

Charity registration number 1152401

Company registration number 08361324 (England and Wales)

LEGACY LEISURE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

LEGACY LEISURE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Chair	E Holmes
Other Trustees	M Johnson S Blount
Charity number	1152401
Company number	08361324
Principal address	3 De Salis Court Hampton Lovett Droitwich Spa Worcestershire WR9 0QE
Registered office	5 Deansway Worcester Worcestershire WR1 2JG
Auditor	Kendall Wadley LLP Granta Lodge 71 Graham Road Malvern Worcestershire WR14 2JS
Bankers	Santander Corporate Banking 298 Deansgate Manchester M3 4HH
Solicitors	Harrison Clarke Rickerbys 5 Deansway Worcester WR1 2JG

LEGACY LEISURE LIMITED

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LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees are pleased to present their report together with the financial statements of Legacy Leisure for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association dated 14th March 2013 which was subsequently amended on the 23rd June 2013, 20th September 2013 and 23 September 2014, by Resolution dated 20th August 2014, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

1) Governance, Structure and Management

Legacy Leisure is a charitable company limited by guarantee, incorporated on 15th January 2013 and registered as a Charity on 12th June 2013. The charity was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The Directors of the company are also the Charity Trustees for the purposes of Charity law and under the company's Articles are known as members of the Management Committee, those who served during the year were:

Eva Holmes (Chair)
Martin Johnson (Trustee)
Stuart Blount (Trustee)

The Charity may by ordinary resolution appoint a person who is willing to act to be a director. The minimum number of directors of the Charity is three. If the number of directors is less than the number fixed as the quorum, the continuing directors, or director may act only for the purpose of filling vacancies or of calling a general meeting.

Two members of the Management Committee give their time voluntarily and receive no benefits from the Charity. The third member of the Management Committee Eva Holmes, receives a remuneration. Expenses are reclaimed from the Charity please refer to note 8 for details.

Key Management Personnel as detailed in note 9 include the Trustees, and the Managing Director.

Directors Duties

The directors (Trustees for the purposes of Charity Law) of the charitable company, as those of all UK companies, must act in accordance with a set of general duties.

These duties are detailed in section 172 of the UK Companies Act 2006 which is summarised as follows:

A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long term,
- the interests of the company's employees,
- the need to foster the company's business relationships with suppliers, customers and others,
- the impact of the company's operations on the community and the environment,
- the desirability of the company maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the company.

Organisational Structure

Legacy Leisure has a Management Committee of a minimum of three members who meet on a quarterly basis and are responsible for the strategic direction and policy of the Charity. At present the Committee has three members.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Organisational Management and Decision Making Structure

The Board holds its quarterly meetings which are informed by the Legacy Leisure Governance Calendar and the meeting agenda includes:

- Health and Safety
- Charitable Objectives & Grant Funding
- Financial Performance, Compliance and Governance
- Human Resource and our People
- Training & Compliance
- New Business and Opportunities
- Sales and Marketing updates
- Review of Legacy Directors' Business interests

A scheme of delegation is in place and day to day responsibility for the provision of services rest with the Managing Director of Legacy Leisure, Regional Directors and site Operational Managers. They are responsible for ensuring that Legacy Leisure delivers the services specified and that the key performance indicators are met. They are also responsible for the individual supervision of the staff teams and for ensuring that the team hold relevant qualifications and they continue to develop their skills and working practices in line with good practice.

Trustee induction and Training

Potential trustees are inducted by means of an induction programme that includes:

- Background to Legacy Leisure
- Purpose of the post, duties, liabilities and responsibilities
- The obligations of Management Committee members
- The main documents which set out the operational framework for the charity including the Memorandum and Articles
- Resourcing and the current financial position as set out in the latest published accounts
- Future plans and objectives

Risk Management

The charitable company has established an ongoing process for identifying, evaluating and managing Legacy Leisure's key risks. This process includes the review of non financial as well as financial risks. The primary concern of Legacy Leisure is to ensure the Health and Safety of the public and employees at its leisure centres. As part of the risk management process, policies and procedures have been established with the intention of managing risk appropriately and ensuring compliance with appropriate legislation. The trustees take advice from experts where appropriate. A Risk Register is in place and reviewed annually by the Legacy Board.

Legacy Leisure is also concerned with financial risks, the Management Committee reviews and agrees policies for managing each of these risks and they are summarised below.

Price risk

Legacy Leisure consumes significant amounts of energy in the course of its operations due to heating of leisure centre swimming pools and saunas. Therefore, the charitable company is exposed to price risk in the energy sector. Details of the management of this risk are included later in this Report.

Credit risk

Legacy Leisure has no significant concentrations of credit risk. The charitable company has implemented policies that require appropriate credit checks on potential customers before sales commence.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Relationships with other Groups, Charities and Individuals

Legacy Leisure works closely with Local Authorities, for which they run leisure centres, along with National Governing Bodies & Community Groups/Clubs to ensure that the community's needs for access to the leisure facilities are met & that the programming is all inclusive and accessible.

