

COMPANY NUMBER: 4982682

BOLTON COMMUNITY LEISURE LIMITED
a company limited by guarantee

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2005



Crane & Partners

Chartered Accountants

BOLTON COMMUNITY LEISURE LIMITED

SCHEDULE OF ADVISORS

Directors

John Waters
Bob Atkinson
Sheldon Phillips
Jan Hutchinson
Richard Saunders
Ian Hamilton

Secretary

Margaret Stoney

Registered Office

Horwich Leisure Centre
Victoria Road
Horwich
Bolton
BL6 5PY

Auditors

Crane & Partners
Sussex House
8-10 Homesdale Rd
Bromley
Kent
BR2 9LZ

Solicitors

Eversheds LLP
Senator House
85 Queen Victoria Street
London
EC4V 4JL

Bankers

National Westminster
42 Deansgate
Bolton
Lancashire
BL1 1BN

BOLTON COMMUNITY LEISURE LIMITED

CHAIR'S STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2005

This is the second year of the operation of Bolton Community Leisure Limited (the Trust) and further work has been done in developing the Trust's and Trustees' strategic role in developing sport and recreational services in Bolton.

The Trust has developed a clear mission statement which puts at the heart of its work 'the desire and responsibility to develop and maintain high quality community sport, leisure, physical activity and educational opportunities across Bolton and surrounding areas'. The Trust has also developed clear objectives and set agreed key performance indicators which will be further developed.

A key part of the Trust's role has been to oversee the management of the leisure facilities which is carried out by Serco and I am pleased to report that we have seen improvements in service standards. The Leisure Management Quality Standard 'Quest' has been achieved by 6 of the Centres with further assessments waiting to be carried out.

New indoor cricket facilities were developed at Little Lever in 2005 with support from the New Opportunities Fund, on-line booking has been introduced with further developments planned and a full access audit has been carried out to respond to the Disability Discrimination Act which will see a number of access improvements for people with a disability.

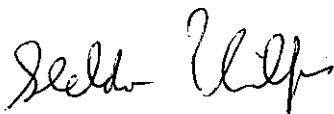
There is still scope for further improvement and the Trust will continue to strive towards enhanced quality service delivery.

The Trust continues to have a relatively small number of Trustees and a concerted recruitment campaign will be carried out in 2006.

The Trust completed a legal grant agreement with Bolton Council which formally sets out the obligations of both parties and provides an agreed grant funding mechanism. This agreement is for a period of just over 15 years.

The financial performance of the Trust during 2005 shows an increase in reserves mainly due to the change in the Credit Sales Agreement. As the Trust considers its priorities in the next year some of these reserves will be allocated to enhance service provision in conjunction with its partners.

Finally, I would like to thank fellow Trustees and officers of the Trust, Bolton MBC and Serco for their efforts in progressing the development of the Trust and commitment to continuous service improvement.



Sheldon Phillips
Chair, Bolton Community Leisure Limited
8 May 2006

BOLTON COMMUNITY LEISURE LIMITED

TRUSTEES ANNUAL REPORT AND REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2005

Bolton Community Leisure Limited was incorporated on the 2 December 2003. It is a Charity, governed by a set of Memorandum and Articles of Association, and is in the process of Registering with the Charities Commission.

The affairs of the Charity are managed by the directors and the principal place of operation is Horwich Leisure Centre, Victoria Road, Horwich, Bolton, BL6 5PY.

Trustees and Directors

The following trustees and directors have held office since 1 January 2005:

Laura Nuttall	(resigned 27 May 2005)
John Waters	
Bob Atkinson	
Sheldon Phillips	
Jan Hutchinson	
Richard Saunders	
Ian Hamilton	
Philip Mason	(appointed 27 May 2005, resigned 27 January 2006)

Reserves

It is the policy of the charity to maintain unrestricted funds, which are free reserves of the charity, at a level to meet anticipated unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs. Unrestricted funds were maintained at this level throughout the year. The charity intends to maintain a minimum reserve of £10,000 as soon as it is achievable.

Review of the year

A review of the year has been included in the Chair's Statement on page 2.

Risk Management

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against misstatement or loss. They include:

- A strategic plan and an annual budget approved by the directors.
- Regular consideration by the directors of financial results, variance from budgets, non-financial performance and benchmarking reviews.
- Delegation of authority and segregation of duties.
- Identification and management of risks.

BOLTON COMMUNITY LEISURE LIMITED

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2005

Directors' Responsibilities

Company law requires the directors prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

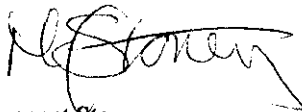
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provision of Part VII of the Companies Act 1985 relating to small companies.

Auditors

A resolution to reappoint Crane & Partners as auditors will be proposed at the Annual General Meeting.

