

REGISTERED COMPANY NUMBER: 04809606 (England and Wales)  
REGISTERED CHARITY NUMBER: 1102460

REPORT OF THE TRUSTEES INCLUDING STRATEGIC REPORT AND  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017  
FOR  
MYTIME ACTIVE

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**FOR THE YEAR ENDED 31 MARCH 2017**

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**REPORT OF THE TRUSTEES INCLUDING STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2017**

The Trustees, who are also directors of the Charitable Company for the purposes of the Companies Act 2006, present their report, which includes their strategic report, with the consolidated financial statements of the Charitable Company and the Group for the year ended 31 March 2017. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) (FRS102) 'Accounting and Reporting by Charities' effective 1 January 2015.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

04809606 (England and Wales)

**Registered Charity number**

1102460

**Registered office**

4th Floor  
Linden House  
153-155 Masons Hill  
Bromley  
Kent  
BR2 9HY

**Place of business**

The Charitable Company and Group carries out its operations at multiple sites. The head office is located at the same address as the registered office. For information on the sites where the Charitable Company and Group operates please visit the Mytime Active website at <http://www.mytimeactive.co.uk>.

**Trustees**

E D Barkway	- resigned 14 December 2016
C Whatford	
M D Oakley	
Cllr T Stevens	- resigned 28 February 2017
J Heald	
A Hollands	
Cllr N Bennett	
M R Evans	
I M Gowan	
V Lowman	- appointed 22 June 2016
A Muzzelle	- appointed 22 June 2016
H M Sahni-Court	- appointed 24 May 2017

**Chief Executive**

M Mayne

**Company Secretary**

P Drury	- resigned 3 January 2017
M Mayne	- appointed 3 January 2017

**Auditors**

McCabe Ford Williams  
Statutory Auditors and Chartered Accountants  
Bank Chambers  
1 Central Avenue  
Sittingbourne  
Kent  
ME10 4AE

**Solicitors**

Winckworth Sherwood LLP, Minerva House, 5 Montague Close, London SE1 9BB  
Cripps LLP, 23 Kings Hill Avenue, Kings Hill, Kent ME19 4UA  
Clarkson, Wright and Jakes, Valiant House, 12 Knoll Rise, Orpington, Kent, BR6 0PG

**REPORT OF THE TRUSTEES INCLUDING STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The organisation is a Company limited by guarantee, incorporated on 24 June 2003 and registered as a Charity on 3 March 2004. The Charitable Company was established under a Memorandum of Association which established the objects and powers of the Charitable Company and is governed under its Articles of Association.

**Recruitment and appointment of new trustees**

In exercising its powers to nominate, appoint, reappoint, elect, re-elect, approve and dismiss Trustees, the Trustees shall seek to ensure that the Board comprises persons with a broad range of skills who are likely to contribute to the Charity's success.

Subject to the above, the London Borough of Bromley may nominate for consideration the Trustees for appointment, such number of Trustees as comprise less than 20% of the total number of Trustees.

**Induction and training of new trustees**

Trustees follow an induction and familiarisation programme as required, and attend development sessions to ensure they have the knowledge to carry out their responsibilities.

**Organisational structure**

The Board of Trustees of up to 12 people, who meet quarterly, have delegated the responsibility of administering the Charity to a management team. This management team is made up as follows and meets monthly:

Marg Mayne	Chief Executive
Phil Drury	Finance Director - resigned 9 January 2017
Martin Boyce	People Director - resigned 23 December 2016
Chay Champness	Interim Finance & Resources Director from 3 January 2017
Jason Stanton	Operations Director from 8 August 2016
Phil Veasey	Business Development & Marketing Director - resigned 5 May 2017

**Remuneration of Key Management Personnel**

The Finance & Investment group, which is a sub committee of the Trustees, met to set executive pay in the year. This sub committee has been ended from 1 April 2017 and the setting of executive pay will be reviewed and approved annually by the main board.

**Working Partnerships**

The Charitable Company has a close relationship with all the local authorities, who contract the company to operate leisure, golf and Health services across the country.

**Related parties**

The Charitable Company owns 100% of the ordinary issued share capital of Mytime Enterprises Limited.

Mytime Active has taken advantage of the exemption afforded under FRS 102 regarding disclosure of transactions and balances with its wholly owned subsidiary, Mytime Enterprises Limited, when preparing these financial statements.

**Risk management**

The Trustees recognise risk management as one of their key responsibilities. Risks are identified and recorded in the Charitable Company's risk register together with the controls and actions designed to mitigate them. This process has been strengthened this year. In reviewing its position the Charitable Company is able to report that none of the risks identified have to date materialised into significant liabilities as appropriate action has been taken to limit the potential of these risks. Identified risks are reviewed periodically and appropriate action taken where necessary.



**REPORT OF THE TRUSTEES INCLUDING STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The objects of the Charitable Company are:

- To provide or assist in the provision of facilities and services for the benefit of the community and, in particular, the London Borough of Bromley and any surrounding areas for recreational, sporting or other leisure time occupation in the interests of social welfare, such facilities being provided to the public at large save that special facilities may be provided for persons who by reason of their youth, age, infirmity or disability, poverty or social or economic circumstances may have need of special facilities and services;
- To promote and preserve good health and well being through community participation in healthy recreation;
- To advance public education by the encouragement of culture and the arts;
- To promote and advance the education of the public at large in the advantages of healthy and active lifestyles including the benefit of a balanced diet;
- To carry out such other charitable purposes beneficial to the community consistent with the objects above as the Trustees shall in their absolute discretion determine.

The Trustees confirm that they have complied with the duty in Section 17 (5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

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

The benefit to the public of us achieving our aims is in contributing to the recreation, leisure and health services of the community.

**STRATEGIC REPORT**

**ACHIEVEMENT AND PERFORMANCE**

**Chairman's statement**

Overall the company has had another successful year, with revenues in line with the prior year and an increased operating surplus. The group including the charitable company and subsidiary achieved £33.1m turnover (£32.6m 2015/16) and an operating surplus for the year of £1.95m (£0.91m 2015/16).

The Leisure division revenue performance was buoyed by a re-vamped family membership, investment on soft play areas and food and beverage. Overall leisure revenues were up 2% year on year.

The Golf division's strategy of focusing on membership and functions to weather proof the business is proving successful. Membership income has increased by 6% year on year where the national golf participation has been declining. This is a strong performance, which has contributed to mitigating some of the decreased revenue in pay and play.

The company was successful in maintaining performance in the health division during the year, despite of ending profitable contracts with substantial amount of redundancy costs. However, going forward the division has fewer contracts available due to the challenges in public health funding, the range of services and tighter margins.

Reserves of more than £815k were invested during the year in facilities such as course improvement machinery in our golf centres and improved customer facilities, alongside a rolling program of asset management.

Through the Community Investment Fund we have supported a strong portfolio of projects that reflect the wide geographical spread of the areas which we serve as well as the diverse communities and service user groups we engage with.

We achieved a record number of visits to our facilities and services, with over 5 million attendances. Our ethos of welcoming a cross section of the communities we serve through providing accessible and affordable facilities and services and working with a range of partners and funders is supporting an increased number of visits. At our leisure centre visits increased year on year as a result of a number of factors: the continued success of our family membership, the launch of our registration pricing scheme and discounts and improved facility condition. Also, golf attendances have increased year on year, this is despite a national stagnation in golf participation. One of the main reasons for this is the growth we've seen in members.

