

Everybody Sport & Recreation

Trustees' Report and Financial Statements

Period Ended 31st March 2017

Company Registration No: 08685939 Charity Registration No: 1156084

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Trustees, Directors, Principal Officers & Advisors

Everybody Sport & Recreation is a company limited by guarantee and a registered charity governed by its memorandum and articles of association.

Company No. 08685939 Charity No: 1156084

Trustees

The trustees presently serving are:

Andrew Kolker (Chair)	Martin Hardy
Philip Bland	Colin Chaytors
Zoe Davidson	Richard Middlebrook
Helen Gowin	Christine Gibbons
Harry Korkou	Steven Percy (Appointed 17.05.16)
Andy Farr (Resigned 10.03.17)	

Auditors

Crowe Clarke Whitehill, 3rd Floor, The Lexicon, Mount Street, Manchester, M2 5NT

Bankers

Barclays Bank, 38 Market Street, Crewe, CW1 2ET

Company Secretary

Oakwood Corporate Services

Principal Officers

Peter Hartwell	<i>Chief Executive</i>
Paul Winrow	<i>Director – Sport & Operation</i>
Kerry Shea	<i>Director – Finance & Health</i>
Thomas Barton	<i>Director – People & Growth</i>

Registered Office: 3rd Floor, 1 Ashley Road, Altrincham, WA14 2DT

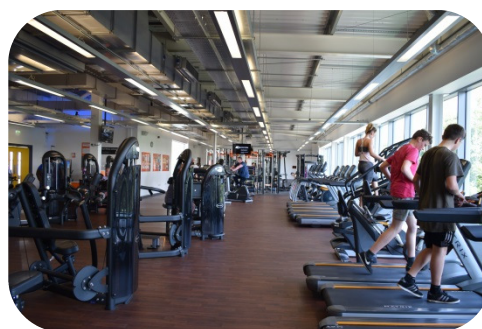
Principal Office: Holmes Chapel Community Centre, Station Road, Holmes Chapel, CW4 8AA

Chief Executive's Report

As we approach our 3rd anniversary, I am delighted to be able to report on our achievements and successes during another wonderful year delivering 'Leisure for Life' for local people.

2016-17 has been our best year yet and we have seen participation numbers increase by over 200,000 extra visits. Over the same period we have grown our memberships by more than 3,000 and our Learn to Swim Scheme by almost 2,000 learners.

We opened the new Crewe Lifestyle Centre on 1st April 2016 and, as a result of this investment by Cheshire East Council and the quality of service from the Everybody team, we have welcomed over 500,000 customer visits and made great progress in improving the health and wellbeing of local people.



Residents deserve and demand modern, municipal leisure centres and the success of Crewe demonstrates the financial **and** social return of investing in new facilities and providing customers with better value for money.

Future planned investment, agreed this year, in Congleton, Alsager and Sandbach will deliver similar benefits to those communities from 2017-18.

Our latest customer survey shows another increase in overall satisfaction to 8.15/10 with marked improvements in the scores for our refreshments offer and maintenance issues – both areas which we set out to show progress on from last year's survey.

In August 2016 we successfully tendered for the Public Health One You contract, valued at £2.5M over the next 5 years. This new range of health interventions was formally launched with partners in November at our recently refurbished facility in Holmes Chapel. We are already seeing the impact of these innovative services on tackling poor health and reducing inactivity across Cheshire East.

Our Bikeability Scheme has again exceeded its performance targets and we have trained over 5,600 children to cycle safely. We have now secured a further £600,000

in Department for Transport grants which means we can continue this vital and successful scheme to 2020.

Our volunteering programme continues to grow and we have achieved over 6,500 hours spent by local people supporting and encouraging their local communities to get involved in sport and leisure activities.

Financially, according to our auditors, we continue to be 'viable & solvent', achieving a good surplus of £111,480 last year on top of the £5.2M cumulative savings we have already delivered. At the same time we have seen record investment by Cheshire East Council and Everybody in modern centres, improved facilities, the latest equipment and new products and services. All our surpluses are reinvested back into providing services to improve health and wellbeing in Cheshire East.

We launched our new Taste for Life catering service at Crewe Lifestyle Centre in April and since then we have opened new cafes at Wilmslow and Holmes Chapel. This is an entirely new venture for us and it has helped serve our customers better and provide a much improved customer experience.

We took on our second cohort of apprentices in the autumn and celebrated the success of our first 2015 intake that had all completed their training too. All our apprenticeships have a guarantee of a job on completion, giving us the skills and knowledge we need for our future success.

In February 2017 we heard that we were successful in our bid to manage the new sports and leisure facilities planned for Alderley Park in 2018. This was the first real test of our culture, values and way of working through a very commercial and competitive tendering process. We are looking forward to working with Alderley Park Limited as they develop their exciting and ambitious bio-science business park.

It only remains for me to thank the staff and trustees of Everybody for their continued hard work, expertise, support and commitment to our business. We have had a very successful first 3 years and achieved so much together for the benefit of our customers and communities across the borough.

With more investment to come, combined with our ambition and determination to improve, do more and get even better, I cannot wait to get started on the next 3 years and see where our adventure takes us.

Peter Hartwell

Chief Executive

30th April 2017



TRUSTEES ANNUAL REPORT & STRATEGIC REPORT

Who We Are....

Everybody Sport & Recreation is a company limited by guarantee with charitable status, formed in March 2014 from the transfer of the leisure services portfolio of Cheshire East Council. We are an independent not for profit organisation and reinvest all surpluses back into the services we provide.

Everything we do will seek to support our charitable objects, as set out in our Articles of Association and demonstrate a public benefit. Our objects are;

“the provision or assistance in the provision of facilities for recreation or other leisure time occupation in the interest of social welfare such facilities being provided to the public at large save that special facilities may be provided to 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”

and;

“the promotion and preservation of good health including but not limited to through community participation in healthy recreation”

Everybody's principal activity is the day to day management of a range of facilities and leisure development activity through the staff and executive management team.

Strategic direction is provided by the independently appointed Board of Trustees in accordance with the contract and funding agreement with Cheshire East Council. The Board has ultimate responsibility for the governance of the Trust and supports and challenges the executive management team.

There are 11 Trustees on the board, all of whom are local volunteers with a wide variety of professional backgrounds from various sectors. They bring a wealth of expertise and experience to help shape and improve our services.

At Everybody, we don't just believe in getting more people, more active, more often – that goes without saying! In order to make a real impact on the health and social issues affecting our communities, we need to target our efforts and our service offer.

Only in this way can we make participation in leisure and recreation an important part of everybody's day to day lives, whatever their ability or need.

Our simple vision of providing 'Leisure for Life' seeks to make participation in any activity an enduring habit from the earliest years to later life, helping people to live well and for longer.

An essential part of establishing Everybody as an independent charity was to develop a new set of organisational values.

If we are to succeed in delivering on our mission and strategic aims, we will only do so by working with these values at the heart of all that we do.

Our Values

Fit For The Future

We will give everyone the opportunity to train and enhance their skills by encouraging people to develop themselves and others. Creating and promoting 'careers in leisure'.

Working As One

We will all work to the common goal of providing "leisure for Life" and support each other in all we do.

Trusted And Honest

We respect and value the input of every person and at all times act with integrity and respect.

In The Service Of Others

We will provide first class facilities and services that are well maintained, inviting and valued by our customers.

Free To Do Our Best

Our culture and business processes will support people to act on their own initiative - with innovation being recognised and rewarded.

Caring For All

We will actively seek to involve everyone in all communities, working in partnership and with a passion for people.



What We Do...

The fifteen leisure facilities managed by Everybody Sport and Recreation are the main component of the Trust's wider offer to enhance the health and quality of life of the residents of Cheshire East, as well as those who work in or visit the area.

With over 3 million visits each year from all ages and now almost 15,000 members across the borough, the leisure centres provide programmes and activities that contribute enormously to the social, educational and economic life of the community and to the physical and mental health & wellbeing of local people.

By providing targeted initiatives in those areas of greatest need, whatever the cause, we will actively seek to reduce health inequalities across the Borough. Our new 'One You' contract, working with public health and local GP's, will reinforce that ambition and drive our desire to help people live well and for longer.

Involvement in sport and active recreation has the potential to enable everyone to gain access to an avenue of activity and social networks which will remain with them throughout their lives, for some it will lead to performance at the highest level.

Our development programme ensures that pathways and structures are in place to enable people to learn basic skills, participate in an activity of their choice, developing their competencies and reach levels of performance according to their individual aspirations and ability.

Everybody Sport & Recreation will create the right conditions so that sport, play and active recreation can flourish at all levels. Through effective partnerships we will introduce people to active recreation opportunities, teach them the necessary skills and give them the opportunity to participate and enjoy leisure at their own level and whatever their age or ability - whether this is simply playing in a local park with friends, joining in at their local leisure centre or even, representing their country.



Strategic Aims

1. *Grow an ethical and sustainable business*

Alderley Park Success

In March 2017, after a highly competitive bidding process involving a number of other local and national operators, Everybody Sport & Recreation was announced as the preferred delivery partner for the new sports facilities at Alderley Park.

Alderley Park will host a multi-million pound bio-science park, conference facilities and a residential development.

Everybody continues to work closely with Alderley Park Limited to develop the facility mix and overall offer ready for the new facilities to open to local businesses and residents in summer 2018.

One You Health Contract

In July 2016 Everybody Sport and Recreation was delighted to announce winning the One You Cheshire East contract to deliver health programmes and cookery courses to Cheshire East residents.

One You is a national campaign created by Public Health England to improve lifestyles, by reducing health inequalities. As part of this national campaign, services across Cheshire East have come together to provide help and support for residents from smoking, drinking, healthy eating and much more.

We are proud to be a key part in helping Cheshire East residents make sustainable and achievable lifestyle changes from looking after their health by eating well, moving more and losing weight with a variety of different programmes.



Opening Of Crewe Lifestyle

Friday 1st April 2016 was the opening of £15m state of the art Crewe Lifestyle Centre. The Lifestyle Centre houses an impressive range of leisure and community facilities accessible for everybody. The development has given us a chance to enhance our leisure offer to both existing and new customers in the area, with exciting facilities available for all.

The team had just one week to close down the old pool facility and move in to the Lifestyle Centre with all of the usual snags you would expect with a new build. The team did so with enthusiasm, passion and many late nights, culminating in the team winning both Team of the Year and Manager of the Year at our internal awards as well as being in the finalists at the National Fitness Awards for Newcomer of the Year. On the 26th May 2016, President of the International Paralympic Committee Sir Philip Craven officially opened the Crewe Lifestyle Centre.

Taste For Life Cafés

Taste for Life aims to deliver an excellent customer experience, offering exceptional customer service and quality, plus value for money products whilst promoting healthy eating. Our first café in Crewe Lifestyle Centre had its first birthday on 1st April 2017. Since Crewe, we have also opened 2 further cafés in other centres plus a café bar and events suite in Holmes Chapel. Our Macclesfield café is due to have refurbishments in June to then relaunch in July and we hope to develop the events arm of Taste for Life this year whilst also developing the healthy range in our current outlets.

Our bespoke coffee is Fairtrade and organic, our fish is sustainably sourced MSC and the majority of our takeaway containers are biodegradable, in the case of our takeaway cups, a number of trees are planted for every order we place. We aim to develop the sustainability and promotion of healthy living over the coming year to ensure Taste for Life grows with the ever diversifying Everybody Sport & Recreation.

Membership Growth

A new Everybody membership scheme launched in April 2016 which aimed to simplify memberships to customers and staff while encouraging friends and family members to join together, attend together and stay members for longer. The membership offer also recognised the quality difference between a number of smaller sites by introducing a single site local membership at a reduced price.

A dedicated sales team was launched to support larger sites with a more structured approach to membership sales which has seen an increase in corporate membership sales, making up 20% of the total membership.

These improvements, alongside investments in the new Crewe Lifestyle Centre and Holmes Chapel Community Centre in particular have supported membership growth of a further 36% in 2016/17 with 14,872 live members (growth of 86% since transfer).