By order of the Board



Margaret Stoney

Secretary

8 May 2006

INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF BOLTON COMMUNITY LEISURE LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2005

We have audited the financial statements of Bolton Community Leisure Limited on pages 6 to 13 for the year ended 31 December 2005. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors

As described in the statement of directors' responsibilities on page 4, the directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 directors' report is not consistent with the financial statements, if the 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 directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

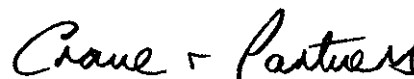
Basis of Audit Opinion

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 financial statements. It also includes an assessment of the significant estimates and judgments by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the 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 consider 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 state of affairs of the Company at 31 December 2005 and of its surplus for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



Sussex House
8-10 Homesdale Road
Bromley
Kent BR2 9LZ

Crane & Partners
Chartered Accountants
Registered Auditors
8. May 2006

BOLTON COMMUNITY LEISURE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2005

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2005 £	Total 2004 £
Income and Expenditure					
Incoming resources					
<i>from continuing operations</i>					
Grants	2	2,305,074	-	2,305,074	2,234,860
Leisure Centre	3	2,477,416	-	2,477,416	2,269,511
Total Incoming Resources	13	<u>4,782,490</u>	<u>-</u>	<u>4,782,490</u>	<u>4,504,371</u>
Resources Expended					
<i>on continuing operations</i>					
Cost of sales	4	155,283	-	155,283	125,201
Staff related	5	2,543,670	-	2,543,670	2,493,548
Building related	6	738,469	-	738,469	591,968
Services	7	82,373	-	82,373	82,750
Administration	8	326,803	-	326,803	273,933
Investment	9	795,049	-	795,049	784,736
		<u>4,641,647</u>	<u>-</u>	<u>4,641,647</u>	<u>4,352,136</u>
Other expenditure	10	139,432	-	139,432	147,207
Total resources expended	13	<u>4,781,079</u>	<u>-</u>	<u>4,781,079</u>	<u>4,499,343</u>
Net incoming resources /					
Net Movement in Funds					
		1,411	-	1,411	5,028
Fund balances					
at 1 January 2005		5,028	-	5,028	-
at 31 December 2005		<u>6,439</u>	<u>-</u>	<u>6,439</u>	<u>5,028</u>

BOLTON COMMUNITY LEISURE LIMITED

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2005

	2005	2004
	£	£
Gross Income of continuing operations	4,782,490	4,504,371
Total expenditure of continuing operations	<u>(4,781,079)</u>	<u>(4,499,343)</u>
Net income for the financial year	<u>1,411</u>	<u>5,028</u>

- (a) Detailed analyses of expenditure are provided in the Statement of Financial Activities.
- (b) The Summary of Income and Expenditure Account is derived from the Statement of Financial Activities on page 6 which, together with the notes on pages 9 to 13, provides full information on the movements during the year on all the charity's funds.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

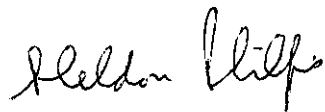
The company has no recognised gains or losses other than those dealt with in the Statement of Financial Activities for both the current and previous years.

BOLTON COMMUNITY LEISURE LIMITED**BALANCE SHEET****AS AT 31 DECEMBER 2005**

	Notes	£	2005	£	£	2004	£
Current Assets							
Stock		25,641			20,584		
Debtors and prepayments	11	605,659			529,346		
Cash at bank and in hand		<u>339,939</u>			<u>467,872</u>		
		971,239			1,017,802		
Current Liabilities							
Creditors: Amounts falling due within one year	12	<u>964,800</u>			<u>1,012,774</u>		
Net Current Assets							
				<u>6,439</u>			<u>5,028</u>
Net Assets							
				<u><u>6,439</u></u>			<u><u>5,028</u></u>
Funds							
Restricted funds	13			-			-
Unrestricted funds	13			<u>6,439</u>			<u>5,028</u>
				<u><u>6,439</u></u>			<u><u>5,028</u></u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board of Directors on 8 May 2006.



Sheldon Phillips
Chairman

BOLTON COMMUNITY LEISURE LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2005****1. ACCOUNTING POLICIES**

The financial statements have been prepared under the historical cost convention in accordance with the Statement of Recommended Practice, Accounting by Charities and in accordance with the accounting policies set out below.

1.1 Income

Income is recorded when receivable whenever the amount is known, otherwise it is recorded on a cash received basis.

Grants receivable are credited to income for the period for which they are given. Grants received in respect of future periods are treated as deferred income in the Balance Sheet.

1.2 Expenditure

Expenditure is taken into account when it is incurred.

1.3 Stock

Stock is stated at the lower of cost and net realisable value.

1.4 Leases

Rental costs under operating leases are charged to the income and expenditure account in equal annual instalments over the period of the lease.

