2016

The Civil Service Motoring Association Limited

Annual Report & Accounts

boundless by CSMA

Chairman's Report

When I became Chairman my main aims were to see the Association return to financial health and to ensure members had more opportunity to enjoy the benefits of membership.

We continue to make great strides towards this through investment in our strategy and delivery of bold and exciting initiatives like the new brand launch, leading to some good signs in our membership. Together with our return to positive financial performance, we now have a solid foundation to build on for the future.

Our focus on improving benefits for members saw us invest in projects such as the expansion and refurbishment of Whitemead Forest Park. I am delighted that we have also been able to continue our support of Member Communities and increase the range of experiences available to all our members.

Events and activities are fundamental to the ethos of the Association and I am confident that we can continue to expand the number and quality of these through our dedicated Head Office team and fantastic network of volunteers. New initiatives such the Charitable Foundation also provide a great way to support others in experiencing events and activities through some brilliant charities.

Carl Fillery, our CEO, talks more about the progress of our strategy in the CEO Review. 2016 has been a successful year bringing change and opportunity to create even more value for members.

Martin Hunter

"I am delighted that we have also been able to continue our support of Member Communities and increase the range of experiences available to all our members."

CEO Review

Another Year of Progress.

2016 was a landmark year for the Association which saw the continued improvement in our financial position against a backdrop of significant change and transformation.

Having moved back into profitability in 2015, we have made further progress in our goal to achieve financial stability for the Association. In 2016 we achieved a profit before tax of £1.2m, putting us ahead of our plan and this result was delivered through driving further efficiency in our operations and generating growth.

Year	2013	2014	2015	2016
Underlying profit (£m)*	- 0.1m	- 1.7m	1.0m	1.2m
Profit Before Tax	- 1.9m	- 2.7m	0.2m	1.2m

*before club funding, special events and property revaluation.

The financial stability of the Association is key to creating long term member value.

The introduction of Boundless was a bold and exciting move to support the long term growth of our club, and it is already starting to bring dividends. We wanted to attract the next generation of members and it is really encouraging that the number of members joining us in the 35-55 age range has increased by 30% since the brand change, and new members joining us rose by 18% in 2016.

Our aim was to achieve this whilst also looking after existing members so it was equally pleasing to see another year of strong renewals and an improvement in our member satisfaction ratings. We also maintained funding and support for our member communities who are at the very core of the Association.

With significant change also comes challenges, and I am grateful to members who have expressed their views on areas we could improve, such as the website experience. We do listen and take on-board all feedback. The site is being constantly adapted and we recently commissioned further independent testing with members to identify future improvements. This will be an ongoing theme as we look to make it the best experience possible.

The other frequent topic of feedback is the magazine, so in 2016 we conducted an extensive review of the magazine to determine how best to meet the long-term objectives of our Association. As a result we have decided to move the production to a new publisher from June 2017.

"I'm proud of the significant achievements delivered in 2016."

It was vitally important to me that during our transformation we ensured that all our employees felt engaged with the changes and valued for their contribution. We measure this via an annual People Survey and our 2016 scores were the best yet – a brilliant result.

I'm proud of the significant achievements delivered in 2016. It was another year of progress, with solid foundations put in place for future success, but we cannot rest and sit back. The demands of members (future and current) are evolving all the time, technology moves at pace and competition continues to grow. We will need to invest and adapt to constantly find new ways to offer great value to all members in a thriving club. I'm confident our future plans can deliver on this ambition.

Carl

Carl Fillery

Club report for 2016

During my second year as Club Leader CSMA underwent one of the biggest changes within its long history - the brand change to 'Boundless by CSMA'. Inevitably, this change had an impact on the Member Communities and the many volunteers who are so passionate about our Club. Of course, change does not come without challenge but I am proud to say that our engaged volunteers who have been strong advocates of the Association for many years, continue to exalt the undoubted opportunities that Boundless by CSMA offers.

During this time of adjustment our more public facing groups worked tirelessly to relay our new brand and promote the extensive range of benefits to both current and potential members.

We continue to strive to attain strong levels of success and as a team work towards increasing engaged member participation. I anticipate exciting times ahead of us during which change will be inevitable, but with the continued energy and enthusiasm of our valued volunteers alongside the undoubted commitment and support of the CEO and his team, I am confident that we will continue to provide excellent activities for all members to enjoy.

I am privileged to hold this position, that of Club Leader and am immensely proud of the fellowship and friendship that remains at the very heart of everything we do.

Heather Glanville
Club Leader

"I am confident that we will continue to provide excellent activities for all members to enjoy."

Local Groups

Jeff Kenyon, Geoff Gaunt & Mike Millward, Local Groups Representatives

2016 has been another busy year, our 37 Local Groups ran 609 events which attracted nearly 1700 individual members. Our Groups offerings continued to be extremely varied and ranged from regular social gatherings to many larger activities, including numerous group holidays, camping and caravanning rallies and motorsport events.

