

Company No. 3782811
Charity No. 1080186

Thurrock Community Leisure Limited
Report & Financial Statements
31 March 2002

Sayer Vincent
consultants and auditors



Thurrock Community Leisure Limited

Legal & Administrative Details

For the Year Ended 31 March 2002

Status	The organisation is a charitable company limited by guarantee, incorporated on 4 June 1999 and registered as a charity on 31 March 2000	
Governing Document	The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.	
Company Number	3782811	
Charity Number	1080186	
Registered Office and Operational Address	Blackshots Leisure Centre Blackshots Lane Grays Essex RM16 2JU	
Honorary Officers	Mark Levey Jon Tatchell	Chair Company Secretary
Principal Staff	Mike Baden Noel Moloney	General Manager Finance & Support Manager
Bankers	National Westminster Bank PLC 17 High Street Grays Essex RM17 6NP	
Solicitors	Lawrence Graham 190 Strand London WC2R 1JN	
Auditors	Sayer Vincent Chartered Accountants Registered Auditors 8 Angel Gate City Road London EC1V 2SJ	

Thurrock Community Leisure Limited

Report of the Trustees

For the Year Ended 31 March 2002

The trustees present their report and the audited financial statements for the year ended 31 March 2002.

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities.

Objects of the Charity

Thurrock Community Leisure (TCL) is a community organisation working in partnership with Thurrock Borough Council and other organisations, to provide leisure opportunities within the Thurrock area. TCL came into existence when Thurrock Borough Council transferred leisure facilities to TCL on 10 January 2000.

TCL is a registered charity and company limited by guarantee. The objectives of TCL as set out in its memorandum of association, are to run the facilities primarily for the benefit of the community of Thurrock and its neighbourhood. TCL must therefore operate in a manner that does not discriminate against any person by virtue of their age, infirmity, disability, poverty or socio-economic status.

Organisational Structure

A board of trustees are ultimately responsible for TCL. The board of trustees (volunteers) are drawn from all sections of the local community. Two elected councillors of Thurrock Borough Council are included on the board. Once appointed, trustees act in their personal capacity and do not act as representatives of the body that nominated them.

As a charity, TCL is a non-profit distributing organisation. Therefore, members do not receive dividends as all surpluses must be invested to pursue the charitable objectives of the company.

The board is made up of the following categories of trustees which are fixed in the articles:

- Independent trustees x 8
- Local Authority elected trustees x 2
- Employee elected trustees x 1

Three of the longest serving independent trustees must retire each year. They can stand for re-election if they wish.

Thurrock Council elects two representatives to the board annually, although for continuity the council is proposing that the same councillors continue to be trustees of TCL.

Review of Activities

A full review of the activities of TCL throughout its second full year of operation is published in the Annual Report for the year.

Briefly, TCL have continued to manage the three leisure centres at Belhus Park, Blackshots, and Corringham, plus the Civic Hall and the Golf Course at Belhus Park. All of the facilities have in some way been improved during the year to the benefit of the community in compliance with the memorandum of the company. These improvements have led to significant improvements to services available to the community. As a result of these improvements TCL have been able to increase income in line with targets set at the beginning of the year. Management and staff have unfortunately had to struggle with various incomplete works following the council's refurbished project at Blackshots, some of which remains outstanding at the time of approval of these accounts.

Thurrock Community Leisure Limited

Report of the Trustees

For the Year Ended 31 March 2002

This second full year has largely been a successful one with progress made in all areas. A management and staffing restructure was undertaken to prepare TCL for future improvements and expansion in community initiatives. This has resulted in increased staffing costs this year although these preparations have now put TCL in a position to move forward without further significant increases in costs in the future.

Throughout the year further changes to 'front of house' IT systems have taken up a lot of management time, but again these will help to deliver a better and more consistent service to our customers whilst providing better management information. It should be added that there were no additional costs to TCL, other than staff time, in the change over of this system.

