM SPORTS TRUST**  
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**TRUSTEES' REPORT CONTINUED**  
**FOR THE YEAR ENDED 31ST MARCH 2016**

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**Reserves policy**

In accordance with the Charity Commission's recommendation the Trust has adopted a reserves policy to provide a revenue reserve equal to approximately one month's unrestricted expenditure. The Trustees agreed to maintain this at £650,000. The Trustees have asked the management team to align the level of reserves against the risks we face in future years. Total reserves at 31 March 2016 amounted to £4,352,570 (2015: £3,672,479). Of the total reserves held at the year end, £3,709,663 is restricted (2015: £3,963,441). The restricted funds relate to tangible fixed assets held by the Trust. In addition, £1,684,471 of the unrestricted reserves are held in fixed assets (2015: £1,490,605).

**Plans for future periods**

The Trust continues to improve its IT infrastructure and implemented a new MPLS network with an enhanced firewall. Work has started to migrate email mailboxes to Office 365 and a high level IT strategy has been created.

Work was completed at Little Hay for an extension to the Par3 restaurant, which allows for larger scale functions to assist the profitability of the clubhouse. The new space was available for use from the 1st April 2015 and was officially unveiled at the Dacorum Sports Awards in June.

The Trust continues to investigate a new low cost gym facility and may consider further development at Little Hay. Discussions continue with Dacorum Borough Council on the possible redevelopment of the Berkhamsted Sports Centre and Tring Sports Centre.

**Risk Management**

The Trustees have a risk management strategy which comprises; a formal six monthly review of the risks the charity may face; the establishment of systems and procedures to mitigate those risks identified in the plan; and the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise. This work has resulted in better planning and identified only a few minor new risks. The risk management strategy will continue to be reviewed on an ongoing basis.

**Principal risks and uncertainties facing the Trust**

The main threats we face are from competitors moving into our markets. In particular we have seen new commercial gym operators open sites in Dacorum. Although we anticipate a short term impact on sales revenues, we are confident that we are able to differentiate our offering from others, maximising the benefits we have in offering such a wide range of services and emphasising the combination of value for money and good quality.

**Customer service:** A significant part of the Trust's business is based on a subscription model and its future success relies on building long-term relationships with its customers. A failure to meet its customers' expectations with regards to service could negatively impact the Trust's brand and competitive position. The Trust strives consistently to exceed its customers' expectations, to put its customers first, to understand what they want and to be responsive to what they say. The Group makes ongoing investments in order to deliver continuous development and improvement to its customer service capabilities, including investment in its contact centre and implementing ongoing training and development plans.

**Technology and business interruption:** A failure in the operation of the Trust's key systems or infrastructure on which the Trust relies, could cause a failure of service to our customers and negatively impact our brand. The Trust makes significant investment in technology infrastructure to ensure that it continues to support the growth of the business.

**Market and competition:** The Trust operates in a competitive environment and faces competition from a range of organisations. The Trust regularly reviews its pricing structures to ensure that its service proposition is appropriately placed within the market. The Trust's marketing team ensure that the value of its offering is understood and communicated effectively to its customers. The Trust anticipates a limited impact from the UK's plebiscite on EU membership.

**Financial:** The effective management of its financial exposures is central to preserving the Trust's sustainability. The Trust's finance team provides support to management to ensure accurate financial reporting and tracking of our business performance. Reporting on financial performance is provided on a monthly basis to senior management and to the Finance Sub Committee and the Board, on a bi-monthly basis. The Trust continually invests in the improvement of its systems and processes in order to ensure sound financial management and reporting.

**DACORUM SPORTS TRUST**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT CONTINUED**  
**FOR THE YEAR ENDED 31ST MARCH 2016**

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**Statement of Trustees' responsibilities**

The Trustees, who are also directors of Dacorum Sports Trust for the purposes of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 the year. In preparing these financial statements, the directors are required to:

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 as trustees in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**Auditors**

At the last AGM the Trust confirmed that haysmacintyre would continue as auditors to the Trust. A programme of internal audit will continue to complement the annual audit.

**Strategic Report**

The Trustees, in their capacity as company directors, approve the Strategic Report contained within this Trustee Report

On behalf of the Board



Elaine Emptage  
Director

19th July 2016



## **DACORUM SPORTS TRUST**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DACORUM SPORTS TRUST FOR THE YEAR ENDED 31ST MARCH 2016**

We have audited the financial statements of Dacorum Sports Trust for the year ended 31st March 2016, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and 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 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 in the Trustees' Report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

#### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](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 net movement in funds, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006;


#### **OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Trustees' Annual Report incorporating the Strategic Report 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.