We were disappointed to experience a slight drop in the number of members attending Local Groups activities, especially as this is the second year in succession we have witnessed a drop in participation. However, several new initiatives have recently been introduced to reverse this trend, including the election of 3 Local Groups Representatives to the Club Council, to coordinate the efforts to increase member participation with Local Groups and as such we have reason to be optimistic for the future.

Also of great encouragement during 2016, was the increased number of members stepping forward to volunteer with their Local Group. Many groups benefitted from seeing new faces join their committee to help organise the activities our members continue to regularly enjoy.

> Also of great encouragement during 2016, was the increased number of members stepping forward to volunteer with their Local Group.

Camping and Caravanning

Mike Docker, Camping and Caravanning Leader

Our Camping & Caravanning Group had another successful year in 2016. Our experienced Rally Marshals arranged 4 Continental rallies in France and Germany whilst a further 35 rallies took place in the UK, including 5 organised by our newest Local Group, Berkshire. New rallies were also organised for the first time by Tamar Group and the C&C Committee continue to support any rallies held in areas where there is no Local Group to support. Of the 39 Rallies organised in total, I was delighted to see many selling out and to therefore report that support for our rallies continues to be very strong.

The Rallies held in conjunction with the Warners Group Publications Motorhome Shows that take place across the country during the Spring, Summer and Autumn also expanded to 4, and once again continue to increase in popularity.

The Group's Facebook page has become increasingly popular among many of our active members, and continues to be a good source of communication amongst members.

I'd like to thank the many C&C rally marshals and their partners, who give up their time to run rallies for the benefit of others. Our 2017 season is already well underway and once again our rallies continue to be extremely popular. Planning for the 2018 season is also well underway with further new ideas for rallies being explored.

New members are always most welcome at all our events, so please come along and join us. You may even feel that you would like to help organise a rally yourself in the future!

Motoring

Ian Jarrett, Motoring Interest Groups Leader

Overall our Motoring Interest Groups had a successful year in 2016. Motorsports ran a range of events during the year. Many of these activities enabled members to take part using their every-day transport. We have noticed Member participation is increasing considerably in this area, as people find out they can have a lot of fun for reasonable cost.

4X4 saw something of a revival in fortunes. Activities for members were taken forward by joining up with other organisers to share access to suitable venues that would otherwise be cost prohibitive.

Marshalling Teams continued to attract member interest with attendances at varied events across the country. Their experience and subsequent expertise is highly sought after by many clubs running prestigious competition events.

Motorcycling continues to be very popular attracting members to numerous tours, gatherings and competitive events throughout the country plus regular tours to the far-flung corners of Europe.

The Classic Vehicle Group celebrated their winning of Group of the Year with another packed programme of shows and touring events including continental events. This Group continues to enjoy strong attendances and are expanding their activities further still, including the starting of new groups in Staffordshire and Severn & Avon areas.

Karting ran a very full program of events including several in cooperation with other organisations to reach a wider area. This wider interest allowed the group to run two championships in the North Midlands and North London. A particular highlight saw Boundless enter a team in the 24 Hour Kart endurance race at Le Mans, completing the race and achieving a creditable result for first time entrants.

> The reintroduction of advertising in the Club Groups section of the Boundless Magazine has proved to be very popular.

Social Breaks & Holidays

Bill Brook, Social Committee Leader

During 2016 we continued to create and promote breaks & holidays throughout the UK and abroad. Although we organised fewer breaks, we concentrated our efforts on providing those which the Committee believed would be the most attractive to our members whilst still offering the wide variety of breaks we have previously. This revised strategy proved to be very effective in that we achieved an average attendance of 64 guests per break, which was exactly twice the average for the previous year.

The reintroduction of advertising in the Club Groups section of the Boundless Magazine has proved to be very popular with our members and can be credited for the increased attendances we are now enjoying on our breaks throughout the year. The magazine is still proving to be the most popular avenue of advertising we have. The Social Breaks Brochure, produced and distributed early in the year, is a most attractive booklet and is now supplemented by a further three update newsletters throughout the year. We also advertise all our breaks on the Boundless Website and more recently have adopted modern social media advertising methods such as Facebook. Although a little slow to start, we have great hopes that it will, in time, become much more important to us.

For 2017 we will continue to provide a programme of breaks and holidays emphasising variety, quality and good value for members to enjoy in the company of other like-minded members and guests.

Directors' reports and financial statements

FOR THE YEAR ENDED 31 DECEMBER 2016

STRATEGIC REPORT

The directors present the strategic report and financial statements for the year ended 31 December 2016.

Fair review of the business
In 2016 we continued to build on the successes of 2015 by delivering a growth in profits and an increase in overall reserves. In order to make the Association's products and services more meaningful to current and future members a new brand was launched. "Boundless by CSMA" reflects the exciting experiences and benefits that we provide to all our members. We are continually working on new concepts that will allow the Association to grow income, retain existing and attract new members with exciting opportunities to enjoy their leisure time through the new Boundless brand.

Financial Performance
As well as investing in the long term future of the Association we also focus on our financial performance. Income has increased and the cost base has reduced which has allowed the delivery of on-going activities and services as well as investing in long term growth plans. Increased income and reduced costs have resulted in a 2016 profit of £1.3m compared to the 2015 profit of £0.3m. Funding of club activity and member events was £0.7m compared to £0.8m in 2015 due to efficiency savings made without sacrificing the level of support as the board are mindful that provision of these activities is at the heart of the Association's ethos. Profit before club and event funding was £2.1m compared to £1.1m in 2015.

