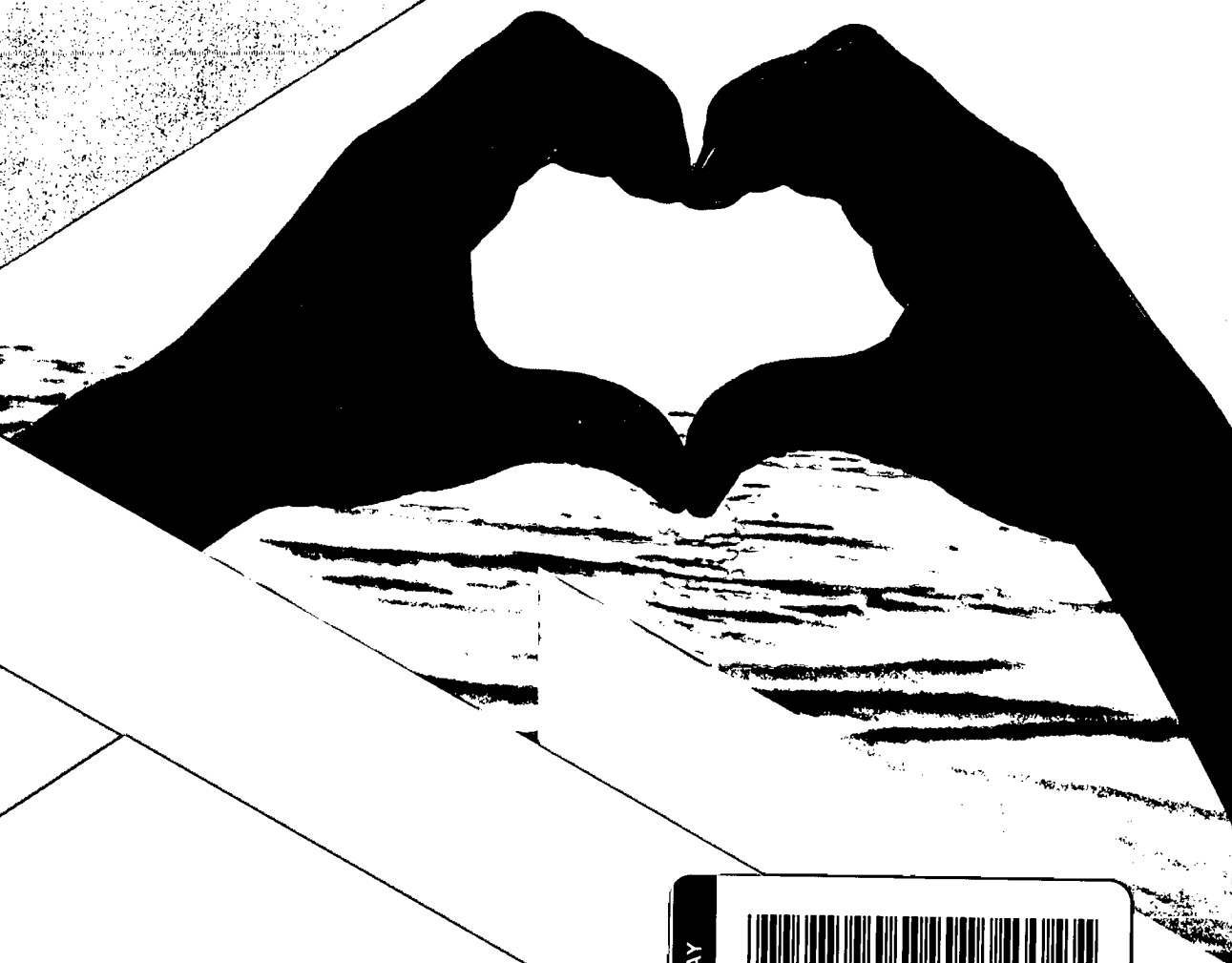




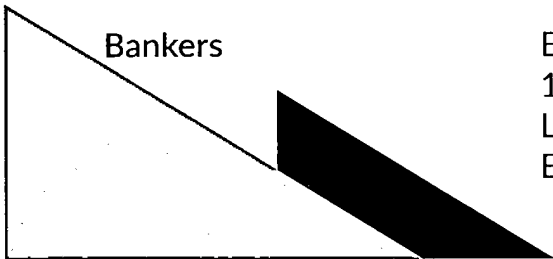
MAGNA VITAE

TRUSTEES' REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023



MAGNA VITAE
LEGAL AND ADMINISTRATIVE INFORMATION

Chairman of the Trustees	Peter Helps
Community Trustees	Ian Emmerson OBE (Vice Chairman) Ashley Lidgard Jonathan Stones David Warden Cate Atwater (appointed 20 October 2022) Michelle Howard (appointed 20 October 2022)
Local Authority Trustees	Cllr Sarah Parkin (resigned 24 May 2023) Cllr Steve Kirk (resigned 24 May 2023) Cllr Sam Kemp (appointed 24 May 2023) Cllr Robert Watson (appointed 24 May 2023)
Employee Trustee	Ross Cameron (resigned 13th April 2022)
Executive Directors	James Brindle Aeneas Richardson
Charity number	1160156
Company number	09078400
Registered office	Meridian Leisure Centre Wood Lane Louth, Lincolnshire LN11 8SA
Senior Leadership Team	James Brindle, Executive Director Aeneas Richardson, Executive Director Sally Topham, Director of Finance James Turner, Director of Business Development Naomi Wilkinson-Baker, Director of Operations (from January 2023)
Independent Auditors	Streets Audit LLP Tower House Lucy Tower Street Lincoln, Lincolnshire LN1 1XW
Bankers	Barclays Bank PLC 1 Churchill Place LONDON E14 5HP



TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees (who are also Directors of the charity for the purposes of the Companies Act) are pleased to present their Annual Report together with the audited financial statements of Magna Vitae (the Trust) for the year ended 31 March 2023.

The Trustees confirm that the Annual Report and Financial Statements of the Trust have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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).

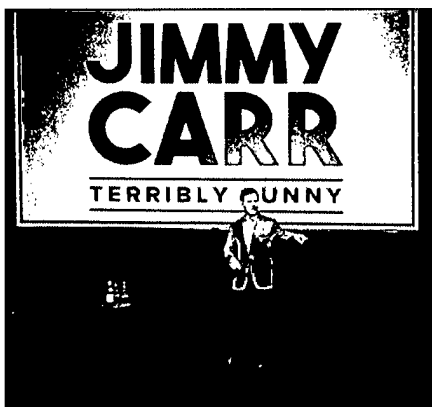
