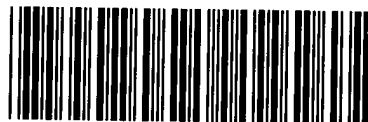


Registered Charity Number 1103980
Company Limited By Guarantee Number 04868497

DACORUM SPORTS TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2015

WEDNESDAY



A4H0UDLK

A29

30/09/2015

#36

COMPANIES HOUSE

DACORUM SPORTS TRUST
(A company limited by guarantee)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2015

CONTENTS

	Page
Legal and Administrative Information	1
Trustees' Report	2 - 3
Strategic Report	4 - 6
Independent Auditor's Report	7
Statement of Financial Activities	8
Balance Sheet	9
Cash Flow Statement	10
Notes to the Cash Flow Statement	11
Notes to the Accounts	12 - 21

Registered Charity Number - 1103980

Company Number - 04868497

DACORUM SPORTS TRUST
(A company limited by guarantee)

LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31ST MARCH 2015

Status

Dacorum Sports Trust is a registered charity (Registered No 1103980) and a Company Limited by Guarantee (Registered Number 04868497).

The charity is constituted as a company limited by guarantee and was set up on 15 August 2003 and commenced its activities on 1 April 2004. Its activities are governed by its Memorandum and Articles of Association, which have not been amended since 15 August 2003.

Registered office address

The official address of Dacorum Sports Trust is: Park Road, Hemel Hempstead, Herts, HP1 1JS.

Website addresses

The website address of Dacorum Sports Trust is: www.sportspace.co.uk

The website address for XC is: www.thexc.co.uk

Appointment of directors

The Directors of the charitable company (the Charity) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. The Trustees serving during the year and since the year end were as follows:

Trustees:	E Emptage	(Chair)
	B Malyon	(Vice Chair)
	M Armstrong	(Vice Chair)
	B Bickel	
	M Carpenter	
	M Dennis	
	V Patel	
	I Phipps	
	L Topping	(Resigned 21st May 2015)
	I Grant	
	M Wood	
	A Adams	DST Staff Nominee
	D Rance	(Dacorum Borough Council Nominee)
	G Elliot	(Dacorum Borough Council Nominee)
	G Adshead	(Dacorum Borough Council Nominee Resigned 12th May 2015)

Company Secretary:

R Hemmant
Contact details: rebecca.hemmant@sportspace.co.uk
Tel: 01442 507117

Chief Executive Officer:

D Cove
Contact details: dave.cove@sportspace.co.uk
Tel: 01442 507094

Independent Auditor

haysmacintyre, 26 Red Lion Square, London, WC1R 4AG

Bankers

The Co-Operative Bank, 2-6 Alma Street, Luton, LU1 2PL.

Royal Bank of Scotland, Black Horse House, Wallbrook Court, North Hinksey Lane, Botley, Oxford, OX2 0QS

DACORUM SPORTS TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST MARCH 2015

Introduction

The Trustees present their report and financial statements for the year ended 31st March 2015.

In these financial statements all references to the Company mean the Trust and references to the Directors in the Notes to the Financial Statements mean the Trustees.

Structure, Governance and Management

Appointment of Trustees

As set out in the Articles of Association the Chair of the Trustees is nominated by the Trustees. Dacorum Borough Council nominates three trustees and the staff nominate one trustee. The Trustees have the power to co-opt further trustees if required.

All members are circulated with invitations to nominate trustees prior to the AGM advising them of the retiring trustees and requesting nominations for the AGM. When considering co-opting trustees, the Board has regard to the requirement for any specialist skills.

Trustees nominated by Dacorum Borough Council are subject to the nomination processes of that body, and of DST and the guidelines on appointment to public office as they apply to Local Government nominees. The staff nominee is subject to the nomination process as agreed by the Staff Partnership Board.

Trustee induction and training

Potential new trustees undergo an initial meeting with the Chief Executive who briefs them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the history and the planned future of the charity.

The potential trustee is interviewed by 2 existing trustees and attends a Board meeting before being invited to join the Board. This gives them the chance to see the Board in action, meet and talk to existing trustees and senior staff. A Trustee Induction Pack has been produced and trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The Board of Trustees, which can have up to 16 members, administers the charity. The Board meets six times a year and there are two standing committees covering (1) Appointments, Remuneration and Human Resources and (2) Finance and Audit that meet regularly. A Chief Executive is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and sport and recreation related activity. Although formally known as Dacorum Sports Trust, the majority of the Trust's activities are conducted under the banner of "Sportspace".

Risk Management

The Trustees have a risk management strategy which comprises; a formal six monthly review of the risks the charity may face; the establishment of systems and procedures to mitigate those risks identified in the plan; and the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise. This work has resulted in better planning and identified only a few minor new risks. The risk management strategy will continue to be reviewed on an ongoing basis.

DACORUM SPORTS TRUST
(A company limited by guarantee)

TRUSTEES' REPORT CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2015

Health and Safety

Particular attention has focussed on non-financial risks arising from health and safety issues, fire, customer care and food hygiene. A trustee director is appointed to serve on the Health and Safety committee and an independent agency carries out a continual assessment programme and health and safety audit to minimise risks in this area. A key element in the management of financial risk is the setting of a reserves policy and its regular review by trustees.