## **MYTIME ACTIVE**

### **REPORT OF THE TRUSTEES INCLUDING STRATEGIC REPORT** **FOR THE YEAR ENDED 31 MARCH 2017**

#### **STRATEGIC REPORT**

##### **ACHIEVEMENT AND PERFORMANCE (continued)**

###### **Chairman's statement - continued**

Many different community groups and individuals benefit from our services. For example, we delivered a wide range of opportunities for children and young people to engage in sport and physical activity: organised Team Bromley's entry into the London Youth Games; taught over 7,000 children to swim on weekly basis through our Get Active in Swimming programme; extended our Ofsted registered childcare provision across the Borough of Bromley; delivered an extensive MEND in schools programmes across three west London Boroughs and delivered child weight management programmes across the London Boroughs of Tower Hamlets, Lewisham and Wandsworth. In addition we committed resources to ensure young people in targeted and underserved areas of Bromley, were given access to high quality sport, physical activity and creative music opportunities, through our Myfuture and ArtsTrain projects. The projects are high in intensity, benefit and impact.

The newly formed partnership agreement between Mytime Active and England Golf continued throughout the year with the aim of increasing the engagement of Black, Asian and Minority Ethnic communities in golf through a targeted programme within the Birmingham area. The project focused on building effective partnerships and relationships with these communities within the region with the aim to identify and profile golf as an activity for their users and members to experience.

We provide many opportunities for adults and older people to adopt and retain a healthy lifestyle and improve their wellbeing. For example, our Primetime programme of activities for older people was extended to provide more relevant and appropriate activities for older men and we established a community group exercise programme in Biggin Hill, a more rural area of Bromley which was identified as an area lacking in sport and physical activity opportunities. Through our integrated health programmes in the Midlands we have targeted the most hard to reach communities to encourage healthy and active lifestyles. Additionally, through our exercise referral programmes we engaged those who are inactive and have term health conditions in safe and effective programmes of physical activity.

##### **FINANCIAL REVIEW**

###### **Income and expenditure**

The business produced another strong year with revenue of £33.1m. Operational expenditure was controlled well, which resulted in an increase in profit in the year (before actuarial gains / losses) to £1.95m (2015/16 £ 0.91m).

Leisure revenue was up by 2% year on year partly due to strong performance in membership, soft play & food & beverage. Family membership was introduced in October 2015 which has continued to increase in membership across our leisure centres. Total golf revenue on the other hand decreased by 2% on prior year, as a result of pay and play green fees. The company continues to invest in its food and beverage service and as a result spend per visit increased across our sites. The Golf market remains very competitive as the general golf market continues to show year on year decline from the peak in the 80's. Health revenues have fallen 3% year on year due to some contracts expiring in the year and not being replaced.

Total staff costs including taxes and pension contributions has increased by 2.2% year on year, representing 51% (2015/16 – 54%) of total income. Total overheads have reduced by £0.5m due to various cost saving improvements such as energy efficiency improvements and reduction in some of the rents payments.

###### **Capital and investments**

The capital expenditure during the year to 31 March 2017 was as follows:

<b>Company</b>	<b>(note 16)</b>	<b>£</b>
Improvements to property		219,636
Equipment, plant & fittings		317,219
Computer equipment		<u>278,620</u>
Total purchased		<u>815,475</u>

**REPORT OF THE TRUSTEES INCLUDING STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**FINANCIAL REVIEW (continued)**

The Charitable Company uses available reserves to underpin necessary reinvestments back into the service. These investments are key to gaining future business success and ensuring customers continue to receive services at a quality and price that meets their growing expectations. Since the Charitable Company began in 2004 more than £21.8m has been invested into facilities so far.

The Charitable Company will continue to invest in the facilities that it operates and the infrastructure that supports them to ensure best value for money for our customers. Investments will include energy efficiencies in line with our policy to reduce our carbon footprint and keep the increase in energy costs to a minimum to protect our surpluses.

**Investment powers and policy**

The Charitable Company has a low risk investment policy and as such surplus money not immediately required for the operational needs of the Charitable Company is invested in interest bearing accounts. Interest received during the financial year was £80k (2015/16 - £72k).

Net cash inflow from operating activities was £2.6m (2015/16 - £3.3m) during the year. Of this, £0.8m (2015/16 - £1m) was used to fund capital improvements and investment in operations. The net cash inflow for the year was £1.8m compared to a net cash inflow of £2.4m in 2015/16. Cash balances were £11.0m (2016 - £9.2m) at the year end.

**Reserves policy and Charity funds**

At 31 March 2017, the parent Charitable Company and its subsidiary undertakings had accumulated reserves of £14.9m (2016 - £13.6m), within this were restricted reserves of £0.160m (2016: £0.191m). The increase in reserves during the year was as a result of the operating surplus generated less the impact of the increase in the pension liability.

The Trustees recognise the need for a level of financial reserves that will:

1. Allow for planned investment and other similar purposes;
2. Allow for cyclical maintenance expenditure which the Charitable Company has an obligation to incur under various property leases; and
3. Shield the Charitable Company from the possibility of adverse unforeseen circumstances.

These unforeseen circumstances include a number of specific events that have been identified in the Charitable Company's policy on Risk Management and Business Continuity. The Trustees have considered the risks and opportunities and identified that the company maintains minimum liquid reserves £1.5m. At 31 March 2017 the company had unrestricted general fund reserves of £6.4m however there are a number of known factors which will utilise most these funds in the short to medium term. These include the funding of a contracted capital development (£2.6m), the procurement of freehold land and potential additional funding of final salary pension scheme deficits.

**Going Concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the group and charitable company have adequate resources to continue in operational existence for the foreseeable future. The group and charitable company therefore continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies within note 1 of the financial statements.

**PLANS FOR FUTURE PERIODS**

The company's purpose is for everyone to 'get more from life'. It will achieve this through improving quality, increasing participation, customer satisfaction, and measuring and improving health and welfare our aim is to continue to generate surpluses to re-invest to benefit the communities that we serve and change people's lives for the better.

We will not achieve our purpose on our own so will work in partnership with local authorities and local organisations, to bring improvement programmes that will increase health and wellbeing in local communities.

To measure this the company has set three organisational goals:

1. Increase the average levels of wellbeing in our core communities
2. Grow turnover and EBITDA by a factor of 2
3. Reach an 80% employee engagement score

**REPORT OF THE TRUSTEES INCLUDING STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**DISABLED PERSONS**

The parent Charitable Company and its subsidiary undertakings' policy is to give full and fair consideration to applications for employment by disabled persons, having regard for their particular aptitudes and abilities. Disabled employees receive appropriate training to promote their career within the organisation. Employees who become disabled are retained in their existing posts where possible or retrained for suitable alternative posts.

