

Company Registration No. 08466394 (England and Wales)

Registered Charity No. 1152093

**SLOUGH COMMUNITY LEISURE
(A company limited by guarantee)**

**REPORT AND CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2017**



SLOUGH COMMUNITY LEISURE

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
08466394 (England and Wales)

Registered Charity number
1152093 (England and Wales)

Registered office

The Arena
Stafferton Way
Maidenhead
Berkshire
SL6 1AY

Trustees

Z Ali	
R P Dhokia	Resigned 24 July 2017
A C Taylor	
B R Doe	
B E Edwards	
J H Gillan	
P Bendon	
S Caffrey	Resigned 27 June 2016

Company Secretary

J E Blackburn	Resigned 22 November 2016
R Whitehouse	Appointed 22 November 2016

Key management personnel

Robert Whitehouse	Chief Executive (Slough Community Leisure)
Greg Sinclair	Chief Executive (Absolutely Leisure)
James King	Operations Director

Auditors

RSM UK Audit LLP
Davidson House
Forbury Square
Reading
Berkshire
RG1 3EU

SLOUGH COMMUNITY LEISURE

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2017

How Our Activities Deliver Public Benefit

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

We have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Board Members consider how planned activities will contribute to the aims and objectives they have set. The Group and charity is committed to the on-going improvement of the community sport, leisure and culture in the areas which it operates. The Group and charity will achieve this through well operated facilities that adapt to the changing needs of the community it serves. The charity recognises that any services it operates must provide good quality, inclusive, accessible, affordable sport, leisure and cultural activities that improve overall health and wellbeing. The Group and charity works closely with all of its partners to ensure it meets all of its objectives for the community. The Group and charity has in place systems for measuring the usage of its facilities by the general public, in 2016/17 the attendance numbers were in excess of 1 million for the fifth year running.

Equity of Access

There is a concessionary pricing structure across the group to provide affordable access for those customers who are on low income or disadvantaged. A peak and off peak pricing structure providing subsidised activity at off peak times.

Disabled

Working with local disability groups across our operating area to run activities and sessions for various ages and ability levels. Active involvement with the Disability Sports Network to enable us to better provide for the needs of disabled people in our area. The provision of dual seat and hand controlled karting to enable individuals with a disability to participate.

Community

Working with various NGBs to encourage people back into sport. Running open that offer free or very low cost activities to encourage the local community to find out about what is available. Working with local charities assisting them with fund raising and making facilities available for their use.

Setting of pay

The People Development Scheme is a company policy that endorses all pay rate levels across both SCL and AL. Both Boards approve any pay rises on an annual basis and these are then confirmed within the policy.

SLOUGH COMMUNITY LEISURE

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2017

STRATEGIC REPORT

Achievements and Performance

The charity has successfully completed its 17th year of trading. Trading conditions have been tough as the charity moved towards the end of its existing contract with Slough Borough Council. The Council's decision to close two of the facilities we managed on its behalf on November 1st 2016 had a negative effect on our funds and reduced the resources we had for charitable works. Overall the 2016/17 financial year has seen further progress being made on our long term objectives of delivering financial stability, customer and partner satisfaction.

The Charity made a decision not to bid for the next Slough Borough Council leisure contract due to start in June 2017. The Trustees felt that a successful bid would be at a financial level that would endanger the future of the charity and was not therefore commercially sensible. As a result the second half of this financial year was spent preparing to exit a contract that it had operated for 17 years. This was a complex process and has had costs associated with it that will impact upon the 2017/18 accounts, however the business plan accepted by the Trustees sees the Group returning to profitability between 2018 and 2020.

Through the course of the year there were some significant factors that affected the overall performance of the charity. These included:

- The early closure of The Centre by Slough Borough Council and the subsequent legal dispute was both time consuming, distracted management from other development work, and reduced operational profitability. However, the resulting settlement provided a significant one-off financial boost.
- Planning for the sale of some of the Charities assets associated with the SBC contract to the new contractor or to SBC required more management time to ensure these charitable assets were protected and that the resources released could be put to best use.
- Protecting the rights of the Charities staff as they transferred to a new employer was also a focus during the year, the Trustees felt that it was ethically correct to protect these employees where possible from decisions made that were outside of their control.
- Despite the external distractions during the year the charities performance remained strong, while the Synergy Health and Fitness product did not grow significantly neither did it decline and the Swim Schools at Montem and Langley both performed strongly.

Our key charitable strategies for the year were:

The Board agreed to focus its charitable giving on health and wellbeing in Primary Schools and supporting high quality sports clubs in Slough.

In the business context our key strategies are:

1. To continue to expand the services provided by Absolutely Leisure.
2. Plan for the SBC tendering process.
3. Continue to reduce our central support costs.

As well as using financial KPI's to measure success, the charity also uses a number of key performance indicators that measure usage of each site by gender and age range, discounted and free use for community groups, and the value of enabling activities. In addition, managers are measured on financial and non-financial targets. Last year non-financial targets included achieving an average 82% score across all external mystery visits, and achieving a minimum 50% staff engagement using an anonymous online staff survey.

SLOUGH COMMUNITY LEISURE

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2017

Financial review

The results for the year are set out in the annexed financial statements.

- Total incoming resources reduced by 6% to £9.6m as a result of SBC closing buildings.
- The net surplus from operating activities increased from £242k to £255K
- Our expectation for 2017/18 is for a decrease in turnover as we end our relationship with SBC.

At the end of the financial year the charity is in a strong position to determine how it wishes to deliver on its charitable functions in the future. The end of the SBC contract in May 2017 will mean that SCL has no operational functions but will have reserves and assets it can use to deliver on its purpose, this will be a focus for the Trustees in the first half of the next financial year.

Determining the future purpose of SCL will be the key objective for 2017/18 together with supporting its charitable subsidiary Absolutely Leisure.