Public Benefit Disclosure

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

Objectives and activities

The objects of the Trust are:

1. To provide or assist in the provision of facilities and services (primarily for the benefit of the community and visitors to the administrative area of Dacorum and any surrounding areas) for recreational, sporting or other leisure time occupation in the interests of social welfare, such facilities being provided to the public at large save that special facilities may be provided for persons who by reason of their youth, age, infirmity or disability, poverty or social or economic circumstances may have need of special facilities or services.
2. To promote and preserve good health through community participation in healthy recreation.
3. Such other charitable purposes beneficial to the community consistent with the objects above as the Trustees shall in their absolute discretion determine.

The Trust has the general aim of improving the quality of life within the community by the provision of opportunities for sport and other physical activity.

During the year the Board undertook a review of the strategic objectives of the Trust leaving them basically unchanged. The objectives are:

- 1 To reduce the grant from DBC.
- 2 That facilities and services are provided principally in the community of Dacorum.
- 3 Maximise investment in commercially viable developments, either within or outside of existing facilities and continue to offer Value for Money services, of high quality and affordable.
- 4 Work in collaboration with partner agencies to improve the health of the local population.
- 5 Seek to widen our customer base with new products and services, targeted especially at young people and the ageing population.
- 6 Secure long term capital finance investment in existing and new facilities.
- 7 Reduce our impact on the environment.
- 8 Reduce our relative costs and our potential future costs.
- 9 Ensure that each site/service area returns an operating surplus unless there is an agreed deficit.

The Board will continue to review the trust's objectives and will amend them further as required. The Trust works closely with numerous partners in health, education and sport to deliver opportunities for the local community. There is a close working relationship with many sports clubs, providing advice, facilities and promotion opportunities to assist them in recruiting new participants and in developing those that want to perform at a higher competitive level.

DACORUM SPORTS TRUST
(A company limited by guarantee)

TRUSTEES' REPORT CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2015

Strategic Report

Fair Review of the Company's Business

Income from operations has increased by 3.4 per cent due mainly to the an additional £100k in the Operating Grant from Dacorum Borough Council, and a 46% increase in climbing income at the XC. Allied with keeping overall cost increases to just 0.4% we were able to add £338k to our unrestricted reserves before actuarial pension fund adjustments.

Financial Review

The Trustees report that the Statement of Financial Activities (SOFA) shows a negative Net Movement in Funds of £756,686. This includes the Pension Scheme actuarial loss (£840,000 net after DBC allocated contribution), further pension adjustments and depreciation on XC (funded by My Place Restricted Funds received in prior years £282,696).

The Operating activities show a surplus of £382,013 before taking into account the XC Repairs and Renewals Allocation (£6,000). The Trustees agreed to increase the Revenue Reserve to the target of £650,000.

Total Funds currently stand at £3,672,479 after inclusion of the pension scheme liability of £1,624,000 and the balance of restricted funds relating to grants received from My Place for the construction of XC (£3,963,441).

Tangible fixed assets include the building cost for XC plus the additional cost of the cladding works less depreciation for XC (£5,495,652). Also included is £386,094 relating to the value of the furniture, fittings and equipment transferred from DBC at time of transfer as having been effectively acquired by the Trust less depreciation to date (see note 11).

Intangible Costs of Rental of Facilities have also been included at a notional rental and included both as costs and as Donated Services Accommodation income from DBC (see note 2).

The revaluation of the pension scheme assets and liabilities has resulted in an increase in the scheme deficit which now stands at £1,924,000. The liability has been divided between Dacorum Borough Council and the Trust according to employees' length of service before and after the date the Trust commenced operations (1 April 2004) in accordance with the transfer agreement (see note 9)

DACORUM SPORTS TRUST
(A company limited by guarantee)

TRUSTEES' REPORT CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2015

Little Hay

Little Hay continued its solid performance from 2013-14 with an increase in income of 0.6%. Memberships increased by 8% with Pay and Play only shrinking by 1%. The Driving Range held firm and Pitch and Putt usage increased by 18% due to the addition of FootGolf. There was a decline in course fees from £8k to £5k and golf lessons of £4k to £1k.

XC - My Place

The operational and programming changes made last year have continued to have a positive effect on the overall performance with income increasing by 11% (£100k) of which climbing income grew by £68k (46% increase). Although the numbers in the skatepark have dropped again they continue to overachieve against the original business plan.

Reserves policy

In accordance with the Charity Commission's recommendation the Trust has adopted a reserves policy to provide a revenue reserve equal to approximately one month's unrestricted expenditure. The Trustees agreed in the year to set this to £650,000. The Trust was able to transfer £250,000 from the General Fund to the Revenue Reserve to meet this requirement.

Plans for future periods

The Trust continues to improve our IT infrastructure and has implemented several planned developments including new Bank Reconciliation and Finance Data Mining applications. The Trust is implementing a new integrated HR and Payroll system leading to a more robust system with lower on-going costs.