During the year there has been some notable achievements and investments which are listed below;

- £700,000 worth of investment at the Civic Hall including improvement works to the foyer, bar and toilets. In addition the café at Blackshots Leisure Centre has been refurbished including the provision of a Members Bar
- Management of the above refurbishment project including continued operation of limited services at the Civic Hall during the closure
- Health and safety improvements across all sites leading to a reduction in the number of reported accidents
- Further upgrading work to all the major communication and information technology systems
- Improved drainage work on the golf course including ditching work leading to an increased challenge
- Improving disabled access
- Refurbishment of the golf driving range including 'fully automatic tee up' (power tees)
- Provided free transport to swimming pool from deprived areas during summer holiday
- Introduced concession memberships to foster children, their families, and children leaving care in joint work with Social Services

Future Plans

TCL have negotiated with Thurrock Council (TC) to agree a five year grant agreement decreasing TCL's dependency on grant funding by approximately 28% over this period.

Following on from the above TCL is co-operating with TC in its completion of its Best Value review for Leisure and Recreation. This review is complete and waiting for external assessment. The combination of our quality services, reinvestment, social objectives and financial benefits will undoubtedly lead to a positive outcome.

We will continue to provide new and improved services both in and outside of our current provision, which will provide best value to the local area.

We are keen to do more, and have already expanded work beyond leisure centres and work in partnership with a wide range of organisations to develop more activities and programmes in the community.

Thurrock Community Leisure Limited

Report of the Trustees

For the Year Ended 31 March 2002

Our plans include;

- Seeking external funding to build a new child minding facility at Corringham and Blackshots Leisure Centres
- Extend child-minding facility at Belhus Park
- Completion of heritage trail at Belhus Park
- Continuous redecoration and facility improvement
- Upgrades to changing facilities at both Belhus Park and Corringham Leisure Centres
- Possible Springs (fitness suites) extensions at all centres
- Disabled access improvements
- Energy conservation measures
- Improvements to technical and layout of facilities in the Civic Hall
- Continued expansion of exercise in care homes
- Obtaining QUEST registration at all applicable sites
- Developing partnerships with health organisations and educational establishments for service delivery
- Seeking external funds for applicable investments
- Security and reception improvements at all sites
- Telephones improvements at all sites
- Introducing a new scheme to support talented athletes at county and national level

The leisure centres now operate under the name of Impulse Leisure.

Financial Summary

The accounts show a surplus of £330,025 for the year. In accordance with the charity's constitution, and the reserves policy all of the surplus this year and the surplus brought forward from the previous year of £446,415 have been re-invested into the refurbishment of the Premises. As a result, out of the £776,440 closing funds, £688,322 has been expended on the improvements of Civic Hall (£654,724), Blackshots Leisure Centre (£11,198), Corringham (£6,400) and Belhus Park (£16,000).

Reserves Policy

The charity is still at present reliant upon the grant receivable from Thurrock Borough Council. The charity is therefore looking to reduce its costs to reduce its reliability on the grant.

The trustees and management team have reviewed the reserves for capital expenditure and due to the costs expended on the refurbishment of the Civic Hall there will be no funds designated for building improvements in this financial year.

Having spent heavily on capital works over the last two years, the policy is now to consolidate the financial position of the charity. In the short term, the aim will be to re-establish the working capital base of the charity. Once this is achieved, future surpluses will be applied for further improvements in facilities.

Thurrock Community Leisure Limited

Report of the Trustees

For the Year Ended 31 March 2002

Investment Policy

As all funds are anticipated to be required for further improvements to facilities in the short to medium term, no long term investments are held. Instead, it is the policy of the trustees to hold cash balances not required for immediate day-to-day operations on short term deposit so as to maximise return while retaining sufficient liquidity.

Risk Statement

The trustees and management have undertaken a risk assessment process and policies have been put in place to mitigate the risks to the charity.

Responsibilities of the Trustees

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the year then ended.

In preparing those financial statements which give a true and fair view, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable 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 assume that the company will continue on that basis

The trustees are responsible for keeping 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 1985.