Financial management

The executive management team prepare the annual operational budget for the Group and charity and this is approved by the board of management prior to the commencement of the financial year.

The board of management receive reports on the financial performance of the Group and charity.

These reports include an income and expenditure statement and balance sheet, both compared to budget and last year for the month and year to date.

All funds are generated through receipts from customers or from contractual deficit funding provided by our local authority partners. The majority of funds are spent on staffing, utilities and facility/equipment maintenance and improvement. Expenditure of these funds supports the key community objectives of the Group and charity and the continued investment in improved services and facilities for the community.

Plans for future periods

During 2016/17 the Board decided not to retender for the SBC leisure contract as it felt it was not a commercially viable contract for the charity. Although this decision will require significant restructuring of the Charity we will continue to deliver high quality community sport, leisure and cultural services through Absolutely Leisure Limited and to provide for charitable services.

Our key objectives for 2017/18 include:

- To relocate our Ten Pin bowling facility.
- To purchase the Maidenhead Karting Track
- Continuing to reduce support costs where possible.
- Support the work of Sports Clubs and local Charities.
- Plan to return to an operating surplus between 2018 and 2020.

Reserves Policy

The Group of Companies has a Reserves Policy set at £200K. This was set some years previous to reflect the cost of one month's total payroll for the Group. In 2017/18 this Policy will be reviewed to ensure that it remains a key safeguard but also does not unduly restrict growth.

SLOUGH COMMUNITY LEISURE

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2017

Risk management

The Trustees have a duty to identify and review the risks to which the group is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees confirm that the major risks to the group have been reviewed and that systems or procedures have been established to manage those risks.

Risks are identified as part of the annual strategic planning process. The Board receive accounts and quarterly re-forecasts and Key Performance Indicators when they meet. Other non-financial risks are reviewed normally on an annual basis.

With the termination of the contract with SBC the principal risk has been removed. The 2017/18 year will be one of strategic thinking. Whilst new opportunities will present themselves the charity must focus on which of these best supports its charitable purpose and can delivered either through its subsidiary or other local partners.

Auditors

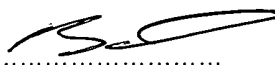
The auditor, RSM UK Audit LLP, are deemed reappointed under section 487(2) of the Companies Act 2006.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Trustees are aware, there is no relevant information of which the charitable company's auditors are unaware. Additionally, the Trustees have taken all the steps that they ought to have taken as trustees in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

ON BEHALF OF THE BOARD:


.....
Z Ali
Chairman


.....
B R Doe
Trustee

Date: 26.9.2017
.....

SLOUGH COMMUNITY LEISURE

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2017

The Trustees, who are also directors of the charitable company, present their annual report and audited accounts for the year ended 31 March 2017 and confirm that they comply with the requirements of the Charities Act 2011, as amended by the Companies Act 2006, the Memorandum and Articles of Association and the Charities Statement of Recommended Practice (SORP) 2015.

Structure, Governance and Management

Governing document

The charitable company is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new Trustees

In exercising its powers to nominate, appoint, reappoint, elect, re-elect, approve and dismiss members, the members shall seek to ensure that the board is representative of the local community and also comprises persons with a broad range of skills who are likely to contribute to the charity's success.

Board members induction and training

All new members joining the Board receive a full induction that is aimed at training them in their statutory responsibilities under charity and company law. This induction is reviewed regularly to ensure that it is up to date with any relevant changes. The induction would normally include:

- meeting with the Chairman of the Board of Management and the Chief Executive;
- a tour of leisure centres and head office facility;
- receiving copies of the rules;
- receiving copies of business strategy documents
- receiving copies of corporate policies and documents.

Organisational structure & how decisions are made

The Board of Trustees, which can have up to 11 members, administers the charity. The Board meets six times each year to undertake its responsibilities. The trustees have appointed a Chief Executive to manage the operations of the charity. The board have agreed to delegated powers to manage this arrangement.

Co-operation with other organisations

The group operates independently, but occupies buildings owned by Slough Borough Council, from whom it also receives some funding. In consequence, it works with and supports the Council in their endeavours where they coincide with the objects of the group.

Investment in subsidiary company

The charity is the sole guarantor of Absolutely Leisure Limited. It also owns 100% of the ordinary share capital of Slough Community Trading Limited.

Related parties

The group has a very close relationship with the Slough Borough Council, who provides funding in the form of a management fee. The group includes two wholly owned subsidiaries, Absolutely Leisure Limited and Slough Community Trading Limited. Absolutely Leisure Limited provides health, fitness and leisure services. Slough Community Trading Limited mainly provides catering services.

SLOUGH COMMUNITY LEISURE

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2017

Objectives and activities

The objects of the Group and charity per the governing documents are:

To provide or assist in the provision of facilities and services for recreational or other leisure time occupation in the interests of social welfare, such facilities being provided to the public at large save that special facilities may be provided for persons who by reason of their youth, age, infirmity or disability, poverty or social or economic circumstances may have need of special facilities and services.

To promote and preserve good health through community participation in healthy recreation and / or such other charitable purposes beneficial to the community consistent with the objects of the charity.

The principal activity of the Group and charity is the provision of high quality and affordable health, fitness, leisure and cultural services for the local communities of Slough and the surrounding communities. The charity has a wealth of experience in the management of community leisure facilities gained through both negotiated contracts and competitive tendering.

