

Charity No. 1159054

**Report of the Trustees and
Financial Statements
for the year ended 31st March 2017 for
Henfield Leisure Centre**

Henfield Leisure Centre
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year ended 31st March 2017

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Henfield Leisure Centre

Charity Information for the year ended 31st March 2017

Chairman and trustee	E Holder
Treasurer and trustee	S Vickers (appointed 7 December 2016)
Secretary and trustee	S Mitchell
Management Committee (all are also trustees)	B Mitchell D Clough C Thorns A Hillman (appointed 1 April 2016) T Prescott (appointed 1 April 2016)
Charity Offices	The King's Field Henfield West Sussex BN5 9QB
Independent Examiner	Parkers Cornelius House 178/180 Church Road Hove East Sussex BN3 2DJ
Bankers	Barclays Bank plc 90-92 High Street Crawley West Sussex RH10 1BP

Henfield Leisure Centre

Trustees' Report for the year ended 31st March 2017

The trustees present their report for the financial statements for the year ended 31st March 2017 and confirm they comply with the requirements of the Charities Act 2011 and the Charities SORP (FRS 102).

Trustees

The trustee and management committee named on page one have served throughout the year except where indicated.

Appointment of the trustees is governed by the Constitution of the charity.

Investment powers

The Constitution authorises the management committee to make and hold investments using the general funds of the charity, but no such investments are currently held.

Constitution, objects and policies

The Charitable Trust is constituted by Trust Deed, and its objects are to provide or to assist in the provision of facilities for physical recreation of all kinds for residents of Henfield and the surrounding area.

The management of the affairs of the association is directed by the Management Committee in accordance with the terms of the Constitution of the Association.

Development, activities and achievements

The management committee consider that the performance of the charity has been satisfactory.

On 1 April 2016, the activities of the Henfield and District Sports Association a charity registered in England no. 299283 were transferred to the charity. The trustees are satisfied that the charity will continue on a similar basis in the next year.

The results for this year reflect the operation of the new children's play area, which opened in mid-March 2016.

The charity has been able to meet its ongoing objective of providing recreational facilities to the local community.

Financial review

The charity has made a (loss)/profit for the year of (£19,862) (2016 - £ 31,171)

Future developments

The trustees will continue to seek and exploit opportunities to develop and enhance the environment of the centre in a manner that is sustainable and does not jeopardise the provision of the core activities.

Henfield Leisure Centre

Trustees' Report for the year ended 31st March 2017

Reserves policy

Reserves are needed to bridge the gap between spending and receiving income and to cover unplanned emergency repairs and other expenditure. The trustees consider the ideal level of reserves at 31 March 2017 is £50,000.

Risk management policy

The trustees annually review the risks and uncertainties that the charity faces and have established policies, systems and procedures to mitigate those risks.

Public benefit statement

The trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission on public benefit when reviewing the charity's main aims and objectives in planning future activities.

Statement of trustees' responsibility

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom and Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the accounts comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approval

This report was approved by the management committee on 8 November 2017 and signed on their behalf by:



E Holder
Chairman and Trustee



S Mitchell
Secretary and Trustee

Henfield Leisure Centre

Independent examiner's report to the Management Committee of the Henfield Leisure Centre for the year ended 31st March 2017

I report on the accounts of the Charity for the year ended 31 March 2017, which are set out on pages 5 to 12.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that

- an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that
- an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act
- to follow the procedures laid down in the general Directions given by the commission under section 145(5)(b) of the 2011 Act
- to state whether particular matters have come to my attention

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



David Jemmett FCA

Parkers

Cornelius House

178/180 Church Road

Hove, East Sussex, BN3 2DJ

22 November 2017

Henfield Leisure Centre
Statement of Financial Activities for the year ended 31st March 2017

