

REGISTERED COMPANY NUMBER: 9204269 (England and Wales)
REGISTERED CHARITY NUMBER: 1163564

REPORT OF THE TRUSTEES INCLUDING STRATEGIC REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019
FOR
SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

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FOR THE YEAR ENDED 31 MARCH 2019

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SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES INCLUDING STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2019

Last year presented several challenges for South Downs Leisure with increased competition in fitness through budget gyms. This has been compounded with an above inflation rise in utility costs. In response to these challenges, the South Downs Leisure team has continued its approach of strengthening financial management and bringing our Cleaning contracts in-house delivering a greater customer experience.

The Enterprise (South Downs Leisure Enterprises Limited) has experienced growth with weddings and corporate bookings showing a significant improvement in 2018/19. This is due to numerous initiatives over a three-year period including upgrades within the Field Place Manor House and Barns, investment into a new wedding garden, staff investment and the outsourcing of our catering and bars. The work and service at Field Place have been recognised recently by winning both the Adur & Worthing Business Award for Hospitality, Tourism and Leisure and the South East wedding awards for Town and City 2019.

We have made the following investments during the 2018-19:

- New customer booking system
- New App and website
- Repair to the structure of the soft play (Amazon) at Worthing Leisure Centre
- Replacement of our telephony system

Over the next twelve months with the likelihood of further increases in utilities we will be looking at potential partnership projects with a view to reducing our carbon footprint and investigating.

- Solar energy at Davison Leisure Centre
- Solar Energy at Splashpoint Leisure Centre

We are improving our product to customers during 2019-20 with a £90,000 investment in a Studio at Worthing Leisure Centre which will allow us to hold virtual classes as well as Stages and immersive classes.

As well as constantly reviewing our systems and costs to ensure that we are as efficient as possible, we also continue to explore opportunities for new business and income streams. Our focus is always to make sure that SDL is business like with a strong and robust financial base, but we are a business with a purpose which is to provide excellent services that contribute to the social, community and health needs of residents in the area we serve. We are proud to do this in partnership with initiatives across the public, private, voluntary and community sectors. It was pleasing to see that the Green Dreams festival, an initiative facilitated and supported by the team at South Downs Leisure, attracted over 2,000 visitors in 2018 and over 40 different community groups.

The challenges we face will not lessen and we may need to review our structure and culture as our membership numbers are no longer where they were in 2017.

Finally, I would like to thank our trustees for providing ongoing support and guidance for the South Downs Leisure team and I am pleased to welcome Andrew Fleetwood as a new Trustee. We also need to thank and bid farewell to Zoe Smith, Jerry Le Sueur, Cathy Hunter and Christine Gibbons who have given great support in our first four years.

SOUTH DOWNS LEISURE
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REPORT OF THE TRUSTEES INCLUDING STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2019

The Trustees, who are also Directors of the charitable company for the purposes of the Companies Act 2006, present their report with the financial statement for the year ending 31 March 2019.

REFERENCE & ADMINISTRATIVE DETAILS

Name of charity

South Downs Leisure

Name of subsidiary

South Downs Leisure Enterprises Ltd

Charity and company registration

South Downs Leisure 09204269

South Downs Leisure Enterprises Ltd 09261501

Charity number 1163564

Registered office

Field Place Manor House, The Boulevard, Worthing, West Sussex BN13 1NP

Telephone and website

01903 905050

www.southdownsleisure.co.uk

Auditors

McCabe Ford Williams

Statutory Auditors and Chartered Accountants

Bank Chambers, 1 Central Avenue, Sittingbourne, Kent ME10 4AE

Bank

Lloyds Banking Group

City Office

PO Box 72, Bailey Drive, Gillingham Business Park, Gillingham ME8 0L

Solicitors

Joanna Bussell

Winckworth Sherwood

Minerva House, 5 Montague Close, London SE1 9BB

Trustees

	Appointed	Resigned
J Le Sueur (Chair)	5 February 2015	28 June 2019
Z Smith	5 February 2015	31 August 2019
G Jackson (vice Chair)	5 February 2015	
K von Habsburg (Chair)	5 February 2015	
J Lawrence-Hall	5 February 2015	
S Smith	3 November 2015	
L Harman	7 July 2016	
C Hunter	28 February 2017	24 July 2019
C Gibbons (Chair)	25 April 2018	30 September 2019
P Tyler	17 December 2018	
A Fleetwood	1 July 2019	

SOUTH DOWNS LEISURE
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REPORT OF THE TRUSTEES INCLUDING STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT

South Downs Leisure is a charitable company limited by guarantee constituted on 4 September 2014 and governed by articles and memorandum of association.

Charitable status was applied following the incorporation of the Trust and was awarded shortly after the Trust commenced trading on 1 May 2015. The trustees are also directors of the charity for the purposes of the Companies Act.

The charity has a wholly owned trading subsidiary, South Downs Leisure Enterprises Ltd which is used to support the activities of the Trust.

Recruitment and Appointment of Trustees

Unless otherwise determined by the company, the Board shall consist of at least three and not more than eleven individuals comprised as follows:

- Up to 8 Community Trustees
- Up to 2 Local Authority Trustees
- Up to 1 Employee Trustee

Community Trustees will always be a majority on the Board.

New community Trustees are recruited in accordance with the Board's agreement and with our Articles of Association. We will always look to complement and strengthen the skills and experience of the Trustee team on the Board. Community Trustees are appointed for three years with membership being reviewed annually.

Recruitment of the employee Trustee was initially by appointment by the senior management team in accordance with the Articles of Association but from 2016 this was changed to election by employees as agreed by the Board.

The Local Authority confirms its nominations and appointments as and when Local Authority vacancies arise.

Organisational Structure

The current Board consists of six community Trustees providing a range of experience and professional expertise.

Kris von Habsburg is Chair and Gillian Jackson is vice Chair.

We have two sub groups which meet throughout the year to support the Board:

Finance

Gillian Jackson, Jerry Le Sueur (2018-19), Andrew Fleetwood

HR

Zoe Smith (2018-19), Joanne Lawrence Hall, Cathy Hunter (2018-19), Trustee vacancy

Enterprise Directors

Joanne Lawrence Hall, Kris von Habsburg, Duncan Anderson

We held the following meetings for the period ended 31 March 2019:

- 5 x Board meetings
- 4 x Finance meetings
- 4 x HR meetings
- 4 x Enterprise meetings

SOUTH DOWNS LEISURE
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REPORT OF THE TRUSTEES INCLUDING STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2019

South Downs Leisure Trustees

Kris von Habsburg (Chair)
Gillian Jackson (Vice Chair)
Joanne Lawrence Hall
Sharon Smith
Lionel Harman
Peter Tyler
Andrew Fleetwood

To facilitate the effective operation of the Charity the Board has delegated the responsibility of administering the Charity to a Senior Management Team:

- Chief Executive Officer
- Finance Director
- Business Development Director
- Operations Director
- Human resources Manager

Risk Management

The Trustees have a duty to identify and review the risks to which the charity is exposed and ensure appropriate controls are in place. A risk report is part of each Board agenda. The following initiatives have been implemented to reduce risk and improve risk management:

- A risk report at each Board meeting.
- A SWOT analysis conducted annually to identify weaknesses and threats.
- A calendar of audits which include Health & Safety, Financial, Quality and Food & Beverage audits.
- Sales and Generic mystery visits and Net Promoter Score surveys to ensure we are delivering the service to expectation.
- Affiliation to the Quest industry accreditation scheme to maintain high standards across all sections of our business. The current status of each site is as below:

Site	Current Full assessment	Last	Next	Directional Review	Last	Next
WLC	Excellent	Feb 2019	Feb 2021	Excellent	Feb 2018	Feb 2020
Splashpoint	Excellent	April 2019	April 2021	Excellent	April 2018	April 2020
Davison LC	Very Good	Nov 2017	Nov 2019	Very Good	Aug 2018	Aug 2020
Field Place	Very Good	Apr 2019	April 2021	Very Good	April 2018	April 2020

Health and Safety

South Downs Leisure is committed to embedding a culture of proactive health and safety management throughout the organisation. The Operations Director oversees regular cross-site meetings with the Facility Managers, and we aim for each site to have an appointed NEBOSH (The National Examination Board in Occupational Safety and Health) representative in this area supported by IOSH (Institution of Occupational Safety and Health) trained duty staff. All staff receive mandatory H and S training as part of their induction process. In 2018/19 a target of 93% for the external Health and Safety audit was set. The 4 sites audited in October 2018 achieved scores of:

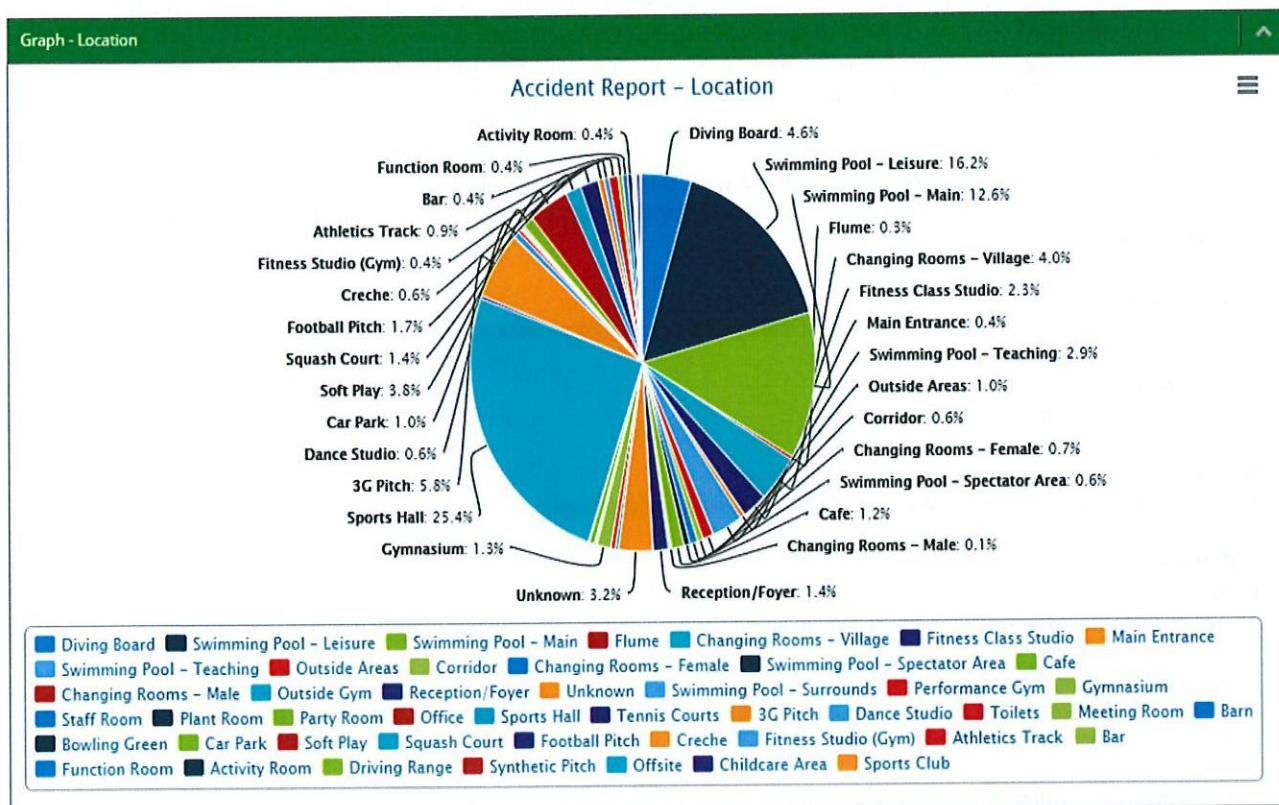
WLC: 91% SPLC: 87% DLC: 87% FPMH: 93%

REPORT OF THE TRUSTEES INCLUDING STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT – continued

Over the 12-month trading period (2018/19) 692 accidents were reported across the 5 facilities. This figure is below the industry standard benchmark indicator which is 5 per 10,000 at 4.8 with the total number of visits being 1.45m. We recognise that accidents are inevitable, but with regular monitoring and an active risk reduction policy, we aim to minimise the risk to both staff and the customers who visit our facilities.

Accident reporting by activity is detailed as below:



South Downs Leisure retains the services of Right Directions; a recognised industry leader in the Health and Safety field. This provides the group with up-to-date information and notifications of changes in legislation, together with a calendar of audits, advice and support in respect of litigation claims.

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REPORT OF THE TRUSTEES INCLUDING STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2019

OBJECTIVES AND ACTIVITIES

Objectives and Activities

The objectives of the charitable company are:

- To provide or assist in the provision of both outdoor facilities in the interest of social welfare for recreation or other leisure time occupation of individuals who have need of such reason by their youth, age, infirmity or disability, financial hardship or social circumstances or to the public at large with the object of improving their conditions of life, and/or
- To promote community participation in healthy recreational activities, and/or
- To provide or assist in the provision of community facilities to be available to all sections of the community without distinction, including use for meetings, lectures and classes and/or other forms of recreation and leisure time occupation with the object of improving the condition of life for all those who use the facilities, and/or
- To promote the education of the public through the provision of facilities for the provision of performing arts, and/or such other charitable purposes as the Trustees in their absolute discretion may determine.

Public Benefit

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 this guidance when reviewing our business plan and planning new activities for the future.

Our Vision and Mission

The Trust established a Vision, Mission Statement and Values outlined below, with our Vision reflecting the UK Active National agenda.

OUR VISION

More People, More Active, More Often.

MISSION

To deliver an inclusive range of health and wellbeing initiatives whilst providing a clean, safe and happy leisure experience.

OUR VALUES

Integrity

We will be open, honest and friendly when communicating with customers and partners, treating everyone with respect.

Equality, diversity and inclusion

We aim to ensure that the opportunities the Trust provides are accessible, are available on a non-discriminatory basis and provide maximum health and wellbeing benefits for all.

Continuous Improvement

We will strive to make the experience of users and visitors better by continually reviewing our activities and procedures.

Partnership working

We will develop and sustain strong and effective partnerships with local and national organisations in pursuit of our vision: More People, More Active, More Often.

Innovation

We will explore the introduction of new products and services, driven by technology, industry research and best practice.

Staffing

We will ensure that all our staff are professionally qualified and/or appropriately trained to deliver the service required and respond effectively and quickly to customer enquiries.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2019

OBJECTIVES AND ACTIVITIES – continued

Environmental awareness

We will endeavour to be an environmentally conscious organisation and will continually review our services to ensure best practice.

A Strong Board

Selection and recruitment of the Board was planned with a clear vision to provide a good range of interested, articulate and passionate volunteers with a strong mix of experience, age and gender. The Board has developed a deep understanding of the aims of the Trust and provide strong, but challenging, support and guidance.

Senior Management Team

The Senior Management team of four is led by the Chief Executive and includes Three Directors: a Financial Director, Operations Director and Business Development Director. The Directors manage a team of staff that sit on SMT to include four Facility Managers, Group Fitness Manager, Group Sales Manager, Group Marketing Manager, Health and Wellbeing Manager and a HR Manager.

Each of these managers sit on various sub groups that deliver the business and feed back into the business plan. These sub groups are:

- Finance
- Staff Development
- Events
- Weddings
- Health and Wellbeing
- Maintenance
- Environment and Sustainability
- FIT4
- IT
- Food and Beverage
- Health and Safety
- Customer Service

Training

We are committed to understanding the sector we operate in and the local and national agenda. To achieve this, we must ensure staff have every opportunity to attend conferences and seminars and attend Continuous Professional Development courses.

We have committed to funding CIMSPA membership, which is our Chartered Institute, and the Chief Executive is also a long-term Secretary of South East Leisure Centre Operators networking group. The Board agreed to increase the training budget in line with cost of living.

We are committed to maintaining this budget for the future and looking to continue with the mentoring scheme and management training with a current cohort of 12 employees attending the management course to be completed during December. Courses have also been arranged with MIND for stress and mental health wellbeing with a number of employees being Mental Health First Aiders as well as internal manual handling and first aid at work.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2019

OBJECTIVES AND ACTIVITIES – continued

Workforce Make Up

The total workforce at the time of TUPE was 367 employees. This has risen by 21% to 446 total employees at this time in August 2019. The total workforce number does fluctuate monthly by approx. 25 employees due to two factors; seasonal variations around busy/school holiday periods and taking off the casual employees who have not worked within the organisation for the last three months which is an inland revenue requirement.