1.5 Pensions

The company participates in the Greater Manchester Superannuation Fund, a defined contribution scheme. The amounts paid and due are shown in note 15.

2. GRANTS

	2005	2004
	£	£
Bolton Council	<u>2,305,074</u>	<u>2,234,860</u>

3. LEISURE CENTRE

	2005	2004
	£	£
Wetside	1,016,621	988,776
Dryside	546,698	475,998
Isospa	239,679	173,993
Isospa - membership	287,797	128,694
Courses & Classes	113	780
Food & Beverage	259,007	202,199
Admission Fees	15,220	27,626
Other Income	46,373	35,593
Cash Variances	1,403	(397)
Serco Leisure Limited Contribution	64,505	236,249
	<u>2,477,416</u>	<u>2,269,511</u>

BOLTON COMMUNITY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2005

4. COST OF SALES	2005	2004
	£	£
Food & Beverage	140,997	118,027
Other Saleable Items	14,286	7,174
	<u>155,283</u>	<u>125,201</u>
5. STAFF RELATED	2005	2004
	£	£
Salaries & Wages	2,188,817	2,180,422
Employers Liability	273,096	245,243
Other Staff Costs	65,287	66,055
Agency/SE Staff	16,470	1,828
	<u>2,543,670</u>	<u>2,493,548</u>
6. BUILDING RELATED	2005	2004
	£	£
Repairs & Maintenance	337,060	197,433
Utilities	353,693	334,702
Cleaning	48,565	46,668
Rates/Rent	(830)	10,830
Other	(19)	2,335
	<u>738,469</u>	<u>591,968</u>
7. SERVICES	2005	2004
	£	£
Marketing	44,744	46,663
Machine Hire	7,538	12,816
Consumables	23,244	16,488
Other	6,847	6,783
	<u>82,373</u>	<u>82,750</u>

BOLTON COMMUNITY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2005

8. ADMINISTRATION	2005	2004
	£	£
Communications	31,658	21,062
Legal, Professional	96,715	76,357
Auditors remuneration	2,300	2,300
Bank charges	176,194	97,286
Other	19,936	76,928
	<u>326,803</u>	<u>273,933</u>
9. INVESTMENT	2005	2004
	£	£
Operating Lease	335,453	331,154
Credit Sale Agreement	449,282	453,582
Other	10,314	-
	<u>795,049</u>	<u>784,736</u>
10. OTHER EXPENDITURE	2005	2004
	£	£
Finance Lease Interest	758	1,422
Overhead Recharges	67,686	33,189
Insurance	70,988	112,596
	<u>139,432</u>	<u>147,207</u>
11. DEBTORS	2005	2004
	£	£
Trade debtors	56,650	10,866
Other debtors	312,767	236,249
Prepayments and accrued income	236,242	282,231
	<u>605,659</u>	<u>529,346</u>
12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2005	2004
	£	£
Trade creditors	109,877	59,832
Taxation and social security	45,817	73,918
Accruals and deferred income	809,106	879,024
	<u>964,800</u>	<u>1,012,774</u>

BOLTON COMMUNITY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2005

13. FUNDS

Restricted funds hold amounts received for specific activities and expenditure on those activities is set against those amounts.

Unrestricted funds comprise income received for general use of the Charity.

	Balance 01.01.05	Movement in funds		Balance 31.12.05
		Incoming Resources	Resources Expended	
	£	£	£	£
Restricted Funds	-	-	-	-
Unrestricted Funds	5,028	4,782,490	(4,781,079)	6,439
	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	<u>5,028</u>	<u>4,782,490</u>	<u>(4,781,079)</u>	<u>6,439</u>

The balance on these funds is represented by the assets and liabilities of the Charity and an analysis of these assets and liabilities between restricted and unrestricted funds is shown in note 14.

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fund balances at 31 December 2005 are represented by:			
<i>Current assets:</i>			
Stock	25,641	-	25,641
Debtors and prepayments	605,659	-	605,659
Cash at bank	339,939	-	339,939
<i>Current liabilities:</i>			
	<u>(964,800)</u>	<u>-</u>	<u>(964,800)</u>
Net assets	<u>6,439</u>	<u>-</u>	<u>6,439</u>

15. PENSION COSTS

The company contribute at a rate of 11.4% of gross salaries to the Greater Manchester Superannuation Fund. Payments to the fund totalled £157,107, and no amounts were outstanding at the year end.

BOLTON COMMUNITY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2005

16. OPERATING LEASE COMMITMENTS

Rentals payable under operating lease commitments
are as follows:

£

On leases expiring after five years:

735,000

17. COMPANY STATUS

The company is limited by guarantee and thus has no share capital. Each of the members has undertaken to contribute the sum of £10 in the event of the company being unable to meet its liabilities. There are 7 members.