The trustees 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.

The Trustees

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Graham Brown	resigned 17 December 2001
Carol Fahey	
Anthony Fish	
Mike Gamble	resigned 31 March 2002
Brian Herbert	appointed 10 September 2001
Glyn Jarvis	
Mark Levey	resigned 10 September 2001 and re-appointed 15 April 2002
Alan Rumsby	resigned and re-appointed at AGM 10 September 2001
Fred Saxton	resigned and re-appointed at AGM 10 September 2001
Audrey Smith	
Brian Taylor	
George Watts	

Thurrock Community Leisure Limited

Report of the Trustees

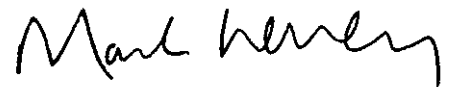
For the Year Ended 31 March 2002

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2002 was 12 (2001 - 11). The trustees have no beneficial interest in the charitable company.

Auditors

Sayer Vincent were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 19 August 2002 and signed on their behalf by

A handwritten signature in black ink, appearing to read 'Mark Levey', is written in a cursive style.

Mark Levey - Chair

Independent auditors' report

To the members of

Thurrock Community Leisure Limited

We have audited the financial statements of Thurrock Community Leisure Limited for the year ended 31 March 2002 which comprise the statement of financial activities, balance sheet, cash flow statement and related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of the trustees and auditors

The responsibilities of the trustees (who are also directors of Thurrock Community Leisure Limited for the purposes of company law) for preparing the Report of the trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the statement of responsibilities of the trustees. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the report of the trustees is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding the trustees' remuneration and transactions with the charitable company is not disclosed.

We are not required to consider whether the statement in the report of the trustees concerning the major risks to which the charitable company is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charitable company's risk management and control procedures.

We read other information contained in the report of the trustees and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the charitable company's state of affairs as at 31 March 2002 and of its incoming resources and application of resources, including its income and expenditure and cash flows, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



SAYER VINCENT

Chartered accountants & registered auditors
London

4 October 2002

Thurrock Community Leisure Limited

Statement of Financial Activities (Incorporating an Income and Expenditure Account)

For the Year Ended 31 March 2002

	Note	Restricted £	Unrestricted £	2002 Total £	2001 Total £
Incoming resources					
<i>Activities to further the charity's objects</i>					
Grant Income	2	1,290	1,155,269	1,156,559	1,390,705
Fees & Charges					
Leisure Centre Income		-	2,023,912	2,023,912	1,549,034
Civic Hall Income		-	328,884	328,884	266,899
Investment income			23,516	23,516	22,155
Total incoming resources		<u>1,290</u>	<u>3,531,581</u>	<u>3,532,871</u>	<u>3,228,793</u>
<i>Costs of generating funds</i>	3	3,145	108,966	112,111	121,139
<i>Charitable expenditure</i>					
Leisure Centres		-	2,300,022	2,300,022	1,919,205
Civic Hall		-	165,028	165,028	160,113
Support costs		-	594,000	594,000	580,303
Management and administration		-	31,685	31,685	38,014
Total charitable expenditure	4	<u>-</u>	<u>3,090,735</u>	<u>3,090,735</u>	<u>2,697,635</u>
Total resources expended		<u>3,145</u>	<u>3,199,701</u>	<u>3,202,846</u>	<u>2,818,774</u>
Net Incoming Resources for the Year	5	(1,855)	331,880	330,025	410,019
Transfers between funds		<u>1,855</u>	<u>(1,855)</u>	<u>-</u>	<u>-</u>
Movement In Funds		-	330,025	330,025	410,019
Funds at 1 April 2001		<u>-</u>	<u>446,415</u>	<u>446,415</u>	<u>36,396</u>
Funds at 31 March 2002		<u><u>-</u></u>	<u><u>776,440</u></u>	<u><u>776,440</u></u>	<u><u>446,415</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 12 to the financial statements.