Services are provided at thirteen facilities these are:

- Montem Leisure Centre
- Langley Leisure Centre
- The Centre [Closed Nov 16]
- Herschel Sports
- Absolutely Ice [Closed Nov 16]
- Absolutely Ten Pin
- Absolutely Karting Maidenhead
- Absolutely Karting Basingstoke
- Absolutely Karting Bristol [Opened Feb 17]
- Absolutely Fitness Bracknell
- Absolutely Fitness Slough
- East Berkshire College Sports Centre
- Richings Sports Park

The main business objective for the last year was to prepare for the termination of the SBC contract. This objective was made more complicated by the Council's decision to close The Centre seven months before the end of the contract and also to close Langley Leisure Centre for refurbishment in June 2017. While this second closure did not impact upon the Charities finances it did require significant management input in this year's last quarter. However, the by the year-end all preparations had been completed and a relatively smooth transition was achieved in June this year.

Our key objectives for the year were:

- To achieve a turnover of £9.5 m in 2016/17 and a surplus of £133,000.
- To identify two new venues for the group.
- To increase our staff engagement score to 50% highly satisfied.
- To build a second level to our Maidenhead Karting Track.
- Review our key suppliers for best value.

In the last year, Slough Community Leisure has continued to deliver community projects and programmes that help achieve its charitable aims. During the year its principal activity has been the management of Slough Borough Councils leisure venues, this directly contributed to delivering the stated charitable purpose of the charity - to provide leisure and recreation activities in the interests of social welfare and promote and preserve good health through community participation in healthy recreation. Added to this the Charity has continued to support the work of the Slough School Sports Network and also the growth of its subsidiary company Absolutely Leisure.

SLOUGH COMMUNITY LEISURE

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2017

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees (who are also the directors of Slough Community Leisure for the purposes of company law) are responsible for preparing the Trustees Annual Report 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 Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Charities Act 2011 and 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SLOUGH COMMUNITY LEISURE

Opinion on financial statements

We have audited the group and parent financial statements of Slough Community Leisure (the 'charitable company') for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees Report for the financial year for which the financial statements are prepared is consistent with the financial statements and, based on the work undertaken in the course of our audit, the Trustees Report 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 any material misstatements in the Trustees Report.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SLOUGH COMMUNITY LEISURE

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' responsibilities set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

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

RSM UK Audit LLP

Kerry Gallagher (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Davidson House
Forbury Square
Reading
Berkshire, RG1 3EU

Date: *11 October 2017*

**SLOUGH COMMUNITY LEISURE
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING
INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2017**

	Notes	Unrestricted funds £	Defined benefit pension Unrestricted funds £	Total 2017 £	Total 2016 £
INCOME FROM:					
Investments	5	441	-	441	689
Other trading activities					
Commercial trading operations	3	867,257	-	867,257	994,286
Charitable activities					
Leisure income	6	8,359,122	-	8,359,122	8,789,289
Funding income					
Slough Borough Council	6	333,000	-	333,000	333,000
Total income		9,559,820	-	9,559,820	10,117,264
EXPENDITURE ON:					
Other expenditure					
Commercial trading operations	3	485,014	-	485,014	512,538
Charitable activities					
Operation of leisure and recreation sites	8	8,819,651	124,000	8,943,651	9,522,082
Total expenditure		9,304,665	124,000	9,428,665	10,034,620
NET INCOME/(EXPENDITURE) BEFORE ACTUARIAL GAINS/(LOSSES)	10	255,155	(124,000)	131,155	82,644
TRANSFERS		-	-	-	-
OTHER RECOGNISED GAINS AND LOSSES					
Actuarial gains/(losses) on defined benefit pension scheme		-	(2,298,000)	(2,298,000)	635,000
NET INCOME/(EXPENDITURE) MOVEMENT IN FUNDS		255,155	(2,422,000)	(2,166,845)	717,644
RECONCILIATION OF FUNDS					
FUNDS BROUGHT FORWARD AT 1 APRIL	22	2,182,212	(2,767,000)	(584,788)	(1,302,432)
FUNDS CARRIED FORWARD AT 31 MARCH	22	2,437,367	(5,189,000)	(2,751,633)	(584,788)

All amounts derive from continuing activities.

All gains and losses for the year are included in the statement of financial activities.

**SLOUGH COMMUNITY LEISURE
CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2017**

	Notes	2017 £	2017 £	2016 £	2016 £
FIXED ASSETS					
Tangible assets	14		2,968,033		3,047,375
CURRENT ASSETS					
Stock	16	32,854		42,574	
Debtors: amounts falling due within one year	17	407,785		754,631	
Debtors: amounts falling due after more than one year	17	150,012		60,000	
Cash at bank and in hand		762,966		793,493	
		1,353,617		1,650,698	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	18	(1,558,187)		(2,027,913)	
NET CURRENT LIABILITIES			(204,570)		(377,215)
TOTAL ASSETS LESS CURRENT LIABILITIES			2,763,463		2,670,160
CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR	19		(326,096)		(487,948)
NET ASSETS EXCLUDING PENSION LIABILITY			2,437,367		2,182,212
Defined benefit pension scheme liability	27		(5,189,000)		(2,767,000)
TOTAL NET LIABILITIES			(2,751,633)		(584,788)
THE FUNDS OF THE CHARITY:					
Unrestricted funds			2,437,367		2,182,212
Pension reserve unrestricted funds			(5,189,000)		(2,767,000)
TOTAL FUNDS	22		(2,751,633)		(584,788)

The financial statements on pages 11 to 36 were approved by the Board of Trustees and authorised for issue on ~~26.9.17~~ and are signed on their behalf by:


Z Ali
Chairman


B R Doe
Trustee

**SLOUGH COMMUNITY LEISURE
COMPANY BALANCE SHEET
AS AT 31 MARCH 2017**

	Notes	2017 £	2017 £	2016 £	2016 £
FIXED ASSETS					
Tangible assets	14		1,433,169		404,759
Investments	15		1		1
			<hr/>		<hr/>
			1,433,170		404,760
CURRENT ASSETS					
Stock	16	5,940		11,446	
Debtors: amounts falling due within one year	17	535,153		1,832,887	
Cash at bank and in hand		563,678		631,925	
		<hr/>	<hr/>	<hr/>	<hr/>
		1,104,771		2,476,258	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	18	(594,664)		(1,057,286)	
		<hr/>	<hr/>	<hr/>	<hr/>
NET CURRENT ASSETS			510,107		1,418,972
TOTAL ASSETS LESS CURRENT LIABILITIES			<hr/>	<hr/>	<hr/>
			1,943,277		1,823,732
CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR	19		-		(16,115)
			<hr/>		<hr/>
NET ASSETS EXCLUDING PENSION LIABILITY			1,943,277		1,807,617
Defined benefit pension scheme liability	27		(5,189,000)		(2,767,000)
			<hr/>		<hr/>
TOTAL NET LIABILITIES			(3,245,723)		(959,383)
			<hr/>		<hr/>
THE FUNDS OF THE CHARITY:					
Unrestricted funds			1,943,277		1,807,617
Pension reserve unrestricted funds			(5,189,000)		(2,767,000)
			<hr/>		<hr/>
TOTAL FUNDS	22		(3,245,723)		(959,383)
			<hr/>		<hr/>

The financial statements on pages 11 to 36 were approved by the Board of Trustees and authorised for issue on and are signed on their behalf by:


Z Ali
Chairman


B R Doe
Trustee

**SLOUGH COMMUNITY LEISURE
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2017**

	Notes	2017 £	2016 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash provided by operating activities	28	1,295,121	1,398,796
Interest paid		(69,172)	(114,763)
NET CASH USED IN OPERATING ACTIVITIES		1,225,949	1,284,033
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of tangible fixed assets		(865,424)	(366,977)
Proceeds on sale on tangible fixed assets		-	(8,101)
Interest received		441	689
NET CASH USED IN INVESTING ACTIVITIES		(864,983)	(374,389)
CASH FLOWS FROM FINANCING ACTIVITIES:			
New finance lease		278,230	-
Repayments on finance leases		(599,090)	(663,780)
Repayment of loans		(70,633)	(66,095)
NET CASH USED IN FINANCING ACTIVITIES		(391,493)	(729,875)
(DECREASE)/INCREASE IN CASH IN THE YEAR		(30,527)	179,769
CASH AND CASH EQUIVALENTS AT 1 APRIL		793,493	613,724
CASH AND CASH EQUIVALENTS AT 31 MARCH		762,966	793,493

SLOUGH COMMUNITY LEISURE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1 ACCOUNTING POLICIES

GENERAL INFORMATION

Slough Community Leisure is a company limited by guarantee and incorporated in England and Wales. The address of the charitable company's registered office and principal place of business is The Arena, Stafferton Way, Maidenhead, Berkshire, SL6 1AY.

The group consists of Slough Community Leisure, Absolutely Leisure, Slough Community Trading Limited and Absolutely Commercial Limited.

The company's and the group's principal activities and the nature of the charitable company's operations and the group's operations are disclosed in the Trustees' Report.

BASIS OF PREPARATION

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and under the historical cost convention. In accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015) issued in January 2015 and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

Slough Community Leisure meets the definition of a public benefit entity under FRS102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest whole £, except where otherwise indicated.

In accordance with FRS 102, the company has taken advantage of the exemptions from the disclosure requirements of Section 7 'Statement of Cash Flows' from the presentation of a Statement of Cash Flows and related notes and disclosures.

Going concern

From June 2017 SCL as an entity has no operational functions but will have reserves and assets it can use to deliver on its purpose, this will be a focus for the Trustees in the first half of the next financial year. The Group as an entirety continues to provide services as part of its charitable objectives, the majority of these activities will be delivered through Absolutely Leisure until a new venue is found to utilise the remaining SCL assets.

No material uncertainties that may cast significant doubt about the ability of the group to continue as a going concern have been identified by the Trustees', therefore, the accounts have been prepared on a going concern basis.

GROUP FINANCIAL STATEMENTS

The financial statements consolidate the results of the charitable company and its wholly owned subsidiaries Absolutely Leisure and Slough Community Trading Limited on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure account is not presented for the charitable company itself in accordance with the exemptions afforded by section 408 of the Companies Act 2006.

SLOUGH COMMUNITY LEISURE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

1 ACCOUNTING POLICIES (continued)

INCOME

All income is included in the Statement of Financial Activities when the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy. Certain income is received in advance of the provision of the relevant service and as such is deferred until the service commences. Income for annual memberships is accounted for over the membership year.

Income from commercial trading activities is recognised as earned (as the related goods and services are provided).

The management fee is unrestricted income which is available for use at the discretion of the Trustees in furtherance of the general objectives of the group.

EXPENDITURE

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

IRRECOVERABLE VAT

VAT on revenue expenditure which can not be recovered is charged as a separate cost to the Statement of Financial Activities. VAT on capital expenditure which can not be recovered is capitalised as part of the cost of acquiring the relevant asset.

ALLOCATION AND APPORTIONMENT OF COSTS

Charitable activities are those costs incurred directly in the carrying out of charitable activities and are split into recreation and leisure site costs which are those costs incurred directly in the running of each of the sites and support costs which are those costs incurred directly in support of expenditure on the objects of the group. Governance costs are those incurred in the undertaking of the group's constitutional and statutory requirements.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Board of Trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the group. Restrictions arise when specified by the donor or when the funds are raised for particular restricted purposes.

