

COMPANY NUMBER: 4982682
CHARITY NUMBER: 1117186

BOLTON COMMUNITY LEISURE LIMITED
a company limited by guarantee

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007

Crane & Partners
Chartered Accountants

FRIDAY



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09/05/2008
COMPANIES HOUSE

BOLTON COMMUNITY LEISURE LIMITED

SCHEDULE OF ADVISORS

Directors / Trustees

Robert Atkinson
Sheldon Phillips
Jan Hutchinson
Richard Saunders
Anthony Lord
Stuart Bailey
Nicholas Brooks Skyes
John O'Keeffe
Anthony Connell

Registered Office

Horwich Leisure Centre
Victoria Road
Horwich
Bolton
BL6 5PY

Secretary

Margaret Stoney

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 2007

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

The Trust has an important role to play in overseeing the management of the leisure facilities, which is carried out by Serco Leisure, extending sport and recreational opportunities and improving the quality of service standards. The Trust and Serco continue to monitor service standards and improvements in the externally verified service assessment (Quest) at Horwich, Little Lever and Hayward are particularly pleasing.

The Trust agreed with Bolton Council that it would include Leverhulme Community Club as part of its portfolio of facilities from April 2007 and this is very welcome addition to services for the local community.

Following an initiative and additional funding from Bolton Council, the Trust was able to agree with Serco the provision of free swimming for under 16s and free access to sports facilities for over 65s. The Trust and Serco will wish to work closely with the Council about possible future service improvements.

The financial performance of the Trust during 2007 proved very positive following the successful financial management of the contract by Serco which has led to a profit share return to the Trust of over £140,000. This now means that the Trust has a meaningful surplus which it can now look to re-invest into service provision. I am also keen that the Trust uses its charitable status to lever in further support from relevant funding bodies to increase the available resources. The Trust will need to work closely with Bolton Council, Serco and other local partners to ensure that the Trust develops the most appropriate interventions which maximise service improvements to the wider community.

I still remain concerned about the quality of much of the physical building stock of the facilities under the Trust's remit and there will be a need to continue to work with Bolton MBC to look at long term development solutions. In addition, the Trust will work closely with partners in the development of new facilities such as the Town Centre swimming pool.

Whilst the number of Trustees has been relatively stable during the year, the Trust will need to consider further increases to membership to ensure future sustainability and to deal with any equality and skills issues.

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



Sheldon Phillips
Chair, Bolton Community Leisure Limited
25 April 2008

BOLTON COMMUNITY LEISURE LIMITED

TRUSTEES ANNUAL REPORT AND REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2007

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 was registered with the Charities Commission on 8 December 2006.

The principal activity of the charity was the management of several leisure centres based throughout northern England.

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.

Directors

The following directors have held office since 1 January 2007

Bob Atkinson	
Sheldon Phillips	
Jan Hutchinson	
Richard Saunders	
Daniel Morgan	(resigned 23 May 2007)
Anthony Lord	
Jusab Shabbir	(resigned 26 July 2007)
John Byrne	(resigned 23 May 2007)
Stuart Bailey	
Nicholas Brooks Skyes	
John O'Keeffe	
Tony Connell	(appointed 23 May 2007)

All directors listed above are trustees of the charity.

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.

Review of the year

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

(cont)

BOLTON COMMUNITY LEISURE LIMITED

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2007

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

Directors' Responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

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

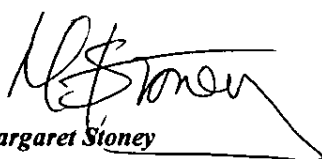
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets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

25 April 2008

INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF BOLTON COMMUNITY LEISURE LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2007

We have audited the financial statements of Bolton Community Leisure Limited on pages 6 to 13 for the year ended 31 December 2007. 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 2007 and of its surplus for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Report of the Directors is consistent with the financial statements.

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


Crane & Partners
Registered Auditors

2 May 2008

BOLTON COMMUNITY LEISURE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2007

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2007 £	Total 2006 £
Income and Expenditure					
Incoming resources					
<i>from continuing operations</i>					
Grants	2	2,675,291	151,629	2,826,920	2,348,202
Leisure Centre	3	2,901,766	-	2,901,766	2,736,391
Total Incoming Resources	13	<u>5,577,057</u>	<u>151,629</u>	<u>5,728,686</u>	<u>5,084,593</u>
Resources Expended					
<i>on continuing operations</i>					
Cost of sales	4	182,046	-	182,046	156,544
Staff related	5	2,799,698	-	2,799,698	2,602,561
Building related	6	783,569	-	783,569	778,069
Services	7	94,303	151,629	245,933	76,650
Administration	8	290,130	-	290,130	289,261
Investment	9	729,463	-	729,463	768,765
		<u>4,879,210</u>	<u>151,629</u>	<u>5,030,839</u>	<u>4,671,850</u>
Other expenditure	10	514,620	-	514,620	404,568
Total resources expended	13	<u>5,393,830</u>	<u>151,629</u>	<u>5,545,459</u>	<u>4,781,079</u>
Net incoming resources /					
Net Movement in Funds					
		183,227	-	183,227	8,176
Fund balances					
at 1 January 2007		14,615	-	14,615	6,439
at 31 December 2007		<u>197,842</u>	<u>-</u>	<u>197,842</u>	<u>14,615</u>

BOLTON COMMUNITY LEISURE LIMITED

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2007

	2007	2006
	£	£
Gross Income of continuing operations	5,728,686	5,084,593
Total expenditure of continuing operations	<u>(5,545,459)</u>	<u>(5,076,417)</u>
Net income for the financial year	<u>183,227</u>	<u>8,176</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 2007**