Work was completed at Little Hay for an extension to the Par3 restaurant, which allows for larger scale functions to assist the profitability of the clubhouse. The new space was available for use from the 1st April 2015 and was officially unveiled at the Dacorum Sports Awards in June

The Trust continues to investigate a new low cost gym facility and may consider further development at Little Hay. The Trust has discontinued the plan for an Inert Soil Recovery scheme, due to a changing risk profile, but is continuing to investigate improvements to the Little Hay Golf Complex.

Discussions continue with Dacorum Borough Council on the possible redevelopment of the Berkhamsted Sports Centre and Tring Sports Centre.

Principal risks and uncertainties facing the Trust

The main threats we face are from competitors moving into our markets. In particular we have seen new commercial gym operators open sites in Dacorum. Although we anticipate a short term impact on sales revenues, we are confident that we are able to differentiate our offering from others, maximising the benefits we have in offering such a wide range of services and emphasising the combination of value for money and good quality.

DACORUM SPORTS TRUST
(A company limited by guarantee)

TRUSTEES' REPORT CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2015

Statement of Trustees' responsibilities

The Trustees, who are also directors of Dacorum Sports Trust for the purposes of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 the year. In preparing these financial statements, the directors 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

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

Auditors

At the last AGM the Trust confirmed that haysmacintyre would continue as auditors to the Trust. A programme of internal audit will continue to complement the annual audit.

Strategic Report

The Trustees, in their capacity as company directors, approve the Strategic Report contained within this Trustee Report

On behalf of the Board



Director
Elaine Emptage

21st July 2015

DACORUM SPORTS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DACORUM SPORTS TRUST FOR THE YEAR ENDED 31ST MARCH 2015

We have audited the financial statements of Dacorum Sports Trust for the year ended 31st March 2015, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Statement of Trustees' Responsibilities set out in the Trustees' Report, 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 Ethical Standards for Auditors.

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 www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

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 2015 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;


OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Annual Report incorporating the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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



Jeremy Beard (Senior statutory auditor)
for and on behalf of haysmacintyre, Statutory Auditor
Date:

21/7/15.

26 Red Lion Square
London
WC1R 4AG

DACORUM SPORTS TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME & EXPENDITURE ACCOUNT AND A STATEMENT OF RECOGNISED GAINS AND LOSSES)
FOR THE YEAR ENDED 31ST MARCH 2015

		Unrestricted Funds	Restricted Funds	Total funds 2015	Total funds 2014
	Notes	£	£	£	£
INCOMING RESOURCES					
Incoming Resources from generated funds:					
Voluntary Income:					
Donated Services - Accommodation	2	-	444,000	444,000	444,000
Funding Agreements and grants	3	761,363		761,363	639,384
Activities for generating funds:					
Catering, Vending and Merchandising	4	579,907	-	579,907	592,995
Investment Income & Other Finance Income	5	4,927	-	4,927	7,938
		1,346,197	444,000	1,790,197	1,684,317
Incoming Resources from charitable activities:					
Operation of Sports Facilities and Sports Development	6	6,487,887	-	6,487,887	6,318,799
Other Incoming Resources					
Net finance gain on defined benefit pension scheme	9	88,000		88,000	-
TOTAL INCOMING RESOURCES		7,922,084	444,000	8,366,084	8,003,116
RESOURCES EXPENDED					
Fundraising trading costs					
Catering, Vending and Merchandising	7	692,363	-	692,363	716,184
Charitable activities					
Marketing Costs	7	306,075	-	306,075	321,820
Operation of Sports Facilities and Sports Development	7	6,501,357	726,699	7,228,056	7,298,143
Governance Costs	7	56,576	-	56,576	53,062
TOTAL RESOURCES EXPENDED		7,556,371	726,699	8,283,070	8,389,208
NET INCOME/EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES					
		365,713	(282,699)	83,014	(386,092)
OTHER RECOGNISED GAINS AND LOSSES					
Actuarial (loss)/gain from defined benefit pension scheme	9	(966,000)	-	(966,000)	547,000
Contribution to Actuarial Loss from DBC	9	126,000	-	126,000	(116,000)
Net		(840,000)	-	(840,000)	431,000
Net Movement in Funds		(474,287)	(282,699)	(756,986)	44,908
Reconciliation of Funds					
Total Funds brought forward	21	183,325	4,246,140	4,429,465	4,384,557
Total Funds carried forward at 31 March 2015	22	(290,962)	3,963,441	3,672,479	4,429,465

All activities are continuing and there are no gains or losses other than those stated above.