PROVISIONS

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

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost less depreciation and any provision for impairment. Depreciation is calculated to write off the cost of tangible fixed assets over their estimate useful lives as follows:

Improvements to property	over remaining term of lease
Plant and machinery	straight line over 3 to 15 years or over the life of the lease

SLOUGH COMMUNITY LEISURE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

1 ACCOUNTING POLICIES (continued)

SERVICE CONCESSION ARRANGEMENTS

The group has service contracts with the Local Authority for the maintenance and operation of leisure centres owned by the Local Authority to which it has lease and management service contracts. The Authority has the right under the contracts to specify the activities offered by the centres and have influence over the prices charged for them and also may have certain exclusive rights for the use of the centres at certain times. The contracts specify minimum standards for the services to be provided, with deductions from the service management fee payable being made if facilities are unavailable or performance is below the minimum standards.

Property, plant and equipment

The buildings and plant at the centres are leased to the group as part of the overall contractual relationship with the Authority but the Authority maintains ultimate control of these assets. Accordingly the access which the group has in the use of these assets is to enable it to operate the leisure centres, so that the group 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 group's Balance Sheet.

Receipts

The group receives agreed payments from the Authority each year.

FIXED ASSET INVESTMENTS

In the separate accounts of the charitable company, interests in subsidiaries are measured at costs less any accumulated impairment losses.

Interests in subsidiaries are assessed for impairment at each reporting date. Any impairment losses or reversals of impairment losses are recognised immediately in the Statement of Financial Activities.

STOCK

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

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

LEASES

Assets obtained under hire purchase contracts or finance leases are capitalised in the Balance Sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

Interest on finance leases is charged to the income and expenditure account on a sum of digits basis, using the interest rate inherent in the finance lease.

Rentals paid under operating leases are charged to the income and expenditure account on a straight line basis over the period of the lease.

SLOUGH COMMUNITY LEISURE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2017

1 ACCOUNTING POLICIES (continued)

PENSION SCHEME ARRANGEMENTS

The group operates a pension scheme providing benefits based on final pensionable pay. Contributions to the defined benefit scheme are charged to the income and expenditure account in order to allocate the cost of providing the pensions recognising any actuarial surplus or deficiency (where appropriate), over the working lives of the relevant employees as assessed in accordance with the advice of a professionally qualified actuary.

The group also operates a defined contribution pension scheme. Contributions payable to this pension scheme are charged to the Statement of Financial Activities in the period to which they relate. The assets of this scheme are held separately from those of the Group in an independently administered scheme.

Under Section 28 (Defined Benefit Pension) of FRS102, the net deficit on the group's pension scheme has been included in the Financial Statements and the group's reserves have therefore been reduced by the pension deficit creating net liabilities of £2,751,633 (2016: net liabilities £584,788) at the year end. The Trustees are satisfied that the group will be able to meet all of its obligations as and when they fall due.

FINANCIAL INSTRUMENTS

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument, and are offset only when the group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

FINANCIAL ASSETS

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

FINANCIAL LIABILITIES

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through profit or loss are measured at fair value.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

SLOUGH COMMUNITY LEISURE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

2 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement

In categorising leases as finance leases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred to the group as lessee.

There are no estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

3 INCOME/(EXPENDITURE) FROM OTHER TRADING ACTIVITIES

A summary of the trading results of the wholly owned subsidiary Slough Community Trading Limited is shown below:

	2017 £	2016 £
Turnover	867,257	994,286
Cost of sales and administration costs	(485,014)	(512,538)
Management charges from parent company and fellow subsidiary – eliminated on consolidation	(74,928)	(99,428)
Donations to group companies – eliminated on consolidation	(307,315)	(382,320)
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

4 SURPLUS OF PARENT ENTITY

The parent company has taken the exemption under section 408 of the Companies Act 2006 not to present its income and expenditure accounts as part of these financial statements. The parent entity's total income for the year was £4,575,519 (2016: £4,874,930) and their surplus for the financial year before actuarial gains/losses under defined benefit schemes was £11,660 (2016: £111,156).

5 INVESTMENT INCOME

	2017 £	2016 £
Deposit account interest	441	689
	<hr/>	<hr/>

SLOUGH COMMUNITY LEISURE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

6 INCOME FROM CHARITABLE ACTIVITIES

		2017	2016
	Activity	£	£
Leisure income	Leisure activities	8,359,122	8,789,289
Slough Borough Council	Management fees	333,000	333,000
		<hr/>	<hr/>
		8,692,122	9,122,289
		<hr/>	<hr/>

All income received by the group is derived from the United Kingdom.

7 INTEREST PAYABLE

	2017	2016
	Total	Total
	£	£
Bank loan interest paid	21,763	46,186
Hire purchase interest	47,409	68,577
	<hr/>	<hr/>
	69,172	114,763
	<hr/>	<hr/>

8 CHARITABLE ACTIVITIES EXPENDITURE

	Direct	Support	2017	2016
	Costs	Costs (see	Total	Total
	£	note 9)	£	£
		£		
Leisure activities	5,900,231	3,043,420	8,943,651	9,522,082
	<hr/>	<hr/>	<hr/>	<hr/>

SLOUGH COMMUNITY LEISURE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

9 SUPPORT COSTS

	2017 £	2016 £
Depreciation	944,766	1,094,790
Profit on disposal of fixed assets	-	(8,101)
Overheads	1,627,585	1,528,613
Premises expenses	198,551	150,085
Consultancy	32,200	32,893
Motor and travel	-	-
Legal and professional	1,326	22,710
Support fee	32,000	155,000
Finance	69,172	114,763
Defined benefit pension costs	124,000	159,000
Auditor's remuneration	13,820	19,308
	<hr/> 3,043,420	<hr/> 3,269,061

All support costs relate to the sole charitable activity of the group, being the provision of leisure, recreation and well being services.

10 NET MOVEMENT IN FUNDS

Net movement in funds are stated after charging:

	2017 £	2016 £
Auditor's remuneration		
- Statutory audit of the financial statements	12,450	12,100
- Other services	8,020	10,208
Depreciation		
- Owned assets	626,915	656,391
- Held under finance leases and hire purchase contracts	317,851	438,400
Profit on disposal of fixed assets	-	(8,101)
Hire of plant and machinery	31,116	62,343
Operating lease rentals		
- Land and buildings	452,587	422,235
Costs recognised as an expense	<hr/> 69,420	<hr/> 58,789

11 TAXATION

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2017 or the year ended 31 March 2016.