Holmes Chapel Community Centre Phase 4

On Saturday 12th November Holmes Chapel Community Centre was officially opened to the public by Paralympic Gold Medallists Sophie Thornhill and Megan Giglia.

The open day was an opportunity for Everybody Sport and Recreation, in partnership with Holmes Chapel Parish Council, to thank everyone involved in the project and to share this momentous open day with the community and the loyal customers at Holmes Chapel Community Centre with Megan and Sophie. The open day was a great success with a range of activities available for the whole family, such as smoothie making, paint bikes, save a life taster sessions provided by the Everybody Academy, refreshments and catering from Taste for Life and stalls which were provided by the local community.

Holmes Chapel Community Centre now houses a 48 station fitness suite, fitness class studio, sauna, steam room and Jacuzzi, rugby pitch and function rooms which are available to hire for a range of meetings, conferences, social events and much more. The Taste for Life Café Bar and the Everybody Academy Training Suite are also available.



2. Provide a great customer experience

Customer Survey Results

The annual user survey was completed in February 2017 and saw a significant increase in responses with improvements made in a number of our priority areas including:

- Overall Satisfaction 8.01 to 8.15
- Value for Money 8.02 to 8.46
- Refreshments 6.9 to 7.25

Customers are also accessing the website more to book and find out information about our services with an increase from 41.73% to 63.90% over the past 12 months, as a result, we have committed to make significant improvements to our online accessibility in the next financial year linked back to that customer demand.

Everybody Awards Night

The third annual Everybody Awards evening in October 2016, sponsored by Applewood Independent, saw over 100 nominations for local athletes, coaches, clubs and volunteers, all contributing to the health and wellbeing of Cheshire East residents through sport.

Racing Driver, Nicolas Hamilton, provided the evening's inspiring keynote speech, telling his story of becoming a racing driver in a modified car due to his cerebral palsy as part of a highly competitive racing family.

The evening concluded with Paralympian and Everybody Volunteer Daniel Bramall taking the Sports Personality of the Year Award and local U3A volunteer Jean Hicks receiving the Lifetime Achievement award.



Crewe Lifestyle Centre

Memberships have grown from 900 at the previous 3 sites combined up to 3,915. Attendances at the former sites totalled 354,257 per year, now attracting 513,874 per year. Learn to Swim participants have increased from 692 to 951, school swimmers increased from 688 to 964 with 133% increase in school swimming time available.

The quality of the offer has also improved, demonstrated by annual user surveys. In particular the NPS* has risen from 25 at the old site, up to 45 at the Lifestyle Centre.

*NPS (Net Promoter Score) is an internationally recognised measure of customers' overall satisfaction and loyalty to a brand.

One You Feedback

Taste for Life Cookery Courses "Fantastic course, girls were great. Put us at ease from day one. Very informative and would recommend to friends and family to attend if eligible. Couldn't fault anything. Big thanks."

"I cooked my husband a lovely meal, one evening and my confidence has grown (first time I have cooked for him oops!) I have also cooked a rice pudding which was lovely from the Change4Life recipe app. Ruth, Isabella and Natalie have been extremely helpful. Thank you for all your help, I will miss my cooking course."

"I really enjoyed it. Weeks 2-6 are really good as we have learnt lots of techniques. Also, everyone gets to know each other and have a laugh and banter. Learning how to prepare food was taught in a very down to earth way. I was never made to feel stupid/daft by asking questions which would've made me feel silly otherwise. Really good course - just finished too quickly. Thank you ladies."

Be Steady Be Safe

"Since starting the programme I have increased my awareness of my balance and posture. My confidence has increased, I can judge the depth when stepping off a curb better, I have not fallen since taking part in the programme, no longer need my walking stick, have made new friends and feel better in my mood."

"6 months ago I couldn't get out of bed, I used to have a rope which I tied to my bedroom door which I used to drag myself out, now I sit up and get out and that's because of Craig and the classes."

Active Lives

"I have improved my mobility greatly, feel a lot better, have come off two of my diabetes medications and my cholesterol level has come down. I enjoy coming into the centre to exercise, even though I come in early before I go to work."

"The programme is really good, useful, the right level of support and challenge, I have noticed a difference in my physical and mental state, I am happier and more positive"

Re-Shape

"I'm now on week 11 and I've lost over 2 stone so far in the programme. I fit my clothes better, in fact I've had to go down a size in my clothes, I've got more energy, feel less stressed at work. It's great to get proper information from trained nutritionists and trainers, people who know their stuff and you can trust the information you are given."



Facility Developments

In partnership with Cheshire East Council, 2017/18 will see further investment into a number of our facilities. In June, Knutsford Leisure Centre's fitness suite will have a complete overhaul. The investment will involve redecoration, a 25% increase in the number of fitness stations available, a full replacement of the existing equipment plus the addition of an eGYM circuit, which will be the first of its type in a public sector setting in the North West of England.

Sandbach Leisure Centre will also benefit from significant investment later in the summer. The eight week redevelopment will include the creation of a new 60 station fitness suite, the introduction of a spinning studio, improved changing facilities and greatly enhanced accessibility.

Work is also expected to start in late 2017/18 at both Congleton and Alsager Leisure Centres. The £8.8m Congleton Leisure Centre project will be supported by a leisure development partner who will bring additional knowledge

and expertise from the national leisure market place to assist us in designing an exciting and vibrant centre that will be fit for future generations. As a minimum the facility mix will include a new pool, enhanced fitness, a café and much improved ancillary services.

The Alsager development will see improvements being made to both the indoor and outdoor provision. The current fitness suite will double in size and a new multi-purpose studio will be created which will be able to facilitate group exercise classes, meetings and training courses. An outdoor sports hub will also be included that will result in improved grass and 3G playing pitches being made available for club, education and community use.

The recent investments made at the Crewe Lifestyle and Holmes Chapel Community Centres have resulted in significant increases in the levels of participation, membership and customer satisfaction and it is therefore vital that we aim to replicate this offer across the whole of our estate. These planned investments will add significant innovation to our existing offer which should not only appeal to our existing clientele, but will also attract a much wider audience and support our targeted work around health, families and inclusion.

Learn To Swim Scheme Growth

Everybody Sport & Recreation provides a large and diverse Learn to Swim programme through the Everybody SWIM brand, catering for almost 7,000 learners. These lessons follow the Swim England guidelines and best practice for teaching swimming to ensure that highest standards are delivered.

Our junior lessons start with classes for pre-school children in Adult and Child classes for the younger learners, progressing to our Duckling classes for children from 3 years old. Once children are 4 years or older they will then progress to our main stream Learn to Swim Scheme which aims to develop the basic and essential skills required for building confidence and technique in the water.

During this financial year we have seen a significant growth in participation in our Learn To Swim Scheme, with the total number across our sites rising from 5,917 to 6,939 in 2016/2017. Whilst our complimentary swimming offer saw participation increase by 21% from 318,627 to 385,307 in 2016/17.

Moving forwards we plan to grow and develop the provision of swimming lessons even further, so that we can minimise the waiting time for all learners, providing everybody with the opportunity to improve their swimming skills no matter what their age or ability.

Paul & Debbie Jones Transform Their Bodies At Crewe Lifestyle Centre

Paul and Debbie are members at the Crewe Lifestyle Centre and have made amazing lifestyle changes not only to their bodies, but to their confidence too.

Debbie once wore size 20 clothes and now wears size 14/16 and Paul once wore a snug extra large and now wears a loose large after losing 2 stone since becoming members.

Ricky Shares His Inspirational Story After Losing Almost 5 Stone

Member Ricky has battled with weight issues, his self esteem and confidence to lose almost 5 stone. In March 2016, things started to change for Ricky, "I finally acknowledged that not only did I have a weight issue but a mental battle with self-esteem and confidence so I threw myself into gym at the Crewe Lifestyle Centre. Because of my great experience with the managers, the staff and the members I kept going back and in 7 months I managed to lose almost 5 stone. I love the gym and the atmosphere there and I've gone from the guy quietly struggling in the corner to someone who can look himself in the mirror and be happy with what he's achieved".

Real Life Transformation Alison Wright

Alison Wright has been a member at Holmes Chapel Community Centre since it opened in November 2015 after wanting to get her fitness back up after being diagnosed with breast cancer. Since being a member, Alison has noticed many benefits "I am a lot more toned, my stomach is a lot flatter than it was, I can wear clothes which I couldn't wear before." Since attending the gym, fitness classes and eating a healthy diet, Alison has now lost an amazing 3 1/2 stone.

"Because of my great experience with the managers, the staff and the members at Crewe Lifestyle Centre I kept going back and in 7 months I managed to lose almost 5 stone".



Walking Football Helps Heart Attack Survivor Ian Get Back On His Feet

"At first I lost all confidence and was afraid to tackle anything too strenuous. I was given information about the hospital's cardiac rehab programme, based at Wilmslow Leisure Centre. Over the next few months my confidence and (a degree of) fitness returned, so when I heard that the centre was starting walking football sessions I was keen to give it a go. It's been a great decision. I never thought I would play football again, a sport I love, but this has given me an opportunity to relive my youth a little – though that may be more in my head than on the pitch! We are a group of like-minded men of a certain age who enjoy a kickabout. I feel fitter for playing each week, but it's more than that. It's a game that has to be thought about. The fact that you're walking doesn't mean it's lacking tactics, so it gets the old grey matter going too. There's a sense of exhilaration at the end of each session. I have made new friends and we enjoy our chats after the sessions."



TASS Athlete Hannah Bristow Competes In The Aon World Championships

"We put in 3 days of good racing in mixed conditions and we're very happy with how we competed and feel we did ourselves, and everyone who supports us, proud by finishing in 5th place in one of the best events we've ever had the opportunity to compete in. Being part of a team that did so well also made us immensely proud; Emma Wilson the GBR windsurfer and Tommy and Crispin the 29er boys came away with gold medals and Team GBR came away a very close second in the Nations Cup which is the best result we've had in a long time."

Crewe Member Makes Lifestyle Changes

Becky has been a member at the Crewe Lifestyle Centre since April 2016 after wanting to incorporate exercise with healthy eating. Becky has gone from size 24 to recently purchasing a size 16 which is her goal for March. "I have noticed my body changing, my mental health has improved and I am walking a lot quicker than before." She explains "I never thought I would enjoy the gym but I do, I have gone from attending 3 times a week to 4/5 times plus a day at the weekend. The support I have received has been amazing, staff regularly ask me if there is any support I need and the customers are friendly."

3. Develop our people to be the best

Apprentices Awards Day & Our 2nd Cohort

Apprenticeships have become a key training route for both entry level employees and current employees, providing good value, high quality training. We have enrolled 50 since the launch of the Academy and will continue to utilise this training route as apprenticeships develop further including the opportunity for the Academy to become more involved in the direct delivery.

In September 2016 our second cohort of 7 apprentices started with us, undertaking apprenticeships in Leisure Operations, Business Support and Catering and Hospitality. We have completed our first satisfaction survey with our entry level apprentices which has been completed by 7 year 1 apprentices and 2 in their second year. 89% of those responding have stated that the apprenticeship is what they expected, 100% are happy with the overall training and support available from the Academy and the support offered in their place of work. 89% are happy with the support they receive from their course tutor/assessor with those unhappy stating lack of support and change of tutor as being issues. Although all respondents believe that their role is valued within Everybody Sport and Recreation there are 78% who believe that the rate of pay is not fair predominantly because of the difference in pay between themselves and other members of staff doing the same job role. We will review the results of this feedback to help us to improve the apprenticeship scheme in the future.

In November 2016 we held our first Apprenticeships Presentation event where we congratulated our first 7 entry level apprentices and 10 employees who completed work place apprenticeships. Since that time a further 6 work place apprenticeships have been completed and a further 11 are in flight.

We have now started the recruitment process for our third cohort of up to 10 apprentices in Lifeguarding, Catering and Hospitality, Business Support and Health and Wellbeing roles to start with us in September 2017.