**EMPLOYEE INVOLVEMENT**

One of the company's organisational goals is to reach an employee engagement score of 80%. An annual employee survey is carried out, action plans are then drawn up following the survey to improve employee engagement.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees are responsible for preparing the Report of the Trustees incorporating a Strategic Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice, including FRS102 (the financial reporting standard applicable in the UK and R.O.I.).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and the Group and of the net income or expenditure of the Group for that period. In preparing those financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company and the Group will continue in business.

The Trustees are responsible for keeping proper 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**APPROVAL OF REPORTS**

In approving the Report of the Trustees, the Trustees of the Charitable Company also approve the Strategic Report in their capacity as Directors.

**ON BEHALF OF THE BOARD:**



.....  
Chair of the Board

Date: 27 September 2017



## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF** **MYTIME ACTIVE**

We have audited the Group and Charitable Company financial statements of Mytime Active for the year ended 31 March 2017 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 (the financial reporting standard applicable in the UK and R.O.I.).

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 a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Trustees and auditors**

As explained more fully in the Statement of Trustees' Responsibilities set out on page six, the Trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

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 Group's and the parent Charitable Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees, including the Strategic Report, 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 Group's and the Charitable Company's affairs as at 31 March 2017 and of the Group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**MYTIME ACTIVE**

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Clair Rayner FCA DChA (Senior Statutory Auditor)  
for and on behalf of McCabe Ford Williams  
Statutory Auditors and Chartered Accountants  
Bank Chambers  
1 Central Avenue  
SITTINGBOURNE  
ME10 4AE



Date: 27 September 2017

**MYTIME ACTIVE**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2017**

	Notes	Unrestricted Funds £	Restricted Funds £	Pension Adjustment Unrestricted £	31.3.17 Total Funds £	31.3.16 Total Funds £
<b>INCOME</b>						
Donations and legacies	5	742,040	-	-	742,040	-
<i>Income from charitable activities:</i>						
Operation of leisure, recreation sites and health activities	7	30,008,224	1,880	-	30,010,104	30,553,481
Other funding	7	485,911	95,125	-	581,036	391,334
Grants	7	-	-	-	-	4,648
		30,494,135	97,005	-	30,591,140	30,949,463
<i>Income from other trading activities:</i>						
Commercial trading operations	3	1,646,004	-	-	1,646,004	1,604,271
<i>Income from Investments:</i>						
Investment income	6	80,171	-	-	80,171	71,738
<b>Total income</b>		<b>32,962,350</b>	<b>97,005</b>	<b>-</b>	<b>33,059,355</b>	<b>32,625,472</b>
<b>EXPENDITURE</b>						
<i>Costs of raising funds:</i>						
Commercial trading operations	3	1,539,038	-	-	1,539,038	1,538,883
<i>Expenditure on charitable activities:</i>						
Operation of leisure, recreation sites and health activities	8	29,363,735	127,854	79,000	29,570,589	30,176,424
<b>Total expenditure</b>		<b>30,902,773</b>	<b>127,854</b>	<b>79,000</b>	<b>31,109,627</b>	<b>31,715,307</b>
<b>Net income / (expenditure) for the year before actuarial gains / (losses) under FRS102</b>		<b>2,059,577</b>	<b>(30,849)</b>	<b>(79,000)</b>	<b>1,949,728</b>	<b>910,165</b>
Re-measurements on defined benefit schemes	25	-	-	(581,000)	(581,000)	439,000
<b>Net movement in funds</b>		<b>2,059,577</b>	<b>(30,849)</b>	<b>(660,000)</b>	<b>1,368,728</b>	<b>1,349,165</b>
<b>RECONCILIATION OF FUNDS</b>						
<b>Total funds brought forward</b>	28	<b>14,518,687</b>	<b>190,824</b>	<b>(1,136,000)</b>	<b>13,573,511</b>	<b>12,224,346</b>
<b>Total funds carried forward</b>		<b>16,578,264</b>	<b>159,975</b>	<b>(1,796,000)</b>	<b>14,942,239</b>	<b>13,573,511</b>

**CONTINUING OPERATIONS**

All incoming resources and resources expended arise from continuing activities.

**MYTIME ACTIVE****CONSOLIDATED BALANCE SHEET  
AT 31 MARCH 2017**

	Notes	31.3.17 Total Funds £	31.3.17 Total Funds £	31.3.16 Total Funds £	31.3.16 Total Funds £
<b>FIXED ASSETS</b>					
Intangible assets	15		-		164,199
Tangible assets	16		8,421,620		9,170,521
Investments	17		-		-
			8,421,620		9,334,720
<b>CURRENT ASSETS</b>					
Stocks	18	370,991		334,592	
Debtors: amounts falling due within one year	19	1,424,801		1,759,208	
Cash at bank and in hand		11,038,544		9,194,280	
		12,834,336		11,288,080	
<b>CREDITORS</b>					
Amounts falling due within one year	20	(4,140,843)		(4,904,105)	
<b>NET CURRENT ASSETS</b>			8,693,493		6,383,975
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			17,115,113		15,718,695
<b>CREDITORS</b>					
Amounts falling due after more than one year	21		-		(587,200)
<b>PROVISIONS FOR LIABILITIES</b>	24		(376,874)		(421,984)
<b>NET ASSETS EXCLUDING PENSION LIABILITY</b>			16,738,239		14,709,511
<b>PENSION LIABILITY</b>	25		(1,796,000)		(1,136,000)
<b>NET ASSETS</b>			14,942,239		13,573,511
<b>FUNDS</b>					
Fixed asset funds			8,421,620		9,334,720
Unrestricted funds			6,360,644		4,047,967
Restricted funds			159,975		190,824
<b>TOTAL FUNDS</b>	28		14,942,239		13,573,511

The financial statements were approved by the Board of Trustees on 27 September 2017 and were signed on its behalf by:



Trustee

Company Registered Number: 04809606



Trustee


The notes form part of these financial statements

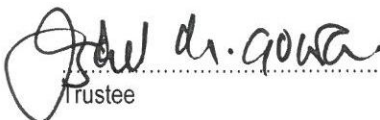


**COMPANY BALANCE SHEET**  
**AT 31 MARCH 2017**

	Notes	31.3.17 Total Funds £	31.3.17 Total Funds £	31.3.16 Total Funds £	31.3.16 Total Funds £
<b>FIXED ASSETS</b>					
Intangible assets	15		-		164,199
Tangible assets	16		8,421,620		9,170,521
Investments	17		1		1
			8,421,621		9,334,721
<b>CURRENT ASSETS</b>					
Stocks	18	323,660		288,580	
Debtors: amounts falling due within one year	19	1,406,692		1,753,810	
Cash at bank and in hand		11,029,885		9,185,622	
		12,760,237		11,228,012	
<b>CREDITORS</b>					
Amounts falling due within one year	20	(4,066,745)		(4,844,038)	
<b>NET CURRENT ASSETS</b>			8,693,492		6,383,974
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			17,115,113		15,718,695
<b>CREDITORS</b>					
Amounts falling due after more than one year	21		-		(587,200)
<b>PROVISIONS FOR LIABILITIES</b>	24		(376,874)		(421,984)
<b>NET ASSETS EXCLUDING PENSION LIABILITY</b>			16,738,239		14,709,511
<b>PENSION LIABILITY</b>	25		(1,796,000)		(1,136,000)
<b>NET ASSETS</b>			14,942,239		13,573,511
<b>FUNDS</b>					
Fixed asset funds			8,421,621		9,334,721
Unrestricted funds			6,360,643		4,047,966
Restricted funds			159,975		190,824
<b>TOTAL FUNDS</b>	28		14,942,239		13,573,511