Gender Pay Gap Reporting

On 6 April 2017, new regulations came into force requiring organisations with 250 or more employees to publish annual reports containing detailed information regarding the Gender Pay Gap (including bonus pay) between men and women across their workforce.

Gender Pay Gap Data - August 2018								
	Male				Female			
	Number	Mean	Median	%	Number	Mean	Median	%
Whole Organisation	302	£10.16	£7.87	39	469	£11.02	£8.26	61
Upper Quartile	65	£17.53	£16.71	8	129	£18.57	£19.56	17
Upper Middle Quartile	77	£10.26	£9.33	10	115	£9.95	£9.00	15
Lower Middle Quartile	71	£7.82	£7.83	9	121	£7.81	£7.83	16
Lower Quartile	89	£6.57	£7.38	12	103	£6.38	£6.64	13

In summary we are proud to report that there continues to be a fair balance of pay rates between male and female employees across the organisation. The male/female divide in Worthing equates to Males 48.1% and Females 51.9%.

A review has not yet taken place in 2019.

STAFF PROFILES

As of July 2019

Total staff numbers	446
Ethnic minorities*	7%
Disabled	2%
Total posts	730

* Ethnic Minorities is inclusive of anyone who has disclosed themselves as not being white British.

We continue to use fair recruitment practices and ensure open and transparent processes to encourage all interested parties to apply for roles.

We are proud that we have obtained again the Disability Confident accreditation.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2019

OBJECTIVES AND ACTIVITIES – continued

Continuous Improvement

A key to the success of South Downs Leisure is in the desire to improve, reinvest and be at the forefront of new initiatives. We actively support CIMSPA membership (the Chartered Institute for the Management of Sport and Physical Activity) with several of the senior team holding Fellow and Associate memberships. We also support the external assessment process "Quest" which is the sport and leisure industry quality accreditation to ensure that operators enhance, improve and continue to develop the quality of service offered.

In addition to QUEST and our phone monitoring, South Downs Leisure undertake a number of internal and external audits to benchmark against the sector, past performance and also to set targets for a number of areas of the business.

Please see table below detailing the current performance monitors:

Audits	2014/15	2015/16	2016/17	2017/18	2018/19
F&B Worthing LC	N/A	85%	92%	98%	99%
F&B Splashpoint	N/A	90%	96%	100%	100%
F&B Field Place	N/A	79%	91%	90%	85%
Management Audit WLC	N/A	69%	78%	80%	82%
Management Audit SP	N/A	73%	75%	89%	67%
Management Audit FP	N/A	70%	68%	84%	68%
Management Audit DLC	N/A	64%	75%	77%	74%
Quality Audits Worthing LC	63%	75%	88%	92%	90%
Quality Audits Splashpoint	69%	85%	90%	93%	92%
Quality Audits Field Place	65%	73%	78%	91%	88%
Quality Audits Davison LC	85%	91%	88%	91%	87%
H&S Audit Worthing LC	75%	84%	90%	91%	91%
H&S Audit Splashpoint	74%	90%	92%	93%	87%
H&S Audit Field Place	86%	92%	90%	94%	93%
H&S Audit Davison LC	85%	91%	88%	86%	87%
NPS Worthing LC	31%	31%	43%	38%	38%
NPS Splashpoint	23%	19%	30%	39%	41%
NPS Group	25%	23%	35%	39%	39%

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2019

OBJECTIVES AND ACTIVITIES – continued

CUSTOMER SATISFACTION

South Downs Leisure recognises that the customer is at the heart of the business and continually monitors satisfaction ratings using the "Net Promoter Score" system. NPS is a management tool that can be used to gauge the loyalty of an organisation's customer relationships. It serves as an alternative to traditional customer satisfaction research and has been adopted by more than two thirds of Fortune 1,000 companies as well as many of the leisure industry providers.

NPS is calculated based on responses to a single question:

How likely is it that you would recommend our company/product/service to a friend or colleague?

The scoring for this answer is based on a 0 to 10 scale divided into detractors (0-6) passives (7-8) and promoters (9-10). The percentage score is determined by subtracting the detractor score from the promoter score to give one benchmark figure.

Around 1,000 surveys are sent out each month direct to members who use Worthing LC and Splashpoint. Members are contacted by senior staff to engage, gain feedback and attempt to address any issues that may arise.

Figures are presented monthly at Senior Management Team meetings and interrogated to highlight any trends or areas of concern, both from the positive and negative comments. SDL has maintained a steady improvement since the Trust was formed and with the comparable industry average (for all Leisure Trusts in the South East) currently being at 27%, the figures give a positive reinforcement for the overall quality of service delivery.

Monthly scores and the annual average by site and as a whole for SDL are as below:

	18/19 Target Score	April	May	June	July	August	Sept	October	November	December	January	February	March	2018/19 Ave. score
NPS WLC	35%	35%	33%	43%	43%	48%	51%	43%	49%	32%	32%	13%	20%	38%
NPS SP	35%	42%	54%	34%	38%	37%	33%	46%	34%	54%	35%	45%	44%	41%
NPS SDL Group average	35%	39%	44%	38%	40%	42%	41%	45%	41%	43%	33%	30%	35%	39%

ACHIEVEMENTS AND PERFORMANCE

South Downs Leisure has now completed four of its twenty-five-year management agreement with Worthing Borough Council. We are currently in the process of negotiating our second five-year tranche.

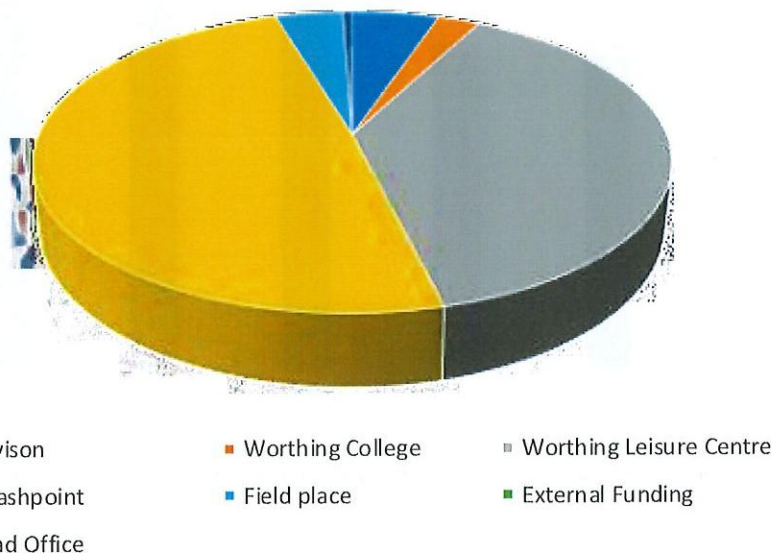
Competition from budget gyms and other leisure providers continues to apply pressure to our membership. This has continued to affect our figures into 2019/2020 and we are continuing to review opportunities for increasing sales and controlling costs.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2019

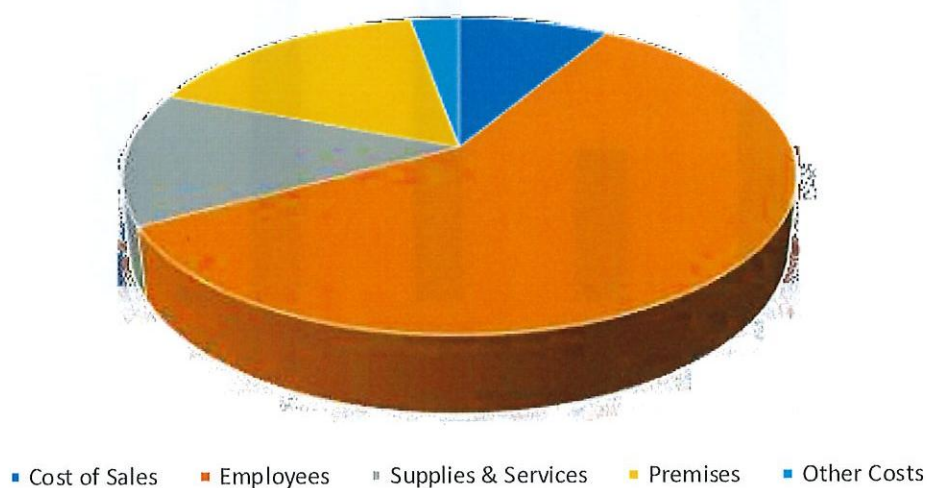
FINANCIAL REVIEW

The following charts show which sites produced our income and how that money was spent.