Staff Awards Night

Our first awards night took place in December 2016 to recognise the hard work of all Everybody staff and volunteers. The evening recognised innovation, coach of the year, customer hero, volunteer of the year, fundraiser of the year and manager of the year as well as employee of the year (Josie Hurst – Alsager Leisure Centre), team of the year (Crewe Lifestyle Centre) and special recognition (Sheila Latham – Nantwich Pool).

A number of key milestones were also celebrated including staff with 20 and 30 years of service as well as volunteers with 50, 100, 150, 250, 500 and 1000 hours completed.



Academy Performance

2016/17 was the first full year for our Everybody Academy, which continued to grow its provision of internal and external training and development services. The Academy team has continued to build on key partnerships with industry learning and development partners, specifically as members of the Institute of Qualified Lifeguards (IQL) Industry Group and CIMPSA Employer Partners and members of the CIMSPA Leisure Operations Professional Development Committee.

Since the launch of the Academy, 50 apprentices have been enrolled, with the first cohort now in their second year of employment with Everybody undertaking roles in leisure operations, sport development, business support, catering and hospitality as well as health and wellbeing.

The core training provision of the Academy continues to deliver at a high quality, with 99% of course respondents saying they would recommend the course to somebody else and 99% saying that they felt their training represented value for money.

The Academy supported 3,559 learning interactions in 2016/17, an increase of 53% of which 92% was delivered directly through the Academy. The learning and development investment per Everybody employee was £204.96, an increase of 48% on the previous year.

Volunteer Programme Performance

The Everybody Volunteer Programme has grown again this year supporting 123 people find a fun, suitable & safe volunteer opportunity. We have supported a wide range of volunteers with our youngest being 13 and oldest being 71 years old; both became more involved with their community, healthier and sociable through volunteering.

We have supported 14 volunteers with training & qualifications to upskill them and help them become ready for employment, and have supported 8 volunteers move into paid roles within Everybody and other businesses. This year has seen some of our long term volunteers achieve milestones of 500 hours and some new volunteers reach the 50 & 100 volunteer hours milestones, all of which are fantastic achievements. The volunteer programme is now supporting various services across Everybody including the swim scheme, fitness roles, health programme & Sports Development team. The end of the 2016-17 year sees the programme hit the 20,000 hour mark, half way towards the target of 40,000 hours by 2020.

Volunteering Stories

Tim Broadhurst started out as a participant at Activ8, which is a disability & inclusion session, organised by Everybody Sport and Recreation. Tim, from Bollington, has Downs Syndrome but has never let this stop him from enjoying sport and encouraging others. He has been attending the Activ8 sessions as a participant from the age of 10, and when he turned 21 decided he would like to continue at the session but as an Everybody Volunteer.

Now 25, he has achieved over 150 hours supporting other children & teenagers with disabilities at Activ8, helping them engage in sport, games and fun activities each week plus been awarded the Volunteer Of The Year Award at the staff awards.

"I really enjoy helping Andy and Ellie run Activ8 each week, it has been fun. I enjoy helping the children who enjoy playing football, and I have really enjoyed helping with the trampolines. I am proud of being a volunteer for Everybody."

Sam Richardson joined the volunteer programme in 2011 with a passion for Sport & Leisure and started his degree in Sports Development & Coaching at Stafford University.

"Since joining the Everybody Volunteer Programme, the support and opportunities have been brilliant and I feel extremely proud to be part of the volunteer programme. In 2013 not only did I graduate with my degree, but I was also offered the opportunity to become a sports coach with Everybody. Alongside being a sports coach, I continued volunteering and also continued with my studies at Staffordshire University, where I enrolled on a Master's Degree in Youth and Community Work."

Finally, I want to thank everyone who has supported me with my master's dissertation, particularly the volunteer programme and all the staff and volunteers who were involved in the study. Also, thank you to my supervisor Nicola Gratton and everyone else from Stafford University Creative Communities Unit, everyone's support made the study possible so thank you all very much."

20,000 hour mark achieved - The Everybody Volunteer Programmes aims to inspire a wide age range of people to want to volunteer, providing them with a safe, supportive and rewarding experience within a health, sporting or leisure environment. We have an amazing team of volunteers who are dedicated to supporting their community become more active, social and healthier.

Since the start of Everybody Sport & Recreation we have recorded the hours that people have volunteered to support our, clubs, activities, and members, which has been a phenomenal number.

We want the volunteer programme to have as big an impact as possible so set a target to achieve 40,000 volunteer hours by 2020, and since the start of the trust in 2014 we have hit the half way mark of 20,000 hours.



Dan Bramall is selected for the Rio Olympics 2016 - Paralympic wheelchair racer Dan Bramall who volunteers at Shavington Leisure Centre and Crewe Lifestyle Centre was selected for the Rio Olympics 2016. Dan has been wheelchair racing since 2012 which all started through a friend. At first Dan started racing for fitness which progressed into competing in local competitions, which Dan saw a fantastic result in his times which were brought down from 23 seconds to 18 seconds.

Dan continued to compete in local competitions and took on his first major championship in Doha, Dubai, where he received Silver medal in 2015. In 2016 Dan continued to compete in various local competitions where his times reduced again to his personal best of 17.82 seconds after having a new wheelchair. Dan returned from the European championships where he again received a Silver Medal. The success didn't stop there, on his return from the European Championships he received a phone call to say he had been selected for the Rio Olympics.

Since volunteering for Everybody Sport and Recreation, Dan met Personal Trainer, Mitch Lawrence who has trained Dan in the gym at Crewe Lifestyle Centre on the run up to competing at Rio and ever since. Mitch explains "What Dan has achieved in such a short period of time is inspiring for anybody and I'm sure will motivate many people. This just proves that if you have the determination and are prepared to put in the work any goal can be achieved."

He is now continuing his training with Mitch working towards competing in the 2017 European championships followed by the 2017 world championship held in London in July. We wish Dan the very best of luck in his ongoing training and competitions.



4. Build strong communities and effective partnerships

Public Health / Clinic Commissioning Group

A key area of Everybody Healthy is working in partnership with Public Health commissioners as the lead provider of lifestyle services for One You Cheshire East, we have a very close working relationships with local GPs, practice nurses, healthcare assistants across Cheshire East, as well as our local hospitals, community health providers, third sector and voluntary organisations, ensuring there is a seamless access into our services.

Our health programmes show a high level of building effective partnerships such as our Move More Cancer programme which was jointly funded with the County Sports Partnership, Active Cheshire, and delivered in partnership with Macmillan Cancer Support, Leighton Hospital (Crewe), Macclesfield General District Hospital, St Luke's and East Cheshire Hospices. Almost two fifths (37%) of the participants of a Macmillan survey (2012) were not currently physically active. Also only one in five cancer patients who have received treatment have been told how regular physical activity could benefit them. This illustrated a clear need for the programme and a partnership was required to deliver it. In the development phase we approached Macmillan and East Cheshire Hospice for their support and experience.

Holmes Chapel Community Centre Opening & Usage

The opening of Holmes Chapel Community Centre has shown an effective partnership between Everybody Sport and Recreation and Holmes Chapel Parish Council which has resulted in achieving the high standard of facilities that we accommodate for the community.

Councillor Brian Bath of Holmes Chapel Parish Council, who is the Council's representative on the Community Centre's Joint Management Committee said: "The investment in these social facilities on behalf of residents by the Parish Council and by Everybody Sport and Recreation will provide great facilities now and for the future and enable residents and others to have a great place to meet and enjoy for many years to come. We are particularly pleased that the Taste for Life bar and lounge area is now open offering coffee and light refreshments and encouraging residents to come and enjoy these facilities."

Holmes Chapel Community Centre has achieved a total of 66,345 users and memberships have increased from 848 to 1,167 at the end of 2016/17.

Family Focus Contract

The Family Focus programme provides individuals within families access to regular physical activities, advice on a healthy diet and support with losing weight.

Individuals are able to access any Everybody leisure facility free of charge for 12 weeks and receive weekly support through one of our qualified Health Trainers. On completion of the 12 week programme, families will be offered a reduced membership for 12 months to continue their good work.

One of our member's main goals was to become more physically active and to improve her mental wellbeing. In her initial assessment the physical activity score was deemed as low and mental wellbeing score of 13.

Following completion of the programme, her new physical activity score was deemed as high, visiting the centre several times per week on her own as well as with her Health Trainer. Her mental wellbeing score increased to 26, with mainly positive answers to the wellbeing questions.

A significant positive outcome to her engagement in the programme is that she has stopped taking her medication for her mental wellbeing. When asked how the programme has helped her, she now has increased energy and feels more useful.

"This programme helped me with my depression and mood and self-confidence tremendously. I have loved it and gutted it's come to an end."

"My stamina has improved, I can do things in the gym I've never been able to do before."

"I've absolutely loved this programme and its done so much for me; I wish I could keep doing this for longer."

At two members' 6 week review meeting, they had both lost an inch from their waist with the mum also losing 3 pounds that week after focusing on healthy eating. They have both increased their physical activity levels weekly by regularly attending the leisure centre and meeting their Health Trainer. It has been agreed that the membership of the young person will be funded by CEC for 12 months following completion as a reward, and to continue their activity.

To help promote the Family Focus programme, we held an event at Crewe Lifestyle Centre. This event gave opportunity for Family Support Workers to book families that they thought may be interested in the programme to have a taste of the type of

activities they could take part in together. They also had the opportunity to meet the programme manager and local Health Trainer to familiarise themselves. During the event, the families were able to take part in bowling, badminton, Ultimate Frisbee, Xbox Kinect, paint biking, access to the gym and swimming.

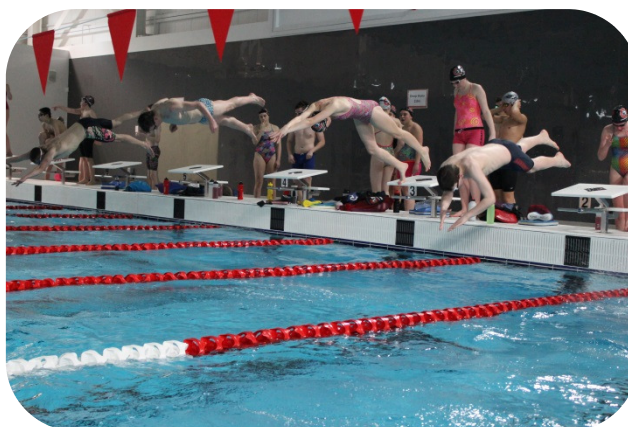
We are pleased to have secured a further year of delivering the Council's 'Family Focus' contract which was agreed based on our performance last year and the positive impact we have had on their family lives and relationships.

Crewe Flyers

The new Crewe Lifestyle Centre opened on 1st April, a £15m facility housing a range of community and leisure facilities which Cheshire East Council states is the first of its kind in the region. Significant investment has been put into the new 25m, 8 lane swimming pool which caters for the public and competitive swimming clubs including Crewe Flyers and the Seahorse Swimming Club.

Crewe Flyers were invited to be the first swimmers into the pool on 21st March 2016, holding their usual training session in the brand new facilities. Chris Pugh, Head Coach commented, "I'm astonished with how it's all turned out, I came here in September when it was still a building site, I couldn't tell much about it, but coming here today I'm really impressed with how things are looking, the whole site looks brilliant." Chris went on to say, "having a facility like this I can see us going from strength to strength."

The Flyers now use the pool daily for their pool training and club nights for their younger and elite swimmers and have seen a significant increase in their swimmers since they have held their training at Crewe Lifestyle Centre.
Strategic Aims



Swimming Club Relationships

Throughout 2016/17 Everybody worked tirelessly with the eleven local swimming clubs utilising our facilities in order to establish, maintain and improve working relationships as well as improving swimming development pathways for participants. Macclesfield Amateurs and Congleton Amateurs are just two of those swimming clubs that have now signed Partnership Agreements with Everybody, as well as a Volunteer Agreement which has many benefits for both parties.

