

Company registration number 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 2022**



the national governing body for group exercise

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

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**Directors**

N Wallace (Chair)

J Evans

B Rose

S Campbell

P Fullard

S Mirza

P Szumilewicz

L Eaborn

M Kingwell

B Barikor

(Appointed 1 August 2022)

G Cummings-Bell

(Appointed 1 August 2022)

S Durnford

(Appointed 1 August 2022)

**Company number**

05842539

**Registered office**

1-7 Station Road

Crawley

West Sussex

RH10 1HT

**Auditor**

Karen Corduff ACA, FCCA

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 2022***

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The directors present their annual report and financial statements for the year ended 31 March 2022.

**Principal activities**

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

**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 Evans

B Rose

S Campbell

P Fullard

S Mirza

P Szumilewicz

L Eaborn

M Kingwell

J Dewar

(Resigned 17 March 2022)

M Brighton

(Resigned 23 June 2022)

R Lamb

(Resigned 23 June 2022)

B Barikor

(Appointed 1 August 2022)

G Cummings-Bell

(Appointed 1 August 2022)

S Durnford

(Appointed 1 August 2022)

**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 2022***

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#### **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.

The Exercise Movement and Dance Partnership Ltd (EMDP) was constituted in 2006 following consultation and support from Sport England, the Medau Society, the 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.

This has focused EMD UK's strategic position on instructors rather than participants.

##### **Projects and activities**

The main activities and projects in 2021/22 were:

- Securing £5m of grant funding from Sport England 1 April 2022 to 31 March 2027 - an uplift of 21% per annum. Sport England is now funding EMD UK as a 'system partner', an organisation which plays a meaningful role in the sector through collaboration with others.
- Developing a new organisation strategy for 2022 to 2027 which focuses on supporting instructors through collaboration with partners.
- Growing our database of instructors to 24,734 - an increase of 3,300 over the year. We now have 1,823 individual members, an increase of 540 over the year.
- Engaging with 2,500 instructors each month through a programme of newsletter, webinars and resources, all produced in response to insight.
- Launching our instructor training programme for This Girl Can Classes (funded by Sport England). Securing a further £533,000 from Sport England to extend This Girl Can Classes programme until 31 March 2024. We have trained 209 licenced instructors.
- Delivering social impact through the Tackling Inequalities Fund (TIF) programme (funded by Sport England) to enable member organisations to support instructors working in deprived communities. Nine organisations were funded, helping over 2,500 people get physically active through group exercise.
- Securing £160,000 for the Together Fund (previously TIF) for 2022-23, enabling us to commission more organisations to make positive impact in deprived communities.
- Launching the Retrain to Retain programme, in partnership with CIMSPA and UK Coaching, providing resources to instructors who have been impacted by Covid-19.
- Delivering support services to two of our founders, KFA and Medau Society, via a new services agreement.
- 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.
- Developing an exit strategy for classfinder, our search engine for group exercise classes.
- Developing an exit strategy for our qualification training programmes, allowing EMD UK to focus on continuing professional development.

As the pandemic restrictions lifted from May 2021, EMD UK's role has been to support instructors in re-starting their businesses and rebuilding their communities. The impact on the fitness sector is still being felt now, most notably in the rates of inflation and the cost of living and lower attendance at group exercise activities.

**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**  
**T/A EMD UK**  
**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**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. A new Equality Diversity and Inclusion (EDI) policy and action plan was adopted, as was a new safeguarding implementation plan. EDI remains a key focus of EMD UK as we seek to diversify the instructor workforce, our board and staff.

The board is supported by three committees: Finance and Audit Committee (FAAC), Nominations Committee and Ethics Committee. In addition to its usual business, the FAAC also conducted a selection process for EMD UK's auditors for 21/22 to 23/24 and recommend to the board that RPD be retained. The Nominations Committee was particularly busy with the recruitment of three new board directors. The new directors all work in group exercise and these appointments will increase the gender and ethnic diversity of the board. The Ethics Committee did not meet in 21/22.

**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. However, due to the pandemic Sport England agreed to provide an additional one year funding for 2021/22 at the same level as 2020/21 i.e. £825,000.