The financial statements were approved by the Board of Trustees on 27 September 2017 and were signed on its behalf by:

  
Trustee  
Company Registered Number: 04809606

  
Trustee

The notes form part of these financial statements

**STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2017**

	Group 31.3.17 £	Group 31.3.16 £	Company 31.3.17 £	Company 31.3.16 £
<b>Cash flows from operating activities</b>	2,571,528	3,334,032	2,571,527	3,334,062
<b>Cash flows from investing activities</b>				
Purchase of tangible fixed assets	(815,475)	(1,042,205)	(815,475)	(1,042,205)
Disposal of tangible fixed assets	-	-	-	-
Interest income	80,171	71,738	80,171	71,738
Cash used in investing activities	(735,304)	(970,467)	(735,304)	(970,467)
<b>Cash flows from financing activities</b>				
Re-profiling of existing loan	8,040	-	8,040	-
<b>Increase in cash in the period</b>	<u>1,844,264</u>	<u>2,363,565</u>	<u>1,844,263</u>	<u>2,363,595</u>
<b>Opening cash at bank and in hand</b>	<u>9,194,280</u>	<u>6,830,715</u>	<u>9,185,622</u>	<u>6,822,027</u>
<b>Closing cash at bank and in hand</b>	<u>11,038,544</u>	<u>9,194,280</u>	<u>11,029,885</u>	<u>9,185,622</u>

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**1. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	Group 31.3.17 £	Group 31.3.16 £	Company 31.3.17 £	Company 31.3.16 £
Net movement in funds	1,949,728	910,165	1,949,728	910,165
Amortisation of goodwill	24,326	24,326	24,326	24,326
Impairment of goodwill	139,873	-	139,873	-
Depreciation charges	1,564,376	1,626,235	1,564,376	1,626,235
Deficit on disposal of fixed assets	-	9,110	-	9,110
Movement in provisions	(45,110)	79,882	(45,110)	79,882
(Increase) / decrease in stocks	(36,399)	52,190	(35,080)	72,585
Decrease in debtors	334,407	497,625	347,118	508,732
(Decrease) / increase in creditors	(616,462)	145,237	(630,493)	113,765
Net interest cost	44,000	52,000	44,000	52,000
Difference between pension charge and cash contributions	34,000	8,000	34,000	8,000
Administrative expenses	1,000	1,000	1,000	1,000
Interest received	(80,171)	(71,738)	(80,171)	(71,738)
Reclassification of existing loan	(742,040)	-	(742,040)	-
<b>Net cash flow from operating activities</b>	<b>2,571,528</b>	<b>3,334,032</b>	<b>2,571,527</b>	<b>3,334,062</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the provisions of FRS 102 (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. There were no material departures from that standard.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional and presentational currency of the charity.

**Group financial statements**

The financial statements consolidate the results of the Charitable Company and its wholly owned subsidiary, Mytime Enterprises Limited, on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account is not presented for the Charitable Company itself in accordance with the exemptions afforded by section 408 of the Companies Act 2006.

**Company status**

The Charity is a Company limited by guarantee.

**Income**

Income from recreation, leisure sites and health activities are included on the Statement of Financial Activities when the Charitable Company is legally entitled to the income, it is probable that the income will be received, and the amount can be quantified with reasonable accuracy. Income represents net sales of goods and services and management fees excluding value added tax, to customers during the year. Certain income is received in advance of the provision of the relevant service and as such is deferred until the service commences. Some services are provided in advance of an invoice being raised and the associated income is therefore accrued until the invoice has been raised and the income recognised on the Statement of Financial Activities. Income for annual memberships is accounted for over the membership year.

**Grants / Other funding**

Grants receivable in respect of a specified period relating to the general activities of the Charitable Company are recognised in the Statement of Financial Activities in the period in which it is probable that they will be received. Where related expenditure has not been incurred the grant is deferred only when the donor has imposed restrictions on the expenditure of resources which amount to pre-conditions for use.

**Unrestricted funds**

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

**Restricted funds**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the funds.

**Expenditure**

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**1. ACCOUNTING POLICIES – continued**

**Allocation and apportionment of costs**

Charitable activities are those costs incurred directly in the running of each of the recreation and leisure sites and in performance of the health activities. Charitable activities are split into recreation, leisure site and health activities costs, which are those costs incurred directly in the running of each of the sites and health activities, and support costs which are those costs incurred directly in support of expenditure on the objects of the Charitable Company.

**Taxation**

The Charitable Company is exempt from corporation tax on its charitable activities. Where the Charitable Company conducts trading activities corporation tax is charged on the profits arising from these activities.

**Goodwill**

Goodwill represents the excess of the cost of an acquisition over the fair value of the identifiable net assets of the acquired business at the date of acquisition. Goodwill arising from such acquisitions is included in intangible assets. The goodwill is then amortised over its expected useful life. Goodwill is tested for impairment at the end of the first full financial year after acquisition and then if events or changes in circumstances indicate that carrying values may not be recoverable. Any impairment is recognised immediately in the Statement of Financial Activities. Subsequent reversals of impairment losses for goodwill are not recognised.

**Tangible fixed assets**

Fixed assets are shown in the financial statements at cost including irrecoverable VAT in respect of these assets. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	-over remaining term of lease
Equipment, plant and fittings	-straight line over 3 and 5 years
Motor vehicles	-straight line over 5 years
Computer equipment	-straight line over 5 years

**Fixed asset investments**

Fixed asset investments represent the charitable company's holding of share capital in the subsidiary. The asset is shown in the financial statements at cost less any impairment losses recognised.

**Service Concession Arrangements**

The Charitable Company has Service Contracts with Local Authorities for the operation of leisure centres and golf courses owned by the Local Authorities to which it has lease and management service contracts. The Authorities have rights under the contracts to specify the activities offered by the centres and have influence over the prices charged for them and specify minimum standards for the services to be provided.

**Property, plant and equipment**

The buildings and plant at the centres are leased to the Charitable Company as part of the overall contractual relationship with the Authorities but the Authorities maintain ultimate control of these assets. Accordingly the access which the Charitable Company has in the use of these assets is to enable it to operate the leisure centres and golf courses, so that the Charitable Company can provide the public service it is contracted to provide, not to effectively own these public service assets. These assets are therefore not recognised on the Charitable Company's Balance Sheet.

**Stocks**

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

**Provisions**

A provision is recognised in the balance sheet when the Charitable Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions, when created are based on the best information available to the Board at that point of time.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities as incurred.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**1. ACCOUNTING POLICIES – continued**

**Financial Instruments**

The charitable company enters into basic financial instruments 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 and loans to related parties.

**a) Trade and other debtors**

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

**b) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand.

**c) Impairment of financial assets**

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 profit or loss.

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 the 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 reporting date.

**d) Trade and other creditors**

Debt instruments like loans and other accounts payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable within one year, typically trade payables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid. 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 outright short-term loan not at market rate, the financial asset is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position 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.