Those benefits include discounted training opportunities for the club's volunteers, whilst the clubs have realigned their provision of swimming, so to ensure that both they and Everybody Sport & Recreation now offer a complementary swimming provision. These improved relationships are proving beneficial for the local and surrounding swimming communities, and participation in swimming has increased by 21% this year alone. (Nationally Sport England shows a 7% decline).

Joint-Use Changes At Poynton & Alsager

New ways of working with a number of our joint-use school colleagues have started to take effect, with one of the key benefits of opening up more public access to Alsager and Poynton Leisure Centres in the future.

At Alsager, more primary schools will be able to use the pool facilities during the day time as well as providing daytime sports facilities to groups such as the U3A, taking pressure off peak times and making sites more accessible to those who would not normally access sport at those times.

Additional daytime swimming opportunities have also been opened up, providing more lunchtime swimming times to increase future active participation for our key target groups.

Ben Returns To Complete Marathon Number 224 At Macclesfield Leisure Centre

UK runner Ben Smith set himself the inspirational challenge of completing 401 marathons in 401 consecutive days across 309 different UK locations and we were lucky enough to see Ben at Macclesfield Leisure Centre twice to complete marathons number 133 and 224.

The 401 challenge aims to raise both awareness of the issues of bullying along with £250,000 for 'Stonewall' and 'Kidscape' two charities both dedicated to tackling bullying. Both these charities work to support award winning initiatives which really get to the heart of bullying in our UK schools and society in all its forms. Ben started off the event by giving a talk to 100 school children from 10 local schools around the

seriousness of bullying and how we can all help to stop this from happening. The children then went on to complete the warm up and 1 mile around the athletics track with Ben.

Team Everybody Wins Active Cheshire Team Games

On Sunday 18th September Active Cheshire held the first Team Games tournament at Chester Racecourse. The event was held to encourage people in Cheshire and Warrington to have fun whilst getting active.

Active Cheshire said, "Thousands of people were in attendance, including 800+ children from local schools who came to take part in the Bubble Run. Around 600 parents/guardians were there to watch the kids and at least 500 spectators came down to see all the various activities. There were also around 1000 participants from local businesses, contributing to a minimum total of around 3,000 people on the day".

Everybody Sport and Recreation entered a team of 10 employees into the Team Games tournament. They battled it out over It's a Knock Out style obstacle courses, sports day challenges and testing their fitness and coordination to the limits. The whole team showed commitment and team spirit having fun at each activity area. The results came in with Everybody Sport and Recreation taking the lead with 166 points to top the table. We were crowned winners of the first Active Cheshire Team Games Tournament 2016!



Alsager Clubbercise Launch Raises £200 For Breast Cancer Charity

On 11th March, group fitness instructor Josie Hurst from Alsager Leisure Centre launched a brand new fitness class with a charity evening for Everybody members, family and friends. Clubbercise is a craze is sweeping the country, which is a dance exercise class in the dark to the best club classics and to top it off everyone gets their very own glow stick to light up the room!

The evening was a great success with over 50 men and women in attendance raising almost £200 for Breast Cancer.

Josie Hurst commented, "We knew that Clubbercise was going to be a popular group fitness class to bring to Everybody centres in Cheshire and I wanted to make the launch as much fun as possible. We invited Everybody members to bring along their friends and family and asked for donations on the night to raise money for Breast Cancer Research. I was pleased to see so many people turn up and dance the night away and we can't wait to welcome everyone back on a regular basis." The session was so popular that it has now become a regular session across several of our leisure centres across Cheshire East.

Wilmslow Evans Theatre

Wilmslow Leisure Centre has been proud host to many public events during 2016 including theatre shows, speeches, music festivals, boxing nights, dance shows and the Wilmslow Symphony Orchestra's Concerts. These events have been a huge hit with the community bringing in upwards of 15,000 visits in total and highlighting the standard of the facility.

Sue Morris of Sue Morris School of Dance said, "I would just like to commend Sam Tompkins and your staff at the Leisure Centre on their help with our third dancing school show in the Evans Theatre. Our shows have been a great success each time and 'the team' are unfailingly helpful and professional. The atmosphere is very friendly and welcoming and nothing is too much trouble for them. In the run up to the show, Sam is constantly available to discuss our needs. We will definitely be using the Leisure Centre for our next show."

"Our shows have been a great success each time and 'the team' are unfailingly helpful and professional."

Everybody Foundation

The Everybody Foundation was officially launched at the December 2016 Staff Awards. The Everybody Foundation is Everybody Sport and Recreation's charitable foundation that raises funds to support individuals and groups to promote a healthy and active lifestyle. So far the staff at Everybody have raised money through running various events and activities such as, raffles, mince pie bake off competitions and more.

The projects that the Foundation may decide to fund are endless and may include helping a sports club to develop a new session for a hard to reach group, supporting young athletes to access specialist training facilities, or assisting a local group to purchase new equipment.

The Foundation's aims are to promote a healthy and active lifestyle in Cheshire East, to improve facilities used to fulfil an active lifestyle and to assist individuals to achieve their potential.



5. Change lives through healthy recreation

Participation Numbers

In an Olympic year, combined with the huge support from Crewe residents for the new £15M Lifestyle Centre, attendances continue to grow across all categories. Over 220k additional attendances have been recorded during the year, with overall attendance up 8% against target and over 60s up 16%.

Everybody Healthy Success

Susan Heathcote was diagnosed with Breast Cancer and the Move More exercise programme changed everything for her. Since starting, Susan has now been attending on a weekly basis and has lost over 1 stone and no longer feels breathless.

"Kevin springs us on through the exercises – nothing is too much trouble. I have become less fatigued by exercising, I have met other people and I enjoy working as a group. The support and guidance from the coach is brilliant."

Bikeability Success

The Department for Transport (DfT) has awarded Cheshire East Council with a grant of £590k for Bikeability cycle training until 2020 and Everybody Sport and Recreation will be delivering the programme on behalf of the Council due to the success of the scheme over the last two years. Since May 2014 Everybody Sport and Recreation has delivered cycling training to over 12,000 children in cycling proficiency.

Councillor David Brown, Portfolio Holder for Highways and Cheshire East Council commented, 'Bikeability is a great way to encourage children and their families to get active and have fun on their bikes. The programme teaches vital road safety information and cycling skills, helping to reduce the number of children being injured on our roads and enabling them to enjoy cycling safely.'

Everybody Awards

The 2016 Everybody Awards showed once again the massive impact sport can have by changing lives, especially for this year's Sports Personality of the Year winner, Daniel Bramall.

Daniel, who has cerebral palsy which affects his lower limbs, is an Everybody volunteer at Shavington Leisure Centre and Crewe Lifestyle Centre, he started wheelchair racing in 2012 with no previous sporting background, inspired by the London Olympics.

Daniel trains 4 days a week with Stockport Harriers as well as locally at Queen's Park Crewe, at home and with Personal Trainer Mitch Lawrence at Crewe Lifestyle Centre. In just 4 years he started to compete locally and nationally before being selected for the T33 100m at Rio in September.

Disability Sports Programme

Everybody Sport and Recreation believes that leisure and learning activities are not passive ways of spending time, rather a way of gaining enjoyment, satisfaction, achievement, pleasure and inclusion. Leisure time is where people develop social skills, form friendships and increase their practical abilities, self-worth and independence.

Inclusive Cycling & Multi-Sport Event

On Friday 2nd September Macclesfield Leisure Centre held an Inclusive Cycling and Multi-sport event, bringing together community groups to take part in a cycle challenge.

26 adults with disabilities and their carers, family and friends from the Macclesfield Lifestyle Group and the David Lewis Centre attended the event along with the Cheshire Fire Service and Tesco's Food to Fork project volunteers. Everyone had the chance to try the 12 inclusive bikes and they managed to cycle around the Macclesfield Athletics Track 310 times clocking up a great 77 miles!

In support of the Cheshire Tour of Britain we organised an inclusive cycling event to take place with an aim to achieve as many miles of the Cheshire Tour of Britain route as we could. 310 laps of the athletics track with our inclusion bikes was a fantastic effort by all involved.

Lorryn Dixon, Macclesfield Lifestyle Group commented, 'Everyone from the lifestyle group had a fantastic day, it was a real pleasure to be involved in such a positive and worthwhile event, we can't wait for the next one!'



Carers & Family Holiday Activity Programme Success

In September 2015 Everybody was successful with a funding application to start an activity programme for carers. For February 2016 it was decided to do something different as a pilot session. Rather than run separate holiday and carer activity sessions Everybody Sport and Recreation combined both for one session at Alsager Leisure Centre to hopefully attract whole families to the session.

The holiday offer was very well received with a total of 55 children and adults attending the session. 8 adults took part in the taster session who have not attended a carer session previously. During this session people took part in PiYo, a combination of Pilates and Yoga, as well as Clubbercise. In the main sports hall there were a range of activities available for people of all ages to try. This included the giant bouncy castle, arts & crafts, wheelchair basketball, soft archery, ten pin bowling, parachute games and badminton.

There were coaches and volunteers supporting these activities. Parents had the opportunity to join in with the activities themselves, use the equipment to do some free play with the younger children if they didn't want to take part in the main activity, or to relax and chat to other parents while their children were taking part in the activities. 7 families took up the option of going swimming by joining the public swim session running at the centre that afternoon.

There was fantastic feedback from the Carer and Family session with mentions all over social media and comments from the activity survey including how carers were gaining respite from these sessions and that the whole family could now be involved in getting active.

Cared For Children

During 2016 our Cared for Children scheme continued to provide fitness and activities in Cheshire East growing to 446 memberships for eligible children, their carers and siblings. We saw attendances of 3,062 swimming, gym and class sessions from these members in comparison to 1,926 the previous year which shows a great impact in the physical activity happening in this group of people.

One carer said, "The free pass has had a positive impact on my young person, it has given them meaningful activities to engage with and has helped to improve relationships between himself and staff members. It also has allowed them to speak more openly as the distraction of the gym has allowed the guard to come down slightly, which has given a greater insight to that person."

Last Years Objectives	What We Achieved	What Was The Result
Develop and embed our Health and Wellbeing projects	We carried out a full review of all Health and Wellbeing projects, and improved the data capture of each programme by introducing internal KPI's	We can easily demonstrate the outcomes and achievements of each of our programmes
Maximise external funding opportunities	We were successful in tendering for Family Focus project from CEC, and the One You Intergrated Wellness Service from the Public Health Team during 2016/17	Began delivery of the Family Focus Programme in July 16 and the One You Programme in Oct 16
Improve the management information systems	We reviewed the current Finance System and designed a specification of what system we required	A new Finance System, PS Financials, will go live 1st April 2017
Improve the recruitment, payroll and staff management processes	We reviewed the current Payroll and HR System and designed a specification of what system we required	A new HR System, iTrent, will go live 1st July 2017
Review the Talented Athlete programme	Programme was reviewed, rebranded and relaunched	Talented Athletes are more embedded in our day to day business
Ensure Health Programmes fully compliant with Data Protection legislation	Reviewed the way in which data is captured and recorded	Implemented Refer All system - fully ISO compliant - to capture all health data

Trustees

Everybody Sport & Recreation is governed by a Board of up to eleven Trustees. These trustees are appointed by the current Board who take into account a skills matrix and ensure a range of skills and representation from all communities. This is achieved in one of three ways:-

- Any individual, based in or operating in Cheshire East is eligible for nomination to the board of trustees
- Trustees try to ensure ongoing appropriate skills and gender balance, where any gaps are noted they seek to appoint appropriate skills through an application process.
- Occasionally the trustees may co-opt individuals with relevant skills to strengthen the Board.

All of these appointments are then ratified by Trustees at the Annual Retirement Meeting.

The day to day management and running of the charity has been delegated to the Chief Executive and other appointed managers.