Thurrock Community Leisure Limited (Limited by Guarantee)

Balance Sheet

As at 31 March 2002

	Note	£	2002 £	2001 £
Fixed assets				
Tangible Assets	8		1,019,293	368,627
Current assets				
Stock		30,780		28,294
Debtors	9	46,443		152,525
Short Term Deposits		415,959		500,185
Cash at bank and in hand		116,624		99,367
		609,806		780,371
Creditors: amounts falling due within one year	10	852,659		702,583
Net current (liabilities) / assets			(242,853)	77,788
Net assets	11		776,440	446,415
Funds				
Restricted funds			-	-
Unrestricted funds				
Designated funds			20,000	360,000
General funds			756,440	86,415
Total funds	12		776,440	446,415

Approved by the trustees on 19 August 2002 and signed on their behalf by



Mark Levey - Chair

Thurrock Community Leisure Limited

Cash Flow Statement

As at 31 March 2002

	£	2002 £	2001 £
Reconciliation of net incoming resources to net cash inflow from operating activities			
Net movement in funds for the year	330,025		410,019
Interest received	(23,516)		(22,155)
Depreciation charged	37,656		-
Decrease / (increase) in debtors	106,082		(128,262)
(Increase) in stock	(2,486)		(22,205)
Increase in creditors	150,076		482,157
Net cash inflow from operating activities		597,837	719,554
Returns on investments and servicing of finance			
Interest received		23,516	22,155
Capital expenditure			
Payments to acquire tangible fixed assets		(688,322)	(368,627)
Management of liquid resources			
Cash withdrawn from / (added to) short term deposits		84,226	(500,185)
Increase / (decrease) in cash in the year		17,257	(127,103)
Net cash resources at 1 April 2001		99,367	226,470
Net cash resources at 31 March 2002 (Note 1)		116,624	99,367

Notes to the cashflows

1. Analysis of net cash resources

	2001 £	Cashflow £	2002 £
Cash at bank and in hand	99,367	17,257	116,624

Thurrock Community Leisure Limited

Notes to the Financial Statements

For the Year Ended 31 March 2002

1. Accounting Policies

- a) The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in October 2000) and the Companies Act 1985.
- b) Grants are recognised in full in the Statement of Financial Activities in the year in which they are receivable. Fee income is recognised on an accruals basis and is stated net of VAT where applicable.
- c) Resources expended are recognised in the period in which they are incurred.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. The cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is shown within support costs.

Costs of generating funds include the salaries of marketing staff and other direct publicity and promotional costs.

Management and administration costs include the management of the charitable company's assets, organisational management and compliance with constitutional and statutory requirements.

- d) Expenditure incurred for leasehold improvements is capitalised at cost. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life. The depreciation rates in use are as follows:

Leasehold Improvements	10 Years
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- e) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.
- f) Designated funds are unrestricted funds earmarked by the trustees for particular purposes.
- g) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.
- h) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the Statement of Financial Activities on a straight line basis over the lease duration.
- i) Stocks are valued at the lower of cost and net realisable value.
- j) The charity contributes to a multi employee defined benefit pension scheme. The cost of providing pension and related benefits is charged to the SOFA over the employees' service lives on the basis of a constant percentage of earnings which is an estimate of the regular cost. Variations from regular cost, arising from periodic actuarial valuations are allocated over the expected remaining service lives of current employees on the basis of a constant percentage of current and estimated future earnings. Full details of the scheme are give in note 14. The transitional rules for FRS17 have been applied.