**Pensions**

The Charitable Company operates a pension scheme providing benefits based on final pensionable pay. Contributions to the defined benefits scheme are charged to the Statement of Financial Activities in order to allocate the cost of providing the pensions recognising any actuarial surplus or deficiency (where appropriate), over the working lives of the relevant employees as assessed in accordance with the advice of a professionally qualified actuary. The assets of the scheme are held separately in an independently administered fund.

The Charitable Company complies with legislation concerning automatic enrolment and as such operates a defined contribution pension scheme. Contributions to defined contribution schemes are charged to the Statement of Financial Activities as incurred. These include contributions to the stakeholder pension scheme and employees' personal pension schemes.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**1. ACCOUNTING POLICIES – continued**

**Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Charitable Company's accounting policies management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from the estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Management consider the following to be key sources of estimation uncertainty which would have a significant effect on the amounts recognised in the financial statements:

A number of actuarial assumptions are used to quantify the Group's pension liability in respect of defined benefit pension schemes. Further information concerning these assumptions can be found in note 25.

The Charity Company provides for a decorating provision in respect of premises leased under operating leases that include end of lease rectification clauses. More detailed explanations for the basis of the provision can be found in note 24.

Depreciation charges for assets with a net book value of £8.4million are included in the Statement of Financial Activities based on the estimated useful economic life of fixed assets.

An impairment charge is made against goodwill and recognised in the Statement of Financial Activities if circumstances indicate that carrying values may not be recoverable.

**Redundancy and termination payments**

The cost of making redundancy and termination payments is recognised in the Statement of Financial Activities when the recognition criteria for the legal or constructive obligation are met. Therefore, when it is probable that an outflow of economic benefits will be required to settle the obligation and the amount of the obligation can be reliably estimated, the obligation is recognised in the financial statements.

**2. FINANCIAL ACTIVITIES OF THE CHARITY**

The financial activities shown in the Group Statement of Financial Activities include those of the Charitable Company's wholly owned subsidiary Mytime Enterprises Limited.

A summary of the financial activities undertaken by the Charitable Company is set out below:

	31.3.17	31.3.16
	£	£
Gross incoming resources	31,505,230	31,021,203
Fundraising trading expenditure	-	-
Total expenditure on charitable activities	(29,570,591)	(30,176,426)
Bad debt write back on subsidiary's profit for the year	<u>15,089</u>	<u>65,388</u>
Net incoming resources	1,949,728	910,165
Actuarial (loss)/gain on defined benefit pension scheme	<u>(581,000)</u>	<u>439,000</u>
	<u><u>1,368,728</u></u>	<u><u>1,349,165</u></u>

**3. INCOMING / (OUTGOING) RESOURCES FROM COMMERCIAL TRADING OPERATIONS**

A summary of the trading results of the wholly owned subsidiary Mytime Enterprises Limited is shown below:

	31.3.17	31.3.16
	£	£
Turnover	1,646,004	1,604,271
Cost of sales and administration costs	(1,535,266)	(1,522,535)
Gift aid donation	(91,877)	-
Deferred tax (debit) to profit and loss	-	(13,902)
Current tax (debit) to profit and loss	<u>(3,772)</u>	<u>(2,446)</u>
Net profit	<u><u>15,089</u></u>	<u><u>65,388</u></u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**4. PROFIT / LOSS OF THE PARENT COMPANY**

As permitted by section 408 of the Companies Act 2006, the income and expenditure account of the parent Charitable Company is not presented as part of these financial statements. The parent Charitable Company's net incoming resources after actuarial gains/losses under defined benefit pension schemes for the financial year was £1,368,728 (2016: £1,349,165).

**5. DONATIONS AND LEGACIES INCOME**

	31.3.17 £	31.3.16 £
Donations	<u>742,040</u>	<u>-</u>

In the year ended 31 March 2017 long term loan liabilities were reclassified within donations income in the Statement of Financial Activities as the lease agreement information which became available in the year indicates that this is the appropriate treatment. Donations and legacies income in 2017 was fully attributable to unrestricted funds.

**6. INVESTMENT INCOME**

	31.3.17 £	31.3.16 £
Deposit account interest	<u>80,171</u>	<u>71,738</u>

All of the group's investment income arises from interest bearing deposit accounts. Income from investments was £80,171 (2016: £71,738) of which £nil (2016: £nil) was attributable to restricted funds and £80,171 (2016: £71,738) was attributable to unrestricted funds.

**7. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	31.3.17 £	31.3.16 £
Operation of leisure, recreation sites and health activities	30,010,104	30,553,481
Grants	-	4,648
Other funding	<u>581,036</u>	<u>391,334</u>
	<u>30,591,140</u>	<u>30,949,463</u>

Income from charitable activities was £30,591,140 (2016: £30,949,463) of which £97,005 (2016: £115,034) was attributable to restricted funds and £30,494,135 (2016: £30,834,429) was attributable to unrestricted funds.

**8. RESOURCES EXPENDED ON CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Direct Staff Costs £	Support Costs (see note 9) £	31.3.17 Total Charitable Activities £	31.3.16 Total Charitable Activities £
Leisure, recreation and health activities	<u>11,621,379</u>	<u>13,656,384</u>	<u>4,292,826</u>	<u>29,570,589</u>	<u>30,176,424</u>

£127,854 (2016: £420,770) of the above costs were attributable to restricted funds and £29,442,735 (2016: £29,755,654) of the above costs were attributable to unrestricted funds.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**9. SUPPORT COSTS**

Support costs, included in the above, are as follows:

	31.3.17 Operation of leisure, recreation sites and health activities	31.3.16 Operation of leisure, recreation sites and health activities
	£	£
Wages	2,722,362	1,983,812
Premises expenses	267,447	257,501
Motor and travel	139,458	81,915
Overheads	602,988	639,859
Service charges	35,937	34,180
Legal and professional including governance costs	47,570	33,825
Consultants	464,071	358,164
Depreciation of tangible assets	12,993	56,231
	<u>4,292,826</u>	<u>3,445,487</u>

All support costs relate to the sole activity of the Charitable Company, being the provision of leisure, recreation and health services.

**10. GOVERNANCE COSTS**

	31.3.17 £	31.3.16 £
Auditors' remuneration	16,000	17,000
Auditors' remuneration for non-audit work	3,750	3,000
Internal audit fees	4,988	6,300
	<u>24,738</u>	<u>26,300</u>

**11. NET INCOMING/(OUTGOING) RESOURCES**

Net resources are stated after charging/(crediting):

	31.3.17 £	31.3.16 £
Auditors' remuneration	16,000	17,000
Auditors' remuneration for non-audit work	3,750	3,000
Internal audit fees	4,988	6,300
Audit of trading subsidiary	3,000	3,500
Audit of trading subsidiary (over)/under provision in the previous year	-	(380)
Depreciation - owned assets	1,564,376	1,626,235
Hire of plant and machinery	42,579	63,554
Deficit on disposal of fixed asset	-	9,110
Cost of stocks recognised as an expense	1,946,359	2,247,821
Goodwill amortisation	24,326	24,326
Goodwill impairment	139,873	-
	<u>139,873</u>	<u>-</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**12. TRUSTEES' REMUNERATION AND BENEFITS**

The Trustees neither received nor waived any emoluments during the year.