	Notes	Restricted funds		Unrestricted funds			
		2017 £	2016 £	2017 £	2016 £	2017 £	2016 £
Income from:							
Clubs, groups, further education		-	-	150,761	-	-	-
Soft play area admission fees		-	-	100,206	-	-	-
Soft play area catering		-	-	122,405	-	-	-
Hire and sale of equipment		-	-	336	-	-	-
Subscriptions		-	-	48,075	-	-	-
Fundraising		-	-	8,501	-	-	-
Grants		-	-	1,000	-	-	-
Other income	3	-	-	60	-	-	-
Total income		-	-	431,344	-	-	-
Expenditure on:							
Direct charitable expenditure	4	-	-	451,332	-	-	-
Management & administration	5	-	-	2,374	453,706	-	-
Net resources for the year		-	-	(22,362)	-	-	-
Amortisation of grant		(2,500)	-	2,500	-	-	-
		(2,500)	-	(19,862)	-	-	-
Funds brought forward		50,000	-	51,412	-	-	-
Funds carried forward		47,500	-	31,550	-	-	-

Funds brought forward represent the accumulated funds of Henfield and District Sports Association at 31 March 2016 prior to the transfer of the activities to Henfield Leisure Centre on 1 April 2016.

All of the amounts above related to continuing activities.

There were no recognised gains or losses for 2017 or 2016 other than those included above.

Henfield Leisure Centre
Statement of Financial Position at 31st March 2017

	Notes	2017 £	£	2016 £	£
Fixed Assets					
Tangible fixed assets	6		467,219		-
Current Assets					
Stock	7	2,142		-	
Debtors	8	2,205		-	
Cash at bank and in hand		<u>30,003</u>		<u>-</u>	
		34,350		-	
Current Liabilities					
Creditors: amounts falling due within one year	9	<u>100,210</u>		<u>-</u>	
Net current (liabilities)/assets			(65,860)		-
			<u>401,359</u>		-
Creditors: amounts falling due after one year	10		<u>322,309</u>		-
Net Assets			<u>79,050</u>		-
Funds					
Unrestricted funds			<u>31,550</u>		-
Restricted funds			<u>47,500</u>		-

Approved by the trustees on 8 November 2017 and signed on their behalf by:



E Holder
Chairman and Trustee



S Mitchell
Secretary and Trustee

Henfield Leisure Centre
Statement of Cash Flows for the year ended 31st March 2017

Statement of cash flows	2017	2016
	£	£
Cash flow from operating activities:		
<i>Net cash provided by (used in) operating activities</i>	35,821	-
Cash flows from investing activities:		
Purchase of property plant and equipment	(11,919)	-
<i>Net cash provided by (used in) investing activities</i>	<u>(11,919)</u>	-
Cash flows from financing activities:		
Cash inflows from new borrowing	-	-
Cash outflows to repay borrowing	(9,784)	-
Grants received	-	-
<i>Net cash provided by (used in) financing activities</i>	<u>(9,784)</u>	-
Change in cash and cash equivalents in the year	14,118	-
Cash and cash equivalents at the beginning of the year	15,885	-
<i>Cash and cash equivalents at the end of the year</i>	<u>30,003</u>	-

Reconciliation of net income (expenditure) to net cash flow from operating activities

	2017	2016
	£	£
Net income/(expenditure) per the statement of financial activities	(19,862)	-
Adjustments for depreciation charges	46,639	-
Adjustment in respect amortisation of grant	(2,500)	-
(Increase)/decrease in stocks	(732)	-
(Increase)/decrease in debtors	36,761	-
Increase/(decrease) in creditors	(24,485)	-
<i>Net cash (used in)/ provided by operating activities</i>	<u>35,821</u>	-

Analysis of cash and cash equivalents

Cash in hand	<u>30,003</u>	-
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Henfield Leisure Centre

Notes to the Financial Statements for the year ended 31st March 2017

1 Basis of preparation

On 1 April 2016, the activities of the Henfield and District Sports Association (HDSA), a charity registered in England no. 299283, were transferred to Henfield Leisure Centre. The fixed assets owned by HDSA were transferred at the net book values at 31 March 2016. The liabilities, reserves and other assets were transferred at their values per the accounts of HDSA at 31 March 2016.