Jeremy Beard (Senior statutory auditor)  
for and on behalf of Haysmacintyre, Statutory Auditor  
Date:

19/7/2016.

26 Red Lion Square  
London  
WC1R 4AG

**DACORUM SPORTS TRUST**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME & EXPENDITURE ACCOUNT AND A STATEMENT OF RECOGNISED**  
**GAINS AND LOSSES)**  
**FOR THE YEAR ENDED 31ST MARCH 2016**


		Unrestricted Funds	Restricted Funds	Total funds 2016	Total funds 2015
	Notes	£	£	£	£
<b>INCOME</b>					
<b>Income from donations</b>					
Voluntary Income:					
Donated Services - Accommodation	2	-	444,000	444,000	444,000
Funding Agreements and grants	3	592,885		592,885	761,363
<b>Income from other trading activities</b>					
Catering, Vending and Merchandising	4	705,599	-	705,599	579,907
Income from Investments	5	2,370	-	2,370	4,927
		1,300,854	444,000	1,744,854	1,790,197
<b>Income from charitable activities:</b>					
Operation of Sports Facilities and Sports Development	6	6,356,622	-	6,356,622	6,487,887
<b>Other Income</b>					
Net finance gain on defined benefit pension scheme		-	-	-	88,000
<b>TOTAL INCOME</b>		<u>7,657,476</u>	<u>444,000</u>	<u>8,101,476</u>	<u>8,366,084</u>
<b>EXPENDITURE</b>					
<b>Fundraising trading costs</b>					
Catering, Vending and Merchandising	7	736,840	-	736,840	692,363
<b>Charitable activities</b>					
Marketing Costs	7	377,176	-	377,176	306,075
Operation of Sports Facilities and Sports Development	7	6,758,593	697,777	7,456,370	7,284,632
Net finance loss on defined benefit pension scheme	9	68,000		68,000	-
<b>TOTAL EXPENDITURE</b>		<u>7,940,609</u>	<u>697,777</u>	<u>8,638,386</u>	<u>8,283,070</u>
<b>NET (EXPENDITURE)/INCOME</b>		(283,133)	(253,777)	(536,910)	83,014
<b>OTHER RECOGNISED GAINS AND (LOSSES)</b>					
Actuarial (loss)/gain from defined benefit pension scheme	9	1,450,000	-	1,450,000	(966,000)
Contribution to Actuarial Loss from DBC	9	(233,000)	-	(233,000)	126,000
Net		1,217,000	-	1,217,000	(840,000)
<b>Net Movement in Funds</b>		933,867	(253,777)	680,090	(756,986)
<b>Reconciliation of Funds</b>					
Total Funds brought forward	21	(290,961)	3,963,441	3,672,479	4,429,465
<b>Total Funds carried forward at 31 March 2016</b>	22	<u>642,906</u>	<u>3,709,663</u>	<u>4,352,569</u>	<u>3,672,479</u>

All activities are continuing and there are no gains or losses other than those stated above.  
Full comparative figures for the year ended 31 March 2015 are shown in note 23

**BALANCE SHEET**  
**at at 31 March 2016**

	Notes	2016	2015
		£	£
<b>Fixed Assets</b>			
Tangible Assets	11	5,394,134	5,454,046
<b>Current Assets</b>			
Stock		39,972	35,880
Debtors	12	346,356	279,278
Cash at Bank and In Hand		698,472	892,144
		<u>1,084,800</u>	<u>1,207,302</u>
<b>Creditors:</b> amounts falling due within one year	13	<u>935,615</u>	<u>882,169</u>
<b>Net Current Assets</b>		<u>149,185</u>	<u>325,133</u>
<b>Total Assets less Current Liabilities</b>		5,543,319	5,779,179
<b>Creditors:</b> amounts falling due after more than one year	14	<u>585,750</u>	<u>482,700</u>
<b>Net Assets excluding Pension Liability</b>		4,957,569	5,296,479
<b>Defined Benefit Pension Scheme Liability</b>	9	<u>(605,000)</u>	<u>(1,624,000)</u>
<b>Net Assets</b>		<u><u>4,352,569</u></u>	<u><u>3,672,479</u></u>
<b>The Funds of the Charity</b>			
Restricted Income Fund		3,709,663	3,963,441
Unrestricted Income Funds:			
General Fund		569,397	660,529
R & R Fund (XC)		28,509	22,509
Designated Fund - Revenue Reserve		<u>650,000</u>	<u>650,000</u>
Unrestricted Income Funds - excluding Pension Scheme Liability		1,247,906	1,333,038
Pension Scheme Liability		<u>(605,000)</u>	<u>(1,624,000)</u>
Total Unrestricted Income Funds		<u>642,906</u>	<u>(290,962)</u>
<b>Total Charity Funds</b>	21, 22	<u><u>4,352,569</u></u>	<u><u>3,672,479</u></u>

The financial statements were approved and authorised for issue by the Directors on the 19th July 2016 and signed on their behalf by:

  
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E Emptage  
Director

The accounting policies and notes on pages 12 to 21 form part of the accounts.