In addition, EMD UK received a second award of £123,500 from Sport England for the Tackling Inequalities Fund programme (£72,212 recognised in 2021/22) and funding for This Girl Can Classes initiative. This Girl Can Classes programme will run until the end of March 2024

In summary, the total income for the year was £1,431,919 (2020/21 £1,290,841) with direct costs of £1,320,047 (2020/21 £1,212,702). The net annual surplus was £27,423 (2020/21 -£16,389) which was £11,690 more than anticipated as a result of careful cost control and overperformance on commercial income.

**Sport England Goals**

EMD UK continues to perform well against its Sport England strategic goals as shown in the table.

**Strategic Goals**

1. Increase our engagement with instructors and potential instructors to help them create healthier, stronger and more inclusive communities through group exercise
2. Increase the quality of instructors through training and development so that they meet professional standards for the sector and be the best they can be
3. Understand and maximise our social impact, enabling more people to live a healthy and active life by enjoying the mental and physical benefits that group exercise brings
4. Build our reputation through high-quality, high-profile work so that we can reach more instructors and build our influence with government and partners on instructors' behalf
5. Develop our financial resilience so that we can meet the ongoing challenges of COVID-19 and help instructors with their recovery
6. Improve our organisation quality so that we continue to meet the requirements of A Code for Sports Governance while providing great value for our funders, members and customers.
7. Align operational areas with the vision and mission defined by the new strategy and play an ongoing role in Sport England Strategy delivery.

**Progress**

- Overall instructor reach increased from 22,855 to 24,734 against a target of 30,000. Instructor engagement fell from 5282 to 2933 as high engagement Covid briefings were no longer issued.
- Delivered through various in-house training courses, all aligned with the professional standards for group exercise.
- Agreed measures in place for social impact. Work on-going to measure against this goal
- Reputation has been grown through high profile projects such as This Girl Can Classes programme and TIF.
- Exceeded the budgeted amount of financial surplus. Reserves exceed the minimum level stipulated by our reserves policy.
- We continue to meet the requirements of the code.

Complete

**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**  
**T/A EMD UK**  
**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Future plans**

The main priorities for the year ahead are:

**Systemic work**

- Responding to ongoing needs and challenges of instructors
- Further development of This Girl Can Classes continuing professional development (CPD)
- Development of new CPD and other instructor support products
- Delivery of Retrain to Retain, providing resources and support to group exercise instructors
- Growth of individual and organisation memberships
- Development of professional standards and minimum standards for deployment
- Lobbying of government for policy change to recognise the role of physical activity for health improvement
- Creation of an ambassadors programme to lead and influence the group exercise sector
- Collaboration outside of the sector (e.g. charities, NHS)
- Digital advertising/ commercialisation of data
- Policy development and public statements/ white papers etc

**Governing work**

- Development of policies and regulations
- Delivery of regulatory functions

**Projects and other work**

- Delivery of KFA and Medau services agreements
- Re-brand of EMD UK to better reflect our vision and mission
- Commission a new customer relationship management system (CRM) and website as part of our journey to become a truly digital-first organisation
- Expand our social impact work funded by Sport England's Together Fund

**Risk management**

EMD UK's approach to risk includes regular review of a detailed risk register. The top risks facing the organisation going into 2022/23 are:

- Macro-economic factors (high inflation, Brexit, tax increases, foreign conflicts etc) result in loss of market and commercial income, and rising costs
- Fail to have the right operational people in the right jobs results in inability in capability and capacity terms to deliver our KPIs.

Mitigations are in place for these risks.

**Reserves policy**

Our reserves policy is to have a minimum of three months core costs covered by reserves. We are currently meeting this policy.

**Conclusion**

Despite the ongoing impact of Covid-19 and the start of the cost of living crisis, 2021/22 has been a successful year with a new strategy, more social impact, a bigger financial surplus and all of the Sport England KPIs achieved. The organisation is going into 22/23 with a clearer purpose, a more relevant set of offers to instructors and organisations, more grant income and a committed staff team, all of which prepares us for the significant economic challenges which lie ahead.

