

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 2021



the national governing body for group exercise

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

Directors	N Wallace (Chair) J Dewar J Evans B Rose S Campbell P Fullard S Mirza P Szumilewicz L Eaborn R Lamb M Brighton M Kingwell
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 2021

The directors present their annual report and financial statements for the year ended 31 March 2021.

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:

N Wallace (Chair)

J Dewar

J Evans

B Rose

S Campbell

P Fullard

S Mirza

P Szumilewicz

L Eaborn

R Lamb

M Brighton

M Kingwell

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 2021

Strategic Review

Background

EMD UK is the national governing body for group exercise. Group exercise is an instructor led exercise session for two or more people, often involving music and equipment. Well known examples include dance fitness, group indoor cycling and Pilates.

EMD UK was constituted in 2006 following consultation and support from Sport England, the Medau Society, Fitness League and the Keep Fit Association. In 2015, following continued success and a market review, the EMDP Board and Sport England agreed to extend the remit of EMDP to cover the broader category of group exercise. This move was quickly followed by a rebrand to Exercise Move Dance UK (EMD UK). In June 2020, a new vision and mission was agreed:

- Vision: healthier communities through group exercise.
- Mission: to support group exercise instructors to be the best they can be.

Projects and activities

The main activities and projects in 2020/21 were as follows:

- The impact of the Covid-19 pandemic on group exercise instructors has been profound, with many not able to work at all during 2020/21, and others only able to work for part of the year with smaller classes. Our role during that time has been to support group exercise instructors with information and regular communications, online resources, membership, insurance music, licencing and training
- Lobbying government over Covid-19 restrictions and guidance
- Pivoting our academy to provide online training for group exercise instructors, enabling them to become qualified in a range of group exercise formats and raising their professional standards through CPD
- Managing the Tackling Inequalities Fund programme (funded by Sport England) to enable member organisations to support instructors working in deprived communities.
- Supporting fitness brands via organisational memberships of EMD UK
- Delivering an extensive programme of in-house research and insight into the needs and wants of group exercise instructors
- Continuing to develop classfinder, our search engine for group exercise classes, including adapting it to show online fitness classes
- After delays due to lockdown, resuming This Girl Can Classes, the Sport England-funded project designed to get women back into group exercise
- Implementing the organisation's new strategy for 2020-2022 with a clearer focus on instructors
- Commencement of an organisation restructure to reduce costs and align teams more closely to the new strategy.

In 2020, one of our founder members, FL Exercise, gave notice that it wished to withdraw from the licence agreement with EMD UK from 1 April 2021. This decision was anticipated for some time and reflected changes in the FL Exercise membership structure and pricing and a lower requirement for external support.

Achievements in 2020/21

A new approach to strategic planning was adopted in 2020. This uses the concept of Business Improvement Goals (BIGs) which reflect the top level objectives for the organisation. Progress against BIGs has been positive.

BIG 1, instructor engagement, is measured by the number of engaged instructors on our databases. The target of 5282 was exceeded, with 7894 engaged instructors by the end of the year.

BIG 2, instructor quality, is measured by the number of instructors on our databases who are also practitioner members of the Chartered Institute for the Management of Sport and Physical Activity. By the end of the year, 400 instructors on our databases met this criterion.

THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED
T/A EMD UK
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements in 2020/21 continued...

BIG 3, social impact, was achieved through the delivery of the Tackling Inequalities Fund project. The impact was:

- DVDs with chair-based exercises delivered to 10,000 care homes across England
- 2500 DVDs distributed to group exercise participants with 69% of participants stating that their activity levels increased as a result of the DVD
- Over 10,000 sign-ups to an inclusive fitness platform for people with a range of disabilities and long-term health conditions. 58% reported in improvement in fitness levels
- An online platform aimed at older age groups increased the confidence to exercise at home of 67% of users
- Over 1000 views in 28 days of an on-demand exercise channel aimed people with additional learning needs

BIG 4, brand reputation and influence, has increased significantly with COVID information and guidance being issued by EMD UK to over 10,000 instructors. Feedback on social media has confirmed how much EMD UK's reputation has grown.

BIG 5, financial resilience, is measured by the amount of non-Sport England income secured each year (excluding founder income). The target was £176,700 and the actual figure was £214,325.

BIG 6, organisational quality, is measured by the Net Promoter Score for EMD UK from instructors, stakeholders and staff. A target of +30 was set, with instructors scoring EMD UK +63 and staff scoring EMD UK +22.

Governance

The board remains fully committed to maintaining compliance with the Code for Sports Governance and continues to be guided by the principles of continuous improvement and best practice. In line with this, a review of EMD UK's Equality Diversity and Inclusion Policy and Action Plan commenced in February 2020.

Financial review

Following a successful application in December 2016, funding of £1.8m was awarded from Sport England for the period of April 2017 to March 2019 for NGB core market investment. Under the same investment programme, £1.7m was awarded in December 2018 for the period of April 2019 – March 2021. The financial year 2020-21 was the fourth and final year of this funding cycle and the core funding was £825,000. In addition, EMD UK received £123,500 from Sport England for the Tackling Inequalities Fund programme and £911,700 for This Girl Can Classes initiative. This Girl Can will run until the end of June 2022.