	Notes	2007 £	2006 £
Current Assets			
Stock		24,742	24,237
Debtors and prepayments	11	568,467	154,285
Cash at bank and in hand		<u>986,806</u>	<u>926,090</u>
		1,580,015	1,104,611
Current Liabilities			
Creditors Amounts falling due within one year	12	<u>1,382,173</u>	<u>1,089,996</u>
Net Current Assets		<u>197,842</u>	<u>14,615</u>
Net Assets		<u>197,842</u>	<u>14,615</u>
Funds			
Restricted funds	13	-	-
Unrestricted funds	13	<u>197,842</u>	<u>14,615</u>
		<u>197,842</u>	<u>14,615</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 25 April 2008



Sheldon Phillips
Chairman

BOLTON COMMUNITY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2007

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

	2007	2006
	£	£
Bolton Council	<u>2,675,291</u>	<u>2,348,202</u>

3. LEISURE CENTRE

	2007	2006
	£	£
Wetside	1,112,059	1,154,890
Dryside	695,272	580,746
Isospa	241,960	233,855
Isospa - membership	465,135	395,074
Courses and classes	132	437
Food and beverages	272,474	250,859
Admission fees	8,214	13,709
Other income	106,983	107,294
Cash variances	(463)	(473)
	<u>2,901,766</u>	<u>2,736,391</u>

BOLTON COMMUNITY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2007

4.	COST OF SALES	2007	2006
		£	£
	Food and beverages	133,097	131,523
	Other saleable items	25,813	18,650
	Income / profit share	23,135	6,370
		<u>182,046</u>	<u>156,544</u>
5	STAFF RELATED	2007	2006
		£	£
	Salaries and wages	2,413,523	2,231,509
	Employers liability	288,973	274,078
	Other staff costs	71,429	83,082
	Agency/SE Staff	25,773	13,893
		<u>2,799,698</u>	<u>2,602,561</u>
6.	BUILDING RELATED	2007	2006
		£	£
	Repairs and maintenance	282,356	265,953
	Utilities	446,790	453,485
	Cleaning	53,073	58,456
	Other	1,350	175
		<u>783,569</u>	<u>778,069</u>
7.	SERVICES	2007	2006
		£	£
	Marketing	46,788	44,662
	Machine hire	8,503	8,620
	Consumables	31,221	24,854
	Other	159,421	(1,486)
		<u>245,933</u>	<u>76,650</u>

BOLTON COMMUNITY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2007

8. ADMINISTRATION	2007	2006
	£	£
Communications	22,712	27,809
Legal and professional	31,345	24,138
Auditors remuneration	2,291	2,350
Bank charges	89,414	110,691
Other	144,367	124,273
	<u>290,130</u>	<u>289,261</u>
9. INVESTMENT	2007	2006
	£	£
Operating lease	335,453	335,453
Credit sale agreement	382,368	399,097
VAT equalisation	-	24,750
Other	11,642	9,465
	<u>729,463</u>	<u>768,765</u>
10. OTHER EXPENDITURE	2007	2006
	£	£
Finance lease interest	67	157
Overhead recharges	85,992	84,063
Insurance	42,899	73,976
Management fee to Serco Leisure Operating Limited	385,661	246,372
	<u>514,620</u>	<u>404,568</u>
11. DEBTORS	2007	2006
	£	£
Trade debtors	58,992	70,939
Other debtors	278,229	6,534
Prepayments and accrued income	231,246	76,812
	<u>568,467</u>	<u>154,285</u>
12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2007	2006
	£	£
Trade creditors	58,837	58,261
Taxation and social security	59,873	42,780
Accruals and deferred income	1,263,464	988,955
	<u>1,382,173</u>	<u>1,089,996</u>

BOLTON COMMUNITY LEISURE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (Continued)****FOR THE YEAR ENDED 31 DECEMBER 2007****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 01.01.07	Movement in funds		Balance 31.12.07
		Incoming Resources	Resources Expended	
	£	£	£	£
Restricted Funds	-	151,629	(151,629)	-
Unrestricted Funds	14,615	5,577,057	(5,393,830)	197,842
	<u>6,439</u>	<u>5,728,686</u>	<u>(5,545,459)</u>	<u>197,842</u>
Total funds	6,439	5,728,686	(5,545,459)	197,842

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

The Restricted Fund represents a grant from the Neighbourhood Renewal Fund, a grant which has been made available to England's most deprived local authorities, to enable them to improve services and narrow the gap between these areas and the rest of the country. The grant was specifically provided to enable the conversion of underused space in four leisure centres to create fitness suites/dance studios and purchase fitness equipment

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fund balances at 31 December 2007 are represented by:			
<i>Current assets</i>			
Stock	24,742	-	24,742
Debtors and prepayments	568,467	-	568,467
Cash at bank	986,806	-	986,806
<i>Current liabilities</i>	<u>(1,382,173)</u>	<u>-</u>	<u>(1,382,173)</u>
Net assets	<u>197,842</u>	<u>-</u>	<u>197,842</u>

15. PENSION COSTS

The company contribute at a rate of 12.8% of gross salaries to the Greater Manchester Superannuation Fund. Payments to the fund totalled £192,022 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 2007

16. OPERATING LEASE COMMITMENTS

Rentals payable under operating lease commitments are as follows	£
On leases expiring after five years	<u>717,821</u>

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 9 members.