Business Relationships and Ethics

All employees seek to be honest and fair in relationships with customers and suppliers. Every attempt is made to ensure that services are provided to the agreed standards and all reasonable steps are taken to ensure the safety and quality of those services. The Company has adopted an Anti-bribery Policy and Procedure in order to identify and mitigate any risks that may arise from its dealings with current or prospective clients, contractors, suppliers or consultants that may act on behalf of the Company.

Related Parties

Legacy Leisure does not currently have any related parties other than its current members.

Disabled Persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort will be made to ensure that their employment within Legacy Leisure continues and that the appropriate support & training is provided. It is the policy of the Charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee Engagement

The Board recognises the significance of employee stakeholders and the views of the workforce are taken into account by the Charity when developing strategy. There are a number of ways that this is achieved as detailed below.

The implementation of an intranet platform and social media platform in the company has been useful in ensuring robust communications.

We aim to attract and retain the best people by investing in their development and success, an example of such investment is the provision of support for additional qualifications. We also use an apprenticeship scheme to attract the next generation of employees into our business. Our employee's contribution is rewarded through a competitive pay and benefits package; which includes free use of our facilities and a discounts and concierge programme.

Employee Forum: The principal mechanism for employee engagement in the company is the employee forums. Employee forums are held nationally and regionally during the course of the year and these are attended by Operational Directors. The forums provide an opportunity for employees to be informed about strategic issues and their views and ideas are actively sought by the Operational Directors and Managing Director of Legacy Leisure who attend. Topics of discussion include details of business strategy, economic factors affecting the company, financial performance and health and safety updates. Employees who attend gather feedback and issues from their local colleagues to be raised at the forums and there are open sessions for feedback and questions with the Operational Directors. Updates and responses from questions raised to the Directors at the forum are subsequently circulated to each centre.

Social Media: The implementation of a social media platform in the company has been a useful tool in engagement and an effective communication channel with employees. This is used on a daily basis to update the workforce on issues, to share news and views and get immediate feedback.

Employee Surveys: Employee surveys are used to measure employee engagement. Mental wellbeing surveys have been conducted extensively with the workforce and a review is currently taking place by the Health & Wellbeing team to further develop and improve these surveys. Results are shared with the Management Committee.

Employee of the Month & Quarter: To reward employees who go above and beyond in the duties at work, we now have an employee of the month & quarter awards in recognition of the hard work of our teams.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

2) Objectives and activities

Legacy Leisure's purpose, as set out in the objectives is contained in Legacy Leisure's Memorandum of Association and detailed below, is to provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of the public at large or for individuals who have need of such facilities by reason of their age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

The aim of our Charity is to promote sport and leisure activities in the local community, to improve the health and wellbeing of the public at large through the provision of leisure facilities that promote exercise and provide a social arena.

No change in the nature of these activities occurred during the year.

The Focus of our Work

Our main objective for the year was the management of leisure facilities. Legacy Leisure undertakes this activity with a view to promoting sport and leisure in local communities. The strategies we used to meet this objective included:

Our Vision

It is the Vision of Legacy Leisure to inspire communities into active, healthy and fulfilling lifestyles that are culturally alert and ethically aware. This will be achieved through a varied programme that will include recreational activities, cultural events, educational schemes and competitive opportunities.

At the very core of our philosophy lies engagement and outreach. Engagement with the communities that we already serve and outreach to the wider community not yet accessed. Legacy Leisure will provide an open and accessible service to all, through effective programming and marketing of products with a diverse appeal, reflecting the wide demographic blend of our modern day communities.

Legacy Leisure will aspire to be the hub of the community, a trustworthy and dependable focal point for social, recreational and cultural enlightenment and fulfilment.

Our Objectives:

- **Engage:** To connect with communities through outreach programmes, to offer a warm and genuine welcome to every participant and to ensure that customer care is at the heart of everything that we do, to support and motivate our patrons.
- **Inspire:** To provide pathways for personal sports development from entry level to elite sports performance where desirable.
- **Educate:** To educate communities in the extensive benefits of physical activity and healthier living to prolong lifetimes and minimise the impact of health related illness. To positively impact on the wellbeing of communities by providing educational courses on smoking cessation, diabetes, blood pressure, obesity and physical inactivity. To provide a range of arts and culture focussed activities that will inspire, stimulate and provoke new interest.
- **Participate:** To provide sporting opportunities for participation at every level, from beginners, intermediate, recreational through to elite and to ensure our facilities are inclusive & accessible to all.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

- **Enhance Lifestyles:** To contribute towards a healthier nation with reduced child and adult obesity, where the community members are encouraged to lead more active and healthier lifestyles to improve health and well being, to create activity pathways for the over 50 population to minimise the impact of illness later in life. To encourage more active and healthier lifestyles that will lead to a better quality of life. To deliver programmes that not only increase active participation, but improve on social welfare by creating a network of support for participants.
- **Supporting our local communities:** By making available grant funds for community groups, clubs and individuals on application, that will support local initiatives and personal sporting or physical activity goals which would otherwise not be possible through other means.