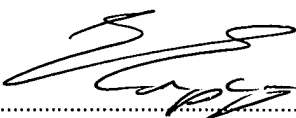
DACORUM SPORTS TRUST
(A company limited by guarantee)

Company No. 04868497

BALANCE SHEET
at at 31 March 2015

	Notes	2015		2014	
		£	£	£	£
Fixed Assets					
Tangible Assets	11		5,454,046		5,530,335
Current Assets					
Stock		35,880		34,161	
Debtors	12	279,278		195,801	
Cash at Bank and in Hand		<u>892,144</u>		<u>1,300,568</u>	
		1,207,302		1,530,530	
Creditors: amounts falling due within one year	13	<u>882,169</u>		<u>1,293,797</u>	
Net Current Assets			<u>325,133</u>		<u>236,733</u>
Total Assets less Current Liabilities			5,779,179		5,767,068
Creditors: amounts falling due after more than one year	14		<u>482,700</u>		<u>525,604</u>
Net Assets excluding Pension Liability			5,296,479		5,241,464
Deferred Benefit Pension Scheme Liability	9		(1,624,000)		(812,000)
Net Assets			<u><u>3,672,479</u></u>		<u><u>4,429,464</u></u>
The Funds of the Charity					
Restricted Income Fund			3,963,441		4,246,140
Unrestricted Income Funds:					
General Fund		660,529		578,816	
R & R Fund (XC)		22,509		16,509	
Designated Fund - Revenue Reserve		<u>650,000</u>		<u>400,000</u>	
Unrestricted Income Funds - excluding Pension Scheme Liability		1,333,038		995,325	
Pension Scheme Liability		<u>(1,624,000)</u>		<u>(812,000)</u>	
Total Unrestricted Income Funds			<u>(290,962)</u>		<u>183,325</u>
Total Charity Funds	21, 22		<u><u>3,672,479</u></u>		<u><u>4,429,465</u></u>

The financial statements were approved and authorised for issue by the Directors on the 21st July 2015 and signed on their behalf by:


.....
E Emptage
Director

The accounting policies and notes on pages 12 to 21 form part of the accounts.

DACORUM SPORTS TRUST
(A company limited by guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2015

	Notes	2015 £	2014 £
Net cash inflow from operating activities		140,856	768,713
Returns on investments and servicing of finance			
Interest received		4,927	7,938
Interest element of finance lease rentals		(4,623)	(4,623)
Capital expenditure and financial investment			
Purchase of fixed assets		<u>(506,524)</u>	<u>(221,643)</u>
Net cash outflow from capital expenditure		(506,524)	(221,643)
Net cash (outflow)/inflow before financing		<u>(365,363)</u>	<u>550,386</u>
Financing			
Capital element of finance leases		(43,061)	(48,973)
(Decrease)/Increase in cash in year		<u><u>(408,424)</u></u>	<u><u>496,789</u></u>

FOR THE YEAR ENDED 31ST MARCH 2015
(A company limited by guarantee)

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2015

	<u>2015</u>	<u>2014</u>
	£	£
Analysis of Cash Flow from Operating Activities		
Net (outgoing)/incoming resources for the year	83,014	(386,092)
Pension costs	60,000	101,000
Net finance gain/(loss) on defined benefit pension scheme	(88,000)	30,000
Interest received	(4,927)	(7,938)
Depreciation	582,814	602,983
Increase in Stocks	(1,719)	(4,495)
(Increase)/Decrease in Debtors	(83,477)	183,446
(Increase)/Decrease in Creditors	(411,471)	245,186
Finance lease charges	4,623	4,623
	<u>140,856</u>	<u>768,713</u>

	<u>2015</u>	<u>2014</u>
	£	£
Reconciliation of net cash flow to movement in net funds		
(Decrease)/Increase in cash for year	(408,424)	496,789
Cash (outflow)/ inflow from increase in debt and leasing financing	42,904	48,258
	<u>(365,520)</u>	<u>545,047</u>
Opening funds as 1 April 2014	1,115,231	570,184
Closing funds at 31 March 2015	<u>749,711</u>	<u>1,115,231</u>

	<u>2014</u>	<u>Cash Flow</u>	<u>Other non</u>	<u>2015</u>
	£	£	<u>cash</u>	£
			<u>changes</u>	
			£	
Analysis of Net Funds				
Cash at Bank and in Hand	1,300,568	(408,424)	-	892,144
Finance Leases	(185,337)	42,904	-	(142,433)
	<u>1,115,231</u>	<u>(365,520)</u>	<u>-</u>	<u>749,711</u>

DACORUM SPORTS TRUST
(A company limited by guarantee)

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2015

1 ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention, and in accordance with the Statement of Recommended Practice - 'Accounting and Reporting by Charities' (SORP 2005) issued in March 2005, applicable accounting standards and the Companies Act 2006.

The Trust has availed itself of Para 3 (3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of its activities.

The Statement of Financial Activities (SOFA) shows the sources of income and expenditure analysed between General Fund and Restricted Funds.

The SORP (Statement of Recommended Practice) requires all sources of income to be shown, even though they may be used for purchasing fixed assets. The asset itself is charged in the balance sheet at the time of purchase and is not included in the SOFA expenditure. Depreciation of the asset is charged in the SOFA. Accordingly the net incoming resources are not necessarily operating surpluses (or deficits). They include the purchase cost of the assets less the depreciation charges.

In previous years the Trust has presented the expected return on assets held in the defined benefit pension scheme within incoming resources from generated funds, and the interest cost of the pension liability with total resources expended. In accordance with FRS 17, the Trust has now presented the net of the interest cost and the expected return on assets as other finance costs or income. The prior year Statement of Financial Activities has been restated accordingly, reducing incoming resources from generated funds and total incoming resources by £332,000 and reducing total resources expended by the same amount. There has been no impact on the net income or expenditure and net movement in funds reported in the current or previous year as a result of this change.