**DACORUM SPORTS TRUST**  
**(A company limited by guarantee)**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31ST MARCH 2016**

	Notes	2016 £	2015 £
<b>Cash used in operating activities</b>		398,136	140,856
<b>Cash flows from investing activities</b>			
Interest received		2,370	4,927
Interest element of finance lease rentals		(8,287)	(4,623)
<b>Capital expenditure and financial investment</b>			
Purchase of fixed assets	(488,438)	(506,524)	
Net cash outflow from capital expenditure		(488,438)	(506,524)
Net cash (outflow)/inflow before financing		(96,219)	(365,363)
<b>Financing</b>			
Capital element of finance leases		(97,454)	(43,061)
<b>Increase (decrease) in cash and cash equivalents in the year</b>		(193,673)	(408,424)
Cash and cash equivalents at the beginning of the reporting period		892,144	1,300,568
<b>Cash and cash equivalents at the end of the reporting period</b>		698,471	892,144

**FOR THE YEAR ENDED 31ST MARCH 2016**  
**(A company limited by guarantee)**

**NOTES TO THE CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31ST MARCH 2016**

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	<b><u>2016</u></b>	<b><u>2015</u></b>
	<b>£</b>	<b>£</b>
<b>Reconciliation of the net movement in funds to net cash inflow from operating activities</b>		
Net (expenditure)/income for the year	(536,910)	83,014
Pension costs	130,000	60,000
Net finance gain/(loss) on defined benefit pension scheme	68,000	(88,000)
Interest received	(2,370)	(4,927)
Depreciation	548,350	582,814
(Increase)/Decrease in Stocks	(4,092)	(1,719)
(Increase)/Decrease in Debtors	(67,078)	(83,477)
Decrease/(Increase) in Creditors	253,949	(411,471)
Finance lease charges	8,287	4,623
	<u>398,136</u>	<u>140,856</u>

**DACORUM SPORTS TRUST**  
**(A company limited by guarantee)**

**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31ST MARCH 2016**

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**1 ACCOUNTING POLICIES**

**1.1 Basis of preparation**

The financial statements have been prepared under the historical cost convention, and in accordance with the Statement of Recommended Practice - 'Accounting and Reporting by Charities' (Charities SORP FRS 102) issued in January 2015, applicable accounting standards and the Companies Act 2006. The Trust meets the definition of a public benefit entity under FRS 102.

The Trust has availed itself of Para 3 (3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of its activities.

The Statement of Financial Activities (SOFA) shows the sources of income and expenditure analysed between General Fund and Restricted Funds.

The Trust has adopted the Charities SORP (FRS 102) for the year ended 31 March 2016, with a transition date of 1 April 2014.

The SORP (Statement of Recommended Practice) requires all sources of income to be shown, even though they may be used for purchasing fixed assets. The asset itself is charged in the balance sheet at the time of purchase and is not included in the SOFA expenditure. Depreciation of the asset is charged in the SOFA. Accordingly the net incoming resources are not necessarily operating surpluses (or deficits). They include the purchase cost of the assets less the depreciation charges.

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. No restatement has been required in making the transition to FRS 102 and Charities SORP FRS 102.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern having considered the Trust's reserves, financial position and future plans.

**1.2 Grants and income**

Grants are recorded in full in the Statement of Financial Activities in the financial period for which they were receivable. Other Income shown in the Statement of Financial Activities relates to activities carried out during the year. Receipts of income for activities in the following year have been carried forward as advance income.

**1.3 Donations and fundraising**

Donations and fundraising income is recorded in the financial period for which it was received.

**1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are capitalised and included at cost including any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

DBC equipment and furniture	21 years
XC Building Costs	20 years
Leasehold Improvements	10 years
Plant and machinery	5 years
Furniture, fittings and equipment	5 years
Computer equipment and software	3 years
Gym equipment	5 years
Motor vehicles	4 years

As part of the transfer agreement between Dacorum Borough Council and the Trust the Council permits the Trust to use certain equipment and furniture while retaining ownership of the assets. To reflect the substance of the transaction the assets have been capitalised and are being depreciated over 21 years from date of transfer (1/4/2004), being the term of the leasehold tenure granted to the Trust.