The senior management team comprises:

Peter Hartwell	<i>Chief Executive</i>
Paul Winrow	<i>Director Operations & Sport</i>
Kerry Shea	<i>Director Finance & Health</i>
Tom Barton	<i>Director People & Growth</i>



Andrew Kolker Chair



Phil Bland
Finance & Risk
Sub Committee



Zoe Davidson
Finance & Risk
Sub Committee



Andy Farr Customers
& Partners Sub
Committee



Helen Gowin
People &
Governance
Sub Committee



Christine Gibbons
Customers & Partners
Sub Committee



Harry Korkou
Customers & Partners
Sub Committee



Colin Chaytors
People &
Governance
Sub Committee



Martin Hardy
People &
Governance
Sub Committee



Richard Middlebrook
Customers & Partners
Sub Committee



Steve Percy
Finance & Risk
Sub Committee

Governance

Governing Document

Everybody Sport & Recreation is a company limited by guarantee and a registered charity governed by its memorandum and articles of association, incorporated in England and Wales.

Trustee Induction and Training

All trustees receive an induction into Everybody Sport & Recreation and receive a handbook. During the year the trustee handbook has been renewed to assist both new and established trustees. In addition we have embarked on a programme of development including a series of away days for trustees. These sessions focus on governance issues for trustees including finance, structure and strategic planning.

Board and Sub Committee's

Each Trustee holds a place on one of three sub-committees, People and Governance, Finance and Risk and Customers and Partners, these sub committees take a detailed look at certain areas of the business each quarter and then take reports regarding these areas to the full Board meeting, which takes place every three months.

Statement of Trustees Roles & Responsibilities

The trustees (who are also directors of Everybody Sport & Recreation for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations. Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 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 accounting estimates that are reasonable and prudent.
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Public Benefit

The Trustees of Everybody Sport & Recreation have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties. All activities have been undertaken to further Everybody Sport & Recreation purpose to ensure the promotion and preservation of good health, including but not limited to through community participation in healthy recreation. Activities are not arranged to provide any financial return to members.

Reserves Policy Statement

Reserves are the resources that a charity has, or can make available to spend, for all of the charity's purposes. The SORP explains the term "reserves", it describes them as that part of a charity's funds that are freely available.

The Charity Commission guidance CC19 explains that designated funds should be considered when reviewing the charity's reserves, although these are not part of the general reserves. Funds need to be properly designated for a defined purpose, which should be explained in the notes to the accounts.

The Trustees have reviewed the Trust's reserve policy and have concluded to aim to hold enough free reserves to ensure that the Trust is able to continue all operations and services for a period of at least 1 month should a significant part of our income not be realised. One month's expenditure, excluding pension service costs, equates to a value of £1,225,813, our current unrestricted reserves at the end of year 3 is £244,796, we aim to be at our ideal reserves position by the end of year 6 (2019/20).

While the operation of the defined benefit pension scheme does create a financial risk for the organisation any deficit or surplus in the scheme can be managed over the medium term and so has no immediate impact on our cashflow requirements. Any Exit Contributions paid by the Contractor will be funded by Cheshire East Council through the Management Fee, where an Exit Contribution is paid and there is no future Annual Payment due, the Authority shall make an appropriate additional

payment to Everybody. Any risks associated with changes in the level of pension scheme assets and liabilities are therefore disregarded for reserves policy purposes.

Risk Management

The Trustees are fully aware, and take very seriously their responsibility for identifying, assessing and managing the risks of Everybody Sport & Recreation. Risks are identified by the Senior Management Team and reported via the Risk Register to the Trustees.

There are several principle risks and uncertainties. The level of the management fee paid to Everybody Sport & Recreation by Cheshire East Council, this fee is negotiated every year and ongoing efficiencies are expected. IT system failure, the IT systems are large and complex with manual interfaces between systems, we have set up a designated fund in order to reduce the risks in this area.

The Risk Register is considered on a quarterly basis by the Finance and Risk Sub Committee, the likelihood of the risk occurring, the impact of such a risk and any mitigating action required/taken is considered and risks scored then RAG (Red, Amber, Green) rated.

Red/High Risks are reported to the full board. The subcommittee take a fully detailed review of every risk on the register on an annual basis.

Principle Risks	Current Controls & Mitigating Actions	Future Action Plan
Major capital investment plans withdrawn or scaled down, results in major service disruption or unachievable targets	Crewe Lifestyle Centre complete. Congleton project underway. Sandbach and Alsager in council budget for 2017-18. Macclesfield investment been examined.	Macclesfield high level business case submitted alongside existing FM & Assets investment plan.
Inaccurate or inadequate Financial Information resulting in poor decision making and business failure	New Finance Team in place April 17 - Team restructured to be more effective.	Increased development and training of new, independent financial system (PS Financials) underway
Pricing Policy inflexible and not targeted resulting in loss of income and failure to target customer groups	Pricing maintained at 2013 levels to date. Pricing Review underway for implementation from Sept 2017 through C&P Committee.	Review of CE Options policy being undertaken April to September 2017.
Inadequate pension planning results in additional costs, recruitment issues and loss of management fee.	Current arrangements with LGPS in place and fully funded by CEBC. New "Sporta" pension scheme introduced.	3 year revaluation fully funded by CEBC - increase of £202k per annum.
HMRC view on taxation challenges current appraisal resulting in adverse impact on current financial plans and delivery	Advice received from PwC and other Trusts. Direct contact now made with HMRC for advice and guidance. External Auditors appointed to support and undertake VAT review for first year.	No challenge to current tax status or partial exemption calculation.
Data Protection requirements unclear resulting in breach of rules and claims.	Registration with ICO as Data Controller in place. Free advice received.	Review and training planned for 2017/18
Poor Adult & Children's safeguarding arrangements for contractors / hirers resulting in risk to customer safety and reputational issues	Need to refresh / implement new arrangements with all existing / new hirers and contractors. New policy and procedures agreed at Committee. Training planned and will be integrated to new procurement and contract regulations.	Services brought in-house including swim, catering and PT. New arrangements with swim clubs in place. Need to ensure all hirers captured under policy.
Major ICT failure resulting in loss of business critical systems for medium term	SLA with CEBC in place. Disaster recovery plans in place and tested for long term failure. Short term, Centre-based issues now managed internally. Dedicated 'Account Manager' with ICT to support Everybody S&R.	New HR, Payroll and Finance systems being introduced with external support and cloud based.

Financial Review

Investment Powers, Policy and Performance

The policy of Everybody Sport & Recreation has been to invest surplus funds in the growth of the business. We aim to carry sufficient cash in the banks' current or higher interest deposit accounts to fund its predicted working capital requirement.

Surplus funds will be deposited in our Reserves Account or in a high interest fixed term bond. This meets the objective of a higher return than average deposit accounts, without risking the funds, while maintaining maximum flexibility to fund new projects. The trustees are mindful of the current low interest rate return on cash deposits and their potential to fall below inflation levels thereby eroding reserves.

Results for the Year

Everybody Sport & Recreation's finances have shown a healthy return, we have surpassed the budget by over £25,000.

Our overall income figure is £14,821,230 which includes £2,781,274 for Donations for the use of the Leisure Centres, which remain under Cheshire East Council's ownership. £2,168,500 refers to income received from Cheshire East under our Operating Agreement, £9,060,803 income was received during the year from customers to our centres and through delivering our contracts, £318,158 trading income was received from our social areas, £238,889 income was received from restricted sources and our Investment income was £2,057.

The Unrestricted activities for 2016/17 show an income of £14,582,341 with outgoing resources of £14,814,592 for the year, leaving us with a Net Unrestricted Expenditure of £232,251 for our third year of operation. £57,269 was transferred to our restricted funds. This Expenditure involves a notional pension service cost of £401,000 when this is taken out we are left with a net operating unrestricted income, of £168,749, before transfers, which is a positive position for our third year of trading.

Everybody Sport & Recreation's restricted funds received income within the year of £231,208 from funders plus £7,681 from individuals making a total restricted income of £238,889. Expenditure for the year was £296,158 leaving a deficit of £57,269 which was offset against unrestricted funds.

The total unrestricted funds as at the end of 2016/17 are £244,796, excluding our designated funds, which equate to £260,682 (as shown in detail in Note 16).

We aim to hold enough free reserves to ensure that the Trust is able to continue all operations and services for a period of at least 1 month should a significant part of

our income not be realised. One month's expenditure equates to a value of £1,225,813, our current unrestricted funds at the end of year 3 is £244,796, we aim to be at our ideal reserves position by the end of year 6 (2019/2020).

Funding Sources

Everybody Sport & Recreation's principle funding sources for 2016/17 were membership fees, swimming lesson income, general swimming, class fees and sports hall hire.

A significant proportion of our income came from our contract with Cheshire East Council; this contract refers to the operating of 14 leisure centres across the Cheshire East area. The contract is for 10 years with a possible 5 year extension built in, during 2016/17 this accounted for £2,168,500, including support service costs.

Everybody Sport & Recreation Annual Report and financial statements for the year ended 31 March 2017 have been prepared by the trustees in accordance with the Charities Act 2011.

The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and reporting by Charities" issued in 2015 in preparing the annual report and financial statements of the charity.

Key Management Personnel

An external company carries out individual job evaluations on each of the Key Management roles, this evaluation includes benchmarking against comparable positions and similar organisations. These results are considered by the People and Governance Sub Committee and a level of remuneration is recommended to the full Trustee board for their approval.

Related Parties, Partnership Working and Network

The Charity supports many Sports Clubs, Community Groups and Voluntary Organisations with advice around funding, volunteer management and best practice guidance. Everybody Sport & Recreation support of grassroots clubs benefits the wider community by opening up the opportunities for people to access sport and recreation activities.

Cheshire East Council are a significant partner and contributes to the delivery of sporting facilities in Cheshire East by providing funding to Everybody Sport & Recreation in the form of a Management Fee. This funding also supports the sports development work, by enabling children and adults to take part in sporting events out in the community.

Everybody Sport and Recreation hold a 23 year lease on a facility at Holmes Chapel, this is in addition to Cheshire East Council owned facilities, this facility is owned by Holmes Chapel Parish Council.

Everybody Sport & Recreation participate in several key and strategic partnerships representing the interests of our customers, and the wider Sport and Recreation arena. At a national level Everybody Sport & Recreation is a member of "Sporta" (the national association of leisure and cultural trusts), UK Active and LFX (a network for professionals working in the UK fitness industry).

Strategic report

The principal activities of the company in the course of the year are referenced in the Aims and Objectives section of the Trustee's Annual and Strategic Report.

The future developments for Everybody Sport & Recreation are referred to in the Chief Executive's Report and the Trustee's Annual and Strategic Report.

Everybody Sport & Recreation has made no political donations or incurred any such expenditure during the financial year.

The Risk Management Statement is shown on page 38 of the Trustee's Annual and Strategic Report. No hedge accounting is used by the company.

The leisure industry is not particularly price sensitive, people choose their provider on a number of different factors, price being one but also quality of offering, range of classes, location, customer service and breadth of facility (eg squash courts, swimming pools etc.). Cashflows are monitored weekly and as many of our customers pay in advance, Cashflow, and therefore liquidity risk, is easily controlled.

Employee expenditure is the largest portion of cost for Everybody as we operate in a service industry arena, as such our employees are very important to the growth and development of our business.

At Everybody we encourage new applications from disabled persons into both paid employment and volunteer roles, we have a robust equal opportunities policy, and all managers within Everybody are trained in following and embedding this policy not only for new employees but also for current employees that may become disabled during their current service with us.

We have a budget for equipment adaptations and additional training that may be required for staff that become disabled to allow them to continue in their current role. Should continuing in their current role no longer be viable then solid alternative

internal positions will be sought, following consultation with the individual involved and looking at each person's individual circumstances.

At Everybody one of our strategic aims is to "Develop our people to be the best" and we strive to achieve that with all employees regardless of disability.

We provide employees with information on matters of concern to them as employees, in a number of ways.

Firstly, on an individual basis, all employees attend monthly team meetings with their line manager, have a bi-annual Performance Development Review where they are encouraged to make suggestions for their development (for example request further training or mentoring etc), and regular 1-2-1's with line managers.

Secondly as a whole organisation we have a monthly staff newsletter that is provided to every employee and all employees are encouraged to suggest content, we also hold six-monthly staff presentations to which all employees are invited and involves presentations by the chief executive and Senior Management Teams followed by an open Question and Answer session to which all staff are encouraged to contribute.