Our Ethos:

- **Excellent customer care:** To ensure every customer is treated courteously with respect, attention and care. To provide clean, safe and appropriately maintained facilities.
- **Socially responsible:** To take a positive lead in ensuring people from different backgrounds respect and interact together. To lead by example by providing inspirational employment opportunities to all.
- **Ethically responsible:** To minimise our carbon footprint by being environmentally responsible, maintaining good housekeeping practices and caring for our environment.
- **Attracting hard to reach groups:** To develop a programme that specifically targets hard to reach and minority groups such as the disabled, ethnic or diverse backgrounds, over 50's, children and inactive people. To provide a range of initiatives that increase opportunities for participation in these demographics.
- **Awareness:** Raise awareness of the opportunities for sport, leisure and cultural interaction within local communities through effective marketing and PR strategies, targeted towards the local population.
- **Create Loyalty:** To ensure all Legacy Leisure products inspire customers to continue with positive lifestyle changes. To support maintained interest and commitment to these lifestyles by providing suitable and accessible facilities delivered to a high standard. To ensure facilities, activities and products are available during each visit, and to promote follow up visits. To consistently offer high quality services, diverse programmes and accessible facilities that the local community feels proud of and that keeps participants engaged over a sustained period of time.
- **Developing People:** To encourage and motivate our staff to be the best in the business. To offer career and personal development opportunities through comprehensive training and succession planning. To deliver volunteer and apprenticeship programmes to create employment opportunities in the local community through partnerships with local schools, colleges and other education centres.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Public Benefit

In order to meet our objectives, the Trustees have considered the Charity Commission's guidance on public benefit in deciding what activities Legacy Leisure should undertake.

All of Legacy Leisure's activities are focused on the delivery of promoting sport, leisure and health & wellbeing activities to the community local to each of our leisure facilities alongside promoting social interaction. The public benefits delivered below including possible outcomes:

- The provision of leisure facilities for the general public use i.e. sports halls, gyms, swimming pools etc.
- The advancement of amateur sports by classes, lessons, coaching and the availability of team sports at our leisure facilities and equipment for the purposes of keeping fit and recreational sport. This includes the running of and ability to participate in group activity/competitions.
- The promotion of health and well-being by strategies put in place to increase participation in community sports and links with other health promotion providers.
- Arrangements for members of societies with special needs, the elderly and people with disabilities to ensure inclusion for all.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

3) Strategic Report

The description under the headings "Achievements and Performance" and "Financial Review" meet the company law requirements for the Trustees to present a strategic report.

Achievements and Performance

Throughout 2023 Legacy Leisure Limited has operated leisure centres with a wide range of both wet and dry facilities along with some dual use sites linked to Schools.

Legacy Leisure has continued to operate 11 leisure contracts in 2023 together with a new contract commencing in January 2023 on behalf of Sport Wales, Plas Menai Outdoor Centre.

- **West Berkshire:** seven leisure centres, including some dual use facilities linked to local schools, the largest of which is Northcroft Leisure Centre.
- **Vale of Glamorgan:** five leisure centres, including some dual use facilities linked to local schools in the area, the largest of which is Barry Leisure Centre.
- **Cherwell:** three leisure centres, including some dual use facilities linked to local schools in Cherwell, the largest of which is Spiceball Leisure Centre in Banbury.
- **Cherwell - Woodgreen:** one leisure centre in Woodgreen comprising Woodgreen Leisure Centre.
- **North Somerset:** three leisure centres in North Somerset. The largest centre in the North Somerset contract is Hutton Moor Leisure Centre in Weston-super-Mare.
- **South Northamptonshire:** two leisure centres in South Northamptonshire. The largest centre in the South Northamptonshire contract is Towcester Centre for Leisure.
- **Cardiff:** one leisure facility, Cardiff International Pool.
- **Salisbury:** one leisure facility, Salisbury Health and Fitness Club.
- **Erewash:** four leisure facilities, West Park Leisure Centre, Victoria Park Leisure Centre, Rutland Sports Park including Pewit Golf Course, and Sandiacre Friesland Sports Centre.
- **Leeds Forum:** one leisure centre
- **Burnham Swim and Sports Academy:** one leisure centre
- **Sport Wales:** Plas Menai, one watersports and outdoor pursuits facility

In July 2023, our contract at West Berkshire came to an end.

In December 2023, our contract at Sandiacre Friesland Sports Centre came to an end.

There were thirty centres operated by Legacy Leisure in 2023 throughout which the LeisureCentre.com brand is operated and allows customers to utilise both the fitness gym, swimming pools and health suite where available, by way of monthly memberships or pay and play.