**DACORUM SPORTS TRUST**  
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**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31ST MARCH 2016**

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**1.5 General fund (unrestricted)**

Unrestricted funds are donations and other incoming resources receivable, or generated, for the objects of the Trust without further specified purpose, and are available as general funds.

**1.6 Restricted funds**

Restricted funds are used for the specific purpose as laid down by the funder. Expenditure which meets these criteria is charged to the fund.

**1.7 Expenditure**

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

Support costs are those costs incurred providing services to other parts of the organisation and include HR, Finance and Administration. Governance costs are those costs incurred in order to comply with constitutional and statutory requirements.

**1.8 Stock**

Stock consists of food and drink used for catering and vending and merchandising stocks for resale to customers. Stocks are valued at the lower of cost and net realisable value. Other stocks are written off in the year of purchase.

**1.9 Pension costs**

The change in value of assets and liabilities arising from asset valuation, changes in benefits, actuarial assumptions, or change in the level of deficit attributable to members is recognised in the Statement of Financial Activities within Actuarial gain/losses on defined benefit pension schemes. Movements in the apportionment of the pension liability between the Trust and Dacorum Borough Council are recognised as contributions to the actuarial gain or loss in other recognised gains and losses. The resulting pension liability or asset is shown on the balance sheet. The detailed assumptions relating to the liability recognised on the defined benefit scheme are to be found in note 9.

For the defined benefit scheme the current service cost is charged to employee costs as other pension costs; net pension finance income or costs are included within other incoming resources where a gain or within resources expended where a loss; actuarial gains and losses are recognised immediately on the face of the SoFA; and the scheme surplus or deficit is shown on the face of the balance sheet and separately in reserves.

For the defined contribution scheme, the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits is the total of contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

**1.10 Finance and operating leases**

Rentals applicable to operating leases are charged to the SOFA on a straight-line basis over the period of the leases.

Assets held under finance leases are included in the balance sheet and depreciated in accordance with the Trust's normal accounting policies. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the SOFA over the period of the lease so as to produce a constant periodic rate of charge.

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**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31ST MARCH 2016**

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**1.11 Critical accounting judgements and estimates**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. 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. Management has made specific judgements on the expected useful life of Fixed Assets and for the calculation of the split of the pension liability between the Trust and Dacorum Borough Council.

**1.12 Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.13 Financial Instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

**1.14 Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Long term finance leases are held at settlement value and have not been discounted as, in the view of the Trustees, the discount required would be immaterial to the financial statements.

**1.15 Foreign currency translation**

The charity's functional and presentation currency is pound sterling. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are recognised in the SOFA.

**2 Donated Services - Accommodation**

The Trust has a twenty one year lease on Hemel Hempstead and Berkhamsted Sports Centres and the Athletics Track from the Dacorum Borough Council at a peppercorn rent. The amount of donated services is the estimated rental costs foregone by the Council.



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**FOR THE YEAR ENDED 31ST MARCH 2016**

**3 Funding Agreements and Grants**

The Trust provides a range of sport, recreation, health and fitness activities through its two main leisure centres, XC (Extreme Sports Centre), two dual use shared facilities, athletics track, golf course and community projects. Charges are made to customers for these activities and management funding is received from Dacorum Borough Council.

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Funding from Dacorum Borough Council	425,000	575,000
Funding from Tring and Longdean Schools	123,695	130,798
Other Grants received or accrued	44,190	55,565
	<b>592,885</b>	<b>761,363</b>

**4 Catering, Vending and Merchandising**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Customer Sales	705,599	579,907

**5 Income from Investments**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Interest receivable	2,370	4,927
	<b>2,370</b>	<b>4,927</b>

**6 Operation of Sports Centres and Sports Facilities**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Customer Sales	6,356,622	6,487,887

**7 Total resources expended**

<b>2015/16</b>	<b>Staff Costs</b>	<b>Other Direct Costs</b>	<b>Support Costs</b>	<b>Intangible Costs</b>	<b>Total 2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cost of generating funds					
Catering Vending and Merchandising	301,216	344,538	91,087	-	736,839.85
Marketing and Publicity	161,762	166,497	48,917	-	377,176
Operation of Sports Centres and Sports Development	3,626,735	2,288,919	1,096,716	444,000	7,456,370
Total resources expended	<b>4,089,713</b>	<b>2,799,954</b>	<b>1,236,720</b>	<b>444,000</b>	<b>8,570,386</b>
<b>2014/15</b>					<b>2015</b>
					<b>£</b>
Total resources expended	<b>4,169,304</b>	<b>2,588,071</b>	<b>1,081,695</b>	<b>444,000</b>	<b>8,283,070</b>