Since the charity qualifies as small, under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities POLICIES AND OBJECTIVES

The Trustees confirm that they have considered their duties and have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

The Trustees are confident that the activities of Magna Vitae are carried out for the benefit of others as is detailed in the rest of the information within the Trustees report.

The charity's revenues and any operating surpluses are re-invested to continually develop and improve outcomes for the people of East Lindsey.



Magna Vitae has a strategic partnership with East Lindsey District Council (ELDC).

Our Vision, Mission and Values are encapsulated in Magna Vitae's DNA:

Our Vision is to improve the wellbeing of our community, enabling people to live great lives.

Our Mission is to clearly demonstrate proactive and innovative leadership, that will generate positive changes in the areas of social and economic inequality. We are committed to empower local people by reaching out with humanity and compassion.

Our Values - We are in this *together*; we embrace *change*; we are *always learning* and we *celebrate difference*.



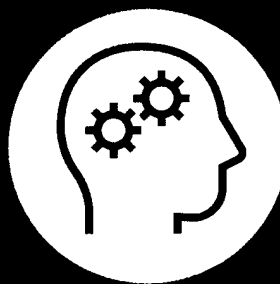
In This Together

The team comes first. Everyone in our team has a voice and a place. We are a truly cohesive unit that routinely shows togetherness, has a positive drive, ambition and holds each other accountable. We believe that we are stronger together and that together, we can lead the way.



Embrace change

We innovate. We identify the need to change. We routinely accept change and agree that change is necessary, change is good. We do change well. Our dynamic approach is flexible and adaptable. We embrace change.