Thurrock Community Leisure Limited

Notes to the Financial Statements

For the Year Ended 31 March 2002

2. Grants

	Restricted £	Unrestricted £	2002 Total £	2001 Total £
Thurrock Council				
Main Grant	-	1,154,539	1,154,539	1,159,705
Compensation for Blackshots closure	-	-	-	231,000
Other Funding	1,290	730	2,020	-
	<u>1,290</u>	<u>1,155,269</u>	<u>1,156,559</u>	<u>1,390,705</u>

3. Costs of Generating Funds

	Restricted £	Unrestricted £	2001 Total £	2001 Total £
Staff Costs	-	30,375	30,375	30,664
Promotion & Publicity	-	60,616	60,616	44,942
Events Promotion	3,145	17,975	21,120	35,456
Other Marketing	-	-	-	10,077
	<u>3,145</u>	<u>108,966</u>	<u>112,111</u>	<u>121,139</u>

Thurrock Community Leisure

Notes to the Financial Statements

For the Year Ended 31 March

4. Total Charitable Expenditure	Leisure Centres £	Civic Hall £	Support Costs £	Management & Administration £	2002 Total £	2001 £
Staff Costs	1,364,500	115,728	207,369	-	1,687,597	1,509,720
Premises Costs	491,166	5,188	-	-	496,354	362,709
Purchases for Resale	166,466	20,916	-	-	187,382	122,098
Office administration Costs	271,708	22,552	373,778	-	668,038	650,294
Audit & Accountancy	-	-	-	4,720	4,720	6,550
Legal & Professional	-	-	-	26,965	26,965	31,464
Sundry	6,182	644	12,853	-	19,679	14,800
	<u>2,300,022</u>	<u>165,028</u>	<u>594,000</u>	<u>31,685</u>	<u>3,090,735</u>	<u>2,697,635</u>

Thurrock Community Leisure Limited

Notes to the Financial Statements

For the Year Ended 31 March 2002

5. Net Incoming Resources for the Year

This is stated after charging / crediting:

	2002 £	2001 £
Trustees' Indemnity Insurance	2,548	2,590
Trustees' Remuneration	nil	nil
Trustees' Reimbursed Expenses	nil	nil
Auditors' Remuneration:		
▪ Audit	4,720	6,550
Depreciation	37,656	-
Operating Lease Rentals:		
▪ Equipment	82,063	79,773

6. Staff Costs and Numbers

Staff costs were as follows:

	2002 £	2001 £
Salaries and Wages	1,551,659	1,389,600
Social Security Costs	99,131	88,647
Pension Contributions	60,815	62,137
	<u>1,711,605</u>	<u>1,540,384</u>
Total emoluments paid to staff were:	<u>1,612,474</u>	<u>1,451,737</u>

No employee earned more than £50,000 during the year (2001 - none).

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

	2002 No.	2001 No.
Direct Charitable Activities	176	155
Support Staff	12	6
Fundraising and Publicity	1	2
	<u>189</u>	<u>163</u>

7. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Thurrock Community Leisure Limited

Notes to the Financial Statements

For the Year Ended 31 March 2002

8. Tangible Fixed Assets

	Leasehold Improvements
	£
COST	
At 1 April 2001	368,627
Additions in Year	<u>688,322</u>
At 31 March 2002	<u>1,056,949</u>
DEPRECIATION	
At 1 April 2001	-
Charge for the Year	<u>37,656</u>
At 31 March 2002	<u>37,656</u>
NET BOOK VALUE	
At 31 March 2002	<u>1,019,293</u>
At 31 March 2001	<u><u>368,627</u></u>

All tangible fixed assets are used to fulfil the charity's objects.

In arriving at the net incoming resources for the year of £330,025, £688,322 has been spent on leasehold improvements.

The improvements represented by the additions in the year were not completed until after the year end, so no depreciation has been charged against these additions as the facilities were not brought into use during the year. From the year ended 31 March 2003, these improvements will be depreciated in the usual method of a straight line basis over ten years.