To ensure that employees have representation we have established a "Developing Everybody Group" that is made up from representatives from all areas of the business at all levels. This group comes up with ideas, initiatives and holds its own budget to be spent with the remit of 'all employees benefit'.

To encourage the involvement of employees in the company's performance we have implemented a Sharing in Success Scheme, this enables employees to all receive a payment should the company make a surplus.

As a new Charity to ensure that all employees understand the financial and economic factors affecting the performance the finance director delivered presentations at the staff briefings to explain commercial awareness, the need for building reserve, the difference between cost and value, economic factors that could affect our performance and the cost to income ratio of Everybody Sport & Recreation.

The Directors at this time can confirm:

a) so far as the Director is aware, there is no relevant audit information of which the company's Auditor is unaware, and

b) he has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the company's Auditor is aware of that information.

This report, which incorporates the Strategic Report, was approved by the Trustees on 19th September, 2017 and signed on their behalf by Andrew Kolker.

Andrew Kolker – Chair, Date: 19th September, 2017

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF EVERYBODY
SPORT & RECREATION FOR THE YEAR ENDED 31 MARCH 2017
(REGISTRATION No 08685939)**

We have audited the financial statements of Everybody Sport & Recreation for the year ended 31 March 2017 which comprise Statement of Financial Activities, the Balance Sheet, the Cash Flow statement and the related notes numbered 1 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).

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 company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

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

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Strategic report and the Trustees' Annual Report and any other surround information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year 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 matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit

- the information given in the Strategic Report and the Trustees Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Trustees Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Trustees Annual Report

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.

Vicky Szulist, ACA

Senior Statutory Auditor

For and on behalf of

Crowe Clark Whitehill LLP

Statutory Auditor

The Lexicon

Mount Street

Manchester

M2 5NT

Date: 19th September, 2017

Statement of Financial Activities period ended 31st March 2017

	Notes	Unrestricted Funds £	Restricted Funds £	2016-17 £	2015-16 £
Income:					
Donations and Legacies	2	2,781,274	-	2,781,274	2,897,611
Charitable Activities	3	9,060,803	7,681	9,068,484	7,974,221
Other Trading Activities	4	318,158	-	318,158	37,216
Investment Income		2,059	-	2,059	-
Grants & Contracts	5	2,420,049	231,208	2,651,257	2,725,622
Total Income		14,582,343	238,889	14,821,232	13,634,670
Expenditure on					
Charitable Activities					
Other Trading Activities	6	350,671	-	350,671	44,684
Charitable Activities	7	14,463,921	296,158	14,760,079	14,089,829
Net Gains/(Losses) on investments		-	-	-	-
Total Expenditure		14,814,592	296,158	15,110,750	14,134,513
Net Income (Expenditure)		(232,249)	(57,269)	(289,520)	(499,843)
Transfers Between Funds		(57,269)	57,269	-	-
Other Recognised Gains / (Losses)					
Actuarial Gains / (Losses) on Defined Benefit Pension Schemes		(2,198,000)	-	(2,198,000)	2,582,000
Net Movement		(2,487,518)	-	(2,487,518)	2,082,157
Total Funds Brought Forward		(2,150,004)	-	(2,150,004)	(4,232,161)
Total Funds Carried Forward		(4,637,522)	-	(4,637,522)	(2,150,004)

BALANCE SHEET AS AT 31 March 2017

	Note	31 Mar 17 £	31 Mar 16 £
Fixed Assets:			
Intangible Fixed Assets	11	123,439	-
Tangible Fixed Assets	12	757,014	480,911
Total Fixed Assets		880,453	480,911
Current Assets:			
Stocks		67,061	56,915
Debtors	13	419,555	479,157
Cash at bank and in hand		839,580	1,004,797
Total Current Assets		1,326,196	1,540,869
Liabilities:			
Creditors: amounts due within one year	14	(1,413,171)	(1,275,784)
Net Current Assets/(Liabilities)		(86,975)	265,085
Total Assets Less Current Liabilities		793,478	745,996
Creditors: amounts falling due after one year	15	(288,000)	(352,000)
Net Asset or Liabilities excluding pension Asset or Liability		505,478	393,996
Defined Benefit Pension Scheme Asset or Liability		(5,143,000)	(2,544,000)
Total Net Assets or Liabilities		(4,637,522)	(2,150,004)
Funds of the Charity:			
Unrestricted Funds		244,796	113,939
Unrestricted Designated Funds		260,682	280,057
Pension Reserve		(5,143,000)	(2,544,000)
Total Funds		(4,637,522)	(2,150,004)

These Financial Statements were approved and authorised for issue by the Board on 19th September 2017 and signed on their behalf by Andrew Kolker

	01 April 2016 – 31 March 2017 £	01 April 2015 – 31 March 2016 £	Table
Cash Flows from operating activities			
Net cash (outflow)/inflow from operating activities	372,452	33,007	1
Cash flows from investing activity			
Capital Expenditure	(491,728)	(463,505)	
Interest Income	2,059	-	
Cash flows from financing activity			
Loan Repayment	(48,000)	400,000	
Increase/(Decrease) in cash in period	(165,217)	(30,498)	3
Cash & Cash equivalents at the beginning of the reporting period	1,004,797	1,035,296	
Cash & Cash equivalents at the beginning of the reporting period	839,580	1,004,798	

Table 1

	01 April 2016 – 31 March 2017 £	01 April 2015 – 31 March 2016 £
Net movement in funds for the reporting period (as per the statement of financial activities)	(289,518)	(499,843)
Adjustments for:		
Pension Service Cost	401,000	684,000
Depreciation charges	92,186	56,664
Interest Income	(2,059)	-
(Increase)/decrease in stocks	(10,146)	7,464
(Increase)/decrease in debtors	59,602	(26,305)
Increase/(decrease) in creditors	121,387	(188,974)
Net cash provided by (used in) operating activities	372,452	33,007

Table 2

	01 April 2016 – 31 March 2017 £	01 April 2015 – 31 March 2016 £
Cash in hand	839,580	1,004,797
Total cash & cash equivalents	839,580	1,004,797

Table 3

	01 April 2016 – 31 March 2017 £	01 April 2015 – 31 March 2016 £
Increase / (decrease) in cash in the period	(165,217)	(30,498)
Change in net funds	(165,217)	(30,498)
Net funds as at 1 st April 2016	1,004,797	1,035,296
Net funds as at 31st March 2017	839,580	1,004,797

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

1.01 Basis of Preparation

The Accounts cover the 12 month period ended 31st March 2017, the previous year comparatives refer to the period 1st April 2015 – 31st March 2016. The financial statements are prepared under Companies Act 2006, and in accordance with the Financial Reporting Standard 102 (FRS 102) and follow the recommendations in 'Accounting and Reporting by Charities: Statement of Recommended Practice' issued in 2015 (SORP 2015).

The Trust is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 11 May 2014 (company number: 08685939) and registered as a charity on 10 March 2014 (charity number: 1156084). The address of the registered office is 3rd Floor, 1 Ashley Road, Altrincham, WA14 2DT.

1.02 Going Concern

The Trustees have considered the financial position of the Trust, the levels of free reserves and the 2017/2018 budget; as a consequence, the Trustees believe that the charity is well-placed to manage its business risks successfully through these uncertain times.

The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of preparation in the financial statements.

Whilst the pension liability exceeds the net assets of the Trust, this should not be interpreted as creating a state of insolvency. The liability does not result in an immediate cash commitment and the liability is not expected to crystallise in the foreseeable future. Cheshire East Council provide a guarantee, in relation to all eligible employees, in respect of the Trusts pension obligations.

In the event of the company winding up the Trustees may resolve that any net assets of the Charity after all its debts and liabilities have been paid, be applied or transferred either directly for the objects of the Charity, or to any institution which is or are regarded as charitable for purposes similar to the objects of the Charity or for use for particular purposes that fall within the objects of the Charity. In no circumstances shall the net assets of the Charity be paid to or distributed among the members of the Charity under this Article 41.

1.03 Incoming resources

Income is credited to the Statement of Financial Activities in the period in which it is receivable. The income and expenditure account is presented in the form considered most appropriate to the current activities of the charity.

Donations and Legacies include an amount equal to notional rental expenditure for the use of Cheshire East Council facilities.

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable. Included within the Grants and Contracts figure on the face of the accounts is the management fee paid to Everybody by Cheshire East Council.

Charitable Activities Income is where the majority of our income sits; this includes memberships, class bookings, health programmes, and swimming lessons.

Trading income refers to income generated for the bar operations in four of our sites.

Income from investments is included in the year in which it is receivable.

In addition to the income disclosed in the financial statements Everybody Sport & Recreation also receives help and support in the form of voluntary assistance. This help and support is not included in the financial statements. This voluntary assistance is very much appreciated.

1.04 Fund accounting

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

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure that meets these criteria is charged to the fund together with a fair allocation of management and support costs.

1.05 Stock accounting

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete items.

1.06 Resources expended

Resources expended are recognised in the year in which they are incurred.

Direct charitable expenditure is identified as cost incurred directly as a result of running the operations and projects directly aligned with our Charitable Aims.

Trading Activity Costs are those incurred in connection with trading activities of the Trust.

Resources expended are allocated to the particular activity where the cost relates to the activity. However, management, administration and finance staff costs are apportioned on the basis of time spent on each activity.

1.07 Intangible assets and depreciation

Intangible software costs greater than £5,000 are amortised at a rate calculated to write off the lower of cost or fair market value over its expected useful life.

Depreciation is provided as follows:

<u>Asset</u>	<u>Lifespan</u>	<u>Rate</u>
Software	3 Years	33.3%

1.08 Tangible fixed assets and depreciation

Fixed assets, either individually or as a collection of similar items, purchased over the value of £5,000 are capitalised with all assets valued at historic cost.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

<u>Asset</u>	<u>Lifespan</u>	<u>Rate</u>
Property	50 years or the life of a property lease if less.	2%
Gym/Studio	5 years	20%
Equipment	5 years	20%
General Equipment	5 years	20%
Computers/IT	5 years	20%

1.09 Leasing

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

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the charity, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. We currently do not have any finance leases.

1.10 Deferred income

Amounts held as deferred income refer to funds received in the reporting period but specifically held for use in the following financial year due to funds being restricted for use in a future period.

1.11 Financial Instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activity.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.12 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.13 Judgements in applying accounting policies and key sources of estimation uncertainty

The company makes estimates and assumptions concerning the future. The resulting accounting estimates 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 addressed below.

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of the property plant and equipment, and note 1.7 for the useful economic lives for each class of assets.

(ii) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors.

When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 12 for the net carrying amount of the debtors and associated impairment provision.

1.14 Pensions

The Trust participates in the Local Government Pension Scheme (LPGS), with Cheshire East Council operating as the Administering Authority. The LPGS is a defined benefit scheme. The schemes assets are held separately from the assets of the Trust and are administered by trustees and managed professionally.

Pension scheme assets are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained annually and updated at each Balance Sheet date.

A liability is recognised in the Balance Sheet in respect of the scheme which represents the present value of the defined benefit obligation at the balance sheet date less the fair value of the scheme assets. A full valuation of the liability is calculated by an independent actuary every three years using the projected units method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have the terms to maturity approximating to the terms of the related pension liability. Actuarial gains and losses are recognised in the Statement of Financial Activities in the year that they arise. Where changes to the Scheme have resulted in past service costs, these are recognised immediately in the Statement of Financial Activities.

Liabilities for the pension scheme are held by Cheshire East Council, and are covered in the Operating Contract (section 19.0) which states that "To ensure that the Administering Authority does not require the Contractor to put in place any indemnity or bond in respect of the Eligible Employees, the Authority will provide the Administering Authority with a guarantee in a form acceptable to the Administering Authority and the Contractor in respect of the Contractor's obligations to the Administering Authority in respect of Eligible Employees".