Always Learning

We constantly seek to become the best version of ourselves. A team of human beings with a collective desire to flourish in a safe learning environment. We have a growth mindset. We positively blend our professional and personal self. We take responsibility and we do it better every time. Being the best version of ourselves will allow us to better the lives of others.



Celebrate Differences

We appreciate that we are all different. We capitalise on our cognitive diversity. We are committed to minimising our individual blind spots by tapping into the collective intelligence of our team. We seek to understand and respect each other's perspective, views and opinions and thereby maximise our creative potential.

Our charitable Objectives form part of our Articles of Association

– To provide or assist in the provision of both indoor and outdoor facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need

of such by reason of their youth, age, infirmity or disability, financial hardship or social circumstance or to the public at large with the object of improving their conditions of life; and/or

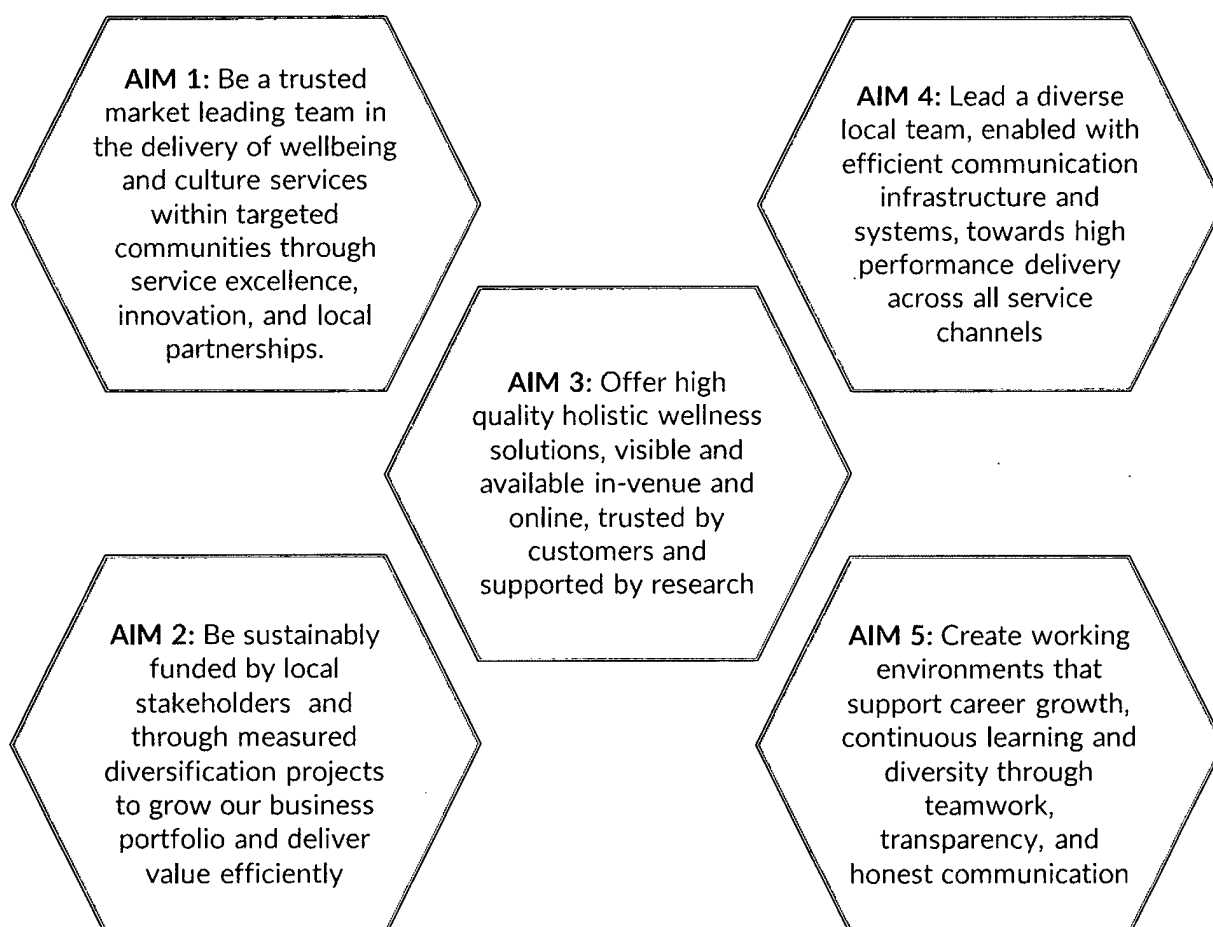
– To promote community participation in healthy recreational activities; and/or

