

Company Registration No. 05842539 (England and Wales)

**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**

**T/A EMD UK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2017**

**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**  
**T/A EMD UK**  
**COMPANY INFORMATION**

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**Directors**

I Milne (Chairman)  
S Price  
J Dewar  
K Read  
P Udayan-Chiechi  
J Evans  
B Rose  
S Campbell (Appointed 3 March 2017)  
P Fullard (Appointed 3 March 2017)  
S Mirza (Appointed 3 March 2017)  
P Szumilewicz (Appointed 3 March 2017)

**Company number** 05842539

**Registered office**

1-7 Station Road  
Crawley  
West Sussex  
RH10 1HT

**Auditor**

Darren Harding ACA, FCCA, DChA  
Richard Place Dobson Services Limited  
1-7 Station Road  
Crawley  
West Sussex  
RH10 1HT

**Business address**

Unit 14 Graylands Estate  
Langhurstwood Road  
Horsham  
West Sussex  
RH12 4QD

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**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**  
**T/A EMD UK**  
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**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**  
**T/A EMD UK**  
**DIRECTORS' REPORT**  
***FOR THE YEAR ENDED 31 MARCH 2017***

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The directors present their annual report and financial statements for the year ended 31 March 2017.

**Principal activities**

The principal activity of the company is to promote, develop and support group exercise.

**Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

I Milne (Chairman)	
M Watson	(Resigned 3 March 2017)
L Parker	(Resigned 1 December 2016)
S Price	
J Dewar	
K Read	
M Nicholson	(Resigned 3 March 2017)
P Udayan-Chiechi	
M King	(Resigned 8 June 2017)
J Evans	
B Rose	
S Campbell	(Appointed 3 March 2017)
P Fullard	(Appointed 3 March 2017)
S Mirza	(Appointed 3 March 2017)
P Szumilewicz	(Appointed 3 March 2017)

**Statement of directors' responsibilities**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

The directors are responsible for the maintenance and integrity of the company website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**  
**T/A EMD UK**  
**DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2017**

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**Founder Organisations**

Arrangements were finalised in 2014 for the operational activities of the Founder organisations (The Keep Fit Association, The Medau Society & The Womens' League of Health & Beauty (which is operationally known as The Fitness League)). Each has entered into a License Agreement with EMDP with effect from 1st August 2012.

The Members have approved new Articles for EMDP recognising these arrangements. These Articles introduce a class of EMD organisations that have a special relationship with EMDP, called 'Nominating Organisations'. The Founder organisations are the first Nominating Organisations.

These agreements have been renewed as of 1st April 2017.

**Funding**

Funding was awarded from Sport England of £1.9 Million over 4 years, from April 2013 to March 2017, which was paid in half yearly instalments. Additional funding under a Sport England incentive called "Moving the Market" was secured which consisted of a grant of £497,480 over a two year period from August 2014 to August 2016.

The directors also secured £249,000 from Sport England's Reward & Incentive Fund for the 2016-17 financial year.

Additionally, EMDP secured a further £150,000 from the Mayor's Legacy Fund in London for the 2016-18 period.

These investments are reviewed annually against certain undertakings made at the time of the award.

Following a successful application, funding has been awarded from Sport England for "NGB Core Market Investment" of £1.8m from April 2017 to March 2019 which will be payable in quarterly instalments.

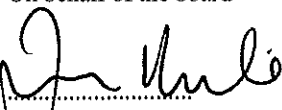
The Directors monitor the activities of the company to ensure this funding continues.

**Reserves Policy**

The directors consider that a reserves policy equivalent to 3 months core costs is sufficient to keep EMDP operating in the short term, should there be a major loss of funding. The reserves held by EMDP are currently below this level but the directors are considering plans to build these up.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

  
.....  
M. J. J. J. (Chairman)  
Director  
.....15.10.17

**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**  
**T/A EMD UK**  
**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**

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We have audited the financial statements of The Exercise Movement and Dance Partnership Limited for the year ended 31 March 2017 set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the 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 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 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 auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors 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 of Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Boards Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its surplus 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 matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Directors' Report has been prepared in accordance with applicable legal requirements.

**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED  
T/A EMD UK  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE MEMBERS OF THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP  
LIMITED**

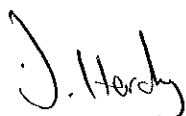
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**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.



**Darren Harding ACA, FCCA, DChA (Senior Statutory Auditor)**

for and on behalf of Richard Place Dobson Services Limited

Chartered Accountants

1-7 Station Road

Crawley

West Sussex

RH10 1HT

10/10/17

**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**  
**T/A EMD UK**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2017**

	Notes	2017 £	2016 £
<b>Income</b>		1,377,450	1,192,545
Cost of sales		(570,122)	(429,037)
<b>Gross surplus</b>		807,328	763,508
Administrative expenses		(765,172)	(732,038)
<b>Operating surplus</b>	<b>2</b>	42,156	31,470
Interest receivable and similar income		3,751	3,285
<b>Surplus before taxation</b>		45,907	34,755
Taxation		(754)	(657)
<b>Surplus for the financial year</b>		45,153	34,098

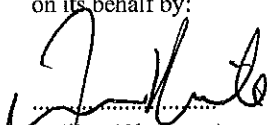


**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**  
**T/A EMD UK**  
**BALANCE SHEET**  
*AS AT 31 MARCH 2017*

	Notes	2017		2016	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	4		11,112		20,960
<b>Current assets</b>					
Debtors	5	87,288		297,402	
Cash at bank and in hand		378,789		246,500	
		<u>466,077</u>		<u>543,902</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(361,853)</u>		<u>(494,680)</u>	
<b>Net current assets</b>			104,224		49,222
<b>Total assets less current liabilities</b>			<u>115,336</u>		<u>70,182</u>
<b>Reserves</b>					
Income and expenditure account			<u>115,336</u>		<u>70,182</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 15/04/17 and are signed on its behalf by:

  
 .....  
 I Milne (Chairman)  
 Director

Company Registration No. 05842539

**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**  
**T/A EMD UK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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**1 Accounting policies**

**Company information**

The Exercise Movement and Dance Partnership Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 1-7 Station Road, Crawley, West Sussex, RH10 1HT.