In June 2020, in light of the impact of the Covid-19 pandemic, the board agreed to reduce its charges to each of the three founder organisations by one third. This resulted in a net loss of income of circa £36,000.

In summary, the total income for the year was £1,290,841 (2019/20 £1,550m) with direct costs of £1,212,702 (2019/20 £1,454m). The net annual result was -£16,389 (2019/20 £9247) which was significantly less than anticipated as a result of careful cost control and overperformance on commercial income.

Sport England Key Performance Indicators

EMD UK continues to perform well against its Sport England KPIs, as shown in the table below:

KPI descriptor	Baseline April 2020	20/21 target	20/21 actual (end of year)
Participant reach via instructors	480,525	552,000	1,381,940
Member / partner organisations	81	90	110
Participant satisfaction with teaching / instruction	83%	75%	83%
% female participation	74.4%	78%	74.4%
% disability participation	26%	21%	26%

THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED
T/A EMD UK
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Future plans and risk management

As we emerge from the worst of the pandemic and its restrictions, EMD UK's role will be to help instructors rebuild their communities and re-start their businesses. The impact on the fitness sector is likely to be felt for several years to come.

EMD UK's approach to risk includes regular review of a detailed risk register. The top risks facing the organisation going into 2021/22 are:

- Inability to generate sufficient income outside of Sport England grant funding because of the economic outlook
- Impact of Covid-19 on the health and safety of staff and the effectiveness of the organisation.

Mitigations are in place for each of these risks.

Conclusion

Despite the impact of Covid-19, 2020/21 has been a reasonably successful year. All of the Sport England KPIs have been achieved and good progress has been made on the Business Improvement Goals, in particular around engagement. Having committed significant funding to help the founders, EMD UK was facing a substantial loss but careful cost control and overperformance on commercial income meant that the loss was offset significantly. The organisation's profile and reputation have grown substantially among group exercise instructors and with industry partners.

Reserves Policy

As a largely grant-funded organisation with long funding agreements protecting those grants, the risk of catastrophic loss of income is low. However, the directors consider that a reserves policy equivalent to 3 months core costs is sufficient to keep EMD UK operating in the short term. The reserves held by EMD UK are currently at a sufficient level.

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

On behalf of the board



N Wallace (Chair)
Director

Date: 18 / 11 / 2021

THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED
T/A EMD UK
DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

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 2021 which comprise the income and expenditure account, the balance sheet and notes to the financial statements, including 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 2021 and of its deficit 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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 or 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

**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

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatements due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud, the audit engagement team made enquiries of management, and those charged with governance, regarding the procedures relating to identifying, evaluating and complying with;

1. laws and regulations and whether they were aware of any instances of non-compliance;
2. detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
3. the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Companies Act 2006, employment and tax law and regulations and data protection regulations. We performed audit procedures to detect non-compliance, which may have a material impact on the financial statements. These included reviewing financial statement disclosures and evaluating advice received from internal management. There were no significant laws and regulations we deemed as having an indirect impact on the financial statements.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside of the normal course of business.

Revenue recognition was also identified as a significant risk which could lead to a material mis-statement due to fraud or error. Audit procedures performed included but were not limited to performing walk through tests to identify the control procedures in place and once an understanding of the sales process was gained, a substantive test was carried out using a sample basis to ensure all sales existed and were complete in the accounts. Cut off testing was also performed to ensure sales were recorded in the correct period.

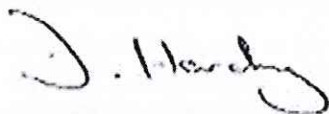
A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**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**

Use of our 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)

Date: 1 December 2021

for and on behalf of Richard Place Dobson Services Limited

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 2021

	Notes	2021 £	2020 £
Income		1,290,842	1,550,740
Direct costs		(1,212,703)	(1,454,870)
Gross surplus		78,139	95,870
Administrative expenses		(95,755)	(88,095)
Operating (deficit)/surplus		(17,616)	7,775
Interest receivable and similar income		1,515	1,817
(Deficit)/surplus before taxation		(16,101)	9,592
Tax on deficit/surplus		(288)	(345)
(Deficit)/surplus for the financial year		(16,389)	9,247

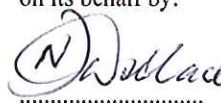
THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED
T/A EMD UK
BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Debtors	6	110,336		80,000	
Cash at bank and in hand		1,001,697		520,782	
		<u>1,112,033</u>		<u>600,782</u>	
Creditors: amounts falling due within one year	7	(891,961)		(364,321)	
Net current assets			<u>220,072</u>		<u>236,461</u>
Reserves					
Income and expenditure account			220,072		236,461
Members' funds			<u>220,072</u>		<u>236,461</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 and are signed on its behalf by:

 18/11/2021

N Wallace (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 2021

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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 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;

- grant income - this is recognised over the life of the agreement and therefore deferred at the year end if the agreement runs into the following year.
- teachers and participant memberships - on receipt of the subscription
- training and development income - this is received in advance of a course being undertaken, if the course start date is after the year end, then the income is deferred
- for other services - according to invoice date.