Health & Safety management remains a core focus. We continue to maintain our ISO45001 status throughout the business, this is the foremost ISO standard for management systems of occupational health and safety.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

The facilities are used by the local communities, both by customers with memberships and by non-members. Legacy Leisure endeavours to ensure that customers are a key priority and feedback on cleanliness and services provided is encouraged to allow us to monitor that the high standards we set are being achieved, and allow us to make improvements where necessary.

Community Fund Awards:

During 2023, the Community Grant Fund had 14 Community Grant applications approved. Some of these included support for training qualification to deliver local community sports activities, training equipment for groups/organisations for young people and over 50's to increase participation and swimming therapy for disabled swimmers.

Streamlined Energy and Carbon Report

Methodology

Energy data has been collected from supplier invoices agreed and paid within the reporting year. Any energy that has been re-billed to Legacy Leisure has been included as per the SECR guidance. F Gas data has been taken from F Gas approved contractor service reports, removing any recovered and destroyed gases. Transport data has been taken from a collection of supplier invoices, fuel cards and expense reports.

We have used the Government's greenhouse gas emission conversion factors for 2023 to calculate scope 1 and scope 2 emissions and to convert our diesel, petrol, gas oil, LPG and burning oil from litres to MWh. These are all referred to as 'other fuels' for the purpose of this report. Corresponding historic conversion factors have been used to calculate historic emissions.

It should be noted that 2020 and 2021 data from previous reports have been revised in-line with SECR guidance.

Intensity Metrics

Legacy Leisure portfolio has changed since 2019 and therefore to de-couple emission changes from business changes we have employed two energy intensity metrics:

- Kgs CO2e per m2 floor area
- Kgs CO2e per £ of business revenue generated (excluding management fees)

Our year on year targets are currently to improve upon the previous year's emissions, using the above energy intensity metrics to benchmark emissions against the previous year.

Energy Consumption

	Scope 1					Scope 2		
	Natural Gas (MWh)	Transport (MWh)	Other Fuels (MWh)	F Gases (MWh)		Electricity (MWh)	Transport (MWh)	Heat (MWh)
2023	22,123	0	136	N/A		8,204	0	937
2022	24,558	0	46	N/A		8,204	0	1,195
2021	27,729	0	67	N/A		8,084	0	874
2020	24,882	0	170	N/A		8,814	0	995
2019	49,090	0	68	N/A		11,732	0	2,229

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Scope 1 and 2 CO₂e Emissions

	Scope 1				Scope 2		
	Natural Gas (Tonnes) CO ₂ e	Scope 1 Transport (Tonnes)	Other Fuels (Tonnes)	F Gas (Tonnes CO ₂ e)	Electricity (Tonnes) CO ₂ e	Scope 2 Transport (Tonnes)	Heat (Tonnes) CO ₂ e
2023	4,039	0	35	6	1,532	0	171
2022	4,420	0	1	34	1,587	0	179
2021	5,079	0	2	0	1,717	0	149
2020	4,575	0	21	0	2,055	0	258
2019	9,025	0	2	0	2,999	0	669

Scope 1 and 2 CO₂e Emissions Against Intensity Metrics

	Scope 1					Scope 2				Total GHG		
	Energy MWh	F Gas (T CO ₂ e)	CO ₂ e (T)	kg CO ₂ e per m ²	kg CO ₂ e per £ Revenue	Energy MWh	CO ₂ e (T)	k g CO ₂ e per m ²	kg CO ₂ e per £ Revenue	CO ₂ e (T)	k g CO ₂ e per m ²	kg CO ₂ e per £ Revenue
2023	22,259	6	4,080	43.28	0.132	8,472	1,703	18.06	0.055	5,783	61.34	0.187
2022	24,604	34	4,455	41.37	0.157	9,399	1,766	16.40	0.062	6,221	57.77	0.220
2021	27,796	0	5,081	51.36	0.331	8,959	1,866	18.86	0.122	6,946	70.23	0.452
2020	25,053	0	4,597	39.56	0.321	9,808	2,313	19.91	0.161	6,910	59.46	0.482
2019	49,158	0	9,027	65.90	0.218	13,961	3,667	26.77	0.089	12,694	92.67	0.307

T=Tonnes

Energy Efficiency Action Taken

There was continued investment into the energy efficiency of buildings during 2023 - primarily the continued roll-out of LED lighting, installation of several destratification fan systems and improved mechanical controls and improved monitoring through the roll-out of water AMR. The largest impact on energy efficiency was through direct site engagement to improve consumption during out of hours periods at the centres and improved controls of large mechanical equipment such as pool circulation pumps, air handling units and heating pumps. There was also investment into the Energy and Sustainability team with the creation of a new role to assist with surveying and implementation of energy saving initiatives.

During 2023, the charity also actively engaged with local authority partners to further develop carbon reduction plans and apply for capital funding through the Public Sector Decarbonisation Scheme and Sport England Swimming Pool Relief fund to assist with the continuation of investment into energy efficient technologies in 2024 and beyond.