**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**  
**T/A EMD UK**  
**DIRECTORS' REPORT (CONTINUED)**  
***FOR THE YEAR ENDED 31 MARCH 2022***

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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: 19 November 2022



**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**  
**T/A EMD UK**  
**DIRECTORS' RESPONSIBILITIES STATEMENT**  
***FOR THE YEAR ENDED 31 MARCH 2022***

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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**

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**Opinion**

We have audited the financial statements of The Exercise Movement and Dance Partnership Limited (the 'company') for the year ended 31 March 2022 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 Financial Reporting Standard 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 2022 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**

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**

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**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.

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**

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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**

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**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.



**Karen Corduff** ACA, FCCA (Senior Statutory Auditor)  
for and on behalf of Richard Place Dobson Services Limited  
Chartered Accountants  
1-7 Station Road  
Crawley  
West Sussex  
RH10 1HT

Date: 30/11/2022

**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**  
**T/A EMD UK**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 as restated £
<b>Income</b>	<b>11, 12</b>	1,431,918	1,262,586
Direct costs		(1,320,046)	(1,191,673)
<b>Gross surplus</b>		111,872	70,913
Administrative expenses		(84,994)	(88,529)
<b>Operating surplus/(deficit)</b>		26,878	(17,616)
Interest receivable and similar income		673	1,515
<b>Surplus/(deficit) before taxation</b>		27,551	(16,101)
Tax on surplus/(deficit)		(128)	(288)
<b>Surplus/(deficit) for the financial year</b>		27,423	(16,389)

**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**  
**T/A EMD UK**  
**BALANCE SHEET**  
**AS AT 31 MARCH 2022**

	Notes	2022 £	£	2021 £	£
<b>Current assets</b>					
Debtors	7	30,776		110,336	
Cash at bank and in hand		1,227,273		1,001,697	
		1,258,049		1,112,033	
<b>Creditors: amounts falling due within one year</b>	8	(997,733)		(891,961)	
<b>Net current assets</b>			260,316		220,072
<b>Reserves</b>					
Other reserves	10		12,821		-
Income and expenditure account			247,495		220,072
<b>Members' funds</b>			260,316		220,072

The notes on pages 13 to 18 form part of these financial statements.

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 23/19/22 and are signed on its behalf by:



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 2022**

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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 £.

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 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 2022**

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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 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 2022**

**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**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	7,260	7,469
	<u>          </u>	<u>          </u>

**3 Employees**

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

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Total	24	25
	<u>          </u>	<u>          </u>

Their aggregate remuneration comprised:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	631,112	666,490
Social security costs	55,949	59,707
Pension costs	17,967	19,956
	<u>          </u>	<u>          </u>
	705,028	746,153

**4 Directors' remuneration**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Remuneration paid to directors	87,230	87,228
	<u>          </u>	<u>          </u>

One director N Wallace was paid an Honorarium of £4,000 between 1st April 2021 to 31st March 2022. The same director was paid £3,998 for the period from 1st April 2020 to 31 March 2021.

In addition, the director M Kingwell was paid a salary to 31st March 2022 of £83,230. The director was paid a salary of £83,230 to 31st March 2021.

**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**  
**T/A EMD UK**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**5 Restatement of prior year income and expenditure categories**

During the year the way the organisations deals with its members changed and this has meant that income is received in a different way to previously. to ensure the accounts look comparable, last years income and expenditure has been reanalysed to reflect the new membership structure. This has not changed the overall surplus or the total oncome income and total expenditure shown last year.

**6 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 2021	5,980	8,625	24,962	39,567
Disposals	-	-	(1,601)	(1,601)
At 31 March 2022	<u>5,980</u>	<u>8,625</u>	<u>23,361</u>	<u>37,966</u>
<b>Depreciation</b>				
At 1 April 2021	5,980	8,625	24,962	39,567
Eliminated in respect of disposals	-	-	(1,601)	(1,601)
At 31 March 2022	<u>5,980</u>	<u>8,625</u>	<u>23,361</u>	<u>37,966</u>
<b>Carrying amount</b>				
At 31 March 2022	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2021	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**7 Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	4,770	4,988
Other debtors	26,006	105,348
	<u>30,776</u>	<u>110,336</u>

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	75,170	42,776
Other creditors	2,894	27,425
Corporation tax	128	288
Other taxation and social security	22,193	16,073
Other deferred income	765,332	684,859
Accruals	132,016	120,540
	<u>997,733</u>	<u>891,961</u>

**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**  
**T/A EMD UK**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**9 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 £10.