Income rose from £16.3m in 2015 to £16.5m in 2016 mainly due to increased subscription and leisure income. Costs, excluding club and event funding, have reduced from £15.6m in 2015 to £15.5m in 2016 as a result of lower staff and administrative costs, partly offset by investment in brand launch and increased leisure related cost of sales.

Following a strategic review of the overall investment portfolio a number of one off items appear in the income statement including the sales of land at the Brighton head office site and Wheel Farm cottages. There was also a number of other asset revaluations in order to comply with the latest accounting practices.

The Association's overall financial strength has increased in the year. At the end of 2016 net assets have grown to £32.9m from £32.2m in 2015. The increase of £0.7m is due mainly to profit of £1.3m and property revaluations of £0.2m, partly offset by a pension deficit contribution of £0.9m.

Long Term Aims
The long term aims of the Association are to have a sustainable business and to provide experiences that will enable our current and future members to make the most of their spare time. We also continue to provide benefits of quality and value that are supplied by the Association directly or by trusted partners. Underlying these aims is a commitment to the member communities and the club structure that supports them.

Significant Risks
The defined benefit pension scheme continues to represent a significant risk and the board manages this risk alongside all other potential risks the company faces. In order to provide a stable return and security for the company's cash assets, an investment mandate is in place that ensures funds are placed in low risk term deposit and bond accounts held in a variety of UK retail banks. Some funds are also placed with low risk managed funds that offer potentially higher returns than cash deposits. The board is also aware of the volatility of property investments and therefore ensures that there is a balance of investments between property and other assets to maximise the opportunity of long term risk and financial return.

On behalf of the board

C J Slinn
Director

Date: 24 April 2017

DIRECTORS' REPORT

The directors present their report and consolidated financial statements for the year ended 31 December 2016.

Principal activities
The principal activities of the Association are the provision of motoring, financial services and other benefits to members, and the ownership and management of leisure properties which are offered at a discount to subscribing members. (The public is allowed access to all of the Association's leisure properties at a premium.) All members are provided with the opportunity to participate in various activities under the umbrella of the CSMA Club structure.

Results
The results for the year are set out on page 11.

Auditors
The auditors, Moore Stephens (Guildford) LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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 auditor of the company and group 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 auditor of the company and group is aware of that information.

On behalf of the board

C J Slinn
Director

Date: 24 April 2017

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

C Fillery

M Grubb
(Appointed 12 January 2016)

H C Glanville

C A Higgins

T J Howe

M G Hunter

C J Slinn

G B Steward

A C Thurbon

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual 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 group and company, and of the profit or loss of the group 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 group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report to the members of the Civil Service Motoring Association Limited

We have audited the financial statements of The Civil Service Motoring Association Limited for the year ended 31 December 2016 set out on pages 11 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 9, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Christopher Goodwin
(Senior Statutory Auditor)
for and on behalf of Moore Stephens (Guildford) LLP

Chartered Accountants
Statutory Auditor
Priory House
Pilgrims Court
Sydenham Road
Guildford
Surrey
GU1 3RX

Date: 25 April 2017

Group income statement

For the year ended 31 December 2016

	Notes	2016 £	2015 £
Revenue	3	16,467,080	16,302,500
Cost of sales		(2,604,148)	(2,674,796)
GROSS PROFIT		13,862,932	13,627,704
Administrative expenses		(13,577,760)	(13,703,123)
Other operating income		43,333	78,188
OPERATING PROFIT	5	328,505	2,769
Investment income	9	44,642	82,883
Finance costs	10	(47,004)	(47,004)
Other gains and losses	11	445,288	148,982
Fair value gains and losses on investment properties	13	460,000	-
PROFIT BEFORE TAXATION		1,231,431	187,630
Taxation	12	65,675	96,574
PROFIT FOR THE FINANCIAL YEAR		1,297,106	284,204

The consolidated income statement has been prepared on the basis that all operations are continuing operations.

Group statement of consolidated income

For the year ended 31 December 2016

	2016 £	2015 £
PROFIT FOR THE YEAR	1,297,106	284,204
OTHER COMPREHENSIVE INCOME		
Revaluation of property, plant and equipment	240,133	-
Actuarial loss on defined benefit pension schemes	(900,000)	(900,000)
Tax relating to other comprehensive income	30,392	-
OTHER COMPREHENSIVE EXPENDITURE FOR THE YEAR	(629,475)	(900,000)
TOTAL COMPREHENSIVE INCOME/(EXPENDITURE) FOR THE YEAR	667,631	(615,796)