Where our income came from in 2018-2019



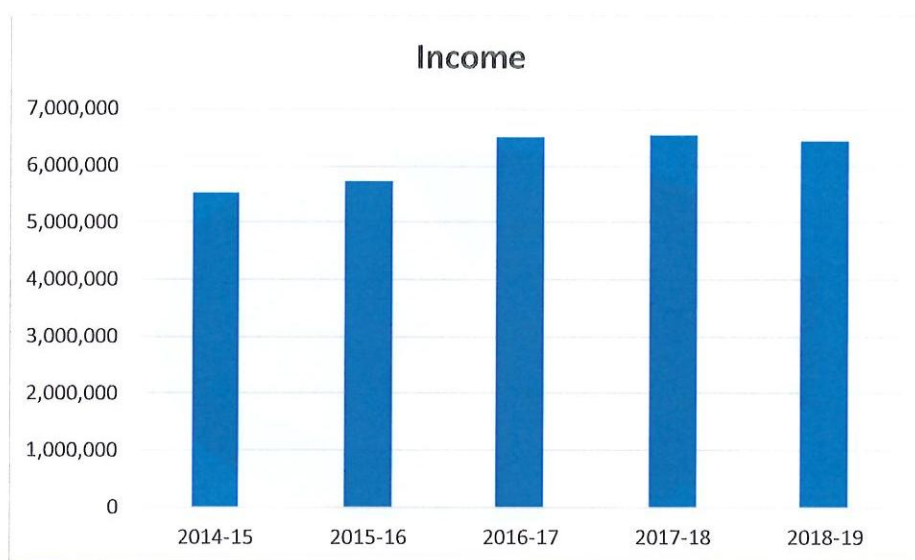
What the money was spent on in 2018-2019



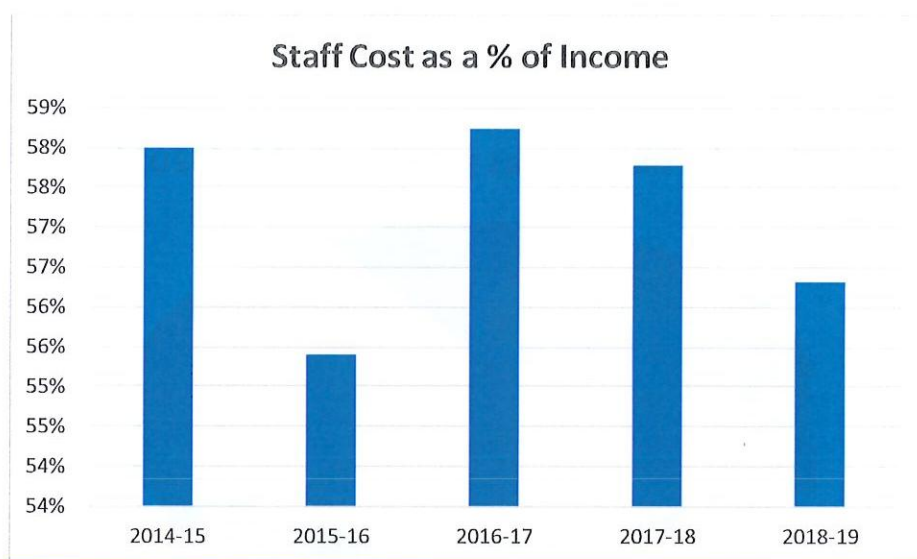
SOUTH DOWNS LEISURE
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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2019

FINANCIAL REVIEW – continued



The above chart shows the income year on year. 2013-2015 we were a council Direct Service Organisation



The above chart shows staff costs as a % of income. 2018-19 figures include Head Office costs.

Reserves

Surpluses on trading and charitable activities will be transferred to a risk reserve and an improvement reserve. After the accumulation of 50% of £560k into the risk reserve, then the Trust shall transfer up to £100,000 of any surplus generated into a designated account, the Improvement Reserve.

The group has returned a surplus of £416,480 (2018: £10,801 deficit). The accumulated reserves for the group amounted to £1,015,862 (31 March 2018: £599,382), including restricted funds of £47,141 (31 March 2018: £38,962) and unrestricted funds of £968,721 (31 March 2018: £560,420).

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2019

FINANCIAL REVIEW – continued

In the event that the Trust meets the agreed Risk Reserve target of £560,000 and after £100,000 has been transferred into the Improvement Reserve and the Risk Reserve target has been maintained for a continuous period of 3 months, then 50% of any additional surplus generated by the Trust in any Service Year shall be shared with Worthing Borough Council.

The Trust had total reserves at the balance sheet date of £908,155 (2018: £566,123). £559,999 (2018: £324,175) has been designated as the risk reserve in accordance with the reserves policy and £301,015 (2018: £202,986) has been designated as the improvement reserve. Restricted funds at the year end were £47,141 (2018: £38,962).

The improvement reserve balance of £301,015 (2018: £202,986) is made up of the net book value of fixed asset purchases since incorporation of £165,107 (2018: £168,781) and unspent reserves of £135,908 (2018: £34,205).

Plans for the future

We have established a structure that will allow us to develop the Trust and potentially grow in future years. We have looked at various facilities within the borough of Worthing and will not exclude opportunities outside this area if geographically positioned to allow us to manage the facilities efficiently and effectively.

Plans are being drawn up to steer the future direction of both the Enterprise and the Trust in regard to both market security and development. These plans will look at optimum leisure provision in keeping the local demographics a priority.

All works take into account the potential of 'Leisure Futures' and the anticipated development of Worthing Leisure Centre. Plans for the potential new site have been submitted to Worthing Borough Council and we are awaiting further news.

ACCOUNTABLE AND TRANSPARENT

The work of the Trust sits largely in the public domain and through its values, club and customer focus groups, surveys & feedback mechanisms it strives to engage with all interested parties. The business plan and objectives are published and subject to public scrutiny.

As part of the service agreement with Worthing Borough Council, the Trust provides regular reports to the Council on its performance through monitoring Key Performance Indicators (KPIs).

FUNDRAISING

As a charity our income is derived from charitable trading and as such we do not undertake any specific campaigns which require donations.

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.

SOUTH DOWNS LEISURE
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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2019

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all the 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.

ON BEHALF OF THE BOARD:



K Von Habsburg – Chair

Date: 19 November 2019

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SOUTH DOWNS LEISURE

Opinion

We have audited the financial statements of South Downs Leisure (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2019 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the group annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the 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 Report of the Trustees.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SOUTH DOWNS LEISURE

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent charitable company and its subsidiary, or returns adequate for our audit have not been received from branches not visited by us; or
- the group and parent charitable company 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

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

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
Kent
ME10 4AE

Date: 19 November 2019

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2019

Notes	Unrestricted Funds £	Restricted Funds £	31.3.19 Total Funds £	31.3.18 Total Funds £
INCOME				
<i>Income from charitable activities:</i>				
Operation of leisure, recreation sites and health activities 4	6,388,694	31,408	6,420,102	6,531,335
	<u>6,388,694</u>	<u>31,408</u>	<u>6,420,102</u>	<u>6,531,335</u>
<i>Income from other trading activities:</i>				
Commercial trading operations 5	515,805	-	515,805	364,409
	<u>515,805</u>	<u>-</u>	<u>515,805</u>	<u>364,409</u>
TOTAL INCOME	<u>6,904,499</u>	<u>31,408</u>	<u>6,935,907</u>	<u>6,895,744</u>
EXPENDITURE				
<i>Costs of raising funds:</i>				
Commercial trading operations 5	431,992	-	431,992	352,418
	<u>431,992</u>	<u>-</u>	<u>431,992</u>	<u>352,418</u>
<i>Expenditure on charitable activities:</i>				
Operation of leisure, recreation sites and health activities 7	6,052,177	35,258	6,087,435	6,554,127
	<u>6,052,177</u>	<u>35,258</u>	<u>6,087,435</u>	<u>6,554,127</u>
TOTAL EXPENDITURE	<u>6,484,169</u>	<u>35,258</u>	<u>6,519,427</u>	<u>6,906,545</u>
NET INCOME BEFORE TAXATION AND TRANSFERS	420,330	(3,850)	416,480	(10,801)
GROSS TRANSFERS BETWEEN FUNDS	(12,029)	12,029	-	-
NET MOVEMENT IN FUNDS	<u>408,301</u>	<u>8,179</u>	<u>416,480</u>	<u>(10,801)</u>
RECONCILIATION OF FUNDS:				
FUNDS BROUGHT FORWARD	560,420	38,962	599,382	610,183
	<u>560,420</u>	<u>38,962</u>	<u>599,382</u>	<u>610,183</u>
FUNDS CARRIED FORWARD	<u>968,721</u>	<u>47,141</u>	<u>1,015,862</u>	<u>599,382</u>

All incoming resources and resources expended arise from continuing activities. The group has no other recognised gains and losses other than those stated above.