**1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

**1.2 Income and expenditure**

Income represents the total invoice value, excluding value added tax, of income received during the year.

Income is recognised in the following ways;

- for membership and teachers - on receipt of the subscription
- on events - according to the date of the event
- for other services - according to the invoice date
- grant income - this is recognised over the life of the agreement and therefore deferred at the year end if the agreements runs into the following year
- Academy income - This is received in advance of a course being undertaken, if the course runs past the year end then a percentage of the income is deferred depending on how far into the following year the course will be run.

Expenses include VAT where applicable as the company cannot reclaim all VAT as they have a partial exemption agreement in place.

**1.3 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Class Finder	33.3% Straight line
Fixtures and fittings	25% - 50% Straight line
Computer equipment	25% - 50% Straight Line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

**1.4 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**  
**T/A EMD UK**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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**1 Accounting policies**

**(Continued)**

**1.5 Financial instruments**

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

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**1.6 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

***Current tax***

The company has obtained exemption from HMRC in respect of corporation tax, it being a company not carrying on a business for the purposes of making a profit. Corporation tax is payable on any interest income received in the year.

**1.7 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**  
**T/A EMD UK**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**1 Accounting policies** **(Continued)**

**1.8 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**1.9 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

**1.10 Government grants**

Grants are credited to deferred revenue. Grants towards revenue expenditure are released on a monthly basis.

**1.11 Critical judgments and accounting estimates**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The main judgment and accounting estimates included in the accounts are:

- Deferral of grant income – Income is recognised when EMDP is entitled to the income and this will be based on the work being completed and there is no requirement to repay the grant.

**1.12 Transition to FRS102**

No accounting policies have changed as a result of the adoption of FRS102.

**2 Operating surplus**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Operating surplus for the year is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	6,600	6,600
Depreciation of owned tangible fixed assets	23,020	13,200
	<u>          </u>	<u>          </u>

**3 Employees**

The average monthly number of persons employed by the company during the year was 19 (2016 - 19).

Non Executive Directors are not remunerated.

**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**  
**T/A EMD UK**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**4 Tangible fixed assets**

	<b>Class Finder</b>	<b>Fixtures and fittings</b>	<b>Computer equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
At 1 April 2016	5,980	8,625	38,335	52,940
Additions	-	-	13,172	13,172
At 31 March 2017	<u>5,980</u>	<u>8,625</u>	<u>51,507</u>	<u>66,112</u>
<b>Depreciation</b>				
At 1 April 2016	167	6,249	25,564	31,980
Depreciation charged in the year	2,000	2,376	18,644	23,020
At 31 March 2017	<u>2,167</u>	<u>8,625</u>	<u>44,208</u>	<u>55,000</u>
<b>Carrying amount</b>				
At 31 March 2017	<u>3,813</u>	<u>-</u>	<u>7,299</u>	<u>11,112</u>
At 31 March 2016	<u>5,813</u>	<u>2,376</u>	<u>12,771</u>	<u>20,960</u>

**5 Debtors**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Service charges due	2,240	53,056
Other debtors	85,048	244,346
	<u>87,288</u>	<u>297,402</u>

**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**  
**T/A EMD UK**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**6 Creditors: amounts falling due within one year**

	Notes	2017 £	2016 £
Trade creditors		19,447	78,870
Gross amounts due to contract customers		1,506	-
Corporation tax		750	657
Other taxation and social security		14,252	11,694
Deferred income		143,765	329,215
Other creditors		94,366	18,936
Accruals and deferred income		87,767	55,308
		<u>361,853</u>	<u>494,680</u>

Deferred Income - 'Sport England' is a grant that has been credited to deferred income which will be released as and when the expenditure for the said project is incurred. This is not a grant which is deferred on a time period basis so therefore is part of the free reserves of the company. All of the Sport England funding was spent during the financial year so no income was deferred at the year end.

Included within deferred income are the following amounts which relate to the licenced activities in respect of the different membership year:

Women's League of Health and Beauty -	£50,397 (2016: £52,953)
The Keep Fit Association -	£70,705 (2016: £75,459)
The Medau Society -	£8,301 (2016: £8,250)
Total -	<b>£129,403 (2016: £135,662)</b>

**7 Members' liability**

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**  
**T/A EMD UK**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**8 Sport England Funding**

Included in the income for 2016/7 is funding from Sport England amounting to £808,739. (2016: £637,382). This was spent on the following programmes;

	2017 £	2016 £
Programme 1 (Insight)	17,000	35,010
Programme 2 (Participation)	556,195	428,881
Programme 3 (Training)	80,930	54,500
Programme 4 (Membership)	40,949	32,051
Core Funding	70,000	70,000
SE Programme Commercial	28,800	-
SE Programme DTD	14,865	-
SE Programme HPNGB	-	16,940
	<u>808,739</u>	<u>637,382</u>

**9 Operating lease commitments**

**Lessee**

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

	2017 £	2016 £
	<u>64,490</u>	<u>106,676</u>