**Other direct costs include:**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Marketing & Publicity	166,497	133,340
Maintenance & cleaning	365,355	343,501
Gas, electric and water	514,168	502,246
Catering and vending & merchandising purchases	327,779	296,281
Governance costs	20,825	-
Venue hire	44,053	46,493
Depreciation	548,350	582,813
Net finance losses on defined benefit pension scheme	68,000	-
Other operational costs	744,927	683,397
	<b>2,799,954</b>	<b>2,588,071</b>
Total Governance costs	54,147	56,567

Included in total expenditure is stock expended in the year of £327,779 (2015: £296,281)

The finance lease rentals in 2016 include interest charges of £8,520 (2015: £4,623)

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**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31ST MARCH 2016**

**7 Total resources expended continued**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Support Costs Include:</b>		
Salaries of support staff	309,712	280,050
Other staff costs	106,607	116,886
Governance costs	7,736	6,529
Service level agreements	15,917	15,999
Irrecoverable VAT	232,196	163,374
Prior year Irrecoverable VAT adjustment	-	(163,458)
Legal, office, IT and insurance	564,552	505,387
	<u>1,236,720</u>	<u>1,081,695</u>

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Intangible costs include:</b>		
Notional rental of facilities	<u>444,000</u>	<u>444,000</u>

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Governance costs Include:</b>		
Auditors' remuneration	<u>12,650</u>	<u>11,550</u>

**8 Staff costs**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Wages and salaries	3,733,143	3,806,223
Social security costs	204,860	223,162
Other pension costs	461,422	419,969
	<u>4,399,425</u>	<u>4,449,354</u>

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

	<b>2016</b>	<b>2015</b>
	<b>Number</b>	<b>Number</b>
£80,000 - £90,000	1	1

Contributions are made on the employee's behalf to the company's defined benefit pension scheme.

The average number of employees analysed by function was:

	<b>2016</b>	<b>2015</b>
	<b>Number</b>	<b>Number</b>
Fundraising activities	26	26
Charitable activities	346	362
Support services	<u>13</u>	<u>13</u>
	<u>385</u>	<u>401</u>

No trustee received remuneration or reimbursement of expenses during the year.

The aggregate remuneration of key management personnel was: £398,705 (2014/15: £391,860)

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**NOTES TO THE ACCOUNTS**  
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**9 Pension costs**

As at 31 March 2016, the Trust operates two pension schemes as follows; a defined benefit pension scheme for employees administered by Hertfordshire County Council (HCC). The Trust has been awarded admitted body status to the HCC Local Government Pension Scheme (LGPS). The scheme is externally funded and contracted out of the State Second Pension. The scheme is closed to new entrants. The Trust also operates a defined contribution for all eligible employees.

Triennial actuarial valuations of the defined benefit pension scheme are performed by a qualified actuary using the projected unit method. The most recent formal actuarial review of the scheme was at 31 March 2016. The market value of the scheme's assets at 31st March 2016 was £9,656,000. The Trust made employer's contributions for the year to 31 March 2016 of £322,989 (2015 £352,642). The Trust made employer's contributions of £8,433 (2015 £7,319) for the defined contribution scheme.

The latest estimate of Pension Scheme Assets and Liabilities reveals a deficit of £740,000.

The transfer agreement between the Trust and Dacorum Borough Council on the transfer of business at 1st April 2004 stipulated that any liability spanning the transfer date would be apportioned between the Council and the Trust. Accordingly the net defined benefit pension scheme deficit has been apportioned between the parties in proportion to staff service and included in the SOFA in accordance with FRS 102 and the Charities SORP (FRS 102).

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Total pension scheme (deficit)	(740,000)	(1,992,000)
Amount due from Dacorum Borough Council	135,000	368,000
Defined benefit pension scheme (net liability)	<u>(605,000)</u>	<u>(1,624,000)</u>

**A Assumptions underlying valuation**

	<b>2016</b>	<b>2015</b>
	<b>% pa</b>	<b>% pa</b>
Pension Increase Rate	2.2%	2.5%
Salary Increase Rate	3.7%	3.9%
Expected Return on Assets	1.2%	3.3%
Discount rate	3.6%	3.3%

Average future life expectancies of members at age 65 is assumed as follows:	<b>Males</b>	<b>Females</b>
Current pensioners	22.3 years	24.5 years
Future pensioners *	24.3 years	26.7 years

\* Figures assume members aged 45 at the last formal valuation date

**B Scheme assets and expected rate of return**

	<b>2016</b>	<b>2015</b>
	<b>Market Value</b>	<b>Market Value</b>
	<b>£'000</b>	<b>£'000</b>
Equities	6,083	6,128
Bonds	2,511	2,228
Property	772	650
Cash	290	279
Total	<u>9,656</u>	<u>9,285</u>