– To provide or assist in the provision of community facilities to be available to all sections of the community without distinction, including use for meetings, lectures and classes and/or other forms of recreation and leisure time occupation with the object of improving the conditions of life for all who use the facilities; and/or

– To promote the education of the public through the provision of facilities for performing arts and/or

– Such other charitable purposes as the Trustees in their absolute discretion may determine.

We have developed a five year Corporate Strategy 2022-2027 which has five main aims:



MARKET CONDITIONS

April 2022 to March 2023 marked a first full year free from COVID-19 disruption, a welcome milestone, as Magna Vitae continues to build back stronger, providing outstanding service to our customers, patrons and members throughout the Lincolnshire district of East Lindsey and the surrounding area.

According to census data (2021), the population of East Lindsey was 142,300, a figure projected to grow 11.4% by 2037. This projection includes a reduction in both the 0-15 and 16-64 age groups, whilst the population aged over 65 will continue to grow.

East Lindsey is ranked as the 33rd most deprived district in England (Indices of Multiple Deprivation, 2019).



CURRENT PRINCIPAL ACTIVITIES

The Trust operates cultural and leisure venues across the East Lindsey area, owned by East Lindsey District Council.

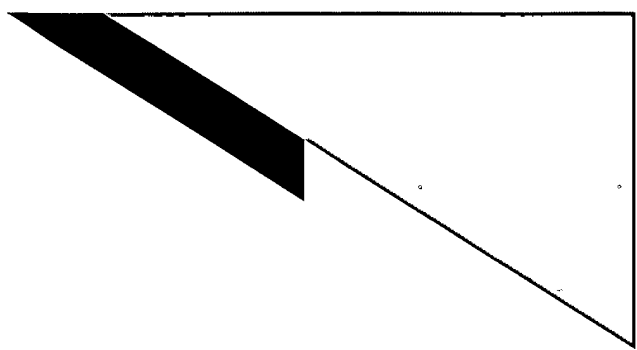
These are:

- Embassy Theatre, Skegness has a seating capacity of 1,027 and hosts and promotes over 150 live shows each year, including a professional two-week Christmas Pantomime, produced by the Magna Vitae in house team.
- Meridian Leisure Centre, Louth opened in 2010. Has an 8 lane 25m pool plus leisure pool and flume, newly refurbished gym over two floors plus spin studio, sports hall, dance studio, multi-purpose ground floor rooms and café. This is Magna Vitae's flagship leisure centre.
- Wood Lane football pitch & Multi-Use Games Area, Louth.
- London Road Pavilion, Louth – this is the home ground to local football, cricket and hockey clubs.
- Horncastle Swimming Pool & Fitness Suite has an indoor 4 lane 25m pool and gym
- Skegness Swimming Pool & Fitness Suite has an indoor pool 6 lane 25m pool, attractive seasonal outdoor pool and gym.
- Station Sports Centre, Mablethorpe – this is the least 'fit for purpose' venue with a sports hall and gym. A brand-new leisure centre began construction adjacent to the current venue in February 2023, due to open in September 2024 with a 4 lane 25m indoor swimming pool, Fitness Suite, multi-use studios and a "Tag Active" digital multi activity attraction.
- Sutton-on-Sea Multi-Use Games Area.
- Altitude44 is the UK's tallest urban ropes course, based in Skegness.

In addition to physical venues, Magna Vitae is able to support our communities right across the East Lindsey area and beyond via:

- Health and wellbeing programmes
- High quality exercise on prescription services
- Sports and physical development work
- Management of the district's flagship cultural event , the SO Festival, an Arts Council England National Portfolio Organisation (NPO) programme.