Group statement of financial position
As at 31 December 2016

	Notes	2016 £	£	2015 £	£
FIXED ASSETS					
Property, plant and equipment	13		15,737,285		21,098,439
CURRENT ASSETS					
Inventories	17	74,934		87,285	
Trade and other receivables	18	1,573,430		1,707,485	
Investments	19	12,381,115		8,136,685	
Cash at bank and in hand		9,927,423		8,460,499	
		23,956,902		18,391,954	
CURRENT LIABILITIES	21	(4,801,158)		(4,981,607)	
Net current assets			19,155,744		13,410,347
TOTAL ASSETS LESS CURRENT LIABILITIES			34,893,029		34,508,786
NON-CURRENT LIABILITIES	22		(1,365,041)		(1,618,037)
PROVISIONS FOR LIABILITIES	24		(642,495)		(672,887)
NET ASSETS			32,885,493		32,217,862
EQUITY					
Revaluation reserve			2,962,074		2,691,549
Retained earnings			29,923,419		29,526,313
TOTAL EQUITY			32,885,493		32,217,862

The financial statements were approved by the board of directors and authorised for issue on 24 April 2017 and are signed on its behalf by:

C J Slinn
Director

Company statement of financial position

For the year ended 31 December 2016

	Notes	2016 £	2016 £	2015 £	2015 £
FIXED ASSETS					
Investments	**15**		**12,600,601**		12,600,201
CURRENT ASSETS					
Trade and other receivables	**18**	**19,024,168**		18,467,251	
Cash at bank and in hand		**25,406**		218,318	
		19,049,574		18,685,569	
CURRENT LIABILITIES	**21**	**(2,410,736)**		(2,379,675)	
Net current assets			**16,638,838**		16,305,894
TOTAL ASSETS LESS CURRENT LIABILITIES			**29,239,439**		28,906,095
EQUITY					
Retained earnings			**29,239,439**		28,906,095

The financial statements were approved by the board of directors and authorised for issue on 24 April 2017 and are signed on its behalf by:

C J Slinn
Director

Company Registration No. 00252734

Group statement of changes in equity

For the year ended 31 December 2016

	Revaluation reserve £	Retained earnings £	Total £
BALANCE AT 1 JANUARY 2015	**2,691,549**	**30,142,109**	**32,833,658**
YEAR ENDED 31 DECEMBER 2015:			
Profit for the year	-	284,204	284,204
Other comprehensive expenditure:			
Actuarial losses on defined benefit plans	-	(900,000)	(900,000)
Total comprehensive expenditure for the year	-	(615,796)	(615,796)
BALANCE AT 31 DECEMBER 2015	**2,691,549**	**29,526,313**	**32,217,862**
YEAR ENDED 31 DECEMBER 2016:			
Profit for the year	-	1,297,106	1,297,106
Other comprehensive income:			
Revaluation of property, plant and equipment	240,133	-	240,133
Actuarial losses on defined benefit plans	-	(900,000)	(900,000)
Tax relating to other comprehensive income	30,392	-	30,392
Total comprehensive income for the year	270,525	397,106	667,631
BALANCE AT 31 DECEMBER 2016	**2,962,074**	**29,923,419**	**32,885,493**

Company statement of changes in equity

For the year ended 31 December 2016

	Notes	Retained earnings £
BALANCE AT 1 JANUARY 2015		**29,059,697**
YEAR ENDED 31 DECEMBER 2015:		
Loss and total comprehensive expenditure for the year	4	(153,602)
BALANCE AT 31 DECEMBER 2015		**28,906,095**
YEAR ENDED 31 DECEMBER 2016:		
Profit and total comprehensive income for the year	4	333,344
BALANCE AT 31 DECEMBER 2016		**29,239,439**

Group statement of cash flows

For the year ended 31 December 2016

		2016		2015	
	Notes	£	£	£	£
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash (absorbed by)/generated from operations	29		(64,475)		516,183
Interest paid			(47,004)		(47,004)
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES			(111,479)		469,179
INVESTING ACTIVITIES					
Purchase of property, plant and equipment		(1,811,952)		(1,839,292)	
Proceeds on disposal of property, plant and equipment		3,345,713		42	
Proceeds on disposal of fixed asset investments		-		500,000	
Interest received		44,642		82,883	
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES			1,578,403		(1,256,367)
NET CASH USED IN FINANCING ACTIVITIES			-		-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			1,466,924		(787,188)
Cash and cash equivalents at beginning of year			8,460,499		9,247,687
CASH AND CASH EQUIVALENTS AT END OF YEAR			9,927,423		8,460,499

Notes to the financial statements

For the year ended 31 December 2016

1. ACCOUNTING POLICIES

Company information

The Civil Service Motoring Association Limited (“the Company”) is a limited company domiciled and incorporated in England and Wales. The registered office is Britannia House, 21 Station Street, Brighton, BN1 4DE.

The group consists of The Civil Service Motoring Association Limited and all of its subsidiaries.

1.1. ACCOUNTING CONVENTION

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 on the historical cost convention, modified to include the revaluation of freehold properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Ireland" ("FRS102") and the requirements of the Companies Act 2006.