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED BALANCE SHEET
AT 31 MARCH 2019

	Notes	31.3.19 Total Funds £	31.3.19 Total Funds £	31.3.18 Total Funds £	31.3.18 Total Funds £
FIXED ASSETS					
Intangible assets	13		33,127		42,296
Tangible assets	14		357,679		413,074
Investments	15		-		-
			<u>390,806</u>		<u>455,370</u>
CURRENT ASSETS					
Stocks	16	46,624		43,011	
Debtors	17	355,644		348,389	
Cash at bank and in hand		922,659		484,576	
		<u>1,324,927</u>		<u>875,976</u>	
CREDITORS					
Amounts falling due within one year	18	<u>(665,931)</u>		<u>(631,352)</u>	
NET CURRENT ASSETS			<u>658,996</u>		<u>244,624</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,049,802</u>		<u>699,994</u>
CREDITORS					
Amounts falling due after more than one year	19		-		(71,812)
PROVISIONS FOR LIABILITIES	12		(33,940)		(28,800)
NET ASSETS			<u><u>1,015,862</u></u>		<u><u>599,382</u></u>
FUNDS					
Unrestricted income funds			107,707		33,259
Unrestricted designated funds			861,014		527,161
Restricted funds			47,141		38,962
TOTAL FUNDS	22		<u><u>1,015,862</u></u>		<u><u>599,382</u></u>

The financial statements were approved by the Board of Trustees on 19 November 2019 and were signed on its behalf by:


 K. Von Habsburg – Chair

Company Registered number: 09204269
 Registered Charity number: 1163564

The notes form part of these financial statements

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

COMPANY BALANCE SHEET
AT 31 MARCH 2019

	Notes	31.3.19 Total Funds £	31.3.19 Total Funds £	31.3.18 Total Funds £	31.3.18 Total Funds £
FIXED ASSETS					
Intangible assets	13		33,127		42,296
Tangible assets	14		179,049		261,496
Investments	15		1		1
			<u>212,177</u>		<u>303,793</u>
CURRENT ASSETS					
Stocks	16	46,624		43,011	
Debtors:	17	491,237		645,272	
Cash at bank and in hand		<u>690,273</u>		<u>199,785</u>	
		<u>1,228,134</u>		<u>888,068</u>	
CREDITORS					
Amounts falling due within one year	18	<u>(532,156)</u>		<u>(553,926)</u>	
NET CURRENT ASSETS			<u>695,978</u>		<u>334,142</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			908,155		637,935
CREDITORS					
Amounts falling due after more than one year	19		-		(71,812)
NET ASSETS			<u>908,155</u>		<u>566,123</u>
FUNDS					
Unrestricted designated funds			861,014		527,161
Restricted funds			<u>47,141</u>		<u>38,962</u>
TOTAL FUNDS	22		<u>908,155</u>		<u>566,123</u>

The financial statements were approved by the Board of Trustees on 19 November 2019 and were signed on its behalf by:


 K Von Habsburg – Chair

Company Registered number: 09204269
 Registered Charity number: 1163564

The notes form part of these financial statements

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019

		Group 31.3.19 £	Group 31.3.18 £	Company 31.3.19 £	Company 31.3.18 £
Cash flows from operating activities	1	586,129	(42,793)	546,973	(85,217)
Cash flows from investing activities					
Purchase of tangible fixed assets		(68,806)	(201,631)	(22,626)	(53,227)
Purchase of intangible fixed assets		(19,420)	-	(19,420)	-
Finance charges		(59,820)	(54,049)	(55,404)	(50,608)
Interest receivable		-	-	9,365	-
Net cash from investing activities		(148,046)	(255,680)	(88,085)	(103,835)
Cash flows from financing activities					
Loan to Enterprises		-	-	31,600	(158,000)
		-	-	31,600	(158,000)
(Decrease)/Increase in cash and cash equivalents in the reporting period		438,083	(298,473)	490,488	(347,052)
Cash and cash equivalents at the beginning of the reporting period	2	484,576	783,049	199,785	546,837
Cash and cash equivalents at the end of the reporting period	2	922,659	484,576	690,273	199,785

The notes form part of these financial statements

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2019

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

	Group 31.3.19 £	Group 31.3.18 £	Company 31.3.19 £	Company 31.3.18 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	416,480	(10,801)	342,032	(22,792)
Depreciation/amortisation charges	128,316	125,278	109,188	117,043
Finance costs	59,820	54,049	55,404	50,608
Interest received	-	-	(9,365)	-
Loss on disposal	24,474	-	24,474	-
Increase in stock	(3,614)	(3,960)	(3,614)	(3,958)
(Increase) in debtors	(7,254)	(264,763)	(3,521)	(75,058)
Decrease / (Increase) in intercompany	-	-	125,957	(8,387)
(Decrease) / Increase creditors	(32,093)	57,404	(93,582)	(142,673)
Net cash flow from operating activities	(586,129)	(42,793)	546,973	(85,217)

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

Group	31.3.19 £	31.3.18 £
Cash in hand and at bank	922,659	484,576
Net incoming / (outgoing) resources	922,659	484,576
Company	31.3.19 £	31.3.18 £
Cash in hand and at bank	690,273	199,785
Net incoming / (outgoing) resources	690,273	199,785

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. STATUTORY INFORMATION

South Downs Leisure (A Company Limited by Guarantee) is a registered charity. The Charity's registered number and registered office address can be found on the Charity Information page.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

3. 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 group's functional currency is British Pound Sterling (GBP), which is also the presentation currency for the group. The financial statements are therefore presented in British Pound Sterling.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Preparation of consolidated financial statements

The financial statements consolidate the results of the Charitable Company and its wholly owned subsidiary South Downs Leisure 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 paragraph 397 of the SORP.

Income recognition

All incoming resources from recreation and leisure sites are included on the Statement of Financial Activities when the charitable company is legally entitled to the income, the amount can be quantified with reasonable accuracy and it is probable that the charitable company will receive the income. 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 as such is accrued until the invoice has been raised and the income recognised in the income and expenditure account. Income for annual memberships is accounted for over the membership year.

Grants receivable

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 they become receivable. 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

3. ACCOUNTING POLICIES – continued

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Resources expended include attributable VAT which cannot be recovered.

Support costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative, and payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Tangible fixed assets

Fixed assets costing in excess of £5,000 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.

Fixtures and Fittings	- straight line over 5 years, straight line over 23 years
Exercise Equipment	- straight line over 5 years
IT, Audio & Visual Equipment	- straight line over 5 years

Irrecoverable VAT

Given the nature of the Charitable Company's activities it attracts exempt supplies, which results in the Charitable Company falling under the partial exemption scheme. Input VAT is fully recovered on taxable supplies, together with a proportion of non-attributable input VAT. Irrecoverable VAT is written off to the Statement of Financial Activities.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Service Concession Arrangements

The charitable company has a Service Contract with Worthing Borough Council for the operation of leisure centres owned by the Council to which it has lease and management service contracts. Worthing Borough Council has rights under the contracts to specify the activities offered by the centres and has influence over the prices charged for them and specifies 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 Worthing Borough Council but the Council maintains 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, 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.

Payments

The charitable company makes an agreed payment to Worthing Borough Council each year in recognition of the assets acquired by the charitable company from the Council at the beginning of the contract period.

Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to sell, on a first in first out basis, after making due allowance for obsolete and slow moving items.

Debtors receivable and creditors payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

3. ACCOUNTING POLICIES – continued

Debtors receivable and creditors payable over one year

Debtors and creditors are stated at value due as an appropriate interest/discount rate is effectively applied.

Hire purchase and leasing commitments

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

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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

3. ACCOUNTING POLICIES – continued

Taxation

The Charitable Company is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Pension costs and other post-retirement benefits

In respect of those defined benefit pension schemes where the local authority has indemnified the Charitable company against changes in the employer contribution rate and any liability which may become payable as a result of the termination or expiry of a contract, the amount charged to the statement of financial activities represents the contribution payable to the scheme in the accounting period without any actuarial adjustment.

Contributions to defined contribution pension schemes are charged to the Statement of Financial Activities as incurred.

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.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are the depreciation charges that are calculated with reference to the useful economic life of fixed assets and the deferred income relating to memberships and bookings for the following year.

Going Concern

The board of management have assessed the major risks to which the charitable company is exposed and assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The board of management make this assessment in respect of a period of one year from the date of approval of the financial statements. The charitable company has adequate financial resources together with customers and strategic parties to continue trading at current levels. As a consequence the board believe that the charitable company is well placed to manage its business risks successfully despite the current uncertain economic outlook. The board have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

4. 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 South Downs Leisure Enterprises Limited.

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

	31.3.19	31.3.18
	£	£
Gross incoming resources	6,420,102	6,531,335
Total expenditure on charitable activities	(6,087,435)	(6,554,127)
Loan interest from subsidiary	9,365	-
Net incoming / (outgoing) resources	<u>342,032</u>	<u>(22,792)</u>

Income from charitable activities was £6,420,102 (2018: £6,531,335) of which £31,408 (2018: £72,528) was attributable to restricted funds and £6,388,694 (2018: £6,458,807) was attributable to unrestricted funds.

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

5 INCOMING / (OUTGOING) RESOURCES FROM COMMERCIAL TRADING OPERATIONS

A summary of the trading results of the wholly owned subsidiary South Downs Leisure Enterprises Limited is shown below:

	31.3.19	31.3.18
	£	£
Turnover	515,805	364,409
Cost of sales and administration costs	(431,992)	(352,418)
Interest on inter-group loan	(9,365)	-
Net profit	<u>74,448</u>	<u>11,991</u>

6. NET INCOME/EXPENDITURE OF THE PARENT CHARITABLE 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 was £342,032 (2018: £22,792 net expenditure).

7. RESOURCES EXPENDED ON CHARITABLE ACTIVITIES COSTS

	Direct Costs	Direct Staff Costs	Support Costs (see note 9)	31.3.19 Total Charitable Activities	31.3.18 Total Charitable Activities
	£	£	£	£	£
Leisure, recreation and health activities	<u>1,935,652</u>	<u>3,756,477</u>	<u>395,306</u>	<u>6,087,435</u>	<u>6,554,127</u>

£35,258 (2018: £64,206) of the above costs were attributable to restricted funds and £6,052,177 (2018: £6,489,921) of the above costs were attributable to unrestricted funds.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

8. SUPPORT COSTS

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

	31.3.19 Operation of leisure, recreation sites and health activities	31.3.18 Operation of leisure, recreation sites and health activities
	£	£
External support services	72,503	73,348
Premises expenses	19,920	22,901
Advertising & marketing	61,972	67,842
Office administration	41,902	181,417
Consultancy	9,081	81,669
Training	36,814	47,566
Finance costs	55,404	50,608
Governance costs	33,743	41,574
Other support costs	63,967	28,055
	<u>395,306</u>	<u>594,980</u>

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

9. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/ (crediting):

	31.3.19 £	31.3.18 £
Hire of equipment	92,665	87,920
Depreciation	121,547	105,979
Amortisation	6,769	19,299
Auditors' remuneration	24,671	12,426
Auditors' remuneration for non-audit work	<u>4,500</u>	<u>3,400</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

Staff trustees only receive remuneration in respect of services they provide undertaking the roles of staff and not in respect of their services as trustees. Other trustee did not receive any payments from the Trust in respect of their roles as trustees.

The value of trustees' remuneration was as follow:

C Hunter (Staff trustee):

Remuneration £30,000 - £35,000 (2018: £30,000 - £35,000)

Employer's pension contributions £9,000 - £9,500 (2018: £9,000 - £9,500)

Trustees' Expenses

There were no trustees' remuneration or other benefits for the year ended 31 March 2019 nor for the year ended 31 March 2018.

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

11. STAFF COSTS

	31.3.19 £	31.3.18 £
Company		
Wages and salaries	3,120,513	3,253,101
Social security costs	154,062	166,099
Defined benefit pension costs	345,713	355,685
	<u>3,620,288</u>	<u>3,774,885</u>
Subsidiary		
Wages and salaries	114,154	82,569
Social security costs	8,365	5,893
Other pension costs	13,670	8,091
	<u>136,189</u>	<u>96,553</u>
	<u>3,756,477</u>	<u>3,871,438</u>

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

31.3.19	31.3.18
<u>449</u>	<u>463</u>

The total amount of employee benefits received by key management personnel is £407,394 (2018: £379,925). The charitable company considers its key management personnel to be the Chief Executive, Finance Director, Operations Director, HR Manager, the Business Development Director and the staff trustees.

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

	31.3.19	31.3.18
£60,001 - £70,000	3	2
£110,001 - £120,000	<u>1</u>	<u>1</u>
	<u>4</u>	<u>3</u>

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

31.3.19	31.3.18
<u>4</u>	<u>3</u>

12. TAXATION

The Charitable Company paid no corporation tax during the year. Provisions for £nil (2018: £nil) have been made at 31 March 2019 for corporation tax due in respect of the surplus from trading activities recorded in the year ended 31 March 2019. During the year ended 31 March 2019 all trading activities were conducted by the wholly owned subsidiary, South Downs Leisure Enterprises Limited.

South Downs Leisure Enterprises Limited has provisions included of £33,940 (2018: £28,800) in respect of deferred taxation and a corporation tax creditor of £12,323 (2018: £6,761) in respect of corporation tax payable on profits relating to trading income. The analysis of the tax charge on the profit for the year was as follows:

	31.3.19 £	31.3.18 £
Current tax:		
UK corporation tax	12,323	6,761
Deferred taxation movement	<u>5,140</u>	<u>28,800</u>
Tax on trading profit	<u>17,463</u>	<u>35,561</u>

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

13. INTANGIBLE FIXED ASSETS

Group and company

	Computer software £
COST	
At 1 April 2018	85,477
Additions	19,420
Disposals	(54,551)
At 31 March 2019	50,346
AMORTISATION	
At 1 April 2018	43,181
Charge for year	6,769
Eliminated on disposal	(32,731)
At 31 March 2019	17,219
NET BOOK VALUE	
At 31 March 2019	33,127
At 31 March 2018	42,296

14. TANGIBLE FIXED ASSETS

Group

	Equipment, plant and machinery £	Fixtures and fittings £	IT, audio and visual equipment £	Totals £
COST				
At 1 April 2018	274,511	311,519	105,423	691,453
Additions	8,133	60,673	-	68,806
Disposals	(2,654)	-	-	(2,654)
At 31 March 2019	279,990	372,192	105,423	757,605
DEPRECIATION				
At 1 April 2018	149,103	66,321	62,955	278,379
Charge for year	52,074	49,561	19,912	121,547
Eliminated on disposal	-	-	-	-
At 31 March 2019	201,177	115,882	82,867	399,926
NET BOOK VALUE				
At 31 March 2019	78,813	256,310	22,556	357,679
At 31 March 2018	125,408	245,198	42,468	413,074

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

14. TANGIBLE FIXED ASSETS - continued

Company

	Equipment, plant and machinery £	Fixtures and fittings £	IT, audio and visual equipment £	Totals £
COST				
At 1 April 2018	274,511	149,024	105,423	528,958
Additions	8,133	14,493	-	22,626
Disposals	(2,654)	-	-	(2,654)
At 31 March 2019	279,990	163,517	105,423	548,930
DEPRECIATION				
At 1 April 2018	149,103	55,404	62,955	267,462
Charge for year	52,074	30,433	19,912	102,419
Eliminated on disposal	-	-	-	-
At 31 March 2019	201,177	85,837	82,867	369,881
NET BOOK VALUE				
At 31 March 2019	78,813	77,680	22,556	179,049
At 31 March 2018	125,408	93,620	42,468	261,496

15. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
MARKET VALUE	
At 1 April 2018 and 31 March 2019	1
NET BOOK VALUE	
At 31 March 2018 and 31 March 2019	1

There were no investment assets outside the UK.