Capital spend in 2023 was focused on the below key technologies:

- Pipework lagging/ installation of jackets
- Building Management System optimisation
- Heating, ventilation and air-conditioning controls
- General repair
- Pool covers
- Lighting upgrades
- Solar PV installation
- Destratification fan technology
- Variable speed drive installation
- Water efficiency schemes

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Financial/Business Review

2023 was a positive year for Legacy Leisure as we continue to battle with the national wage increases, cost of living price increases, supplier cost increases and the ongoing high utility costs across the business. Customers are also still feeling the high cost of living and prioritising spending accordingly. The Company generated revenues from charitable activities of £33.0 million (2022: £29.6 million), which represents an increase of £3.4 million.

Principal Risks and Uncertainties

During 2023, our core revenue lines of Swimming Lessons, Swimming Memberships and Health & Fitness Memberships exceeded sector averages. By the end of the year swimming lessons were 12.6% above pre Covid-19 levels on a like-for-like basis. In Swimming Memberships we managed to exceed pre Covid-19 levels by 3.4%. Whilst Health & Fitness was always anticipated to take longer to re-establish, the year ended with 20.4% above pre-covid 19 recovery, largely well ahead of sector-wide reporting.

During the course of 2023 we continued to see increasing volatility in the utility markets, with supply concerns pushing prices to all-time highs and becoming even more challenging as a result of the invasion of Ukraine by Russia. However, whilst markets remained impossible to predict, the situation has improved over recent months.

It is clear that the significant increase in utility prices is not a short term issue given the current wholesale prices for 2023, 2024 and 2025. This impact will undoubtedly be a significant challenge for the whole UK public leisure market and will be a core priority for the team to manage going forward.

During the course of 2023, we continued to develop key areas of the business as workforce challenges continued throughout the year with recruitment in key areas of the business. As part of our strategy to improve the workforce and retention of our staff we continued to develop in some areas we felt improvements were needed. These include:

- Development of Mental Health support programmes, including the introduction of Mental Health Trainers.
- Enhancements to Terms & Conditions of employment, including wider discounts initiatives available to employees.
- Improvements to Digital Training Modules.
- Improvements to the Career Pathway Programme.
- Digital Recruitment platform.
- Digital onboard of new employees.
- Improved staff communications.

These measures and further developments will be crucial to ensure future challenges in the human workforce do not stifle our recovery and growth plans.

Principal Funding Source

The Charity's principal source of income is from the provision of leisure facilities to the general public, through the operation of local authority leisure centres. The local authority leisure centres are used by the public for a variety of purposes including recreation, fitness and lessons. The facilities operated by the Charity comprise swimming pools, fitness gyms, sports halls, tennis courts, outdoor playing fields/pitches and watersports facilities. This forms the Charity's Unrestricted Funds.

To enable the leisure facilities to provide a wider range of programmes, individual centres also look to acquire grant funding and subsidies from government schemes. This forms the Charity's Restricted Funds.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Reserves Policy

The Unrestricted funds as at 31st December 2023 stood at £231,836 (2022: £262,588), reflecting a stable position. Now we are back to some sort of normality albeit still a challenging time, all of our facilities are back to normal operating levels and customers are starting to return.

The income and property of the Charity shall be applied solely towards the promotion of its object, the provision of leisure facilities. The Management Committee continually reviews the Charity's requirements for reserves. The risk to the Charity is the level of fixed costs and committed community funded grants. The Management Committee has retained reserves to meet its budgeted fixed costs plus committed community funded grants for the financial year following the latest approved annual financial statements and will aim to maintain them at this minimum level.

Plans for the Future/New Business

As a result of the strong and positive negotiations we conduct with our Local Authority partners we were well placed to explore future new business opportunities in 2024.

Open procurement has increased across 2023 and we did see an increase in UK public sector contracts coming to market at the end of 2023.

Our focus will clearly be on winning new business which we feel we are well positioned to explore but also to secure contract extension in facilities we already operate.

We will continue to review and manage any changes as they happen and as soon as practically possible. Exercise will play a key role in the covid recovery and the current medical guidance is for people to get back to their previous level of activity as soon as possible, even aiming to be more active than before so we anticipate a positive response to removal of restrictions and customer confidence to be high.

Legacy Leisure will also continue to look for new forms of funding and grants that will allow it to provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of the public at large or for individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

Social Value

Legacy Leisure is committed to delivering services on behalf of our partners in accordance with the aims of *The Public Services (Social Value) Act 2012* through the delivery of health, economic, social and environmental benefits. We achieve this through well-operated, well-resourced facilities and highly capable central support services. We have a track record of providing targeted interventions and programmes for the local community and delivering increased participation in health & physical activity. We adapt and grow over the life of partnerships ensuring our offer remains relevant, bespoke, fresh and one that all our partners can be proud of. We are committed to payment of the living wage, employing locally, providing apprenticeships and training opportunities and using local suppliers. We are focused and fully committed to contributing to net zero carbon targets through investment and delivery of decarbonisation measures and reducing energy use.