1.2 Grants and income

Grants are recorded in full in the Statement of Financial Activities in the financial period for which they were receivable. Other Income shown in the Statement of Financial Activities relates to activities carried out during the year. Receipts of income for activities in the following year have been carried forward as advance income.

1.3 Donations and fundraising

Donations and fundraising income is recorded in the financial period for which it was received.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are capitalised and included at cost including any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

DBC equipment and furniture	21 years
XC Building Costs	20 years
Leasehold improvements	10 years
Plant and machinery	5 years
Furniture, fittings and equipment	5 years
Computer equipment and software	3 years
Gym equipment	5 years
Motor vehicles	4 years

As part of the transfer agreement between Dacorum Borough Council and the Trust the Council permits the Trust to use certain equipment and furniture while retaining ownership of the assets. To reflect the substance of the transaction the assets have been capitalised and are being depreciated over 21 years from date of transfer (1/4/2004), being the term of the leasehold tenure granted to the Trust.

DACORUM SPORTS TRUST
(A company limited by guarantee)

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2015

1.5 General fund (unrestricted)

Unrestricted funds are donations and other incoming resources receivable, or generated, for the objects of the Trust without further specified purpose, and are available as general funds.

1.6 Restricted funds

Restricted funds are used for the specific purpose as laid down by the funder. Expenditure which meets these criteria is charged to the fund.

1.7 Resources expended

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

Support costs are those costs incurred providing services to other parts of the organisation and include HR, Finance and Administration. Governance costs are those costs incurred in order to comply with constitutional and statutory requirements.

1.8 Stock

Stock consists of food and drink used for catering and vending and merchandising stocks for resale to customers. Stocks are valued at the lower of cost and net realisable value. Other stocks are written off in the year of purchase.

1.9 Pension costs

The change in value of assets and liabilities arising from asset valuation, changes in benefits, actuarial assumptions, or change in the level of deficit attributable to members is recognised in the Statement of Financial Activities within Actuarial gain/losses on defined benefit pension schemes. Movements in the apportionment of the pension liability between the Trust and Dacorum Borough Council are recognised as contributions to the actuarial gain or loss in other recognised gains and losses. The resulting pension liability or asset is shown on the balance sheet. The detailed assumptions relating to the liability recognised on the defined benefit scheme are to be found in note 9.

For the defined benefit scheme the current service cost is charged to employee costs as other pension costs; net pension finance income or costs are included within other incoming resources where a gain or within resources expended where a loss; actuarial gains and losses are recognised immediately on the face of the SoFA; and the scheme surplus or deficit is shown on the face of the balance sheet and separately in reserves.

For the defined contribution scheme, the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits is the total of contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

1.10 Finance and operating leases

Rentals applicable to operating leases are charged to the SOFA on a straight-line basis over the period of the leases.

Assets held under finance leases are included in the balance sheet and depreciated in accordance with the Trust's normal accounting policies. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the SOFA over the period of the lease so as to produce a constant periodic rate of charge.

2 Donated Services - Accommodation

The Trust has a twenty one year lease on Hemel Hempstead and Berkhamsted Sports Centres and the Athletics Track from the Dacorum Borough Council at a peppercorn rent. The amount of donated services is the estimated rental costs foregone by the Council.

DACORUM SPORTS TRUST
(A company limited by guarantee)

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2015

3 Funding Agreements and grants

The Trust provides a range of sport, recreation, health and fitness activities through its two main leisure centres, XC (Extreme Sports Centre), two dual use shared facilities, athletics track, golf course and community projects. Charges are made to customers for these activities and management funding is received from Dacorum Borough Council.

	2015	2014
	£	£
Myplace Grant Scheme grant		
Funding from Dacorum Borough Council	575,000	475,000
Funding from Tring and Longdean Schools	130,798	130,887
Other Grants received or accrued	55,565	33,497
	<u>761,363</u>	<u>639,384</u>

4 Catering, Vending and Merchandising

	2015	2014
	£	£
Customer Sales	<u>579,907</u>	<u>592,995</u>

5 Investment Income

	2015	2014
	£	£
Interest receivable	<u>4,927</u>	<u>7,938</u>
	<u>4,927</u>	<u>7,938</u>

6 Operation of Sports Centres and Sports Facilities

	2015	2014
	£	£
Customer Sales	<u>6,487,887</u>	<u>6,318,799</u>

7 Total resources expended

2014/15	Staff Costs	Other Direct Costs	Support Costs	Intangible Costs	Total 2015
	£	£	£	£	£
Cost of generating funds					
Catering Vending and Merchandising	301,216	312,999	78,148	-	692,362.50
Marketing and Publicity	137,152	133,340	35,583	-	306,075
Operation of Sports Centres and Sports Development	3,705,767	2,116,855	961,434	444,000	7,228,056
Governance costs	25,169	24,877	6,529	-	56,576
Total resources expended	<u>4,169,304</u>	<u>2,588,071</u>	<u>1,081,695</u>	<u>444,000</u>	<u>8,283,071</u>
2013/14					2014
					£
Total resources expended	<u>4,169,526</u>	<u>3,014,124</u>	<u>1,093,558</u>	<u>444,000</u>	<u>8,721,208</u>