**C Net pension liability**

	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
Estimated scheme assets	9,656	9,285
Present value of scheme liabilities	(10,396)	(11,277)
<b>Net pension liability</b>	<u>(740)</u>	<u>(1,992)</u>

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**NOTES TO THE ACCOUNTS**  
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**9 Pension costs continued**

**D Recognition in the profit or loss**

	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
Service cost	455	417
Interest cost	378	390
Expected Return on Employer Assets	(310)	(478)
<b>Total</b>	<b>523</b>	<b>329</b>

**E Reconciliation of the defined benefit obligation**

	<b>Year to</b>	<b>Year to</b>
	<b>31/03/2016</b>	<b>31/03/2015</b>
	<b>£'000</b>	<b>£'000</b>
<b>Opening Defined Benefit Obligation</b>	<b>11,277</b>	<b>8,907</b>
Current Service Cost	455	417
Interest Cost	378	390
Contributions by members	97	115
Actuarial Losses / ( Gains)	(1,618)	1,615
Estimated Benefits Paid	(193)	(167)
<b>Closing Defined Benefit Obligation</b>	<b>10,396</b>	<b>11,277</b>

**F Reconciliation of fair value of employer assets**

	<b>Year to</b>	<b>Year to</b>
	<b>31/03/2016</b>	<b>31/03/2015</b>
	<b>£'000</b>	<b>£'000</b>
<b>Opening Fair Value of Employer Assets</b>	<b>9,285</b>	<b>7,853</b>
Expected Return on Assets	310	478
Contributions by members	97	115
Contributions by the Employer	325	357
Actuarial Gains / (Losses)	(168)	649
Benefits Paid	(193)	(167)
<b>Closing Fair Value of Employer Assets</b>	<b>9,656</b>	<b>9,283</b>

**G Actuarial gains and losses recognised**

	<b>Year to</b>	<b>Year to</b>	<b>Year to</b>
	<b>31/03/2016</b>	<b>31/03/2015</b>	<b>31/03/2014</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Actuarial Gains / (Losses)	1,450	(966)	547

	<b>Year to</b>	
	<b>31/03/2017</b>	
	<b>Net (asset)/liability</b>	<b>% of pay</b>
<b>H Projected amount charged to operating profit</b>		
Projected current service cost	377	24.0%
Interest on Obligation	380	24.2%
Expected return on Plan assets	(353)	-22.5%
<b>Total</b>	<b>404</b>	<b>25.7%</b>

The estimated current service cost includes an allowance for administration expenses of 0.4% of pay.

The above figures should be treated as estimates and may need to be adjusted to take account of:

- any material events, such as curtailments, settlements or the discontinuance of the Employers participation in the Fund
- any changes to accounting practice or any changes in the Scheme benefits.
- any changes to scheme benefits or member contribution rates and/or
- any full funding valuation that may have been carried out on the Employer's behalf

The monetary amount of the projected service cost for 2016/17 may be adjusted to take account of actual pensionable payroll for the year.

The projected service cost will not necessarily be appropriate for employers who are no longer admitting new employees to the fund.

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**FOR THE YEAR ENDED 31ST MARCH 2016**

**10 Taxation**

The Trust is exempt from corporation tax on its charitable activities.

**11 Tangible fixed assets**

	<b>Brought Fwd</b>			<b>At</b>
<b>Cost</b>	<b>31-Mar-15</b>	<b>Additions</b>	<b>Disposals</b>	<b>31-Mar-16</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>XC Only</b>				
Building	5,307,531	-	-	5,307,531
Furniture, fittings & equipment	133,315	-	-	133,315
IT expenditure	55,063	-	-	55,063
<b>XC Sub Total (see note below)</b>	<b>5,495,909</b>			<b>5,495,909</b>
<b>Sports Centres &amp; Little Hay:</b>				
Leasehold Improvements	613,452	78,005	-	691,456
Plant & Machinery	114,410	101,796	-	216,206
Furniture, fittings & equipment	767,418	74,667	-	842,085
Office Equipment	7,770	-	-	7,770
IT expenditure	217,388	22,739	-	240,127
IT software	273,686	35,452	-	309,138
Gym equipment	730,943	175,780	-	906,723
Motor Vehicles	10,900	-	-	10,900
DBC Assets Transferred 1/4/04	386,094	-	-	386,094
	<b>8,617,971</b>	<b>488,438</b>		<b>9,106,409</b>
<b>Depreciation</b>				
<b>XC Only</b>				
Land and Buildings	962,982	262,206	-	1,225,188
Furniture, fittings & equipment	94,418	28,208	-	122,626
IT expenditure	55,063	-	-	55,063
<b>XC Sub Total (see note below)</b>	<b>1,112,463</b>	<b>290,414</b>		<b>1,402,877</b>
<b>Sports Centres &amp; Little Hay:</b>				
Leasehold Improvements	193,265	31,950	-	225,215
Plant & Machinery	82,516	24,034	-	106,550
Furniture, fittings & equipment	616,442	54,648	-	671,090
Office Equipment	7,770	-	-	7,770
IT expenditure	183,475	22,828	-	206,303
IT software	185,824	39,966	-	225,790
Gym equipment	567,498	67,654	-	635,152
Motor vehicles	10,900	-	-	10,900
DBC Assets Transferred 1/4/04	203,771	16,855	-	220,625
	<b>3,163,925</b>	<b>548,350</b>		<b>3,712,275</b>
<b>Net book value</b>				
<b>At 31 March 2016</b>	<b>5,454,046</b>	<b>(59,912)</b>		<b>5,394,134</b>