9. Debtors

	2002	2001
	£	£
Trade Debtors	3,299	4,390
Other Debtors	35,961	89,449
Prepayments	<u>7,183</u>	<u>58,686</u>
	<u>46,443</u>	<u>152,525</u>

Thurrock Community Leisure Limited

Notes to the Financial Statements

For the Year Ended 31 March 2002

10. Creditors : Amounts Falling Due Within One Year

	2002 £	2001 £
Trade Creditors	257,698	167,792
Taxation & Social Security	30,837	26,684
Pension Contributions	8,029	8,446
Accruals	41,410	131,034
Other Creditors	514,685	368,627
	<u>852,659</u>	<u>702,583</u>

11. Analysis of Net Assets Between Funds

	Restricted Funds £	Designated Funds £	General Funds £	Total Funds £
Tangible Fixed Assets	-	-	1,019,293	1,019,293
Current Assets	-	20,000	589,806	609,806
Current Liabilities	-	-	(852,659)	(852,659)
Net Assets at 31 March 2002	<u>-</u>	<u>20,000</u>	<u>756,440</u>	<u>776,440</u>

12. Movement in Funds

	At 1 April 2001 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 March 2002 £
Restricted Funds					
Summer Bus Service	-	1,290	(3,145)	1,855	-
Designated Funds					
Building Improvements	350,000	-	-	(350,000)	-
IT Upgrade	10,000	-	-	10,000	20,000
<i>Total Designated Funds</i>	360,000	-	-	(340,000)	20,000
General Funds	86,415	3,531,581	(3,199,701)	338,145	756,440
Total Unrestricted	446,415	3,531,581	(3,199,701)	(1,855)	776,440
Total Funds	<u>446,415</u>	<u>3,532,871</u>	<u>(3,202,846)</u>	<u>-</u>	<u>776,440</u>

Thurrock Community Leisure Limited

Notes to the Financial Statements

For the Year Ended 31 March 2002

Purposes of Restricted Funds

Summer Bus Service A bus service was run during the summer to provide transport for children in deprived areas to the leisure centres. This project was supported with donations from local business and Cory Environmental. The costs of the project exceeded the donations received, so the excess costs have been met by TCL's general unrestricted reserves.

Purposes of Designated Funds

IT Upgrade Fund This fund is designated for future expenditure to upgrade the IT systems.

13. Operating Lease Commitments

The charitable company had annual commitments under operating leases expiring as follows:

	Equipment 2002 £	2001 £
Less than 1 year	11,925	59,099
1 - 2 Years	9,464	73,535
2 - 5 Years	89,075	15,607
	<u>110,464</u>	<u>148,241</u>

14. Pension Scheme

Employees of Thurrock Community Leisure are admitted to the Essex County Council Pension Fund, a defined benefit scheme which is administered by Essex County Council under the regulations governing the Local Government Pension Scheme. The figures disclosed below have been derived by approximate methods from the full actuarial valuation of the Fund carried out by Watson Wyatt as at 31 March 2001.

The employer's contributions certified by the actuary to the Fund in respect of the period 1 April 2002 to 31 March 2005 are 141% of members' contributions plus lump sums of £16,000 pa (in 2002/03 terms), £17,000 pa (in 2003/04 terms) and £17,000 pa (in 2004/05 terms), rising in line with price inflation less 2.5% pa.

The main financial assumptions adopted as at 31 March 2002 were:

- retail price inflation: 2.5% per annum
- increases in salaries: 4.3% per annum
- increases in pensions: 2.5% per annum
- discount rate: 6.1%

Thurrock Community Leisure Limited

Notes to the Financial Statements

For the Year Ended 31 March 2002

14. Pension Scheme (continued)

The fair values of each main class of assets held by the Fund as at 31 March 2002 and the expected rates of return for the ensuing year are set out below:

	Fair Value £m	Expected Return %
Equities	1301.6	7.50
Gilts	190.6	5.25
Other bonds and property	284.5	6.00
Cash	<u>64.1</u>	<u>4.50</u>
Total	<u><u>1,841</u></u>	<u><u>6.90</u></u>

The above assets as a whole are allocated to participating bodies on a consistent and reasonable basis.

The fair value of the above related to the charity was: £1.1 million

The value placed on the liabilities related to the charity was: £1.5 million

Consequently, at 31 March 2002, the deficiency related to the charity was: £0.4 million