SLOUGH COMMUNITY LEISURE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

12 STAFF COSTS

	2017 £	2016 £
Wages and salaries	3,551,952	3,751,184
Social security costs	231,596	223,351
Other pension costs	167,217	155,756
Redundancy payments	14,216	-
	<u>3,964,981</u>	<u>4,130,291</u>

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

	2017 No	2016 No
Leisure activities	<u>301</u>	<u>323</u>

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

	2017 No	2016 No
£60,000 - £70,000	1	-
£70,001 - £80,000	-	1
£80,001 - £90,000	1	1
£100,001 - £110,000	1	-
	<u>1</u>	<u>1</u>

The remuneration of key management personnel is as follows:

	2017 £	2016 £
Aggregate compensation	<u>294,110</u>	<u>344,307</u>

13 TRUSTEES REMUNERATION

Trustees only receive remuneration in respect of services they provide undertaking the roles of staff and not in respect of their services as Trustees. These payments are in accordance with a provision in the governing document of the charitable company. The value of Trustees' remuneration was as follows:

B R Doe (trustee): £54,841 (2016: £45,533)

SLOUGH COMMUNITY LEISURE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

13 TRUSTEES REMUNERATION (continued)

Board members' emoluments

The number of board members to whom retirement benefits were accruing was as follows:

	2017 No	2016 No
Defined benefit schemes	1	1

No Trustees' expenses were incurred in the current or prior year.

SLOUGH COMMUNITY LEISURE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

14 TANGIBLE FIXED ASSETS
Group

	Improvements to property £	Plant and machinery £	Total £
Cost			
At 1 April 2016	1,141,934	5,610,255	6,752,189
Additions	-	866,424	866,424
Disposals	-	(1,006,445)	(1,006,445)
31 March 2017	1,141,934	5,470,234	6,611,168
Depreciation			
At 1 April 2016	647,397	3,057,417	3,704,814
Charged in the year	285,484	659,282	944,766
Depreciation eliminated on disposals	-	(1,006,445)	(1,006,445)
31 March 2017	932,881	2,710,254	3,643,135
Net book value 31 March 2017	209,053	2,758,980	2,968,033
Net book value 31 March 2016	494,537	2,552,838	3,047,375

Included above are assets held under finance leases or hire purchase contracts as follows

	Plant and machinery £	Total £
Net book values		
At 31 March 2017	1,638,434	1,638,434
At 31 March 2016	1,641,162	1,641,162
Depreciation charge for the year		
At 31 March 2017	317,851	317,851
At 31 March 2016	438,400	438,400

SLOUGH COMMUNITY LEISURE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

14 TANGIBLE FIXED ASSETS (continued)
Company

	Improvements to property £	Plant and machinery £	Total £
Cost			
At 1 April 2016	538,152	1,401,547	1,939,699
Additions	-	1,472,182	1,472,182
31 March 2017	538,152	2,873,729	3,411,881
Depreciation			
At 1 April 2016	368,856	1,166,084	1,534,940
Charged in the year	134,538	309,234	443,772
31 March 2017	503,394	1,475,318	1,978,712
Net book value 31 March 2017	34,758	1,398,411	1,433,169
Net book value 31 March 2016	169,296	235,463	404,759

Included above are assets held under finance leases or hire purchase contracts as follows

	Plant and machinery £	Total £
Net book values		
At 31 March 2017	32,390	32,390
At 31 March 2016	112,469	112,469
Depreciation charge for the year		
At 31 March 2017	80,079	80,079
At 31 March 2016	103,698	103,698

SLOUGH COMMUNITY LEISURE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

15 FIXED ASSET INVESTMENTS

Company

	Shares in group undertaking £
Cost	
At 1 April 2016 and 31 March 2017	1
Net book value	
At 1 April 2016 and 31 March 2017	1

In the opinion of the Trustees, the aggregate value of the charitable company's investment in subsidiary undertakings is not less than the amount indicated in the Balance Sheet.

Holdings of more than 20%

The charitable company holds more than 20% of the share capital in the following companies:

Company	Registered Office	Class	Shares held	
			% Direct	Indirect
Subsidiary undertakings				
Absolutely Leisure	a	Limited by guarantee	100.00	-
Slough Community Trading Limited	a	Ordinary	100.00	-
Absolutely Commercial Limited	a	Ordinary	-	100.00

a) The Arena, Stafferton Way, Maidenhead, Berkshire, SL6 1AY

The principal activity of these undertakings for the last relevant financial year was as follows:

	Principal activity
Absolutely Leisure	Provision of health, fitness and leisure services
Slough Community Trading Limited	Provision of catering and leisure services

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	2017			
	Income for the year	Expenditure for the year	Deficit for the year	Aggregate funds
Absolutely Leisure Company Number: 06822082 Charity Registration Number: 1131013	4,502,622	(4,383,127)	361,078	735,673
	Turnover for the year	Expenditure for the year	Profit/ (loss) for the year	Capital and reserves
Slough Community Trading Limited Company Number: 07375879	867,257	(559,942)	307,315	1

Absolutely Commercial Limited is a 100% subsidiary of Absolutely Leisure. The company was incorporated in the prior year and has not started trading.