**Trustees' Expenses**

During the year, reimbursed expenses amounting to £279 (2016: £98) in total were paid to four Trustees relating to travel costs.

**13. STAFF COSTS**

	31.3.17 £	31.3.16 £
<b>Company</b>		
Wages and salaries	14,801,574	14,570,921
Social security costs	1,064,449	979,360
Defined benefit pension costs	95,000	60,000
Other pension costs	<u>417,724</u>	<u>443,980</u>
	16,378,747	16,054,261
<b>Subsidiary</b>		
Wages and salaries	567,285	524,133
Social security costs	44,369	40,994
Other pension costs	<u>22,184</u>	<u>20,496</u>
	633,838	585,623
	<u>17,012,585</u>	<u>16,639,884</u>

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

	31.3.17	31.3.16
Senior management	4	5
Leisure, recreation & health activities	1,087	1,072
Support	<u>58</u>	<u>47</u>
	<u>1,149</u>	<u>1,124</u>

The average monthly number of employees during the year, expressed as full time equivalents was as follows:

	31.3.17	31.3.16
Senior management	4	5
Leisure, recreation & health activities	592	623
Support	<u>52</u>	<u>40</u>
	<u>648</u>	<u>668</u>

The total amount of employee benefits received by key management personnel is £441,693 (2016: £349,981). The trust considers its key management personnel to comprise of the executive directors of the charitable company.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**13. STAFF COSTS - continued**

The number of employees whose emoluments fell within the following bands was:

	31.3.17	31.3.16
£60,001 - £70,000	4	3
£70,001 - £80,000	2	-
£80,001 - £90,000	1	-
£90,001 - £100,000	1	2
£110,001 - £120,000	-	1
£150,001 - £160,000	1	1
	<u>9</u>	<u>7</u>

The number of employees earning in excess of £60,000 (for the year) to whom retirement benefits are accruing:

31.3.16	31.3.15
1	1

During the year under review ex-gratia payments of £29,984 and £8,100 (2016: one payment of £21,250) were made in respect of settlement agreements to mutually terminate two contracts (2016: one contract) of employment.

**14. TAXATION**

The Charitable Company paid no corporation tax during the year. Provisions for £3,772 (2016: £2,446) have been made at 31 March 2017 for corporation tax due in respect of the surplus from trading activities recorded in the year ended 31 March 2017. During the year ended 31 March 2017 all trading activities were conducted by the wholly owned subsidiary, Mytime Enterprises Limited.

**15. INTANGIBLE FIXED ASSETS****Group and company**

	Goodwill £
<b>COST</b>	
At 1 April 2016	237,176
Impairments	<u>(237,176)</u>
At 31 March 2017	-
<b>AMORTISATION</b>	
At 1 April 2016	72,977
Charge for year	24,326
Impairments	<u>(97,303)</u>
At 31 March 2017	-
<b>NET BOOK VALUE</b>	
At 31 March 2017	<u>-</u>
At 31 March 2016	<u>164,199</u>

A review of the carrying value of goodwill was undertaken during the year. The review concluded that there were indications that the carrying value of goodwill was impaired and accordingly an impairment adjustment was made as detailed above.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**16. TANGIBLE FIXED ASSETS****Group and company**

	Improvements to property £	Equipment, plant and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1 April 2016	10,932,041	7,163,916	53,855	1,178,126	19,327,938
Additions	<u>219,636</u>	<u>317,219</u>	<u>-</u>	<u>278,620</u>	<u>815,475</u>
At 31 March 2017	<u>11,151,677</u>	<u>7,481,135</u>	<u>53,855</u>	<u>1,456,746</u>	<u>20,143,413</u>
<b>DEPRECIATION</b>					
At 1 April 2016	3,960,745	5,090,660	36,487	1,069,525	10,157,417
Charge for year	<u>632,641</u>	<u>825,941</u>	<u>7,361</u>	<u>98,433</u>	<u>1,564,376</u>
At 31 March 2017	<u>4,593,386</u>	<u>5,916,601</u>	<u>43,848</u>	<u>1,167,958</u>	<u>11,721,793</u>
<b>NET BOOK VALUE</b>					
At 31 March 2017	<u>6,558,291</u>	<u>1,564,534</u>	<u>10,007</u>	<u>288,788</u>	<u>8,421,620</u>
At 31 March 2016	<u>6,971,296</u>	<u>2,073,256</u>	<u>17,368</u>	<u>108,601</u>	<u>9,170,521</u>

**17. FIXED ASSET INVESTMENTS****Company**

	Shares in group undertakings £
<b>MARKET VALUE</b>	
At 1 April 2016 and 31 March 2017	1
<b>NET BOOK VALUE</b>	
At 31 March 2016 and 31 March 2017	<u>1</u>

There were no investment assets outside the UK.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**17. FIXED ASSET INVESTMENTS - continued**

The company's investments at the balance sheet date in the share capital of companies included the following:

**Mytime Enterprises Limited (company number 04851004)**

Nature of business: Sale of food and beverages and the provision of catering services

Class of share:	% holding	31.3.17 £	31.3.16 £
Ordinary	100		
Aggregate capital and reserves		1	(15,088)
Profit for the year		<u>15,089</u>	<u>65,388</u>

**18. STOCKS**

	<b>Group</b>		<b>Company</b>	
	31.3.17 £	31.3.16 £	31.3.17 £	31.3.16 £
Stocks	<u>370,991</u>	<u>334,592</u>	<u>323,660</u>	<u>288,580</u>

Stock amounts recognised within expenditure for the current period are £1,946,359 (2016 - £2,247,821).

**19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	31.3.17 £	31.3.16 £	31.3.17 £	31.3.16 £
Trade debtors	639,432	974,823	595,832	958,315
Amounts owed by group undertakings	-	-	25,492	11,110
Other debtors	28,430	24,677	28,430	24,677
Prepayments and accrued income	<u>756,939</u>	<u>759,708</u>	<u>756,938</u>	<u>759,708</u>
	<u>1,424,801</u>	<u>1,759,208</u>	<u>1,406,692</u>	<u>1,753,810</u>

**20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	31.3.17 £	31.3.16 £	31.3.17 £	31.3.16 £
Other loans (see note 22)	-	146,800	-	146,800
Trade creditors	732,305	551,609	666,255	498,488
Tax	3,772	2,446	-	-
Social security and other taxes	269,274	263,098	269,273	263,098
V.A.T.	95,546	117,575	95,546	117,575
Other creditors	107,493	57,489	107,493	57,489
Deferred income	1,329,928	1,411,193	1,329,928	1,411,193
Accrued expenses	<u>1,602,525</u>	<u>2,353,895</u>	<u>1,598,250</u>	<u>2,349,395</u>
	<u>4,140,843</u>	<u>4,904,105</u>	<u>4,066,745</u>	<u>4,844,038</u>

Deferred income relates to memberships paid in advance which were received in the current year. The amount deferred at 31 March 2016 has been released to the Statement of Financial Activities in full.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**21. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	31.3.17	31.3.16	31.3.17	31.3.16
	£	£	£	£
Other loans (see note 22)	-	587,200	-	587,200
	<u>-</u>	<u>587,200</u>	<u>-</u>	<u>587,200</u>