Across the leisure industry, Moving Communities tracks participation at public leisure facilities and provides new evidence of the sector's performance, sustainability and social value. This platform was set up by Sport England and the Government who recognise the vital role that gyms and leisure centres play in helping people to be active. This data will assist local authorities, leisure providers and policymakers to support public gyms and leisure centres, taking informed decisions to keep our nation active. Unfortunately, we cannot track data from facilities we operate in Wales as they do not have access to the Moving Communities platform or have no platform available for use.

Understanding the impact we have and social value generated underpins all aspects of our business and shapes our programming and outreach. The assessment of participation data and customer demographics will be undertaken in order to demonstrate and inform our growth as we move forward into 2024 and beyond.

Auditor

A resolution proposing that Kendall Wadley LLP be reappointed as auditor of the charitable company will be put to the Members.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report, including the strategic report, was approved by the Board of Trustees.

E I Holmes
Trustee

15 April 2024

LEGACY LEISURE LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees, who are also the directors of Legacy Leisure Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LEGACY LEISURE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LEGACY LEISURE LIMITED

Opinion

We have audited the financial statements of Legacy Leisure Limited (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, 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 charity 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 Trustees' 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 charity'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 Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

LEGACY LEISURE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF LEGACY LEISURE LIMITED

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 Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, 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 Trustees 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 Trustees are responsible for assessing the charity'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 Trustees either intend to liquidate the charitable 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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

- an understanding of the risk assessment process (including the assessment of the risk of fraud) adopted by the Board of Trustees is obtained and their attitude to risk ascertained
- an understanding of the legal and regulatory framework as applicable to the charitable company is obtained together with knowledge of the procedures put in place by the charitable company in order to comply with the same
- it is established if there have been any instances of non-compliance with applicable laws and regulations, where there are such breaches, a full understanding, including gathering of relevant documentation appertaining to the event is obtained and assessed
- an assessment of the susceptibility to material mis-statement of the financial statements as a result of management over-ride or fraud is made

LEGACY LEISURE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF LEGACY LEISURE LIMITED

Audit response to risks identified

It is ensured that the engagement team have, collectively, the appropriate competence, capabilities and skills to be involved in the assignment, are fully briefed and understand the risks specific to the charitable company

Processes to test the outcomes of our assessment include:

- a review of the Board of Trustee minutes
- analytical review
- assessing the relevance and accuracy of significant accounting estimates
- substantive testing of significant transactions, including work to identify unusual or unexpected accounting entries including the testing of journal entries
- information disclosed in the financial statements is agreed supporting documentation

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material mis-statement in the financial statements or non-compliance with regulation. It is acknowledged that material mis-statements that arise from fraud may involve deliberate concealment or collusion and are, therefore, by their very nature harder to detect than those arising from error. It should also be noted that Auditing Standards limit the procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence if any.

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.

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. 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.

Elizabeth Needham ACA CTA (VAT) (Senior Statutory Auditor)
for and on behalf of Kendall Wadley LLP

15 April 2024

Chartered Accountants
Statutory Auditor

Granta Lodge
71 Graham Road
Malvern
Worcestershire
WR14 2JS

LEGACY LEISURE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income from:							
Charitable activities	3	33,018,433	16,011	33,034,444	29,516,481	126,890	29,643,371
Investments	4	35,369	-	35,369	1,269	-	1,269
Total income		33,053,802	16,011	33,069,813	29,517,750	126,890	29,644,640
Expenditure on:	5						
Charitable activities		33,084,554	16,011	33,100,565	29,516,242	126,890	29,643,132
Net (expenditure)/income for the year/ Net movement in funds		(30,752)	-	(30,752)	1,508	-	1,508
Fund balances at 1 January 2023		262,588	-	262,588	261,080	-	261,080
Fund balances at 31 December 2023		231,836	-	231,836	262,588	-	262,588

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LEGACY LEISURE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Current assets					
Stocks	12	224,491		196,372	
Debtors	13	3,099,051		2,987,838	
Cash at bank and in hand		1,948,776		744,465	
		<u>5,272,318</u>		<u>3,928,675</u>	
Creditors: amounts falling due within one year	14	<u>5,040,482</u>		<u>3,666,087</u>	
Net current assets			231,836		262,588
			<u>231,836</u>		<u>262,588</u>
Income funds					
Unrestricted funds			231,836		262,588
			<u>231,836</u>		<u>262,588</u>

The financial statements were approved by the Trustees on 15 April 2024

E Holmes
Trustee

Company registration number 08361324 (England and Wales)

LEGACY LEISURE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	18		1,168,942		(1,731,139)
Investing activities					
Investment income received		35,369		1,269	
Net cash generated from investing activities					
			35,369		1,269
Net cash used in financing activities					
			-		-
Net increase/(decrease) in cash and cash equivalents					
			1,204,311		(1,729,870)
Cash and cash equivalents at beginning of year			744,465		2,474,335
Cash and cash equivalents at end of year			1,948,776		744,465

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

Legacy Leisure Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 5 Deansway, Worcester, Worcestershire, WR1 2JG.