As a consequence of this transfer, comparative values for income and costs are nil. The trustees have, however, included a statement in the accounts that shows the comparative performance of 2017 for Henfield Leisure Centre against that of 2016 for HDSA.

2 Accounting policies

2.1 Basis of accounting

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS102)).

2.2 Income

Voluntary income and donations are accounted for as received by the charity. The income from fundraising is shown gross with the associated costs included in fundraising costs. No permanent endowments have been received in the period but these are dealt with through the Statement of Financial Activities when received. Investment income plus associated tax recoverable is credited to income on an accruals basis, using a daily accrual for interest.

2.3 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity. Restricted funds are donations or grants which the donor has specified are to be used solely for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

2.4 Expenditure on management and administration

Administration expenditure includes all expenditure not directly related to the charitable activity or fundraising ventures. This includes the cost of running office premises, staff salaries for administrative staff and audit fees.

Henfield Leisure Centre

Notes to the Financial Statements for the year ended 31st March 2017

2.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual values, over their expected useful lives on the following basis:

Buildings	5% pa reducing balance
Squash courts	evenly over ten years
Fixtures and fittings	20% pa reducing balance
Sports and other equipment	20% pa reducing balance
Soft play equipment	evenly over five years

2.6 Stock

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stock.

2.7 Leases

Assets obtained under finance leases are capitalised as tangible fixed assets.

Depreciation is charged over the estimated useful life of the asset. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the charity. Obligations under such leases are included in creditors net of the finance charge allocated to future periods. The finance element of each payment is charged to the Statement of Financial Activities so as to produce a constant periodic rate on the net obligation outstanding in each period.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are reflected in the Statement of Financial Activities.

3 Other income	2017 £	2016 £
Investment income:		
Interest receivable on cash deposits	60	-
	<hr/>	<hr/>
4 Direct charitable expenditure	2017 £	2016 £
Staffing costs	255,481	-
Bar and catering	46,197	-
Premises	42,861	-
Supplies and services	37,602	-
Financial services	22,552	-
Depreciation	46,639	-
	<hr/>	<hr/>
	451,332	-

Henfield Leisure Centre
Notes to the Financial Statements for the year ended 31st March 2017

5 Management and administration	2017	2016
	£	£
Audit and assurance fees	800	-
Telephone and internet	1,574	-
Travelling expenses	-	-
	<u>2,374</u>	<u>-</u>

6 Tangible fixed assets

	Building	Squash courts	Fixtures & fittings	Sports & other equipment	Soft play equipment	Total
	£	£	£	£	£	£
Cost						
At 1st April 2016	-	-	-	-	-	-
Transferred from HDSA	372,982	1	50,883	7,573	70,500	501,939
Additions	-	-	11,695	224	-	11,919
Disposals	-	-	-	-	-	-
At 31st March 2017	<u>372,982</u>	<u>1</u>	<u>62,578</u>	<u>7,797</u>	<u>70,500</u>	<u>513,858</u>
Depreciation						
At 1st April 2016	-	-	-	-	-	-
Charge for the year	18,649	-	12,375	1,515	14,100	46,639
On disposals	-	-	-	-	-	-
At 31st March 2017	<u>18,649</u>	<u>-</u>	<u>12,375</u>	<u>1,515</u>	<u>14,100</u>	<u>46,639</u>
Net book value						
At 31st March 2017	<u>354,333</u>	<u>1</u>	<u>50,203</u>	<u>6,282</u>	<u>56,400</u>	<u>467,219</u>
At 31st March 2016	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Assets 'Transferred from HDSA' (Henfield and District Sports Association) represent the net book value of the fixed assets of HDSA at 31 March 2016 prior to the transfer of the activities to Henfield Leisure Centre on 1 April 2016.