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. REVENUE

Revenue includes:

- Subscriptions receivable (excluding Value Added Tax) where income is recognised in accordance with the related period of membership with amounts deferred at the period end;
- Commission receivable from third party partners in respect of discounted services provided to members of CSMA calculated in accordance with the underlying period on which the commissions are based;
- Amounts receivable in respect of sales of advertising in magazines published during the year, recognised in accordance with the related date of publication; and
- Amounts receivable in respect of services provided at the leisure properties during the year, based on the members period of occupation.

1.4. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land & buildings	Nil for land, buildings 2% - 5% per annum on cost or valuation
Plant and machinery	6% - 33% per annum on cost
Fixtures, fittings & equipment	5% - 33% per annum on cost
Motor vehicles	10% - 25% per annum on cost

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 recognised in the income statement, subject to an appropriate adjustment for revalued amounts.

1.5. NON-CURRENT INVESTMENTS

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the income statement.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.6. IMPAIRMENT OF NON-CURRENT ASSETS

At each reporting end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.7. INVENTORIES

Inventories are stated at the lower of cost and estimated selling price.

The cost of stock is calculated on a first in first out basis.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventories over its estimated selling price is recognised as an impairment loss in the income statement. Reversals of impairment losses are also recognised in the income statement.

1.8. CASH AND CASH EQUIVALENTS

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

1.9. FINANCIAL INSTRUMENTS

The group 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 group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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 trade and other receivables 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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the income statement, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the income statement.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

Basic financial liabilities

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

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

Trade payables 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.10. EQUITY INSTRUMENTS

Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.11. TAXATION

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12. EMPLOYEE BENEFITS

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

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

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

1.13. RETIREMENT BENEFITS
The group operates both defined contribution and defined benefit pension schemes.

Contributions payable in the year to the defined contribution pension schemes are charged to operating profit in the group's income statement.

The defined benefit scheme was closed to new and existing members in the year ended 31 December 2014, with the company making no additional contributions other than to fund any deficit in the scheme as necessary. Accordingly there are no amounts charged to the income statement with respect to the defined benefit scheme. A full actuarial valuation of the defined benefit scheme is carried out every three years and updated to 31 December each year by an independent qualified actuary. The difference between the market value of the scheme's assets and the present value of the liabilities is included in the group's statement of financial position as an asset (to the extent that it is recoverable through reduced future contributions) or a liability, net of recoverable deferred tax.

1.14. LEASES
Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

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

1.15. CURRENT ASSET INVESTMENTS
Current asset investments are stated at market value with changes in market value being charged or credited to the income statement.

Realised and unrealised investment gains and losses on current asset investments are included within the income statement.

2. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY
In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3. REVENUE
An analysis of the group's revenue is as follows:

	2016 £	2015 £
Turnover		
Subscription income	5,197,520	4,957,116
Commission and advertising income	5,524,444	5,799,042
Leisure property income	5,745,116	5,546,342
	16,467,080	16,302,500

The number of subscribing members at 31 December 2016 was 241,582 (2015 - 259,045).

	2016 £	2015 £
Other significant revenue		
Interest income	44,642	82,883

Revenue analysed by geographical market

	2016 £	2015 £
UK	16,467,080	16,302,500

4. HOLDING COMPANY RESULTS
As permitted by s408 Companies Act 2006, the Company has not presented its own income statement and related notes. The Company's profit for the year was £333,344 (2015 - loss £153,602).

5. OPERATING PROFIT

	2016 £	2015 £
Operating profit for the year is stated after charging/(crediting):		
Depreciation of owned property, plant and equipment	1,058,374	1,161,363
Impairment of owned property, plant and equipment	261,000	200,000
(Profit)/loss on disposal of property, plant and equipment	(590,990)	376,249
Cost of inventories recognised as an expense	2,604,148	2,674,796
Operating lease charges	29,353	46,688

6. AUDITORS' REMUNERATION

	2016 £	2015 £
Fees payable to the company's auditors and its associates:		
For audit services		
Audit of the company's financial statements	16,000	15,000
Audit of the company's subsidiaries	26,000	26,000
	42,000	41,000
For other services		
All other non-audit services	5,000	5,000

7. EMPLOYEES
The average monthly number of persons (including directors) employed by the group during the year was:

	2016 Number	2015 Number
Members services and administration	245	238

Employees aggregate remuneration comprised:

	2016 £	2015 £
Wages and salaries	5,568,131	5,589,241
Social security costs	437,032	469,411
Pension costs	222,785	236,086
	6,142,948	6,294,738

8. DIRECTORS' REMUNERATION

	2016 £	2015 £
Remuneration for qualifying services	584,159	539,480
Amounts receivable under long term incentive schemes	39,221	-
Company pension contributions to defined contribution schemes	32,754	30,712
	656,134	570,192

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 4 (2015 - 4).