Activities are transacted through a number of leisure centres, details of which can be found on the website www.legacyleisure.org.uk.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts 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 Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in the furtherance of their charitable objectives.

Restricted funds are subject to the specific conditions imposed by donors as to how they may be expended. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Income

Grant income is recognised in the statement of financial activities when received in accordance with the SORP.

Other sources of income represent monies received in the pursuit of leisure activities or hire of facilities, net of VAT and is recognised in the statement of financial activities at the point in which the activity is undertaken.

Investment income is included in the statement of financial activities in the year in which it is receivable.

1.5 Resources expended

Liabilities are included in the financial statements as soon as recognised.

Costs of generating funds comprise those costs associated with attracting voluntary income and the cost of providing the leisure facilities.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, whereas other costs are apportioned on a basis of estimated usage.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price. Cost comprises direct materials and, where applicable, those overheads that have been incurred in bringing the stocks to their present location and condition.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.8 Financial instruments

The charity 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 charity's balance sheet when the charity 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. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially 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 operations 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.

Derecognition of financial liabilities

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

1.9 Employee benefits

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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.10 Retirement benefits

The charitable company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the statement of financial activities in the year they are payable.

The charitable company also has a small number of employees who are members of defined benefit pension schemes. These schemes are multi-employer schemes and the charity is unable to identify its share of the underlying assets and liabilities in them on a consistent and reliable basis. As such the contributions are accounted for as if the schemes were defined contribution and contributions are charged as they become payable.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees 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.

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

3 Charitable activities

	Activities for generating funds	Grants and other restricted funds	Total 2023	Total 2022
	£	£	£	£
Swimming Pool and Memberships	5,327,663	-	5,327,663	5,317,397
Fitness Gym and Memberships	13,658,665	-	13,658,665	12,231,594
Tennis and Memberships	25,131	-	25,131	18,198
Wetside Courses incl. classes	7,098,767	-	7,098,767	6,745,148
Food and Beverage incl. Vending	1,160,889	-	1,160,889	966,612
Goods for Resale	484,647	-	484,647	457,439
Accommodation Income	151,658	-	151,658	-
Facilities Hire	508,334	-	508,334	508,054
Other Indoor Activities	937,325	-	937,325	941,990
Creche and Holiday Programme	42,589	-	42,589	60,183
Outdoor Activities	548,498	-	548,498	420,713
Other Income	646,620	-	646,620	532,977
Watersports Activities	390,684	-	390,684	-
Managed Business Fees	2,036,963	-	2,036,963	1,316,176
Performance Related Grants (see below)	-	16,011	16,011	126,890
	<u>33,018,433</u>	<u>16,011</u>	<u>33,034,444</u>	<u>29,643,371</u>
Analysis by fund				
Unrestricted funds	33,018,433	-	33,018,433	
Restricted funds	-	16,011	16,011	
	<u>33,018,433</u>	<u>16,011</u>	<u>33,034,444</u>	
For the year ended 31 December 2022				
Unrestricted funds	29,516,481	-		29,516,481
Restricted funds	-	126,890		126,890
	<u>29,516,481</u>	<u>126,890</u>		<u>29,643,371</u>

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

3 Charitable activities (Continued)

	2023	2022
	£	£
Performance related grants		
Health Promotion Officer	500	50,900
West Berkshire Council - Cancer rehab.	3,865	11,042
Swimming lessons - shark funding	5,833	16,667
Holiday Activity and Food programme	3,813	41,748
Vale of Glamorgan Council - Table tennis equipment	2,000	-
North Northamptonshire Council - Weight Management	-	6,533
	<u>16,011</u>	<u>126,890</u>

4 Income from investments

	Unrestricted funds 2023	Unrestricted funds 2022
	£	£
Interest receivable	<u>35,369</u>	<u>1,269</u>

5 Expenditure on charitable activities

All costs are in connection with the running of the centres, including the operation of activities for which restricted funding has been received (note 15) and grants awarded (note 6).

6 Grants payable

	2023	2023
	£	£
Grants to sports clubs	<u>5,215</u>	<u>8,874</u>

7 Support costs allocated to activities

	2023	2022
	£	£
Audit fees	<u>10,800</u>	<u>9,000</u>
Allocated to:		
Charitable activities	<u>10,800</u>	<u>9,000</u>

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

8 Trustees

E Holmes received remuneration amounting to £18,000 (2022: £18,000) as allowed under the governing documents of the charity for services other than being a trustee, together with pension contributions of £353 (2022: £353).

None of the other trustees (or any persons connected with them) received any remuneration during the year.

One Trustee was also reimbursed £1,130 (2022 - one, £828) in connection with travelling and other expenses.