	2015	2014
	£	£
Other direct costs include:		
Marketing & Publicity	133,340	131,743
Maintenance & cleaning	343,501	307,562
Gas, electric and water	502,246	544,181
Catering and vending & merchandising purchases	296,281	322,392
Venue hire	46,493	46,064
Depreciation	582,813	602,592
Net finance losses on defined benefit pension scheme	-	30,000
Other operational costs	683,397	697,592
	<u>2,588,072</u>	<u>2,682,125</u>

DACORUM SPORTS TRUST
(A company limited by guarantee)

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2015

7 Total resources expended continued

	2015	2014
	£	£
Support Costs Include:		
Salaries of support staff	280,050	239,291
Other staff costs	116,886	111,975
Service level agreements	15,999	15,359
Irrecoverable VAT	163,374	248,787
Prior year Irrecoverable VAT adjustment	(163,458)	-
Legal, office, IT and insurance	505,387	478,146
	<u>1,081,695</u>	<u>1,093,558</u>

	2015	2014
	£	£
Intangible costs include:		
Notional rental of facilities	<u>444,000</u>	<u>444,000</u>

	2015	2014
	£	£
Governance costs include:		
Auditors' remuneration	<u>11,550</u>	<u>11,250</u>

8 Staff costs

	2015	2014
	£	£
Wages and salaries	3,806,223	3,771,617
Social security costs	223,162	230,620
Other pension costs	419,969	406,580
	<u>4,449,354</u>	<u>4,408,817</u>

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

	2015	2014
	Number	Number
£80,000 - £90,000	1	1

Contributions are made on the employee's behalf to the company's defined benefit pension scheme.

The average number of employees, calculated on a full-time equivalent basis, analysed by function was:

	2015	2014
	Number	Number
Fundraising activities	21	31
Charitable activities	180	171
Support services	5	5
	<u>206</u>	<u>207</u>

No trustee received remuneration or reimbursement of expenses during the year.

DACORUM SPORTS TRUST
(A company limited by guarantee)

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2015

9 Pension costs

As at 31 March 2015, the Trust operates two pension schemes as follows; a defined benefit pension scheme for employees administered by Hertfordshire County Council (HCC). The Trust has been awarded admitted body status to the HCC Local Government Pension Scheme (LGPS). The scheme is externally funded and contracted out of the State Second Pension. The scheme is closed to new entrants. The Trust also operates a defined contribution for all eligible employees.

Triennial actuarial valuations of the defined benefit pension scheme are performed by a qualified actuary using the projected unit method. The most recent formal actuarial review of the scheme was at 31 March 2013. The market value of the scheme's assets at 31st March 2015 was £9,285,000. The Trust made employers' contributions for the year to 31 March 2015 of £356,542 (2014 £305,579). The Trust made employers' contributions of £7,319 for the defined contribution scheme.

The latest estimate of Pension Scheme Assets and Liabilities reveals a deficit of £1992000

The transfer agreement between the Trust and Dacorum Borough Council on the transfer of business at 1st April 2004 stipulated that any liability spanning the transfer date would be apportioned between the Council and the Trust. Accordingly the net defined benefit pension scheme deficit has been apportioned between the parties in proportion to staff service and included in the SOFA in accordance with FRS 17 and the Charities SORP 2005.

	2015	2014
	£	£
Total pension scheme (deficit) (FRS17)	(1,992,000)	(1,054,000)
Amount due from Dacorum Borough Council	368,000	242,000
Defined benefit pension scheme (net liability)	<u>(1,624,000)</u>	<u>(812,000)</u>

A Assumptions underlying valuation

	2015	2014
	% pa	% pa
Pension Increase Rate	2.5%	2.9%
Salary Increase Rate	3.9%	4.2%
Expected Return on Assets	3.3%	6.0%
Discount rate	3.3%	4.3%

Average future life expectancies of members at age 65 is assumed as follows:	Males	Females
Current pensioners	22.3 years	24.5 years
Future pensioners *	24.3 years	26.7 years

* Figures assume members aged 45 at the last formal valuation date

B Scheme assets and expected rate of return

	2015		2014	
	Market	Expected	Market	Expected
	Value	rate of	Value	rate of
	£'000	return	£'000	return
		% pa		% pa
Equities	6,128	3.3	5,811	6.6
Bonds	2,228	3.3	1,335	4.0
Property	650	3.3	471	4.8
Cash	279	3.3	236	3.7
Total	<u>9,285</u>		<u>7,853</u>	

C Net pension liability

	2015	2014
	£'000	£'000
Estimated scheme assets	9,285	7,853
Present value of scheme liabilities	(11,277)	(8,907)
Net pension liability	<u>(1,992)</u>	<u>(1,054)</u>

DACORUM SPORTS TRUST
(A company limited by guarantee)

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2015

9 Pension costs continued

D Recognition in the profit or loss

	2015	2014
	£'000	£'000
Service cost	417	403
Interest cost	390	362
Expected Return on Employer Assets	(478)	(332)
Total	329	433