All fixed assets are used for charitable purposes.

7 Stock	2017	2016
	£	£
Catering goods	1,382	-
Finished goods for resale	760	-
	<u>2,142</u>	<u>-</u>

Henfield Leisure Centre
Notes to the Financial Statements for the year ended 31st March 2017

8 Debtors	2017	2016
	£	£
Due within one year:		
Trade debtors	799	-
Other taxes and social security	-	-
Prepayments and accrued income	1,406	-
	<u>2,205</u>	<u>-</u>

9 Creditors falling due within one year	2017	2016
	£	£
Due within one year:		
Horsham District Council Loan	26,229	-
Finance lease	12,358	-
Trade creditors	10,688	-
Other taxes and social security	13,876	-
VAT underpayment settlement	12,726	-
Accruals and prepaid income	24,333	-
	<u>100,210</u>	<u>-</u>

10 Creditors falling due after one year	2017	2016
	£	£
Horsham District Council Loan	273,771	-
Finance lease	48,538	-
VAT underpayment settlement	-	-
	<u>322,309</u>	<u>-</u>

11 Obligations under operating leases	2017	2016
	£	£
Future minimum rentals payable under non-cancellable operating leases are:		
Within one year	16,528	-
Within two to five years	-	-
	<u>16,528</u>	<u>-</u>

Henfield Leisure Centre
Notes to the Financial Statements for the year ended 31st March 2017

12 Borrowings	2017	2016
The total amount of loans and overdrafts	£	£
was as follows:		
Horsham District Council (i)	300,000	-
Finance leases (ii)	60,896	-
Bank overdraft	-	-
Interest free loan	-	-
	<u>360,896</u>	<u>-</u>

- (i) Repayable over 10 years with annual repayments of £35,763 commencing 30 June 2017. The loan is unsecured and the annual interest rate is fixed at the annuity rate for 10 year loans as published by the UK Debt Management Office on 28 August 2015.
- (ii) The term of the leases is five years, total monthly lease payments are £1,462.

13 Trustees' expenses

None of the trustees received any remuneration or reimbursement of expenses during the year.

Henfield Leisure Centre
Schedule to the Statement of Financial Activities
for the year ended 31st March 2017

	Henfield Leisure Centre 2017 £	Henfield and District Sports Association 2016 £
Income:		
Clubs, groups, further education	150,761	132,040
Soft play area admission fees	100,206	3,854
Soft play area catering	122,405	12,086
Hire and sale of equipment	336	168
Subscriptions	48,075	62,591
Fundraising	8,501	13,637
Grants	1,000	-
Other income	60	-
Total income	431,344	224,376
Costs:	2017	2016
	£	£
Staffing		
Staff salaries	251,524	151,321
Instructors and coaches	2,150	1,715
Training	300	600
Pension contributions	1,507	1,231
	255,481	154,867
Premises		
Insurance	8,643	6,745
Heat, light & power	14,998	11,407
Water	3,340	2,413
Rates	2,907	2,870
Building repairs and maintenance	10,608	5,002
Cleaning and domestic supplies	2,365	1,552
	42,861	29,989
Supplies and services		
Sports equipment purchased (net of stock)	2,029	626
Repairs to equipment	507	1,061
Printing, postage, stationery and computer	8,084	2,831
Advertising	2,409	2,034
Leasing and hire charges	20,510	19,372
Licences and subscriptions	2,941	2,714
Professional fees	-	-
Sundry expenses	1,122	1,557
	37,602	30,195
Financial services		
Bank charges and interest	22,552	6,130
Depreciation		
Amortisation of buildings	18,649	3,275
Depreciation of sports equipment	1,515	1,683
Depreciation of fixtures and fittings	12,375	2,909
Depreciation of soft play equipment	14,100	-
	46,639	7,867
VAT adjustment	-	4,263