

THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED

T/A EMD UK

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

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

Directors

I Milne (Chair)
S Price
J Dewar
P Udayan-Chiechi
J Evans
B Rose
S Campbell
P Fullard
S Mirza
P Szumilewicz
L Eaborn (Appointed 31 May 2018)
R Lamb (Appointed 31 May 2018)

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

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 2018

The directors present their annual report and financial statements for the year ended 31 March 2018.

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 (Chair)

S Price

J Dewar

K Read (Resigned 31 May 2018)

P Udayan-Chiechi

M King (Resigned 8 June 2017)

J Evans

B Rose

S Campbell

P Fullard

S Mirza

P Szumilewicz

L Eaborn (Appointed 31 May 2018)

R Lamb (Appointed 31 May 2018)

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.

Founder Organisations

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

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

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

Funding

Following a successful application for NGB core market investment, funding has been awarded from Sport England of £1.8m from April 2017 to March 2019 which will be payable in quarterly instalments. Funding of £1.3M for 2019-2021 is ringfenced subject to performance over 2017-19.

The prior year (2016-17), Sport England funded the organisation via three sources; the initial Whole Sport Plan 2013-2017 (totalling £1.7M over 4 years), Moving the Market (£497,480 for August 2014-16) and Fit for the Future (£249,000 for the 2016-17 financial year).

Additionally, EMD UK 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.

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

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

FOR THE YEAR ENDED 31 MARCH 2018

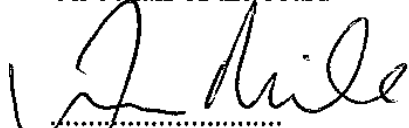
Reserves Policy

The directors consider that a reserves policy equivalent to 3 months core costs is sufficient to keep EMD UK operating in the short term, should there be a major loss of funding. The reserves held by EMD UK 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

On behalf of the board



I Milne (Chair)

Director

.....13/09/18

THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED
T/A EMD UK
DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to 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.

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

Opinion

We have audited the financial statements of The Exercise Movement and Dance Partnership Limited (the 'company') for the year ended 31 March 2018 which comprise the Income and Expenditure Account, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions 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

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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

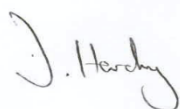
In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.



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

for and on behalf of Richard Place Dobson Services Limited

.....19/09/18.....

Chartered Accountants

1-7 Station Road

Crawley

West Sussex

RH10 1HT

THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED
T/A EMD UK
INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	2017 as restated £
Income		1,485,099	1,370,191
Direct costs		(1,356,402)	(1,247,125)
Gross surplus		128,697	123,066
Administrative expenses		(97,908)	(94,368)
Operating surplus		30,789	28,698
Interest receivable and similar income		184	3,751
Surplus before taxation		30,973	32,449
Tax on surplus		(37)	(754)
Surplus for the financial year		30,936	31,695

**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED
T/A EMD UK
BALANCE SHEET**

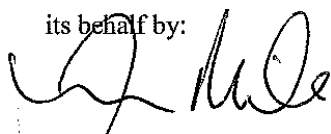
AS AT 31 MARCH 2018

	Notes	2018		2017 as restated	
		£	£	£	£
Fixed assets					
Tangible assets	3		3,483		11,112
Current assets					
Debtors	4	92,827		62,083	
Cash at bank and in hand		396,055		378,789	
		<u>488,882</u>		<u>440,872</u>	
Creditors: amounts falling due within one year	5	<u>(249,732)</u>		<u>(240,287)</u>	
Net current assets			<u>239,150</u>		<u>200,585</u>
Total assets less current liabilities			<u>242,633</u>		<u>211,697</u>
Reserves					
Income and expenditure account			<u>242,633</u>		<u>211,697</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 .13/09/18.. and are signed on

its behalf by:


.....
I Milne (Chair)
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 2018

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.

Change in accounting policy

There has been a change in the way membership income is accounted for, this was previously deferred based on the period of the membership, however this is now accounted for upon receipt. Please refer to note 9 for further details.

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 at bank and in hand 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 2018

1 Accounting policies

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 are classified according to the substance of the contractual arrangements entered into.

Basic financial liabilities

Basic financial liabilities, including creditors, are recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

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 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.

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.

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, 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.

THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED
T/A EMD UK
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

1.10 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 EMD UK is entitled to the income and this will be based on the work being completed and there is no requirement to repay the grant.

2 Employees

The average monthly number of persons employed by the company during the year was 21 (2017 - 19).

Non-Executive Directors are not remunerated.