SLOUGH COMMUNITY LEISURE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

16 STOCKS

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Stocks	32,854	42,574	5,940	11,446

17 DEBTORS

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors	117,712	551,959	97,404	497,035
Amounts owed by group undertakings	-	-	407,383	1,272,560
Other debtors	173,723	60,000	-	-
Prepayments and accrued income	266,362	202,672	30,366	63,292
	557,797	814,631	535,153	1,832,887

Amounts falling due after more than one year and included in the debtors above are:

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Other debtors	150,012	60,000	-	-
	150,012	60,000	-	-

SLOUGH COMMUNITY LEISURE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

18 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Finance leases	352,483	586,975	16,115	104,555
Bank loans	75,484	70,633	-	-
Trade creditors	287,423	261,704	67,886	154,253
Amounts owed to group undertakings	-	-	1	1
Taxation and social security costs	71,764	147,463	55,836	88,300
Other creditors	34,361	89,529	23,474	67,097
Accruals and deferred income	736,672	871,609	431,352	643,080
	<u>1,558,187</u>	<u>2,027,913</u>	<u>594,664</u>	<u>1,057,286</u>

19 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Finance leases	299,163	385,531	-	16,115
Bank loans	26,933	102,417	-	-
	<u>326,096</u>	<u>487,948</u>	<u>-</u>	<u>16,115</u>

There is a guarantee dated 21 May 2013, and debentures dated 18 May 2007 and 20 October 2009, in favour of National Westminster Bank Plc to secure all of the group's liabilities to the bank by way of a fixed and floating charge over the assets of the group.

There is a Rent Deposit Deed in favour of A Harvey Limited to secure the landlord for any amounts payable pursuant to the lease by way of a fixed charge over the rent deposit balance of £50,000 plus the VAT amount of £10,000.

The finance lease liabilities of the group, £352,483 (2016: £586,975) of which falls due in less than one year, with £299,163 (2016: £385,531) falling due in more than one year, are secured over the assets which form part of the finance lease agreements.

SLOUGH COMMUNITY LEISURE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

19 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (continued)

Analysis of debt maturity

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Bank loans				
Amounts payable				
In one year or less or on demand	75,484	70,633	-	-
In more than one year but not more than two years	26,933	75,484	-	-
In more than two years but not more than five years	-	26,933	-	-
	<u>102,417</u>	<u>173,050</u>	<u>-</u>	<u>-</u>
	2017	2016	2017	2016
	£	£	£	£
Net obligations under finance leases				
Amounts payable				
Within one year	352,483	586,975	16,115	104,555
Within one to two years	181,158	270,905	-	16,115
Within two to five years	118,005	114,626	-	-
	<u>651,646</u>	<u>972,506</u>	<u>16,115</u>	<u>120,670</u>

20 DEFERRED INCOME

Deferred income relates to advance payments for block bookings/events at the sites that relate to future dates.

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Balance brought forward	558,776	242,858	454,305	169,568
Amounts released to incoming resources	(558,776)	(242,858)	(454,305)	(169,568)
Amounts deferred in the year	<u>265,054</u>	<u>558,776</u>	<u>141,756</u>	<u>454,305</u>
Balance carried forward	<u>265,054</u>	<u>558,776</u>	<u>141,756</u>	<u>454,305</u>

SLOUGH COMMUNITY LEISURE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

21 FINANCIAL INSTRUMENTS				2017 £	2016 £
CARRYING AMOUNT OF FINANCIAL ASSETS					
Debt instruments measured at amortised cost				294,272	614,031
CARRYING AMOUNT OF FINANCIAL LIABILITIES					
Measured at amortised cost				1,547,456	1,033,338
22 FUNDS					
Group	At 1 April 2016 £	Incoming resources £	Resources expended £	Transfers and other gains £	At 31 March 2017 £
UNRESTRICTED FUNDS					
General fund	2,182,212	9,559,820	(9,304,665)	-	2,437,367
Pension fund	(2,767,000)	-	(2,422,000)	-	(5,189,000)
TOTAL FUNDS	(584,788)	9,559,820	(11,726,665)	-	(2,751,633)
Company					
	At 1 April 2016 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2017 £
UNRESTRICTED FUNDS					
General fund	1,807,617	4,575,519	(4,439,859)	-	1,943,277
Pension fund	(2,767,000)	-	(2,422,000)	-	(5,189,000)
TOTAL FUNDS	(959,383)	4,575,519	(6,861,859)	-	(3,245,723)

SLOUGH COMMUNITY LEISURE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

22 FUNDS (continued)

Group	At 1 April 2015 £	Incoming resources £	Resources expended £	Transfers and other gains £	At 31 March 2016 £
UNRESTRICTED FUNDS					
General fund	1,930,568	10,117,264	(9,875,620)	10,000	2,182,212
Pension fund	(3,233,000)	-	(159,000)	625,000	(2,767,000)
TOTAL FUNDS	(1,302,432)	10,117,264	(10,034,620)	635,000	(584,788)
Company					
	At 1 April 2015 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2016 £
UNRESTRICTED FUNDS					
General fund	1,609,124	4,903,816	(4,715,323)	10,000	1,807,617
Pension fund	(3,233,000)	-	(159,000)	625,000	(2,767,000)
TOTAL FUNDS	(1,623,876)	4,903,816	(4,874,323)	635,000	(959,383)

23 ANALYSIS OF NET LIABILITIES BETWEEN FUNDS

Group	Unrestricted funds £	Total funds £
Tangible fixed assets	2,968,033	2,968,033
Cash at bank and in hand	762,966	762,966
Other current assets	590,651	590,651
Liabilities	(1,884,283)	(1,884,283)
Defined benefit pension scheme liability	(5,189,000)	(5,189,000)
TOTAL NET LIABILITIES AT 31 MARCH 2017	(2,751,633)	(2,751,633)
Company		
	Unrestricted funds £	Total funds £
Tangible fixed assets	1,433,169	1,433,169
Investments	1	1
Cash at bank and in hand	563,678	563,678
Other net current assets	541,093	541,093
Net current liabilities	(594,664)	(594,664)
Defined benefit pension scheme liability	(5,189,000)	(5,189,000)
TOTAL NET LIABILITIES AT 31 MARCH 2017	(3,245,723)	(3,245,723)

SLOUGH COMMUNITY LEISURE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

24 CONTROL

There is no ultimate controlling party. The Board of Trustees is responsible for the strategic and operational decisions of the group.