E Reconciliation of the defined benefit obligation

	Year to	Year to
	31/03/2015	31/03/2014
	£'000	£'000
Opening Defined Benefit Obligation	8,907	7,875
Current Service Cost	417	403
Interest Cost	390	362
Contributions by members	115	105
Actuarial Losses / (Gains)	1,615	336
Estimated Benefits Paid	(167)	(174)
Closing Defined Benefit Obligation	11,277	8,907

F Reconciliation of fair value of employer assets

	Year to	Year to
	31/03/2015	31/03/2014
	£'000	£'000
Opening Fair Value of Employer Assets	7,853	6,405
Expected Return on Assets	478	332
Contributions by members	115	105
Contributions by the Employer	357	302
Actuarial Gains / (Losses)	649	883
Benefits Paid	(167)	(174)
Closing Fair Value of Employer Assets	9,285	7,853

G Amounts for the current and previous accounting periods

	Year to	Year to
	31/03/2015	31/03/2014
	£'000	£'000
Fair Value of Employer Assets	9,285	7,853
Present Value of Defined Benefit Obligation	(11,277)	(8,907)
Surplus / (Deficit)	(1,992)	(1,054)
Experience gains/(losses) on assets	649	883
Experience gains/(losses) on liabilities	32	(776)

	Year to	Year to	Year to
	31/03/2013	31/03/2012	31/03/2011
	£'000	£'000	£'000
Fair Value of Employer Assets	6,405	5,311	5,073
Present Value of Defined Benefit Obligation	(7,875)	(6,196)	5,474
Surplus / (Deficit)	(1,470)	(885)	(401)
Experience gains/(losses) on assets	505	(244)	380
Experience gains/(losses) on liabilities	3	(22)	349

H Amounts Recognised in Statement of Total Recognised Gains and Losses (STRGL)

	Year to	Year to	Year to
	31/03/2015	31/03/2014	31/03/2013
	£'000	£'000	£'000
Actuarial Gains / (Losses)	(966)	547	(555)

	Year to
	31/03/2016
Projected amount charged to operating profit	
Projected current service cost	480
Interest on Obligation	379
Expected return on Plan assets	(311)
Total	548

The estimated current service cost includes an allowance for administration expenses of 0.4% of pay.

The above figures should be treated as estimates and may need to be adjusted to take account of:

- any material events, such as curtailments, settlements or the discontinuance of the Employers participation in the Fund
- any changes to accounting practice or any changes in the Scheme benefits.
- any changes to scheme benefits or member contribution rates and/or
- any full funding valuation that may have been carried out on the Employer's behalf

The monetary amount of the projected service cost for 2014/15 may be adjusted to take account of actual pensionable payroll for the year.

The projected service cost will not necessarily be appropriate for employers who are no longer admitting new employees to the fund.

DACORUM SPORTS TRUST
(A company limited by guarantee)

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2015

10 Taxation

The Trust is exempt from corporation tax on its charitable activities.

11 Tangible fixed assets

Cost	Brought Fwd 31-Mar-14 £	Additions £	Disposals £	At 31-Mar-15 £
XC Only				
Building	5,307,531	-	-	5,307,531
Furniture, fittings & equipment	133,315	-	-	133,315
IT expenditure	55,063	-	-	55,063
XC Sub Total (see note below)	5,495,909			5,495,909
Sports Centres & Little Hay:				
Leasehold Improvements	306,139	307,313	-	613,452
Plant & Machinery	112,772	1,638	-	114,410
Furniture, fittings & equipment	708,136	59,282	-	767,418
Office Equipment	7,770	-	-	7,770
IT expenditure	199,844	17,544	-	217,388
IT software	199,715	73,971	-	273,686
Gym equipment	684,168	46,775	-	730,943
Motor Vehicles	10,900	-	-	10,900
DBC Assets Transferred 1/4/04	386,094	-	-	386,094
	8,111,447	506,524		8,617,971
Depreciation				
XC Only				
Land and Buildings	696,835	266,148	-	962,982
Furniture, fittings & equipment	68,431	25,987	-	94,418
IT expenditure	48,945	6,118	-	55,063
XC Sub Total (see note below)	814,211	298,253		1,112,463
Sports Centres & Little Hay:				
Leasehold Improvements	137,620	55,645	-	193,265
Plant & Machinery	69,368	13,148	-	82,516
Furniture, fittings & equipment	556,134	60,308	-	616,442
Office Equipment	7,770	-	-	7,770
IT expenditure	134,115	49,360	-	183,475
IT software	149,335	36,489	-	185,824
Gym equipment	517,319	50,179	-	567,498
Motor vehicles	9,854	1,046	-	10,900
DBC Assets Transferred 1/4/04	185,385	18,385	-	203,771
	2,581,111	582,814		3,163,925
Net book value				
At 31 March 2015	5,530,335	(76,290)		5,454,046

Land and Buildings at the XC centre are being written off over the term of the XC lease (20 years) whilst the other assets are being written off in accordance with our normal policy.

DBC Assets at 1 April 2004 relate to the equipment and furniture etc notionally transferred to the Trust from Dacorum Borough Council. The Council has retained ownership of these assets which are being depreciated over the period of the lease.

Plant and Machinery relates to green keeping equipment purchased through hire purchase or lease agreements.