9 Employees

The average monthly number of full time employees during the year was: 514 (2022: 526). On a head count basis the average number is as follows:

	2023 Number	2022 Number
Administration and Management	240	262
Operations	1,215	1,078
Total	1,455	1,340

Employment costs	2023 £	2022 £
Wages and salaries	14,941,142	13,264,276
Social security costs	714,897	691,143
Other pension costs	451,490	259,356
	16,107,529	14,214,775

Included in the above costs for wages and salaries is £3,776 (2022 - £6,360) in respect of redundancy costs.

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023 Number	2022 Number
£60,000 - £70,000	1	1
£80,000 - £90,000	1	1

Pension contributions in respect of the higher paid staff amounted to £27,783 (2022 - £26,758).

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

9 Employees (Continued)

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	125,672	121,425

10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

11 Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund. The charge to income and expenditure in respect of defined contribution schemes was £188,918 (2022 - £163,586).

Contributions to defined benefit schemes treated as defined contribution schemes (see accounting policies) were £262,572 (2022 - £95,770).

12 Stocks

	2023 £	2022 £
Finished goods and goods for resale	224,491	196,372

13 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	578,022	484,181
Other debtors	134,559	60,989
Prepayments and accrued income	2,386,470	2,442,668
	3,099,051	2,987,838

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

14 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Other taxation and social security		286,179	71,245
Deferred income		724,069	605,812
Trade creditors		1,872,180	1,209,069
Other creditors		350,836	375,104
Accruals		1,807,218	1,404,857
		<u>5,040,482</u>	<u>3,666,087</u>

The deferred income shown above arises from membership fees and services invoiced in advance. The whole amount is released in full in the subsequent accounting period.

15 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2023	Incoming resources	Resources expended	At 31 December 2023
	£	£	£	£
Health Promotion Officer	-	500	(500)	-
Swimming lessons - shark funding	-	5,833	(5,833)	-
Holiday Activity and Food Programme	-	3,813	(3,813)	-
Vale of Glamorgan Council - Table tennis equipment	-	2,000	(2,000)	-
West Berkshire Council - Cancer rehab.	-	3,865	(3,865)	-
	<u>-</u>	<u>16,011</u>	<u>(16,011)</u>	<u>-</u>

Previous year:

	At 1 January 2022	Incoming resources	Resources expended	At 31 December 2022
	£	£	£	£
	-	-	-	-
Health Promotion Officer	-	50,900	(50,900)	-
Swimming lessons: shark funding	-	16,667	(16,667)	-
Holiday Activity and Food Programme	-	41,748	(41,748)	-
Weight Management Fund	-	6,533	(6,533)	-
West Berkshire Council - Cancer rehab	-	11,042	(11,042)	-
	<u>-</u>	<u>126,890</u>	<u>(126,890)</u>	<u>-</u>

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

15 Restricted funds

(Continued)

Health Promotion Officer - Public Health England have provided funding to the Council for Weight Management Service for residents in West Berkshire. Legacy Leisure in partnership with Weight Watchers offer the provision of a Health Promotion Officer (Weight Management Coordinator & client instructor) and an The Activity for Health Coordinator.

Free swimming lessons under the shark scheme - (West Berkshire Borough Council) - To provide free swimming lessons for children who are identified as non swimmers in years 1, 2 and 3 (and down to foundation year). The sessions run on a 50 week continuous program.

Holiday Activity and Food Programme - funding received under the government initiative to assist in providing activity and food during school holidays to those children in receipt of benefits-related free school meals.

Vale of Glamorgan Council - funding received towards the provision of table tennis equipment.

Weight Management Fund (North Northamptonshire Council) - funding received to deliver an enhanced weight management programme to target groups who do not usually engage with existing local services.

Cancer Rehab (West Berkshire Borough Council) - To provide a cancer rehabilitation programme for people living with or recovering from cancer.

16 Events after the reporting date

As a result of the Covid-19 pandemic and the enforced closures of facilities in both March 2020 and, according to tier and geographical location, in September and October 2020, a claim was made to the entity's insurers for restitution under business interruption clauses.

During the year a without prejudice interim payment was received. Subsequent to the year end the appointed loss adjuster has confirmed that claims may proceed. The model for the calculation of the quantum of the claim is in the process of being agreed between all parties and at this time the likely return is not capable of being quantified. Any income received will have an impact on Professional Services fees and Contract fees payable under such agreements in place at the time of the lock downs.

17 Related party transactions

There were no disclosable related party transactions during the year (2022 - none), other than those shown in note 8.

18 Cash generated from operations

	2023 £	2022 £
(Deficit)/surplus for the year	(30,752)	1,508
Adjustments for:		
Investment income recognised in statement of financial activities	(35,369)	(1,269)
Movements in working capital:		
(Increase) in stocks	(28,119)	(15,466)
(Increase) in debtors	(111,213)	(1,181,729)
Increase/(decrease) in creditors	1,256,138	(631,469)
Increase in deferred income	118,257	97,286
Cash generated from/(absorbed by) operations	1,168,942	(1,731,139)

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

19 Analysis of changes in net funds

The charity had no material debt during the year.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.