25 LIMITED BY GUARANTEE

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.

26 OTHER FINANCIAL COMMITMENTS

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

Group	2017	2016
	£	£
Operating leases which expire:		
Within one year	591,612	457,424
Between two and five years	2,289,668	2,123,272
In over five years	129,310	159,864
	<hr/>	<hr/>
	3,010,590	2,740,560
	<hr/>	<hr/>
 Company	 2017	 2016
	£	£
Operating leases which expire:		
Within one year	2,268	15,110
Between two and five years	-	2,268
	<hr/>	<hr/>
	2,268	17,378
	<hr/>	<hr/>

SLOUGH COMMUNITY LEISURE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

27 EMPLOYEE BENEFIT OBLIGATIONS

Following the valuation as at 31 March 2017 the amounts recognised in the Balance Sheet are as follows:

	Defined benefit pension plans	
	2017	2016
	£	£
Present value of funded obligations	(9,467,000)	(6,220,000)
Fair value of plan assets	4,305,000	3,477,000
	(5,162,000)	(2,743,000)
Present value of unfunded obligations	(27,000)	(24,000)
Deficit	(5,189,000)	(2,767,000)
Net liability	(5,189,000)	(2,767,000)

The amounts recognised in the income and expenditure account are as follows:

	Defined benefit pension plans	
	2017	2016
	£	£
Current service cost	166,000	187,000
Interest cost	244,000	232,000
Expected return	(139,000)	(121,000)
	271,000	298,000
Actual return on plan assets	548,000	(54,000)

SLOUGH COMMUNITY LEISURE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

27 EMPLOYEE BENEFIT OBLIGATIONS (continued)

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

	Defined benefit pension plans	
	2017	2016
	£	£
Opening defined benefit obligation	6,244,000	6,624,000
Current service cost	166,000	187,000
Contributions by scheme participants	74,000	67,000
Interest cost	244,000	232,000
Experience losses / (gains)	231,000	-
Change in financial assumptions	2,596,000	(810,000)
Change in demographic assumptions	(5,000)	-
Benefits paid	(55,000)	(55,000)
Unfunded pension payments	(1,000)	(1,000)
	9,494,000	6,244,000

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

	Defined benefit pension plans	
	2017	2016
	£	£
Opening fair value of scheme assets	3,477,000	3,381,000
Contributions by employer	150,000	141,000
Contributions by scheme participants	74,000	67,000
Interest on assets	139,000	121,000
Return on assets less interest	409,000	(175,000)
Other actuarial gains/(losses)	115,000	-
Benefits paid	(56,000)	(56,000)
Administration expenses	(3,000)	(2,000)
	4,305,000	3,477,000

The estimated value of employer contributions for the year ended 31 March 2018 is £149,000.

The amounts recognised in the other recognised gains and losses are as follows:

	2017	2016
	£	£
Actuarial (losses)/gains	(2,298,000)	635,000
Cumulative amount of actuarial losses	(4,876,000)	(2,578,000)

SLOUGH COMMUNITY LEISURE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

27 EMPLOYEE BENEFIT OBLIGATIONS (continued)

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

	Defined benefit pension plans	
	2017	2016
	%	%
Equities	49	45
Bonds	15	14
Property	14	12
Cash and other assets	10	7
Target return	10	19
Commodities	2	3
	<hr/>	<hr/>
	100	100
	<hr/>	<hr/>

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2017	2016
	%	%
Discount rate	2.8	3.9
Future salary increases	2.0	2.0
Expected price increases	2.7	2.5
Future pension increases	2.7	2.5

28 NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of net incoming resources to net cash inflow from operating activities before other recognised gains and losses

	2017	2016
	£	£
Net incoming resources	131,155	82,644
Depreciation of tangible assets	944,766	1,094,790
Interest received	(441)	(689)
Interest paid	69,172	114,763
Decrease/(increase) in stocks	9,720	(7,331)
Decrease/(increase) in debtors	256,834	(346,658)
(Decrease)/increase in creditors	(240,085)	302,277
Pension scheme non cash movement	124,000	159,000
	<hr/>	<hr/>
Net cash inflow from operating activities	1,295,121	1,398,796
	<hr/>	<hr/>

SLOUGH COMMUNITY LEISURE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

29 RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

During the year there were purchases from Freedman Green Dhokia, a solicitors firm of one of the members of the Board of Trustees. Transactions totalled £nil (2016: £30,673), with amounts owed by the firm at the year end of £nil (2016: £nil).

Absolutely Leisure

At the balance sheet date Absolutely Leisure owed the charity £22,534 (2016: £1,162,526) in the form of a loan.

At the balance sheet date Absolutely Leisure owed the charity £384,849 (2016: £110,035) in the form of a trading balance. This balance relates to salaries and other running costs incurred by the charity and recharged to Absolutely Leisure.

Slough Community Trading Limited

The charity collected income of £127,062 (2016: £168,882) on behalf of Slough Community Trading Limited and also settled costs of £95,219 (2016: £139,996) on its behalf. Profits of £31,843 (2016: £28,886) were distributed to the charity during the year.

30 POST BALANCE SHEET EVENTS

The SBC contract completed on 31 May 2017. All SBC sites were vacated and the management of the sites was transferred to Everyone Active, including Montem, Langley and Ten Pin. Slough Community Leisure staff were either transferred to Absolutely Leisure, the new management company or made redundant. Absolutely Leisure will now be responsible for the day to day running of Slough Community Leisure.