The number of directors who are entitled to receive bonuses under long term incentive schemes during the year was 2 (2015 - 2)

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2016	2015
Remuneration for qualifying services	214,710	208,210
Amounts receivable under long term incentive schemes	22,526	-
Company pension contributions to defined contribution schemes	18,545	16,967

9. INVESTMENT INCOME

	2016 £	2015 £
Interest income		
Interest on bank deposits	44,642	82,883

10. FINANCE COSTS

	2016 £	2015 £
Interest on financial liabilities measured at amortised cost:		
Interest on other loans	47,004	47,004

11. OTHER GAINS AND LOSSES

	2016 £	2015 £
Fair value gains on financial instruments		
Realised and unrealised gains on investments (See note 19)	445,288	148,982

12. TAXATION

	2016 £	2015 £
Deferred tax		
Origination and reversal of timing differences	(65,675)	(96,574)

The charge for the year can be reconciled to the profit/(loss) per the income statement as follows:

	2016 £	2015 £
Profit/(loss) before taxation	1,231,431	187,630
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.25%)	246,286	37,995
Tax effect of expenses that are not deductible in determining taxable profit	881,022	32,635
Tax effect of income not taxable in determining taxable profit	(1,079,304)	(21,321)
Gains not taxable	263,053	-
Effect of change in corporation tax rate	(61,480)	-
Group relief	-	31,105
Depreciation in excess of capital allowances	29,269	45,742
Transfer pricing adjustments	(15,297)	(145,935)
Other tax adjustments - including pension contributions	(329,224)	(13,935)
Adjustment to brought forward values	-	(62,860)
Tax expense for the year	(65,675)	(96,574)

In addition to the amount charged to the income statement, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2016 £	2015 £
Deferred tax arising on:		
Revaluation of property	(30,392)	-

13. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land & buildings £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 January 2016	17,998,634	83,873	9,315,814	40,070	27,438,391
Additions	267,048	-	1,544,903	-	1,811,951
Disposals	(1,957,860)	(25,585)	(2,082,865)	(22,806)	(4,089,116)
Revaluation	461,048	-	-	-	461,048
Transfer to assets held for sale	(3,955,971)	-	(1,390,189)	-	(5,346,160)
At 31 December 2016	12,812,899	58,288	7,387,663	17,264	20,276,114
Depreciation and impairment					
At 1 January 2016	651,588	68,728	5,582,614	37,022	6,339,952
Depreciation charged in the year	233,080	3,170	821,426	698	1,058,374
Impairment losses	261,000	-	-	-	261,000
Eliminated in respect of disposals	(52,200)	(15,384)	(1,244,005)	(22,806)	(1,334,395)
Revaluation	(239,086)	-	-	-	(239,086)
Transfer to assets held for sale	(502,001)	-	(1,045,015)	-	(1,547,016)
At 31 December 2016	352,381	56,514	4,115,020	14,914	4,538,829
Carrying amount					
At 31 December 2016	12,460,518	1,774	3,272,643	2,350	15,737,285
At 31 December 2015	17,347,046	15,145	3,733,200	3,048	21,098,439

More information on the impairment arising in the year is given in note 14.

Included within the land and buildings held by the company is freehold property classed as investment property. In the prior year the company had an investment property with a book cost of £710,205 and this was included in the balance sheet at valuation by Flude Commercial Limited, as at 31 December 2010, on an open market basis, at £500,000. The property was sold for £2,175,000 during 2016. During 2016 the company reviewed the use of Britannia House and as part of the property is utilised by tenants deem that 50% of the property is Investment Property, the net book value of the whole property at 1 January 2016 was £1,920,000. During the year the property was valued at £2,800,000 on the basis of a sale with vacant possession and this was carried out by Flude Commercial Limited. The revaluation of £920,000 was split equally between the revaluation of the Freehold Land and Buildings and Investment Property, resulting in £460,000 of the increase being reflected in the income statement and the balance through the statement of comprehensive income.

Two of the properties owned by the company were on the market for sale at the year end, the directors reviewed the value of both properties in line with the market and both were impaired during the year. These properties have been transferred to current assets, as assets held for sale.

The remaining land and buildings held by the company comprise freehold properties with a depreciated historic cost of £7,519,019 (2015 - £13,979,347), which were valued on an existing use basis as at 31 December 2013 by Savills (L&P) Limited, an independent firm of Chartered Surveyors, at £17,438,500 including fixtures and fittings. Each property is included in the balance sheet at this valuation less depreciation subsequently charged. The directors are not aware of any material change in value and, therefore, its respective valuation has not been updated.

On 7 August 2008 the company granted a charge in favour of The Civil Service Motoring Association Limited Pension and Life Assurance Scheme in respect of property stated in these financial statements at a value of £7,645,405 (2015 - £6,615,164) as security for the future pension obligations of the scheme.

14. IMPAIRMENTS

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in the income statement:

	2016 £	2015 £
In respect of:		
Property, plant and equipment	261,000	200,000
Recognised in:		
Administrative expenses	261,000	200,000

The Directors have reviewed the property valuations at 31 December 2016 and consider that one property has a reduced valuation. The amount of this impairment is considered to be £261,000 and has been recognised in administrative expenses as noted above.