Achievements and Performance

REVIEW OF ACTIVITIES

Corporate

April 2022 to March 2023 marked a first full year free from COVID 19 disruption, a welcome milestone, as Magna Vitae continues to build back stronger, providing outstanding service to our customers, patrons and members throughout East Lindsey and the surrounding area.

From a business performance perspective, 2022 – 2023 has delivered very positive performance for the company, further re-cementing our foundation for continued success. Whilst the cost-of-living crisis poses huge challenges for our operations and customers going forward, the Trust finished the year very strongly and presently finds itself in a better position than originally estimated at the start of the year.

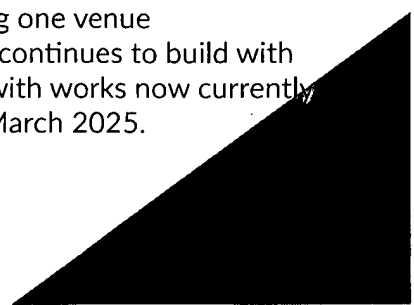
Our work continues to focus on serving communities through our diverse portfolio of facilities, programmes and events, something that caught national interest in the Summer 2022 when we were asked to present to the national Charity Finance Group as well as an All Party Parliamentary Group on Cultural Rural Touring. It is always a great pleasure to share our innovations and experiences with other operational partners and politicians.

Our leisure operations have witnessed extraordinary growth throughout the year, with record breaking performances in our fitness memberships, WaterWise swimming programme and Gymnastics club. Fitness membership growth has been spearheaded following a £300,000 investment by East Lindsey District Council to refurbish the fitness suite at Meridian Leisure Centre in June 2022.

Our WaterWise swimming programme continues to grow, with over 2,000 children learning to swim in our swimming pools every week. During the Summer, the hot weather and introduction of a new pool programming methodology at Skegness Outdoor Swimming Pool, saw the site record its highest ever attendances and casual swimming income in August. The Gymnastics club also continues to grow at the Meridian Leisure Centre, hitting over 260 members. The club was nominated and shortlisted for “Community Club of the Year” by British Gymnastics in March, a fantastic accolade and testament to the enthusiasm and hard work put in by the team.

Ongoing, external QUEST assessment has confirmed that all of our leisure venues exhibit high levels of cleanliness, are very well maintained and regularly demonstrate excellent customer service and value for money. All of our venues have now received “VERY GOOD” QUEST accreditation status. Testament to this was Horncastle Pool and Fitness Suite winning a national “best swimming pool member experience” award in November 2022!

The Embassy Theatre has had an extraordinary year, from sell-out shows with Strictly Come Dancing champion Giovanni Pernice, staging a leg of the Elvis World Tour, hosting Arts Council England's National Conference through to its record breaking Beauty and the Beast pantomime. In February it showcased the nationally acclaimed, artwork installation InOrbit by renowned artist Luke Jerram, seeing all three planets (Gaia, Museum of the Moon & Mars), visiting one venue consecutively for the first time attracting 14,790 visitors. Huge excitement continues to build with regards to the proposed £1.4m “Town Fund” Culture House development, with works now currently scheduled to commence in January 2024 and be completed by the end of March 2025.



SO Festival 2022 saw the return of the Community Stage as it once again provided three full days of awe-inspiring street theatre by local and international artists in Skegness and Mablethorpe. Later in the year SO Festival secured its place as a National Portfolio Organisation (NPO) for the third time running, along with a significant funding increase. This will enable us to further democratise the festival through developing and expanding our support for the sector, and delivering ambitious and accessible arts and cultural activities for East Lindsey.

The Community and Lifestyle teams continue to grow and offer successful free programmes for our communities to engage with and enjoy. Our 'School's Out' programme saw 1,700 children in the school holidays participate in a variety of activities across 8 locations in the district. Whilst our Holiday Activity & Food (HAF) programme enabled 1,000 young people to have access to free hot meals and join in with physical activities, across 3 locations (Louth, Skegness and Mablethorpe). Alongside this, our Ageless and Agile participant numbers continued to grow to 143 participants, whilst our Community Team offered an increasingly wide-ranging variety of free activities within some of the more rural / isolated communities that do not routinely have access to any leisure facilities.