Everybody Sport & Recreation is showing an Operating Surplus prior to the Pension Service Costs (£114,480) as shown in note 1.15 below. The Service Costs and Pension Movements that we are required to show in our accounts under FRS 102 rules include changes in actuarial assumptions and other adjustments that do not impact on the operational cashflow of the charity.

During the contract negotiations it was agreed with Cheshire East Council, that they would indemnify the Pension Liability for all Everybody Sport & Recreation, current and new staff, for as long as the scheme remains open.

1.15 Operating Surplus (Actuarial Pension Costs Removed)

	Notes	Unrestricted Funds	Restricted Funds	01 Apr 2016 – 31 Mar 2017	01 Apr 2015 - 31 Mar 2016
		£	£	£	£
<u>Income:</u>					
Donations and Legacies	2	2,781,274	-	2,781,274	2,897,611
Charitable Activities	3	9,060,803	7,681	9,068,484	7,974,221
Other Trading Activities	4	318,158	-	318,158	37,216
Investment Income		2,057	-	2,057	-
Grants & Contracts	5	2,420,049	231,208	2,651,257	2,725,622
Total Income		14,582,341	238,889	14,821,230	13,634,670
<u>Expenditure on Charitable Activities</u>					
Other Trading Activities	6	350,671	-	350,671	44,684
Charitable Activities	7	14,062,921	296,158	14,359,079	13,405,829
Total Expenditure		14,413,592	296,158	14,709,750	13,450,513
Net Income (Expenditure)		168,749	(57,269)	111,480	184,157
Transfers Between Funds		(57,269)	57,269	-	-
Operating Surplus / (Deficit)		<u>111,480</u>	<u>£</u>	<u>111,480</u>	<u>184,157</u>
Funds of the Charity:					
Unrestricted Funds				111,480	69,374
Designated Funds				-	114,783
Total Funds				111,480	184,157

2. Donations & Legacies

	01 April 2016 – 31 March 2017	01 April 2015 – 31 March 2016
	£	£
Miscellaneous	54	-
Everybody Foundation	1,640	-
Use of Buildings Owned by Cheshire East BC	2,745,820	2,873,542
Use of Buildings Owned by Holmes Chapel Parish Council	33,760	13,333
Marketing Events	-	10,736
Total Income	2,781,274	2,897,611

The reduced value of the donation from Cheshire East BC is due to a reduction in the rental valuation for all properties utilised, together with a full year charge for the Crewe Lifestyle Centre and vacation of various other sites during the year.

The increased value of the donation from Holmes Chapel Parish Council is due to the first full year occupation of Holmes Chapel Community Centre.

3. Charitable Activities

	Operational Facilities	Partnership & Leisure Development	Total
	£	£	£
Total 01 April 2016 - 31 March 2017	9,026,110	42,374	9,068,484
Total 01 April 2015 - 31 March 2016	7,847,392	126,829	7,974,221

4. Other Trading Activities

	01 April 2016 – 31 March 2017 £	01 April 2015 – 31 March 2016 £
Bar Income	318,158	37,216
Total Income	318,158	37,216

Bar activities resulted in a net financial cost of £32,513 which is viewed as providing an enhancement to the overall experience of customers visiting our facilities.

5. Grants & Contracts

	01 April 2016 – 31 March 2017 £	01 April 2015 – 31 March 2016 £
CEC Management Fee	2,168,500	2,378,000
Community Participation (Streetsports)	-	21,274
Active Travel (Cycling Project Delivery)	187,699	254,333
Health	224,199	-
Other Sources	70,859	72,015
Total Income	2,651,257	2,725,622

6. Other Trading Activities

	01 April 2016 – 31 March 2017 £	01 April 2015 – 31 March 2016 £
Staff Costs	189,585	23,214
Bar Purchases	161,086	21,470
Total Expenditure	350,671	44,684

Additional costs have been incurred during 2016-17 due to additional catering outlets having been created at several facilities under the brand "Taste For Life".

7. Charitable Activities (Including Actuarial Pension Costs)

	Operational Facilities £	Partnership & Leisure Dev £	Total £
Activity Costs	1,397,295	206,263	1,603,558
Salary, NI & Pensions	6,408,897	496,048	6,904,945
Pension Service Costs	306,073	20,792	326,865
Staff Expenses, inc Training, Transport & Uniforms	41,989	34,808	76,797
Premises Costs	2,845,482	126	2,845,608
Office & IT Overheads	53,594	30,809	84,403
Transport - Other	2,692	726	3,418
Depreciation	76,721	-	76,721
Unrecoverable VAT Reallocated	342,685	23,279	365,964
Support & Marketing Costs Reallocated	2,302,132	151,351	2,453,483
Governance Costs Reallocated	17,119	1,198	18,317
Total 01 April 2016 - 31 March 2017	13,794,679	965,400	14,760,079
Total 01 April 2015 - 31 March 2016	12,918,393	1,171,436	14,089,829

8. Support and Governance Costs

	Management & Support Services £	Governance Costs £	01 April 2016 – 31 March 2017 £	01 April 2015 – 31 March 2016 £
Activity Costs	642,910	-	642,910	799,041
Salary, NI & Pensions	1,206,885	-	1,206,885	912,384
Pension Service Costs	74,135	-	74,135	84,271
Staff Expenses, including Training, Transport & Uniforms	110,572	-	110,572	104,159
Premises Costs	139,252	-	139,252	138,442
Office & IT Overheads	252,155	18,291	270,446	110,712
Transport - Other	1,059	26	1,085	1,579
Depreciation	8,198	-	8,198	9,900
Total	2,435,166	18,317	2,453,483	2,160,488

9. Analysis of Staff Costs, Auditor Costs & Trustee Remuneration and Expenses

The aggregate payroll costs were:	01 April 2016 – 31 March 2017 £	01 April 2015 – 31 March 2016 £
Salaries	7,378,100	6,053,291
Social Security Costs	380,418	279,985
Pension Costs	542,897	547,290
Total	8,301,415	6,880,566

Included within the costs identified above which refer to 534 members of staff, the following table details the number of whose total employee benefits (excluding employer pension costs) exceeded £60,000.

Total Employee Benefits £	No. of Employees 2017	No. of Employees 2016
60,000 - 69,999	3	3
70,000 - 79,999	-	-
80,000 - 89,999	-	1
90,000 - 99,999	-	1
100,000 - 109,000	1	-
Total	4	5

The total salary and pension costs paid to all key management totalled £338,063

As part of a management restructure in March 16, one further redundancy payment was incurred during 2016-17 and is identified within the expenditure included within Charitable Activities. This totalled £2,272 and is excluded from aggregate payroll cost of 8,299,142.

Governance costs include Auditor Fees totalling £14,500 (£14,670 in 2015-16).

The Charity Trustees receive no remuneration for their services. One Trustee had their mileage costs reimbursed by the Charity, totalling £26.

10. Staff Numbers

The average number of staff employed during this financial year is detailed below. In addition, the average number of equivalent full time staff is also detailed. Casual staff have been excluded from this table.

2017	No.	FTE	
Leisure Facilities	418	193	(418 Staff filling 530 posts)
Leisure Development, Taste for Life and Health	53	22	(53 Staff filling 55 posts)
Support Services, Academy and Marketing	63	45	(63 Staff filling 65 posts)
Total	534	260	

2016	No.	FTE	
Leisure Facilities	425	173	(425 Staff filling 594 posts)
Leisure Development	23	13	(23 Staff filling 23 posts)
Support Services, Academy, Taste for Life and Marketing	45	34	(45 Staff filling 45 posts)
Total	493	220	

Many of Everybody's dedicated staff team work in more than one job role

11. Intangible Fixed Assets

	£	£
	IT Software	Total

Cost:

Balance as of 1st April 2016	-	-
Additions	123,439	123,439
As at 31st March 2017	<u>123,439</u>	<u>123,439</u>

Net Book Value

As at 31st March 2017	<u>123,439</u>	<u>123,439</u>
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12. Tangible Assets

	£	£	£	£	£
	Buildings inc Professional fees	Gym Equipment	IT Equipment	General Equipment	Total
<u>Cost:</u>					
Balance as of 1st April 2016	344,555	118,146	12,176	81,216	556,093
Additions	234,083	58,386	1,349	74,470	368,289
As at 31st March 2017	<u>578,638</u>	<u>176,532</u>	<u>13,525</u>	<u>155,686</u>	<u>924,381</u>
<u>Depreciation:</u>					
As at 1 April 2016	14,356	42,147	2,435	16,243	75,181
Charge for the Year	23,437	35,306	2,435	31,008	92,186
As at 31st March 2017	<u>37,793</u>	<u>77,453</u>	<u>4,870</u>	<u>47,251</u>	<u>167,367</u>
<u>Net Book Value</u>					
As at 31st March 2017	<u>540,845</u>	<u>99,079</u>	<u>8,655</u>	<u>108,435</u>	<u>757,014</u>
As at 1 April 2016	<u>330,199</u>	<u>75,999</u>	<u>9,741</u>	<u>64,973</u>	<u>480,912</u>

13. Debtors

	31 March 2017 £	31 March 2016 £
Trade Debtors	304,342	327,404
Prepayments and Accrued Income	115,213	151,753
As at 31st March 2017	419,555	479,157

£10,909 of Bad Debt has been written off through the Statement of Financial Activity.

14. Creditors: Amounts Falling Due Within One Year

	31 March 2017 £	31 March 2016 £
Trade Creditors	7,031	70,291
Accruals and Deferred Income	996,486	983,443
Taxation and Social Security	275,757	101,287
Loans	64,000	48,000
Other Creditors	69,897	72,763
As at 31st March	1,413,171	1,275,784

Deferred Income

	31 March 2017 £	31 March 2016 £
Resources deferred in the year	375,634	214,077
Deferred income at 31 st March	375,634	214,077
Deferred income at 31 st March consists of :		
Disability Courses	-	2,000
Annual Memberships	150,898	122,108
Facility Bookings	10,857	12,369
Learn To Swim Scheme re 12 wks course	30,437	42,714
Memberships Income received in March	48,922	34,251
Various other Projects	134,520	-
Other	-	635
Total	375,634	214,077

15. Creditors: Amounts Falling Due After One Year

	31 March 2017 £	31 March 2016 £
Principal Repayments Repayable Between 1 to 5 Years	256,000	256,000
Principal Repayments Repayable After 5 Years	32,000	96,000
Total	288,000	352,000

The above loan was received on 18th December 2015 and has an interest rate attached to it of 4% above the Bank of England's variable Base Rate

This is an Unsecured Loan

16. Analysis of Charitable Funds

	Brought Forward 2016 £	Incoming Resources £	Outgoing Resources £	Gains / (Losses) £	Transfers In / (Out) £	Carried Forward 2017 £
Unrestricted Funds						
General Fund	113,939	14,821,232	(14,709,750)	-	19,375	244,796
Pension Reserve	(2,544,000)	-	(401,000)	(2,198,000)	-	(5,143,000)
Designated Funds						
- Staff Membership Scheme	13,055	-	-	-	20,226	33,281
- Depreciation Reserve	55,553	-	-	-	(18,518)	37,035
- Training Academy	15,100	-	-	-	-	15,100
- Signage	24,000	-	-	-	(6,000)	18,000
- Knutsford Attic	19,200	-	-	-	(4,800)	14,400
- Systems Upgrade	117,866	-	-	-	-	117,866
- Marketing	10,833	-	-	-	(10,833)	-
- Capital Contributions Received	24,450	-	-	-	(1,019)	23,431
- Everybody Foundation	-	-	-	-	1,569	1,569
Total Designated Funds	280,057	-	-	-	(19,375)	260,682