Land and Buildings at the XC centre are being written off over the term of the XC lease (20 years) whilst the other assets are being written off in accordance with our normal policy.

DBC Assets at 1 April 2004 relate to the equipment and furniture etc notionally transferred to the Trust from Dacorum Borough Council. The Council has retained ownership of these assets which are being depreciated over the period of the lease.

Plant and Machinery relates to green keeping equipment purchased through hire purchase or lease agreements.

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Cost	216,206	114,410
Accumulated depreciation		
At 31 March	106,550	82,516
Net book value		
At 31 March	<b>109,656</b>	<b>31,894</b>
Depreciation charged during the year	<b>24,034</b>	<b>13,148</b>

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**12 Debtors**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Prepayments	190,978	114,900
Accrued income	45,469	36,758
Dacorum Borough Council current account	67,795	56,340
Other debtors	42,114	71,280
	<u>346,356</u>	<u>279,278</u>

**13 Creditors: amounts falling due within one year**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Trade creditors	333,452	255,237
Dacorum Borough Council current account	-	-
Social Security and Other Taxes	114,642	133,834
Other creditors	29,957	83,214
Accruals	216,528	170,482
Deferred income	143,491	193,574
Obligations under finance leases	97,545	45,827
	<u>935,615</u>	<u>882,169</u>

Income is deferred when it is received in advance of the provision of services.

All income deferred at 31 March 2015 was released in the year ended 31 March 2016.

**14 Creditors: amounts falling due after more than one year**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Dacorum Borough Council - Transfer value of assets (note 11)	386,094	386,094
Obligations under finance leases	199,656	96,606
	<u>585,750</u>	<u>482,700</u>

**15 Obligations under finance leases**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
The amounts fall due as follows:		
Within one year	97,545	45,827
In the second to fifth year inclusive	199,656	96,606
	<u>297,201</u>	<u>142,433</u>

**16 Operating lease commitments**

At 31st March 2016 the company had total commitments under non-cancellable operating leases as follows:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Other lease commitments		
Less than 12 months	62,379	18,031
Between 2 and 5 years	150,499	35,485
	<u>212,878</u>	<u>53,516</u>

Operating lease payments of £42,638 were expensed in the year ended 31 March 2016 (2015: £17,264)

**17 Company Status**

The Trust is a company limited by guarantee and does not have share capital. However every member of the company undertakes to contribute such amounts as may be required (not exceeding £1) to the company's assets if it should be wound up.

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**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31ST MARCH 2016**

**18 Capital Commitments**

At the balance sheet date the Trust had no capital commitments.

**19 Related Parties**

Dacorum Borough Council is a related party of the Trust. The on the basis that it has the power to nominate three trustees of the Trust. The Trust operates the leisure facilities of Dacorum Borough Council under contractual arrangements that provide for both revenue and capital funding from the Council. The contractual arrangements are negotiated on an arms length basis. The Trust provides these activities mainly from premises owned by the Council and let to the Trust at a peppercorn rent. Donated services and funding agreements with the Council are shown in notes 3 and 4 of the accounts.

The charity trustees were not paid or reimbursed expenses during the year and no charity trustee received any emolument or payment for professional or other services.

**20 Indemnity Insurance**

The Trust has arranged insurance to protect itself from loss arising from the neglect, or defaults of its Directors and employees.