15. FIXED ASSET INVESTMENTS

	Notes	Group 2016 £	2015 £	Company 2016 £	2015 £
Investments in subsidiaries	28	-	-	12,600,601	12,600,201

Movements in non-current investments

Company	Shares £
Cost or valuation	
At 1 January 2016 & 31 December 2016	12,600,201
Carrying amount	
At 31 December 2016	12,600,201
At 31 December 2015	12,600,201

16. FINANCIAL INSTRUMENTS

	Group 2016 £	2015 £	Company 2016 £	2015 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	10,361,001	8,995,634	19,043,610	18,677,124
Equity instruments measured at fair value	8,581,973	8,136,685	12,600,601	12,600,201
Carrying amount of financial liabilities				
Measured at amortised cost	5,972,641	6,472,993	2,130,556	2,280,724

17. INVENTORIES

	Group 2016 £	2015 £	Company 2016 £	2015 £
Finished goods and goods for resale	74,934	87,285	-	-

18. TRADE AND OTHER RECEIVABLES

Amounts falling due within one year:	Group 2016 £	2015 £	Company 2016 £	2015 £
Trade receivables	394,392	514,322	-	-
Corporation tax recoverable	63,517	63,517	-	-
Amounts due from subsidiary undertakings	-	-	19,018,204	18,458,806
Other receivables	39,186	20,813	1,818	-
Prepayments and accrued income	655,121	753,294	4,146	8,445
	1,152,216	1,351,946	19,024,168	18,467,251
Deferred tax asset (note 24)	421,214	355,539	-	-
	1,573,430	1,707,485	19,024,168	18,467,251

Whilst considered to be repayable on demand, no date has been set for the repayment of amounts owed by group undertakings.

19. CURRENT ASSET INVESTMENTS

	Group 2016 £	2015 £	Company 2016 £	2015 £
Listed investments	8,581,973	8,136,685	-	-
Assets held for sale	3,799,142	-	-	-
	12,381,115	8,136,685	-	-

20. CASH AT BANK AND IN HAND

	Group 2016 £	2015 £	Company 2016 £	2015 £
Current accounts	123,030	337,021	25,406	218,318
Deposit accounts	9,750,854	7,980,328	-	-
Petty cash	53,539	143,150	-	-
	9,927,423	8,460,499	25,406	218,318

21. CURRENT LIABILITIES

	Group 2016 £	2015 £	Company 2016 £	2015 £
Trade payables	1,428,277	1,085,786	5,732	7,755
Other taxation and social security	194,051	126,651	280,180	98,951
Other payables	142,146	342,886	135,972	279,133
Accruals and deferred income	3,036,684	3,426,284	1,988,852	1,993,836
	4,801,158	4,981,607	2,410,736	2,379,675

22. NON-CURRENT LIABILITIES

	Group 2016 £	2015 £	Company 2016 £	2015 £
Other payables	1,365,041	1,618,037	-	-

The group has received advance commission from Liverpool Victoria Friendly Society Limited, repayable by deduction of £300,000 per annum from future commissions until 31 December 2027. The present value of this sum is included within other payables.

23. PROVISIONS FOR LIABILITIES

	Notes	Group 2016 £	2015 £	Company 2016 £	2015 £
Deferred tax liabilities	24	642,495	672,887	-	-

24. DEFERRED TAXATION

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

Group	Liabilities 2016 £	Liabilities 2015 £	Assets 2016 £	Assets 2015 £
ACAs	-	-	421,214	355,539
Revaluations	642,495	672,887	-	-
	642,495	672,887	421,214	355,539

The company has no deferred tax assets or liabilities.

Movements in the year:	Group 2016 £	Company 2016 £
Liability at 1 January 2016	317,348	-
Charge to profit or loss	(65,675)	-
Charge to equity	(30,392)	-
Liability at 31 December 2016	221,281	-

The deferred tax asset and liability are expected to reverse in the foreseeable future. The asset relates to the depreciation charged being in excess of allowances claimed and the liability relates to the potential tax due on the disposal of tangible fixed assets recorded at valuation.

25. RETIREMENT BENEFIT SCHEMES

Defined contribution schemes	2016 £	2015 £
Charge to profit and loss in respect of defined contribution schemes	222,785	236,086

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

The amount outstanding at 31 December 2016 was £31,108 (2015 - £33,025).

Defined benefit schemes

The Civil Service Motoring Association Limited Pension & Life Assurance Scheme is a funded defined benefit scheme, the assets of which are held separately from those of the employer and are managed by Trustees. A full actuarial valuation was carried out at 31 December 2013. The results have been updated to 31 December 2015 by an independent qualified actuary.

Funding policy

The Trustees are required to carry out an actuarial valuation every three years. The last actuarial valuation of the Scheme was performed by the Scheme Actuary for the Trustees as at 31 December 2013. This valuation revealed a funding shortfall of approximately £3.7 million. The group has agreed to pay £900,000 p.a., backdated to 1 January 2015, up to 31 December 2017 and then £259,000 p.a. thereafter towards meeting the shortfall by 31 December 2024. The group will also meet the costs to cover administration expenses and any levies raised against the Scheme separately.

From April 2014 the scheme has been closed to both new and existing members with contributions limited to the group making good the shortfall.