**10 Other reserves**

Other Reserves in 2021/2022 amounted to £12,821. This is restricted for use on future costs relating to the ongoing training of This Girl Can Classes Instructors.

**11 Sport England Funding**

Included in the income for 2021/22 is funding from Sport England amounting to £1,151,486 (2021: £973,008). This was spent on the following programmes;

	2022 £	2021 £
Staff Costs Investment and Back Office	639,400	600,000
Marketing	62,100	90,000
Instructor Support (Prog 1)	38,000	50,000
Training & Education (Prog 2)	70,000	72,500
Business Intelligence (Prog 3)	14,000	10,000
Organisational Support (Prog 4)	1,500	2,500
SE Programme This Girl Can	31,000	657,949
SE Programme Tackling Inequalities	123,500	123,500
	<u>979,500</u>	<u>1,606,449</u>

Included in the total received above from 2021 and 2022, £494,969 was deferred to 2022/2023. £350,942 of This Girl Can funding, £92,016 of NGB funding and £56,698 of Tackling Inequalities funding.

**12 Other funding**

Included in the income for 2021/22 is funding from CIMSPA amounting to £17,999 (2021:0)  
The total funding received was:

	2022 £	2021 £
<b>Retrain to retain</b>	275,000	-
	<u>275,000</u>	<u>-</u>

Included in the total received above, £257,801 was deferred to 2022/2023.

**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**  
**T/A EMD UK**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**13 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:

2022	2021
£	£
8.862	2.430
<u>8.862</u>	<u>2.430</u>

**14 Related party transactions**

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

**15 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 2022**

		2022		2021
	£	£	£	£
<b>Income</b>				
Membership income		1		-
Other membership income		16,802		20,606
Teachers Professional Fees		94,081		53,817
Product sales		9,679		52,568
Grants and donations		17,199		-
Sport England grant		1,151,486		973,008
Events and fundraising		-		79
EMD Academy		78,738		83,770
Other income		6,202		78,738
Service Level Agreement		57,730		-
		<u>1,431,918</u>		<u>1,262,586</u>
<b>Direct Costs</b>		<u>(1,320,046)</u>		<u>(1,191,673)</u>
<b>Gross surplus</b>	7.81%	111,872	5.62%	70,913
<b>Administrative expenses</b>		<u>(84,994)</u>		<u>(88,529)</u>
<b>Operating surplus/(deficit)</b>		26,878		(17,616)
<b>Investment revenues</b>				
Bank interest received		<u>673</u>		<u>1,515</u>
		673		1,515
<b>Surplus/(deficit) before taxation</b>	1.92%	<u><u>27,551</u></u>	(1.20)%	<u><u>(16,101)</u></u>

**THE EXERCISE MOVEMENT AND DANCE PARTNERSHIP LIMITED**  
**T/A EMD UK**  
**SCHEDULE OF DIRECT COSTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	2022	2021
	£	£
<b>Direct Costs</b>		
Wages and salaries	565,810	594,904
Social security costs	50,480	53,616
Staff recruitment costs	543	-
Staff welfare	918	887
Staff training	6,155	6,450
Staff pension costs defined contribution	16,211	17,920
Civil liability Insurance	62,407	23,708
Product Sales/Costs	3,107	45,348
Rent and rates	33,082	34,928
Training & Development	49,499	59,412
Marketing activity	28,967	67,840
Grants disbursed	390,105	186,943
Cleaning	4,634	3,068
Light and heat	3,308	2,695
Premises insurance	4,488	2,669
IT Support	4,342	4,674
IT costs	35,601	37,199
Travelling expenses	6,495	311
Postage	3,030	2,778
Subscriptions	955	797
Legal and professional fees	9,524	11,520
Non audit remuneration to auditors	3,917	4,411
Audit fees	6,517	6,672
Bank charges	7,874	8,265
Bad and doubtful debts	424	-
Copying, printing and stationery	3,915	3,577
Telephone	8,006	7,387
Office equipment	2,602	1,684
Sundry expenses	897	1,062
Meetings	4,033	1,068
Irrecoverable VAT	2,200	(120)
	<u>1,320,046</u>	<u>1,191,673</u>