Our employees continue to figure at the heart of Magna Vitae as we strive for personal and professional growth, with many exciting opportunities arising over the year enabling development for both staff and our wider community partners. In the spirit of our DNA and 'Always Learning' we have offered placements for work experience across the company and apprenticeship opportunities in Leisure and Hospitality through our blossoming partnership with Lincoln College. There has also been an array of training opportunities offered within Magna Vitae including the 'Skill Builder Programme' funded by Coastal Communities, that resulted in 9 of the 35 enrolled students gaining employment with Magna Vitae. Furthermore, the successful application for "Multiply" funding (£10,000) from Lincolnshire County Council will be used to enrol 'Multiply Champions' within the workforce to assist colleagues and wider family/friends with mathematical needs that apply to daily life. Professional CPD Masterclasses also took place on all four themes connected to our core corporate values; on the theme of 'In this Together' a Masterclass was held by International Rugby Union player, Chris Wyles, on his career and learnings regards the importance of teamwork.

The success over the last 12 months has been an incredible achievement and continues to demonstrate the hard work, dedication and commitment of every single Magna Vitae staff member, as well as the extraordinary support from our ever-growing number of loyal customers. We are all in this together, and look forward to embracing the constant change and exciting developments planned for the next 12 months and beyond as we all contribute and strive to enable as many people as possible to "live great lives".



Physical Activity Opportunities

Meridian Leisure Centre

- Fitness member numbers reach a high of 2092, an increase of 43% over the year.
- The Learn to Swim programme continues to grow ending at 1124, an increase of 13% over the year.
- The Gymnastics programme grows to 265, an increase of 28% over the year.
- 100's of children participated in the County Championship Gala in October, a joint Gala with Louth Swimming Club and Lincoln Vulcans.
- Magna Vitae Gymnastics Club were named Club of the Year finalist in the British Gymnastics Awards 2023 for the under 250 members category.
- Girls Active Inspiration day saw over 160 girls take part in activities.

Skegness Pool & Fitness Suite

- Fitness member numbers reach a high of 603, an increase of 18% over the year.
- The Learn to Swim programme continues to grow ending at 450, an increase of 4% over the year.
- Outdoor Pool was open throughout the Summer, seeing over £83,442 from casual swims - seeing the highest income generated to date

Horncastle Pool & Fitness Suite

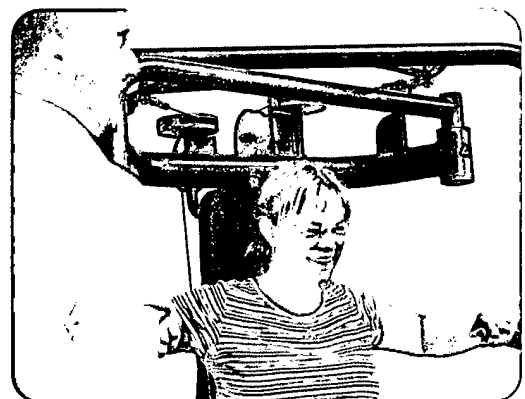
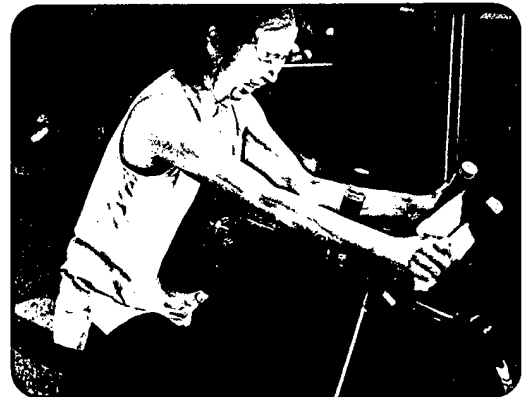
- Fitness member numbers reach a high of 764, an increase of 34% over the year.
- The Learn to Swim programme continues to grow ending at 410, an increase of 10% over the year.
- Horncastle Pool and Fitness Suite received the Best Swimming Pool Member Experience Award at the Fitronics (TRP) Member Experience Awards (MEA).

Station Sports Centre

- Fitness member numbers reach a high of 420, an increase of 34% over the year.
- The new development of the Mablethorpe Leisure & Learning Hub commenced in February, next to the current Centre. The venue remains open & fully functioning whilst this work is undertaken.