**22. LOANS**

An analysis of the maturity of loans is given below:

	<b>Group</b>		<b>Company</b>	
	31.3.17	31.3.16	31.3.17	31.3.16
	£	£	£	£
Amounts falling due within one year on demand:				
Other loans	-	146,800	-	146,800
Amounts falling due between one and two years:				
Other loans	-	146,800	-	146,800
Amounts falling due between two and five years:				
Other loans	-	440,400	-	440,400
Amounts falling due in more than five years:				
Other loans	-	-	-	-

**23. OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be made within the specified periods:

**Group and company**

	<b>Land and buildings</b>		<b>Equipment</b>	
	31.3.17	31.3.16	31.3.17	31.3.16
	£	£	£	£
Amounts to be paid:				
Within one year	316,738	378,440	22,747	29,328
Between one and five years	1,392,550	764,560	26,794	22,700
In more than five years	<u>2,733,273</u>	<u>2,484,820</u>	<u>-</u>	<u>-</u>
	<u>4,442,561</u>	<u>3,627,820</u>	<u>49,541</u>	<u>52,028</u>

**24. PROVISIONS FOR LIABILITIES****Group and company**

	31.3.17	31.3.16
	£	£
Provisions	<u>376,874</u>	<u>421,984</u>

The Charitable Company's premises are leased under operating leases. The majority of leases include end of lease rectification clauses which impose certain requirements on the Charitable Company to complete repairs and maintenance or re-decoration activities if required. The Charitable Company provides for repairs and maintenance obligations as it becomes aware of any significant amounts that will be required. The Charitable Company does not provide for amounts where the potential exposure cannot be reliably measured and accordingly does not anticipate potential repairs and maintenance. Additionally the Charitable Company maintains the centres to a high standard and completes any necessary repairs and maintenance on a timely basis, addressing any events that require expenditure throughout the lease period as and when required. Such costs are expensed as incurred.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**25. EMPLOYEE BENEFIT OBLIGATIONS**

The Charitable Company operates defined benefit pension schemes for some employees. The Charitable Company has admitted body status to the pension funds. Contributions to the schemes are charged to the Statements of Financial Activities so as to spread the cost of pensions over employees' working lives with the Charitable Company in such a way that the pension cost is a substantial level percentage of future pensionable payroll.

Actuarial valuations of the schemes are performed by a qualified actuary using the projected unit method. The most recent formal valuations of the schemes were at 31 March 2016 and this has been updated to 31 March 2017.

	Defined benefit pension plans	
	31.3.17	31.3.16
	£	£
Present value of funded obligations	(17,735,000)	(12,543,000)
Fair value of plan assets	<u>15,964,000</u>	<u>11,427,000</u>
	(1,771,000)	(1,116,000)
Present value of unfunded obligations	<u>(25,000)</u>	<u>(20,000)</u>
Deficit	<u>(1,796,000)</u>	<u>(1,136,000)</u>
Net liability	<u>(1,796,000)</u>	<u>(1,136,000)</u>

The amounts recognised in the statement of financial activities are as follows:

	Defined benefit pension plans	
	31.3.17	31.3.16
	£	£
Current service cost	95,000	60,000
Net interest cost	44,000	52,000
Administration expenses	<u>1,000</u>	<u>1,000</u>
	<u>140,000</u>	<u>113,000</u>
Actual return on plan assets	<u>2,929,000</u>	<u>247,000</u>

The amounts recognised in other comprehensive income are as follows:

	Defined benefit pension plans	
	31.3.17	31.3.16
	£	£
Actuarial (losses) / gains	<u>(581,000)</u>	<u>439,000</u>
	<u>(581,000)</u>	<u>439,000</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**25. EMPLOYEE BENEFIT OBLIGATIONS - continued**

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

	Defined benefit pension plans	
	31.3.17	31.3.16
	£	£
Defined benefit obligation	(12,563,000)	(13,295,000)
Current service cost	(95,000)	(60,000)
Contributions by scheme participants	(23,000)	(13,000)
Interest cost	(516,000)	(461,000)
Re-measurement (losses) / gains	(4,865,000)	1,071,000
Benefits paid	302,000	195,000
	<u>(17,760,000)</u>	<u>(12,563,000)</u>

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

	Defined benefit pension plans	
	31.3.17	31.3.16
	£	£
Fair value of scheme assets	11,427,000	11,781,000
Contributions by employer	61,000	52,000
Contributions by scheme participants	23,000	13,000
Interest on plan assets	472,000	409,000
Re-measurement gains / (losses)	4,284,000	(632,000)
Benefits paid	(302,000)	(195,000)
Administration expenses	(1,000)	(1,000)
	<u>15,964,000</u>	<u>11,427,000</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	31.3.17	31.3.16
Equities	75.00%	72.20%
Bonds	15.00%	16.30%
Cash	1.00%	1.30%
Other	7.60%	9.40%
Property	1.40%	0.80%
	<u>100.00%</u>	<u>100.00%</u>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**25. EMPLOYEE BENEFIT OBLIGATIONS - continued**

Principal actuarial assumptions at the balance sheet date:

	31.3.17	31.3.16
Discount rate	2.5% - 2.8%	3.6% - 3.8%
Future salary increases	2.8% - 4.2%	3.5% - 4.2%
Future pension increases	2.0% - 2.7%	2.0% - 2.2%
Price increases	2.0% - 2.7%	2.0% - 2.2%

The following table sets out the sensitivity analysis produced by the actuary reporting in respect of the London Borough of Bromley Pension Fund:

	Central	+ 0.1% discount rate	+0.1% inflation	1 year increase in life expectancy
	£	£	£	£
Deficit	(1,372,000)	(1,112,000)	(1,637,000)	(1,664,000)
Projected service cost for next year	38,000	37,000	39,000	39,000
Projected interest cost for next year	34,000	29,000	41,000	42,000

The following table sets out the sensitivity analysis produced by the actuary reporting in respect of the East Sussex Pension Fund:

	Approximate % increase to Employer Liability	Approximate monetary Amount (£)
0.5% decrease in Real Discount Rate	13%	130,000
0.5% increase in the Salary Increase Rate	2%	20,000
0.5% increase in the Pension Increase Rate	11%	108,000

Amounts for the current and last four periods are as follows:

**Defined benefit pension plans**

	31.3.17	31.3.16	31.3.15	31.3.14	31.3.13
Defined benefit obligation	(17,760,000)	(12,563,000)	(13,295,000)	(11,181,000)	(11,713,000)
Fair value of scheme assets	15,964,000	11,427,000	11,781,000	10,274,000	8,861,000
Deficit	(1,796,000)	(1,136,000)	(1,514,000)	(907,000)	(2,852,000)
Experience adjustments on scheme assets	-	-	969,000	1,296,000	669,000
Experience adjustments on scheme liabilities	689,000	1,000	-	350,000	-

The contract between the Charitable Company and the London Borough of Bromley stipulates that if the contract is not renewed at the termination date of 31 March 2024 then there is a requirement for the Charitable Company to meet any actuarial net pension liability at that date in respect of current and former pensionable employees.