	2015 £	2014 £
Cost	114,410	112,772
Accumulated depreciation		
At 31 March	82,516	84,993
Net book value		
At 31 March	<u>31,894</u>	<u>27,779</u>
Depreciation charged during the year	<u>13,148</u>	<u>15,626</u>

DACORUM SPORTS TRUST
(A company limited by guarantee)

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2015

12 Debtors

	2015	2014
	£	£
Prepayments	114,900	97,178
Accrued income	36,758	(6,542)
Dacorum Borough Council current account	56,340	-
Other debtors	71,280	105,164
	<u>279,278</u>	<u>195,801</u>

13 Creditors: amounts falling due within one year

	2015	2014
	£	£
Trade creditors	255,237	197,816
Dacorum Borough Council current account	-	6,559
Social Security and Other Taxes	133,834	258,033
Other creditors	83,214	79,333
Accruals	170,482	281,810
Deferred income	193,574	424,419
Obligations under finance leases	45,827	45,827
	<u>882,169</u>	<u>1,293,796</u>

14 Creditors: amounts falling due after more than one year

	2015	2014
	£	£
Dacorum Borough Council - Transfer value of assets (note 11)	386,094	386,094
Obligations under finance leases	96,606	139,510
	<u>482,700</u>	<u>525,604</u>

15 Obligations under finance leases

	2015	2014
	£	£
The amounts fall due as follows:		
Within one year	45,827	45,827
In the second to fifth year inclusive	96,606	139,510
	<u>142,433</u>	<u>185,337</u>

16 Operating lease commitments

At 31st March 2014 the company had annual commitments under non-cancellable operating leases as follows:

	2015	2014
	£	£
Other lease commitments		
Less than 12 months	18,031	138
Between 2 and 5 years	<u>35,485</u>	<u>-</u>

17 Company Status

The Trust is a company limited by guarantee and does not have share capital. However every member of the company undertakes to contribute such amounts as may be required (not exceeding £1) to the company's assets if it should be wound up.

DACORUM SPORTS TRUST
(A company limited by guarantee)

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2015

18 Capital Commitments

At the balance sheet date the Trust had no capital commitments.

19 Related Parties

The Trust operates the leisure facilities of Dacorum Borough Council under contractual arrangements that provide for both revenue and capital funding from the Council. The Trust provides these activities mainly from premises owned by the Council and let to the Trust at a peppercorn rent.

The charity trustees were not paid or reimbursed expenses during the year and no charity trustee received any emolument or payment for professional or other services.

20 Indemnity Insurance

The Trust has arranged insurance to protect itself from loss arising from the neglect, or defaults of its Directors and employees.

	2015	2014
	£	£
Directors, officials and employee's indemnity insurance	2,544	2,544

21 Movements in funds

	B/fwd	Incoming	Outgoing		At
	01/04/2014	Resources	Resources	Transfers	31/03/2015
	£	£	£	£	£
Restricted funds:					
My Place Funding - Capital	4,246,140	-	(282,699)	-	3,963,441
Donated Services - Accommodation	-	444,000	(444,000)	-	-
Total Restricted Funds	4,246,140	444,000	(726,699)	-	3,963,441
Unrestricted funds:					
General funds	578,816	7,916,084	(7,556,371)	(278,000)	660,529
Designated fund -					
XC Repairs Fund	16,509	6,000	-	-	22,509
Revenue reserve	400,000	-	-	250,000	650,000
	995,325	7,922,084	(7,556,371)	(28,000)	1,333,038
Pension Scheme Liability	(812,000)	126,000	(966,000)	28,000	(1,624,000)
Total Unrestricted Funds	183,325	8,048,084	(8,522,371)	-	(290,962)
Total funds	4,429,465	8,492,084	(9,249,070)	-	3,672,479

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2015

21 Movements in funds continued

Purposes of restricted funds:

Myplace Grant Scheme grant

The grant has now been received in full. The purpose of the grant was to fund the construction of the new XC centre for young people at Jarman Park. The funding was made as part of a joint application with Youth Connexions who also operate from the centre. The balance of the restricted fund represents a proportion of the capital cost less depreciation written off to date.

Service Level Agreements

DBC funding included an amount to pay for the service level agreements with DBC and included the following:

	2015	2014
	£	£
Grounds maintenance	12,279	12,279
Legal and insurance	3,080	3,080
	<u>15,359</u>	<u>15,359</u>

Purposes of designated funds (unrestricted):

Revenue Reserve

This reserve has been set up to provide a contingency reserve to cover one months expenditure. The Trust aims to build up this reserve over a number of years at the rate of £50,000 per annum. This year there was insufficient funds to make a transfer.

22 Analysis of net assets between funds

	Tangible assets	Current assets	Liabilities	Total
	£	£	£	£
Restricted funds - My Place (to cover depreciation on XC)	3,963,441	-	-	3,963,441
Unrestricted funds	1,490,605	1,207,302	1,364,869	1,333,037
Pension Scheme Liability	-	-	1,624,000	(1,624,000)
	<u>5,454,046</u>	<u>1,207,302</u>	<u>2,988,869</u>	<u>3,672,479</u>