Altitude 44, Skegness

- Altitude44 saw 1,063 climbs between July and September 2022.



London Road Pavilion

The Pavilion saw over 50 teams, leagues and organisations train and participate in competitive football, cricket and hockey on a weekly basis throughout the year. The site also hosted a number of multi-school sport competitions across the academic year. Furthermore 2022 was the 200th anniversary of Louth Cricket Club, and the venue played host to a week-long cricket festival as well as the now annual Outfields Festival.

QUEST

Often described as 'Ofsted for Leisure Centres', Quest is a nationally recognised quality management accreditation scheme, endorsed by Sport England. It is also an independently administered quality and benchmarking scheme for the Leisure industry. It measures how effective organisations are at providing customer service. We are proud to announce that ALL our venues have been awarded 'Very Good'; also acknowledging increasing numbers of specific service aspects classified as "Excellent".

Booster Swimming Lessons

410 children took part in Booster Swimming Lessons during half terms and school holidays, with 89 taking part in additional workshops across the year.



National Pool Lifeguard Qualification (NPLQ)

20 candidates took part and passed their NPLQ course with Magna Vitae this year.

Holiday Activity and Food Programme (HAF)

Our Holiday Activity and Food Programme took place over the Easter Holidays, Summer Holidays and Christmas Holidays through the year. All children that attended were offered a hot meal. 1,194 children participated at 3 locations with 34 days of delivery.

Activities participated in included 'Dance Free' silent disco sessions on Mablethorpe & Skegness beaches, pottery, soft play, bowling, music, various physical activities and arts and crafts.

A 'Teenage' offer, was also trialled where eligible teenagers were offered a slightly different programme where they could access the gym and swimming pool at the Meridian Leisure Centre independently rather than the more structured sessions offered to younger participants.

Health Improvements

One You Lincolnshire Exercise on Prescription programme

603 individuals were assessed on the programme, across the year. Across all venues:

- 26.9% have achieved the health outcome of 150 minutes per week physical activity.
- 53% have increased their activity against their baseline information taken when signing up with One You Lincolnshire.
- 30.6% of referrals are continuing with a Magna Vitae membership at our largest venue (Meridian Leisure Centre, Louth)

Ageless & Agile

To further support those on Exercise on Prescription, we now deliver 'Ageless & Agile' which offers weekly drop-in sessions for members and those on the Exercise on Prescription programme.

4 Locations – 143 Participants

Participants are able to access health walks, nutritional advice, social coffee and natter and information on many other health & wellbeing topics, which is available at the Magna Vitae leisure venues. The Ageless and Agile sessions started week commencing 20th June and have been running weekly at our leisure venues.

In Louth, the Louth Rotary Club donated £500 to help keep the Sporting Memories programme running.

Magna Vitae have also been successful in securing funding from the Mental Health and Wellbeing Community Investment Sustainability Fund to further support the development of the Ageless and Agile project. This will provide £56,000 funding over 3 years securing the project until 31st March 2026.

Warm Spaces

To support our residents 8 Warm Spaces were created across the Magna Vitae leisure venues, providing a safe space with respect, dignity and warmth. The spaces offered places where local residents can come together to stay warm, socially interact and simultaneously enjoy a cup of tea and a biscuit.

Age Friendly Training

16 Magna Vitae staff attended a workshop delivered by YMCA Lincolnshire which aims to assist your organisation and staff to understand what is meant by 'Age-friendly', how ageing impacts on daily life, and equip staff with the skills to communicate effectively and identify accessibility issues.

2 sessions took place – At Meridian Leisure Centre in Louth, and Embassy Theatre in Skegness



Sport, Physical Activity and Development

Community Activities

In Binbrook & Brookenby the Fitness Circuit and YOGA Sessions have been well supported since they started in January with regular well attended sessions at both Binbrook Village Hall and Brockenby Community Centre.

5 Magna Vitae Staff went to Sleaford to attend a 'Wellbeing Walks' Training Day working with Lincolnshire Coop. This now allows walks to start in Binbrook and Wragby from April and to re-invigorate walks currently struggling in Horncastle and Louth.