Should the termination of the contract with the London Borough of Bromley be by reason of the Charitable Company's cessation to trade then any net pension liability which is not met by the Charitable Company will pass to the London Borough of Bromley who with the help of the actuary will have power under the regulations to seek additional payments from other participating employers in the London Borough of Bromley Pension Fund in restoring the outstanding deficit.

Employer contribution rates for the year ending 31 March 2018 are LBB 38.8% East Sussex 13.8%. Kent 29.4%, and Hampshire 12.4%.

**26. CONTINGENT LIABILITIES**

The Charitable Company has contingent liabilities in respect of Performance Guarantees amounting to £549,956 (2016: £549,462).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**27. ANALYSIS OF NET ASSETS BETWEEN FUNDS****Company**

	Unrestricted fund	Restricted funds	31.3.17 Total funds	31.3.16 Total funds
	£	£	£	£
Fixed assets	8,421,620	-	8,421,620	9,334,720
Investments	1	-	1	1
Current assets	12,600,262	159,975	12,760,237	11,228,012
Current liabilities	(4,066,745)	-	(4,066,745)	(4,844,038)
Long term liabilities	-	-	-	(587,200)
Provision for liabilities	(376,874)	-	(376,874)	(421,984)
Pension liability	(1,796,000)	-	(1,796,000)	(1,136,000)
	<u>14,782,264</u>	<u>159,975</u>	<u>14,942,239</u>	<u>13,573,511</u>

**28. MOVEMENT IN FUNDS**

	At 1.4.16 £	Net movement in funds £	At 31.3.17 £
<b>Unrestricted funds</b>			
Fixed asset fund	9,334,720	(913,100)	8,421,620
General fund	<u>4,047,967</u>	<u>2,312,677</u>	<u>6,360,644</u>
	13,382,687	1,399,577	14,782,264
<b>Restricted funds</b>			
Active Lifestyles	67,762	-	67,762
MyFuture	38,544	(6,909)	31,635
Arts train	61,714	(36,214)	25,500
Healthy Ageing Programme	-	16,870	16,870
Active Bromley - CIF	13,399	(7,029)	6,370
Get Active	<u>9,405</u>	<u>2,433</u>	<u>11,838</u>
	190,824	(30,849)	159,975
<b>TOTAL FUNDS</b>	<u>13,573,511</u>	<u>1,368,728</u>	<u>14,942,239</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**28. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Income £	Expenditure £	Gains, losses and transfers £	Movement in funds £
<b>Unrestricted funds</b>				
Fixed asset fund	-	(1,728,575)	815,475	(913,100)
General fund	<u>32,962,350</u>	<u>(29,253,198)</u>	<u>(1,396,475)</u>	<u>2,312,677</u>
	32,962,350	(30,981,773)	(581,000)	1,399,577
<b>Restricted funds</b>				
MyFuture	24,547	(31,456)	-	(6,909)
Arts train	25,928	(62,142)	-	(36,214)
Healthy Ageing Programme	25,413	(8,543)	-	16,870
Active Bromley - CIF	1,880	(8,909)	-	(7,029)
Get Active	<u>19,237</u>	<u>(16,804)</u>	<u>-</u>	<u>2,433</u>
	97,005	(127,854)	-	(30,849)
<b>TOTAL MOVEMENT IN FUNDS</b>	<u><u>33,059,355</u></u>	<u><u>(31,109,627)</u></u>	<u><u>(581,000)</u></u>	<u><u>1,368,728</u></u>

**Transfers**

Fixed asset additions for the year of £815,475 are shown as a transfer from unrestricted general funds to unrestricted fixed asset funds.

**Active Lifestyles**

Active Lifestyles budget for provision of our referral programmes in partnership with Primary Care Trust.

**MyFuture**

MyFuture is a Sports Outreach programme working in targeted areas of Bromley to provide quality activities for young people aged 11-19. The partnership includes Mytime Active, the London Borough of Bromley, Clarian Housing Association and the Harris Academy Orpington. The programme offers free activity sessions each week.

**Arts Train**

This is a borough-wide project which gives young people access to a diverse range of creative music-making opportunities. Funders and partners include Youth Music, Art Council England and Clarian Housing Association.

**Healthy Ageing Programme**

Funding sourced through a range of partners, including Pro Active Bromley to increase physical activity opportunities for older people.

**Active Bromley - CIF**

Funding sourced through the Pro Active Bromley sports activation project to deliver community projects with a range of partners.

**Get Active**

A project funded by England Golf to increase the number of black and minority community groups and individuals into golf in Birmingham.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**29. CAPITAL COMMITMENTS**

	<b>Group</b>		<b>Company</b>	
	31.3.17	31.3.16	31.3.17	31.3.16
	£	£	£	£
Contracted for but not provided for in the financial statements	<u>2,654,210</u>	<u>-</u>	<u>2,654,210</u>	<u>-</u>

**30. OTHER CAPITAL EXPENDITURE**

Capital expenditure approved but not committed to at the balance sheet date totalled £114,540 (2016: £nil).

**31. LEGAL STATUS**

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

**32. RELATED PARTY TRANSACTIONS**

No related party transactions requiring disclosure were undertaken in the years ended 2016 or 2017.

**33. ULTIMATE CONTROLLING PARTY**

There is no ultimate controlling party. The Board of Trustees and the management team are responsible for the strategic and operational decisions of the Charitable Company.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**34. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted Funds	Restricted Funds	31.3.16 Total Funds
	£	£	£
<b>INCOME</b>			
<i>Income from charitable activities:</i>			
Operation of leisure, recreation sites and health activities	30,547,781	5,700	30,553,481
Other funding	286,648	104,686	391,334
Grants	-	4,648	4,648
	<u>30,834,429</u>	<u>115,034</u>	<u>30,949,463</u>
<i>Income from other trading activities:</i>			
Commercial trading operations	<u>1,604,271</u>	<u>-</u>	<u>1,604,271</u>
<i>Income from investments:</i>			
Investment income	<u>71,738</u>	<u>-</u>	<u>71,738</u>
	<u>1,676,009</u>	<u>-</u>	<u>1,676,009</u>
<b>Total income</b>	<u>32,510,438</u>	<u>115,034</u>	<u>32,625,472</u>
<b>EXPENDITURE</b>			
<i>Costs of generating funds:</i>			
Commercial trading operations	1,538,883	-	1,538,883
<i>Expenditure on charitable activities:</i>			
Operation of leisure, recreation sites and health activities	<u>29,755,654</u>	<u>420,770</u>	<u>30,176,424</u>
<b>Total expenditure</b>	<u>31,294,537</u>	<u>420,770</u>	<u>31,715,307</u>
<b>Net income for the year before actuarial gains / (losses) under FRS102</b>	1,215,901	(305,736)	910,165
Re-measurements on defined benefit schemes	<u>439,000</u>	<u>-</u>	<u>439,000</u>
<b>Net income / (expenditure)</b>	1,654,901	(305,736)	1,349,165
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<u>11,727,786</u>	<u>496,560</u>	<u>12,224,346</u>
<b>Total funds carried forward</b>	<u>13,382,687</u>	<u>190,824</u>	<u>13,573,511</u>

**CONTINUING OPERATIONS**

All incoming resources and resources expended arise from continuing activities.