	Brought Forward 2015	Incoming Resources	Outgoing Resources	Gains / (Losses)	Transfers In / (Out)	Carried Forward 2017
Unrestricted Funds	£	£	£	£	£	£
General Fund	44,566	13,461,359	(13,274,315)	-	(117,671)	113,939
Pension Reserve	(4,442,000)	-	684,000	1,860,000	-	(2,544,000)
Designated Funds						
- Staff Membership Scheme	1,204	-	-	-	11,851	13,055
- Depreciation Reserve	74,070	-	-	-	(18,517)	55,553
- Training Academy	21,000	-	-	-	(5,900)	15,100
- Signage	30,000	-	-	-	(6,000)	24,000
- Knutsford Attic	24,000	-	-	-	(4,800)	19,200
- Systems Upgrade	15,000	-	-	-	102,866	117,866
- Marketing	-	-	-	-	10,833	10,833
- Capital Contributions Received	-	-	-	-	24,450	24,450
Total Designated Funds	165,274	-	-	-	114,783	280,057

Analysis of Net Assets between Funds	Unrestricted Funds	Designated Funds	Total Funds 2017
	£	£	£
Intangible Fixed Assets	123,439		123,439
Tangible Fixed Assets	757,014		757,014
Current Assets	1,065,514	260,682	1,326,196
Creditors: amounts falling due within one year	(1,413,171)		(1,413,171)
Creditors: amounts falling due after one year	(288,000)		(288,000)
Pension Liability	(5,143,000)		(5,143,000)
Total	(4,898,204)	260,682	(4,637,522)

Analysis of Net Assets between Funds	Unrestricted Funds	Designated Funds	Total Funds 2016
	£	£	£
Tangible Fixed Assets	480,911		480,911
Current Assets	1,260,812	280,057	1,540,869
Creditors: amounts falling due within one	(1,275,784)		(1,275,784)

year			
Creditors: amounts falling due after one year	(352,000)		(352,000)
Pension Liability	(2,544,000)		(2,544,000)
Total	(2,430,061)	280,057	(2,150,004)

Staff Membership Scheme

Income is set aside from the staff membership scheme which is to be used for staff activities, development and benefits during forthcoming years

Depreciation Reserve

An amount has been set aside in 2014/15 to fund ongoing depreciation amounts for the new fitness Equipment at Alsager, Wilmslow Spinning Bikes and Shavington equipment over the useful life of the equipment which is a total of five years.

Training Academy

An amount was originally set aside in 2014/15 for the development of our Training Academy in order to increase participation in training, recruiting apprentices and establishing our external training offer. These costs are now expected to be incurred during 2017-18 at which point a transfer will be made into the General Fund.

Signage

The signage at our facilities has been significantly improved within the year 2015/16. The original £30,000 which was designated in 2014/15 is now being transferred to the General Funds over a period of five years to reflect the depreciation charges on the costs which were incurred.

Knutsford Attic

A fund of £24,000 was created in 2014/15 to upgrade a little used area into a fully functioning Multi-use studio, known as "The Attic". This work was completed in 2015/16 and the fund will be utilised over a period of five years.

Business System Upgrade

A new Finance and a separate new HR and Payroll system has been acquired during 2016-17 And is on target for implementation during 2017-18. A contribution will be made from the Designated Fund into the General Fund in future years to offset the annual depreciation Charges that will be made in the annual revenue account.

Marketing

The Designate fund has now been fully utilised during 2016-17 in order to promote various Technical projects which were designed to generate an increase in the number of customers.

Capital Contribution Received

A sum of £24,450 was accounted for as income in 2015-16 which was designated to be Transferred into the General fund in future years to offset annual depreciation charges made against the revenue account.

Everybody Foundation

Staff have raised funds during 2016-17 for the Everybody Foundation. It is intended that these funds will be transferred to the "Everybody Foundation Charity" during 2017-18.

At the point of creation, the value of this Designated Fund will be transferred to the Everybody Foundation for distribution.

Analysis of Restricted Fund Movement

	Brought Forward	Incoming	Outgoing	Gains	Transfers	Carried Forward
	£	£	£	£	£	£
Disability & Inclusion	-	46,825	(71,994)	-	25,169	-
Active Travel	-	187,699	(219,598)	-	31,899	-
Door Steps Club	-	4,365	(4,566)	-	201	-
Total Restricted Funds	-	238,889	(296,158)	-	57,269	-

17. Related Party Transactions

The charity has a close working relationship with Cheshire East Council. The Council nominate two of the eleven trustees. These two nominated trustees have equal voting rights with the other trustees.

In addition, a close working relationship has also been established with Holmes Chapel Parish Council (HCPC) as Everybody Sport & Recreation investing in and operating the Holmes Chapel Community Centre on behalf of the Parish Council.

The following is a summary of transactions with these entities:

		01 April 2016 – 31 March 2017	01 April 2015 – 31 March 2016
		£	£
Donations & Legacies	- CEC	2,745,820	2,873,542
“ “	- HCPC	33,760	13,333
Grants and Contracts	- CEC	2,168,500	2,378,000
Loan Received	- CEC	-	400,000
Loan Interest and Principal Repaid	- CEC	70,592	-
Charitable Expenditure	- CEC	3,154,321	3,388,542
“ “	- HCPC	33,760	13,333

The above donations relate to an amount calculated for use of the Borough and Parish Council owned facilities at a nil rental, a corresponding equal amount is shown in Charitable expenditure. The Grants income refers to an amount received from Cheshire East Council for the management of their leisure operation. An amount of £408,500 is shown in expenditure for the purchase of back office and IT support provided by the Council on behalf of Everybody Sport and Recreation.

In addition, the following transactions occurred during 2016-17 with organisations which are identified as being Related Parties to Trustees or Senior Managers of the Company: Hermitage Primary School (£1,929 income - swimming pool hire), Charity Finance Group (£1,733 expenditure - membership and training course fees) and Alsager Academy (£3,547 income - staff hire and £19,409 expenditure - shared income arrangement).

Cheshire East Council have indemnified Everybody Sport & Recreation's pension liability (refer to note 1.14), this liability is currently valued at £5,143,000 as at 31st March 2017. The projected amount to be charged to the Operating Profit on the 31st March 2018 is expected to be £2,140,000.

One Charity Trustee received a total of £26 in reimbursement of travel expenditure during the year. The trustees received no emoluments or payment for professional or other services.

The following is a summary of the outstanding transactions with these entities:

	2017 £	2016 £
Amounts due to: Cheshire East Council – Various	13,525	(28,226)
“ “ “ Cheshire East Council – Loan Principal	352,000	400,000
“ “ “ Cheshire East Council – Interest Within One Year	17,463	22,592
Amounts due from: Cheshire East Council	219,003	105,503
Amounts due from: Holmes Chapel Parish Council	179	24,450

18. Defined Benefit Pension Scheme

The charity operates a defined benefit scheme which is open to all employees. The scheme is part of the LGPS and "Everybody" has its own assets held within the wider fund. An actuarial evaluation was carried out as at 31st March 2017 using the following assumptions: The fund is administered by independent trustees who are responsible for ensuring it is funded to meet current and future obligations, the agreed contribution rates for future years are 14.5% for employers and between 5.5% and 8.2%, depending on pay for employees.

Pension Commitments

	2017	2016
Rate of increase in salaries	2.70%	3.20%
Rate of increase in pensions payment	2.40%	2.20%
Discount rate	2.70%	3.60%
Commutation of Pensions to Lump Sums		
Pre April 2008 service	50%	50%
Post April 2008 service	75%	75%
Assumptions include an allowance that there will be future improvements in mortality rates		
Mortality assumptions		
Life expectancy at 65		
Retiring today		
- Male	22.3 years	22.3 years

- Female	24.5 years	24.4 years
Retiring in the future		
- Male	23.9 years	24.1 years
- Female	26.5 years	26.7 years

The fair value of the scheme assets and the expected rate of return, the present value of the scheme liabilities and the resulting surplus / (deficit), as recognised in the SOFA are:

	2017	2016
	Fair Value £	Fair Value £
Equities	11,532,290	9,105,250
Bonds	2,096,780	1,655,500
Property	1,048,390	946,000
Cash	299,540	118,250
Total market value of assets	14,977,000	11,825,000

The actual return on Scheme Assets was £2,462,000 (£440,000 in 2015/16).

	2017 £	2016 £
Amounts Recognised in the Statement of Financial Activities		
Employer Contribution	(663,000)	(589,000)
Past Service Cost	49,000	-
Current Service Cost	918,000	1,118,000
Expected Return On Pension Scheme Assets	(438,000)	(362,000)
Interest On Pension Liabilities	535,000	517,000
Total	401,000	684,000
Actual Return On Scheme Assets	2,462,000	440,000
Movements in the Present Value of the Defined Benefit Obligation were as follows:		
Opening Defined Benefit Obligation	14,369,000	14,985,000
Contributions By Employees	258,000	253,000

Actuarial Losses / (Gains)	4,222,000	(2,504,000)
Benefits Paid	(231,000)	-
Interest Cost	535,000	517,000
Current Service Cost	918,000	1,118,000
Past Service Cost	49,000	-
Closing Defined Benefit Obligation	20,120,000	14,369,000

	2017	2016
	£	£
Movements In The Fair Value of Everybody's Share of Scheme Assets:		
Opening Fair Value of Scheme Assets	11,825,000	10,543,000
Interest Income	438,000	362,000
Actuarial Gains and (Losses)	2,024,000	78,000
Contributions By Employer	663,000	589,000
Contributions By Employee	258,000	253,000
Benefits Paid	(231,000)	-
Closing Fair Value of Scheme Assets	14,977,000	11,825,000

The pension scheme has a deficit, this is being addressed through a re-evaluation of employers contribution at each triannual review. The deficit has increased in year from £2.5m to £5.1m. The scheme was fully funded at transfer, valued on an 'ongoing' basis. The scheme is valued in different ways by the actuary for different purposes:

The 'ongoing' basis of valuation is used by the actuary to set the funding strategy of the scheme and the contribution rates for the scheme and uses a discount rate that reflects the asset mix that the fund actually invest , with a degree of prudence, (return on government bonds + outperformance 1.6%). FRS102 reporting requirement gives a more prescribed calculation of the discount rate stating, it must be 'determined by reference to market yields at the end of the reporting period on high quality corporate bonds.'

The contribution for the year ended 31 March 2018 is expected to be £802,000

19. Operating Leases

Annual Total	Within the First Year	Within the Second to Fifth Years Inclusive	Over Five Years
	£	£	£
1 st Apr 16 – 31 st Mar 17	213,248	436,987	-
1 st Apr 15 – 31 st Mar 16	13,473	287,292	-

Operating lease payments recognised as an expense totalled £307,522 (£178,349 in 2015/16)

20. Financial Instruments

	2017 £	2016 £
Financial assets that are debt instruments measured at amortised cost:		
Trade debtors	302,342	327,404
Accrued Income	115,213	151,753
	417,555	479,157
Financial liabilities measured at amortised cost:		
Trade creditors	7,031	70,291
Loans	352,000	400,000
Accruals	620,852	769,367
Other creditors	69,897	72,763
	1,049,780	1,312,421
Cash and term deposits	839,580	1,004,797

21. Control Relationship

The charity is controlled by the Trustees.

22. Prior Year Statement of Financial Activities - period ended 31st March 2016

	Unrestricted Funds	Restricted Funds	01 Apr 2015 - 31 Mar 2016
	£	£	£
<u>Income:</u>			
Donations and Legacies	2,897,611	-	2,897,611
Charitable Activities	7,967,601	6,621	7,974,221
Other Trading Activities	37,216	-	37,216
Grants & Contracts	2,406,645	318,977	2,725,622
Total Income	13,309,073	325,598	13,634,670
<u>Expenditure on Charitable Activities</u>			
Other Trading Activities	44,684	-	44,684
Charitable Activities	13,761,345	328,484	14,089,829
Net Gains/(Losses) on investments	-	-	-
Total Expenditure	13,806,029	328,484	14,134,513
Net Income (Expenditure)	(496,956)	(2,887)	(499,843)
Transfers Between Funds	(2,887)	2,887	-
Other Recognised Gains / (Losses)			
Actuarial Gains / (Losses) on Defined Benefit Pension Schemes	2,582,000	-	2,582,000
Net Movement	2,082,157	-	2,082,157
Total Funds Brought Forward	(4,232,160)	-	(4,232,160)
Total Funds Carried Forward	(2,150,003)	-	(2,150,003)