3 Tangible fixed assets

	Class Finder £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 April 2017 as restated	5,980	8,625	21,384	35,989
Additions	-	-	4,253	4,253
	<u>5,980</u>	<u>8,625</u>	<u>25,637</u>	<u>40,242</u>
At 31 March 2018	5,980	8,625	25,637	40,242
	<u>5,980</u>	<u>8,625</u>	<u>25,637</u>	<u>40,242</u>
Depreciation				
At 1 April 2017 as restated	2,167	8,625	14,085	24,877
Depreciation charged in the year	2,000	-	9,882	11,882
	<u>4,167</u>	<u>8,625</u>	<u>23,967</u>	<u>36,759</u>
At 31 March 2018	4,167	8,625	23,967	36,759
	<u>4,167</u>	<u>8,625</u>	<u>23,967</u>	<u>36,759</u>
Carrying amount				
At 31 March 2018	1,813	-	1,670	3,483
	<u>1,813</u>	<u>-</u>	<u>1,670</u>	<u>3,483</u>
At 31 March 2017	3,813	-	7,299	11,112
	<u>3,813</u>	<u>-</u>	<u>7,299</u>	<u>11,112</u>

4 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	44,596	2,241
Other debtors	48,231	59,842
	<u>92,827</u>	<u>62,083</u>

THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED
T/A EMD UK
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

5 Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	35,677	19,447
Other creditors	32,955	45,380
Licence Royalties Medau	-	1,506
Licence Royalties KFA	19,704	19,280
Licence Royalties WLHB	-	29,706
Corporation tax	37	750
Other taxation and social security	16,175	14,252
Other deferred income	12,279	14,362
Accruals	132,905	95,604
	<u>249,732</u>	<u>240,287</u>

6 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.

7 Sport England Funding

Included in the income for 2017/18 is funding from Sport England amounting to £946,227 (2017: £808,739). This was spent on the following programmes;

	2018
	£
Staff Costs Investment and Back Office	686,092
SE Programme HPNGB	135
Marketing	70,000
Instructor Support (Prog 1)	42,000
Training & Education (Prog 2)	70,000
Business Intelligence (Prog 3)	30,000
Organisational Support (Prog 4)	30,000
Inactive projects	18,000
	<u>946,227</u>

THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED
T/A EMD UK
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

7 Sport England Funding

	2017
	£
Programme 1 (Insight)	17,000
Programme 2 (Participation)	556,195
Programme 3 (Training)	80,930
Programme 4 (Membership)	40,949
Core Funding	70,000
SE Programme Commercial	28,800
SE Programme DTD	14,865
	<u>808,739</u>

8 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:

2018	2017
£	£
<u>23,863</u>	<u>64,490</u>

9 Prior period adjustment

Changes to the balance sheet

	At 31 March 2017			
	As previously reported	Adjustment at 1 Apr 2016	Adjustment at 31 Mar 2017	As restated
	£	£	£	£
Current assets				
Debtors due within one year	87,288	(26,843)	1,638	62,083
Creditors due within one year				
Other creditors	(203,086)	-	(7,837)	(210,923)
Deferred income	(143,765)	136,662	(7,259)	(14,362)
Net assets	<u>115,336</u>	<u>109,819</u>	<u>(13,458)</u>	<u>211,697</u>
Capital and reserves				
Income and Expenditure	115,336	109,819	(13,458)	211,697
Total reserves	<u>115,336</u>	<u>109,819</u>	<u>(13,458)</u>	<u>211,697</u>

**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED
T/A EMD UK
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2018

9 Prior period adjustment

Changes to the income and expenditure account

	Period ended 31 March 2017		
	As previously reported	Adjustment	As restated
	£	£	£
Income	1,377,450	(7,259)	1,370,191
Direct Costs	(1,241,866)	(5,259)	(1,247,125)
Administrative expenses	(93,428)	(940)	(94,368)
Surplus for the financial period	45,153	(13,458)	31,695

Reconciliation of changes in equity

	Notes	1 April 2016	31 March 2017
		£	£
Reserves as previously reported		70,182	115,336
Adjustments to prior year			
Income		136,662	129,403
Direct costs		(26,843)	(33,042)
Reserves as adjusted		180,001	211,697

Reconciliation of changes in surplus for the previous financial period

	Notes	2017
		£
Surplus as previously reported		45,153
Adjustments to prior year		
Income		(7,259)
Direct costs		(6,199)
Surplus as adjusted		31,695

Notes to reconciliation

Following a change in accounting standards in 2016, EMD UK now recognise income in the period it is collected rather than deferring it, in addition EMD UK is now recognising a liability for a holiday pay accrual.