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

1.4 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.

It is the policy of the company that only assets costing over £1,500 will be capitalised.

THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED
T/A EMD UK
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

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 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 2021

1 Accounting policies

(Continued)

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 Auditor's remuneration

	2021	2020
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	7,469	7,778
	<u>7,469</u>	<u>7,778</u>

3 Employees

The average monthly number of persons employed by the company during the year was:

	2021	2020
	Number	Number
Total	25	21
	<u>25</u>	<u>21</u>

4 Directors' remuneration

	2021	2020
	£	£
Remuneration paid to directors	87,228	31,333
	<u>87,228</u>	<u>31,333</u>

One director N Wallace was paid an Honorarium of £3,998 between 1st April 2020 to 31st March 2021. The same director was paid £4,000 for the period from 1st April 2019 to 31 March 2020.

In addition, the director M Kingwell was paid a salary to 31st March 2021 of £83,230. The director was paid a salary of £27,333 to 31st March 2020.

THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED
T/A EMD UK
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

5 Tangible fixed assets

	Class Finder	Fixtures and fittings	Computer equipment	Total
	£	£	£	£
Cost				
At 1 April 2019	5,980	8,625	24,962	39,567
Depreciation				
At 1 April 2019	5,980	8,625	24,962	39,567
Carrying amount				
At 31 March 2021	-	-	-	-
At 31 March 2020	-	-	-	-

6 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	4,988	6,941
Other debtors	105,348	73,059
	110,336	80,000

7 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	42,776	90,911
Other creditors	22,637	30,426
Licence Royalties KFA	4,788	17,766
Corporation tax	288	345
Other taxation and social security	16,073	19,209
Other deferred income	684,859	48,052
Accruals	120,540	157,612
	891,961	364,321

8 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 2021

9 Sport England Funding

Included in the income for 2020/21 is funding from Sport England amounting to £1,528,801 (2020: £1,233,482). This was spent on the following programmes;

	2021 £	2020 £
Staff Costs Investment and Back Office	600,000	593,855
Marketing	90,000	90,000
Instructor Support (Prog 1)	50,000	82,645
Training & Education (Prog 2)	72,500	92,000
Business Intelligence (Prog 3)	10,000	61,249
Organisational Support (Prog 4)	2,500	5,000
SE Programme This Girl Can	657,949	300,583
SE Programme Tackling Inequalities	123,500	-
SE Programme Governance	-	8,150
	1,606,449	1,233,482

Included in the income for 2020/21 is funding from Sport England amounting to £1,606,449 (2020: £1,233,482). £593,994 of This Girl Can funding, £72,238 of NGB funding and £5,410 of Tackling Inequalities funding.

10 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:

2021 £	2020 £
2,430	4,995

11 COVID-19

As a direct consequence of the Coronavirus (COVID-19) pandemic, there may be material uncertainties which may impact the company's ability to continue trading in some areas, and these uncertainties may have the potential to suppress demand for some of our products and services and may impact future surplus'. Sport England have committed to funding EMD UK at the same level as 2020/2021 for 2021/2022, and the directors believe they have sufficient ongoing and new products and services to sustain the company for at least the next 12 months. It has not been possible to quantify or ascertain with any certainty the financial impact of COVID-19, therefore no adjustments have been made to any figures in the accounts as a result of the pandemic.

12 Related party transactions

During the year the company didn't enter into any transactions with related parties.

12 Controlling Party

The Exercise Movement and Dance Partnership Limited, a registered company has no ultimate controlling party.

THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED
T/A EMD UK
DETAILED TRADING AND INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021

		2021		2020
	£	£	£	£
Income				
Membership income		91,162		195,121
Other membership income		20,606		16,795
Teachers Professional Fees		66,032		41,691
Product sales		52,568		11,171
Sport England grant		973,008		1,195,281
Merchandising		131		17
Events and fundraising		79		1,812
EMD Academy		83,770		84,252
Other income		3,486		4,600
		<u>1,290,842</u>		<u>1,550,740</u>
Direct Costs		<u>(1,212,703)</u>		<u>(1,454,870)</u>
Gross surplus	6.05%	78,139	6.18%	95,870
Administrative expenses		<u>(95,755)</u>		<u>(88,095)</u>
Operating (deficit)/surplus		<u>(17,616)</u>		<u>7,775</u>
Investment revenues				
Bank interest received	1,515		1,817	
		<u>1,515</u>		<u>1,817</u>
(Deficit)/surplus before taxation	(1.25)%	<u><u>(16,101)</u></u>	(1.20)%	<u><u>9,592</u></u>