Key assumptions

	2016 %	2015 %
Discount rate	2.5	3.7
Expected rate of increase of pensions in payment	3.7	3.6
Expected rate of salary increases	3.5	4.4
CPI inflation	2.5	2.4
RPI inflation	3.5	3.4

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2016 Years	2015 Years
Retiring today		
- Males	23	22.9
- Females	25	24.9
Retiring in 20 years		
- Males	24.7	24.6
- Females	26.9	26.8

Amounts taken to other comprehensive income:

	2016 £	2015 £
Actual return on scheme assets	(7,727,000)	(233,000)
Less: calculated interest element	1,271,000	1,247,000
Return on scheme assets excluding interest income	(6,456,000)	1,014,000
Actuarial changes related to obligations	7,723,000	67,000
Movement in unrecognised plan surplus	(367,000)	(181,000)
Total costs	900,000	900,000

The amounts included in the group statement of financial position arising from obligations in respect of defined benefit plans are as follows:

	2016 £	2015 £
Present value of defined benefit obligations	42,805,000	34,866,000
Fair value of plan assets	(43,262,000)	(35,690,000)
Surplus in scheme	(457,000)	(824,000)
Asset not recognised due to asset ceiling	457,000	824,000
Total liability recognised	-	-

Movements in the present value of defined benefit obligations:

	Group 2016 £
At 1 January 2016	34,866,000
Benefits paid	(1,055,000)
Actuarial gains and losses	7,723,000
Interest cost	1,271,000
At 31 December 2016	42,805,000

25. RETIREMENT BENEFIT SCHEMES (CONTINUED)

The defined benefit obligations arise from plans funded as follows:

	Group 2016 £
Wholly unfunded obligations	-
Wholly or partly funded obligations	(42,805,000)
	42,805,000

Movements in the fair value of plan assets:

	Group 2016 £
At 1 January 2016	35,690,000
Interest income	1,271,000
Return on plan assets (excluding amounts included in net interest)	6,456,000
Benefits paid	(1,055,000)
Contributions by the employer	900,000
At 31 December 2016	43,262,000

The fair value of plan assets at the reporting period end:

	Group 2016 £	2015 £
Equity instruments	-	11,681,000
Bonds	8,343,000	6,992,000
Gilts	34,037,000	16,221,000
Annuities	792,000	683,000
Cash	90,000	113,000
	43,262,000	35,690,000

26. OPERATING LEASE COMMITMENTS

Lessee

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

	Group 2016 £	2015 As restated £	Company 2016 £	2015 £
Within one year	30,771	38,439	-	-
Between two and five years	38,524	69,295	-	-
	69,295	107,734	-	-

27. CONTROLLING PARTY

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount, not exceeding 25 pence, towards the assets of the company in the event of liquidation. There is no single controlling party.

28. SUBSIDIARIES

Details of the company's subsidiaries at 31 December 2016 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held Direct	% Held Indirect
Motoring & Leisure Services Ltd, England & Wales	Motoring and financial services, leisure property management	Ordinary	100.00	
CSMA Capital Ltd England & Wales	Non-trading	Ordinary	100.00	
CSMA Motorplex Ltd England & Wales	Dormant	Ordinary	100.00	
CSMA Rescue Ltd England & Wales	Dormant	Ordinary		100.00
CSMA Recovery Services Ltd England & Wales	Dormant	Ordinary		100.00
CSMA Leisure Properties Ltd England & Wales	Dormant	Ordinary		100.00
Boundless Enterprises Ltd, England & Wales	Dormant	Ordinary	100.00	
Boundless Experiences Ltd, England & Wales	Dormant	Ordinary	100.00	
CSMA Boundless Ltd England & Wales	Dormant	Ordinary	100.00	
Boundless Innovation Ltd, England & Wales	Dormant	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
Motoring & Leisure Services Limited	898,087	13,394,766
CSMA Capital Limited	-	100
CSMA Motorplex Limited	-	2
CSMA Rescue Limited	-	100
CSMA Recovery Services Limited	-	100
CSMA Leisure Properties Limited	-	(8,140,264)
Boundless Enterprises Limited	-	100
Boundless Experiences Limited	-	100
CSMA Boundless Limited	-	100
Boundless Innovation Limited	-	100

All subsidiaries are included in the financial statements at cost less any provision for impairment. CSMA Rescue Limited, CSMA Recovery Services Limited and CSMA Leisure Properties Limited are 100% subsidiaries of Motoring & Leisure Services Limited.

29. CASH GENERATED FROM GROUP OPERATIONS

	2016 £	2015 £
Profit for the year after tax	1,297,106	284,204
Adjustments for:		
Taxation credited	(65,675)	(96,574)
Finance costs	47,004	47,004
Investment income	(44,642)	(82,883)
(Gain)/loss on disposal of property, plant and equipment	(590,990)	376,249
Fair value gains and losses on investment properties	(460,000)	-
Depreciation and impairment of property, plant and equipment	1,319,374	1,361,363
Other gains and losses	(445,288)	(148,982)
Pension scheme non-cash movement	(900,000)	(900,000)
Movements in working capital:		
Decrease/(increase) in inventories	12,351	(7,237)
Decrease in trade and other receivables	199,730	4,754
Decrease in trade and other payables	(433,445)	(321,715)
Cash (absorbed by)/generated from operations	(64,475)	516,183

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