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

South Downs Leisure Enterprises Limited (company number 09261501)

Nature of business: Operation of an events venue

Class of share:	% holding		
Ordinary	100		
		31.3.19 £	31.3.18 £
Aggregate capital and reserves		107,707	33,259
Profit for the year		74,448	11,991

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

16. STOCKS

	Group		Company	
	31.3.19	31.3.18	31.3.19	31.3.18
	£	£	£	£
Stocks	<u>46,624</u>	<u>43,011</u>	<u>46,624</u>	<u>43,011</u>

Stock amounts recognised within expenditure for the current period are £295,393 (2018: £322,397).

17. DEBTORS

	Group		Company	
	31.3.19	31.3.18	31.3.19	31.3.18
	£	£	£	£
Trade debtors	218,165	157,358	164,583	113,806
Other debtors	31,684	86,464	22,737	79,523
Loan to associate under 1 year	-	-	31,600	31,600
Prepayments and accrued income	105,795	104,567	89,682	80,151
Amounts owed by group undertakings	-	-	87,835	213,792
	<u>355,644</u>	<u>348,389</u>	<u>396,437</u>	<u>518,872</u>
Loan to associate over 1 year	-	-	<u>94,800</u>	<u>126,400</u>
Aggregate amounts	<u>355,644</u>	<u>348,389</u>	<u>491,237</u>	<u>645,272</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.19	31.3.18	31.3.19	31.3.18
	£	£	£	£
Trade creditors	39,662	58,022	33,199	56,845
Taxation	12,323	6,761	-	-
Social security and other tax	118,422	16,160	103,167	3,677
Other creditors	54,219	54,704	54,219	54,704
Accrued expenses	176,382	244,747	161,502	241,997
Deferred income	181,825	169,410	96,971	115,155
Deferred consideration - WBC	83,098	81,548	83,098	81,548
	<u>665,931</u>	<u>631,352</u>	<u>532,156</u>	<u>553,926</u>

Deferred Income

	Group		Company	
	31.3.19	31.3.18	31.3.19	31.3.18
	£	£	£	£
Deferred income at 1 April 2018	169,410	136,450	115,155	82,195
Deferred during the period	181,825	169,410	96,971	115,155
Amounts released to income from prior periods	<u>(169,410)</u>	<u>(136,450)</u>	<u>(115,155)</u>	<u>(82,195)</u>
Deferred income at 31 March 2019	<u>181,825</u>	<u>169,410</u>	<u>96,971</u>	<u>115,155</u>

Deferred income at 31 March 2019 for the Charitable Company represents annual leisure memberships income, where the consideration has been received in the year ended 31 March 2019 but the services were only provided following the year end. The Group deferred income also includes venue hire income under the same principles.

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	31.3.19	31.3.18	31.3.19	31.3.18
	£	£	£	£
Deferred consideration - WBC	<u>-</u>	<u>71,812</u>	<u>-</u>	<u>71,812</u>

20. OPERATING LEASE COMMITMENTS

Minimum lease payments fall due as follows:

	Non-cancellable operating leases	
	31.3.19	31.3.18
Due < 1 year	67,062	75,269
Due 1-2 years	67,062	67,062
Due 2-5 years	<u>44,483</u>	<u>76,990</u>
	<u>178,607</u>	<u>219,321</u>

Operating lease amounts recognised within expenditure for the current period are £92,665 (2018: £87,920).

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	31.3.19		31.3.18	
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Fixed Assets	390,806	-	390,806	455,370
Current Assets	1,277,786	47,141	1,324,927	875,976
Current Liabilities	(665,931)	-	(665,931)	(631,352)
Long Term Liabilities	<u>(33,940)</u>	<u>-</u>	<u>(33,940)</u>	<u>(100,612)</u>
	<u>968,721</u>	<u>47,141</u>	<u>1,015,862</u>	<u>599,382</u>
Company	31.3.19		31.3.18	
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Fixed Assets	212,176	-	212,176	303,792
Investment	1	-	1	1
Current Assets	1,180,993	47,141	1,228,134	888,068
Current Liabilities	(532,156)	-	(532,156)	(553,926)
Long Term Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(71,812)</u>
	<u>861,014</u>	<u>47,141</u>	<u>908,155</u>	<u>566,123</u>

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS - continued

Comparative information in respect of the preceding period is as follows:

Group			31.3.18	31.3.17
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Fixed Assets	455,370	-	455,370	379,017
Current Assets	837,014	38,962	875,976	1,262,008
Current Liabilities	(631,352)	-	(631,352)	(866,722)
Long Term Liabilities	(100,612)	-	(100,612)	(164,120)
	<u>560,420</u>	<u>38,962</u>	<u>599,382</u>	<u>610,183</u>
Company			31.3.18	31.3.17
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Fixed Assets	303,792	-	303,792	367,609
Investment	1	-	1	1
Current Assets	849,106	38,962	888,068	989,716
Current Liabilities	(553,926)	-	(553,926)	(613,012)
Long Term Liabilities	(71,812)	-	(71,812)	(155,398)
	<u>527,161</u>	<u>38,962</u>	<u>566,123</u>	<u>588,916</u>

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

22. MOVEMENT IN FUNDS

Group	At 1.4.18	Net movement in funds	At 31.3.19
Unrestricted funds			
General	33,259	74,448	107,707
Designated	527,161	333,853	861,014
	<u>560,420</u>	<u>408,301</u>	<u>968,721</u>
Restricted funds			
Big Lottery Over 50s Grant	-	-	-
Sportivate Rugby	-	-	-
Short Breaks Buddy PT	-	8,720	8,720
Walking Football	14,928	(6,341)	8,587
Exercise Referrals	-	-	-
Disability Holiday Programme	-	4,393	4,393
Sensory Room	9,735	(9,735)	-
Bruce Wakefield Trust – Gym accessibility	2,000	(2,000)	-
Sussex FA Disability Sessions	11,299	-	11,299
Football Mash up grant	800	-	800
SFS	200	-	200
Leisure Futures	-	3,000	3,000
Awards for all	-	9,950	9,950
Green dreams	-	192	192
	<u>38,962</u>	<u>8,179</u>	<u>47,141</u>
TOTAL FUNDS	<u>599,382</u>	<u>416,480</u>	<u>1,015,862</u>
Company	At 1.4.18	Net movement in funds	At 31.3.19
Unrestricted funds			
Designated	527,161	333,853	861,014
	<u>527,161</u>	<u>333,853</u>	<u>861,014</u>
Restricted funds			
Big Lottery Over 50s Grant	-	-	-
Sportivate Rugby	-	-	-
Short Breaks Buddy PT	-	8,720	8,720
Walking Football	14,928	(6,341)	8,587
Exercise Referrals	-	-	-
Disability Holiday Programme	-	4,393	4,393
Sensory Room	9,735	(9,735)	-
Bruce Wakefield Trust – Gym accessibility	2,000	(2,000)	-
Sussex FA Disability Sessions	11,299	-	11,299
Football Mash up grant	800	-	800
SFS	200	-	200
Leisure Futures	-	3,000	3,000
Awards for all	-	9,950	9,950
Green dreams	-	192	192
	<u>38,962</u>	<u>8,179</u>	<u>47,141</u>
TOTAL FUNDS	<u>566,123</u>	<u>342,032</u>	<u>908,155</u>

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

22. MOVEMENT IN FUNDS - continued

Comparative information in respect of the preceding period is as follows:

Group	At 1.4.17	Net movement in funds	At 31.3.18
Unrestricted funds			
General	21,267	11,992	33,259
Designated	571,583	(44,422)	527,161
	592,850	(32,430)	560,420
Restricted funds			
Big Lottery Over 50s Grant	6,032	(6,032)	-
Sportivate Rugby	450	(450)	-
Short Breaks Buddy PT	4,022	(4,022)	-
Walking Football	-	14,928	14,928
Exercise Referrals	-	-	-
Disability Holiday Programme	5,829	(5,829)	-
Sensory Room	-	9,735	9,735
Bruce Wakefield Trust – Gym accessibility	-	2,000	2,000
Sussex FA Disability Sessions	-	11,299	11,299
Football Mash up grant	800	-	800
SFS	200	-	200
	17,333	21,629	38,962
TOTAL FUNDS	610,183	(10,801)	599,382
Company	At 1.4.17	Net movement in funds	At 31.3.18
Unrestricted funds			
Designated	571,583	(44,422)	527,161
	571,583	(44,422)	527,161
Restricted funds			
Big Lottery Over 50s Grant	6,032	(6,032)	-
Sportivate Rugby	450	(450)	-
Short Breaks Buddy PT	4,022	(4,022)	-
Walking Football	-	14,928	14,928
Exercise Referrals	-	-	-
Disability Holiday Programme	5,829	(5,829)	-
Sensory Room	-	9,735	9,735
Bruce Wakefield Trust – Gym accessibility	-	2,000	2,000
Sussex FA Disability Sessions	-	11,299	11,299
Football Mash up grant	800	-	800
SFS	200	-	200
	17,333	21,629	38,962
TOTAL FUNDS	588,916	(22,793)	566,123

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

22. MOVEMENT IN FUNDS – continued

Group	Income	Expenditure	Transfers	Net movement in funds
Unrestricted funds				
General	515,805	(431,992)	(9,365)	74,448
Designated	6,388,694	(6,052,177)	(2,664)	333,853
	<u>6,904,499</u>	<u>(6,484,169)</u>	<u>(12,029)</u>	<u>408,301</u>
Restricted funds				
Big Lottery Over 50s Grant	-	(1,656)	1,656	-
Sportivate Rugby	-	-	-	-
Short Breaks Buddy PT	8,736	(1,913)	1,897	8,720
Walking Football	-	(6,341)	-	(6,341)
Exercise Referrals	-	(1,098)	1,098	-
Disability Holiday Programme	5,864	(4,717)	3,246	4,393
Sensory Room	-	(13,867)	4,132	(9,735)
Bruce Wakefield Trust – Gym accessibility	-	(2,000)	-	(2,000)
Sussex FA Disability Sessions	-	-	-	-
Football Mash up grant	-	-	-	-
SFS	-	-	-	-
Leisure Futures	3,000	-	-	3,000
Awards for all	9,950	-	-	9,950
Green dreams	3,858	(3,666)	-	192
	<u>31,408</u>	<u>(35,258)</u>	<u>12,029</u>	<u>8,179</u>
TOTAL FUNDS	<u>6,935,907</u>	<u>(6,519,427)</u>	<u>-</u>	<u>416,480</u>
Company	Income	Expenditure	Transfers	Net movement in funds
Unrestricted funds				
Designated	6,398,059	(6,052,177)	(12,029)	333,853
	<u>6,398,059</u>	<u>(6,052,177)</u>	<u>(12,029)</u>	<u>333,853</u>
Restricted funds				
Big Lottery Over 50s Grant	-	(1,656)	1,656	-
Sportivate Rugby	-	-	-	-
Short Breaks Buddy PT	8,736	(1,913)	1,897	8,720
Walking Football	-	(6,341)	-	(6,341)
Exercise Referrals	-	(1,098)	1,098	-
Disability Holiday Programme	5,864	(4,717)	3,246	4,393
Sensory Room	-	(13,867)	4,132	(9,735)
Bruce Wakefield Trust – Gym accessibility	-	(2,000)	-	(2,000)
Sussex FA Disability Sessions	-	-	-	-
Football Mash up grant	-	-	-	-
SFS	-	-	-	-
Leisure Futures	3,000	-	-	3,000
Awards for all	9,950	-	-	9,950
Green dreams	3,858	(3,666)	-	192
	<u>31,408</u>	<u>(35,258)</u>	<u>12,029</u>	<u>8,179</u>
TOTAL FUNDS	<u>6,429,467</u>	<u>(6,087,435)</u>	<u>-</u>	<u>342,032</u>

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

22. MOVEMENT IN FUNDS – continued

Comparative information in respect of the preceding period is as follows

Group	Income	Expenditure	Transfers	Net movement in funds
Unrestricted funds				
General	364,409	(352,417)	-	11,992
Designated	6,458,807	(6,489,921)	(13,308)	(44,422)
	6,823,216	(6,842,338)	(13,308)	(32,430)
Restricted funds				
Big Lottery Over 50s Grant	-	(7,424)	1,392	(6,032)
Sportivate Rugby	-	(845)	395	(450)
Short Breaks Buddy PT	1,083	(6,687)	1,582	(4,022)
Walking Football	14,928	-	-	14,928
Exercise Referrals	5,102	(11,054)	5,952	-
Disability Holiday Programme	1,021	(9,477)	2,627	(5,829)
Sensory Room	9,735	-	-	9,735
Bruce Wakefield Trust – Gym accessibility	2,000	-	-	2,000
Sussex FA Disability Sessions	11,379	(80)	-	11,299
Football Mash up grant	-	-	-	-
SFS	-	-	-	-
Leisure Futures	27,280	(28,640)	1,360	-
	72,528	(64,207)	13,308	21,629
TOTAL FUNDS	6,895,744	(6,906,545)	-	(10,801)
Company	Income	Expenditure	Transfers	Net movement in funds
Unrestricted funds				
General	-	-	-	-
Designated	6,458,807	(6,489,921)	(13,308)	(44,422)
	6,458,807	(6,489,921)	(13,308)	(44,422)
Restricted funds				
Big Lottery Over 50s Grant	-	(7,424)	1,392	(6,032)
Sportivate Rugby	-	(845)	395	(450)
Short Breaks Buddy PT	1,083	(6,687)	1,582	(4,022)
Walking Football	14,928	-	-	14,928
Exercise Referrals	5,102	(11,054)	5,952	-
Disability Holiday Programme	1,021	(9,477)	2,627	(5,829)
Sensory Room	9,735	-	-	9,735
Bruce Wakefield Trust – Gym accessibility	2,000	-	-	2,000
Sussex FA Disability Sessions	11,379	(80)	-	11,299
Football Mash up grant	-	-	-	-
SFS	-	-	-	-
Leisure Futures	27,280	(28,640)	1,360	-
	72,528	(64,207)	13,308	21,629
TOTAL FUNDS	6,531,335	(6,554,128)	-	(22,793)

Big Lottery Over 50s Grant

Funding from the Big Lottery to encourage the community's over 50s to get together and get active.

Sportivate Rugby

A Big Lottery funded project to encourage more young people to take part in rugby.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

22. MOVEMENT IN FUNDS – continued

Short Breaks Buddy PT

Discounted PT sessions and gym access for children with disabilities aged 14-18 years.

Walking Football

A lower impact, slower version of the game aimed at those over 50.

Exercise Referrals

A programme of GP referrals funded by Adur District Council.

Disability Holiday Programme

A programme of fun, sporting holiday activities for children with disabilities.

Sensory Room

A Big Lottery funded project to create a soft play area for children on the autism spectrum with staff receiving specialist autism training.

Bruce Wakefield Trust – Gym Accessibility

Funding to look into gym access for the disabled and update to ensure accessibility.

Sussex FA Disability Sessions

A funded project to encourage disabled people to take part in football.

Leisure Futures

A funded project to look into the building of a new leisure centre to replace Worthing Leisure Centre.

Transfers between funds

The transfers in the year represent a reallocation between unrestricted funds and restricted funds to cover expenditure in excess of funding.

23. CAPITAL COMMITMENTS

	Group		Company	
	31.3.19	31.3.18	31.3.19	31.3.18
	£	£	£	£
Contracted for but not provided for in the financial statements	14,571	-	-	-

24. 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.

25. RELATED PARTY TRANSACTIONS

South Downs Leisure Enterprises Limited

During 2018 a loan of £158,000 was made to South Downs Leisure Enterprises Limited, a company fully owned by South Downs Leisure, at a commercial rate of 6% per annum. During the year £31,600 was repaid (2018: £nil) which incurred interest of £9,365 (2018: £nil). At 31 March 2019 £126,400 was outstanding (2018: £158,000) and is included in creditors in the Charitable Company.

26. 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.