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Directors, officials and employee's indemnity insurance	2,544	2,544

**21 Movements in funds**

	<b>B/fwd</b>	<b>Incoming</b>	<b>Outgoing</b>		<b>At</b>
	<b>01/04/2015</b>	<b>Resources</b>	<b>Resources</b>	<b>Transfers</b>	<b>31/03/2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Restricted funds:</b>					
My Place Funding - Capital	3,963,441	-	(253,777)	-	3,709,663
Donated Services - Accommodation	-	444,000	(444,000)	-	-
Total Restricted Funds	<u>3,963,441</u>	<u>444,000</u>	<u>(697,777)</u>	<u>-</u>	<u>3,709,663</u>
<b>Unrestricted funds:</b>					
General funds	660,529	7,651,476	(7,810,609)	68,000	569,396
Designated fund -					
XC Repairs Fund	22,509	6,000	-	-	28,509
Revenue reserve	650,000	-	-	-	650,000
	<u>1,333,038</u>	<u>7,657,476</u>	<u>(7,810,609)</u>	<u>68,000</u>	<u>1,247,905</u>
Pension Scheme Liability	<u>(1,624,000)</u>	<u>1,217,000</u>	<u>(130,000)</u>	<u>(68,000)</u>	<u>(605,000)</u>
Total Unrestricted Funds	<u>(290,962)</u>	<u>8,874,476</u>	<u>(7,940,609)</u>	<u>-</u>	<u>642,905</u>
Total funds	<u><u>3,672,479</u></u>	<u><u>9,318,476</u></u>	<u><u>(8,638,386)</u></u>	<u><u>-</u></u>	<u><u>4,352,569</u></u>

**21 Movements in funds continued**

**Purposes of restricted funds:**

**Myplace Grant Scheme grant**

The grant has now been received in full. The purpose of the grant was to fund the construction of the new XC centre for young people at Jarman Park. The funding was made as part of a joint application with Youth Connexions who also operate from the centre. The balance of the restricted fund represents a proportion of the capital cost less depreciation written off to date.

**Service Level Agreements**

DBC funding included an amount to pay for the service level agreements with DBC and included the following:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Grounds maintenance	12,837	12,279
Legal and Insurance	3,080	3,080
	<u>15,917</u>	<u>15,359</u>

**Purposes of designated funds (unrestricted):**

**Revenue Reserve**

This reserve has been set up to provide a contingency reserve to cover one months expenditure. The Trust reviews this reserve on an annual basis.

**22 Analysis of net assets between funds**

	<b>Tangible assets</b>	<b>Current assets</b>	<b>Liabilities</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Restricted funds - My Place ( to cover depreciation on XC)	3,709,663	-	-	3,709,663
Unrestricted funds	1,684,470	1,084,800	1,521,365	1,247,906
Pension Scheme Liability	-	-	605,000	(605,000)
	<u>5,394,134</u>	<u>1,084,800</u>	<u>2,126,365</u>	<u>4,352,569</u>



**DACORUM SPORTS TRUST**  
**(A company limited by guarantee)**

**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31ST MARCH 2016**

**23 Comparative Statement of Financial Activities (2015)**

		<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total funds 2015</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>INCOME</b>				
<b>Income from donations:</b>				
Voluntary Income:				
Donated Services - Accommodation	2	-	444,000	444,000
Funding Agreements and grants	3	761,363		761,363
<b>Income from other trading activities</b>				
Catering, Vending and Merchandising	4	579,907	-	579,907
Income from Investments	5	4,927	-	4,927
		<u>1,346,197</u>	<u>444,000</u>	<u>1,790,197</u>
<b>Income from charitable activities:</b>				
Operation of Sports Facilities and Sports Development	6	6,487,887	-	6,487,887
<b>Other Income</b>				
Net finance gain on defined benefit pension scheme	9	88,000		88,000
<b>TOTAL INCOME</b>		<u>7,922,084</u>	<u>444,000</u>	<u>8,366,084</u>
<b>EXPENDITURE</b>				
<b>Fundraising trading costs</b>				
Catering, Vending and Merchandising	7	692,363	-	692,363
<b>Charitable activities</b>				
Marketing Costs	7	306,075	-	306,075
Operation of Sports Facilities and Sports Development	7	6,557,933	726,699	7,284,632
<b>TOTAL EXPENDITURE</b>		<u>7,556,371</u>	<u>726,699</u>	<u>8,283,070</u>
<b>NET (EXPENDITURE)/INCOME</b>		365,713	(282,699)	83,014
<b>OTHER RECOGNISED GAINS AND (LOSSES)</b>				
Actuarial (loss)/gain from defined benefit pension scheme	9	(966,000)	-	(966,000)
Contribution to Actuarial Loss from DBC	9	126,000	-	126,000
Net		<u>(840,000)</u>	<u>-</u>	<u>(840,000)</u>
<b>Net Movement in Funds</b>		(474,287)	(282,699)	(756,986)