School's Out Programme

Throughout the year the team delivered numerous programmes across Alford, Binbrook, Coningsby, Horncastle, North Somercotes, Spilsby, Wainfleet and Wragby.

Delivery included Football, Multi Skills, Dance, Sports Day, Street Dance, Athletics, Dodgeball, Cricket and other non-sport related games such as Bulldog and Tag. As well as the activities, there were day trips out to ventures like Ascend Climbing, Jump Warriors and Altitude44 in Skegness.

The activity programme saw more family orientated activities like Fairy Doors, Dance Free and Family Walking Groups added over the course of the year.

We introduced 3 new staff members to our programme, aged 16 - 17 years, all of whom are currently studying sports courses and have expressed a desire to pursue a career in sports coaching going forward.

8 Locations - 1,682 Participants



Diabetes Drop Ins

In June 2022, the team delivered on Diabetes drop in sessions during Diabetes Awareness Week. Some of these were brief chats but each still had the engagement and raised the awareness.

4 Sessions - 45 Participants

Culture, Arts and Events

Embassy Theatre

A sold-out crowd for the much anticipated performance of Strictly Come Dancing champion Giovanni Pernice.

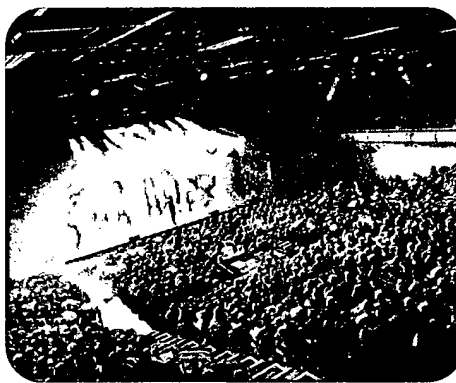
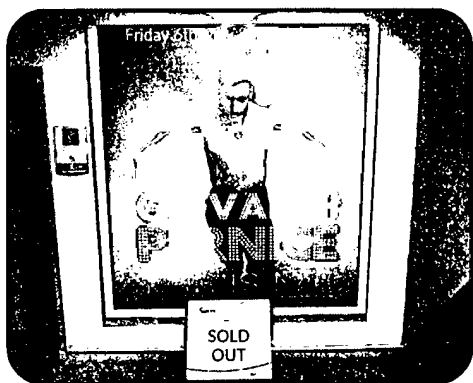
The opportunity to showcase our magnificent venue to delegates from Arts Council England as well as provide them with a taste of the East Coast was also delivered with very positive feedback received.

The Elvis World Tour was a wonderful coup, as the Embassy was one of only eight to be selected for a UK tour.

The relentless pace of August kept everyone on their toes with near daily activity – Megalam Wrestling, a fantastic summer season spectacular courtesy of Stage Struck from the Janice Sutton Theatre School and screenings too, ensuring that every taste and budget was covered.

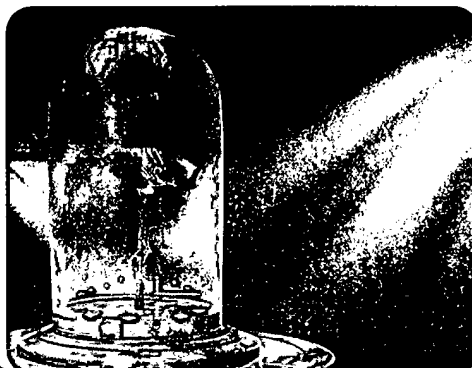
The weekends were pretty special too, with magnificent live shows paying tribute to iconic performers – from the nostalgic homage to The Hollies and The Searchers, to the blockbuster moves of Michael Jackson, Freddie Mercury and Tina Turner.

112 Live Performances - 22 Screened Events - 54 VIP Experience Events - 58 Other Events



The Magna Vitae Productions Pantomime, Beauty and the Beast, drew in crowds over the Christmas period with 9,572 patrons attending throughout the production period.

Santa and his elves made a special stop Upstairs at The Embassy for Afternoon Tea. Believers enjoyed an afternoon experience alongside their family pantomime visit.

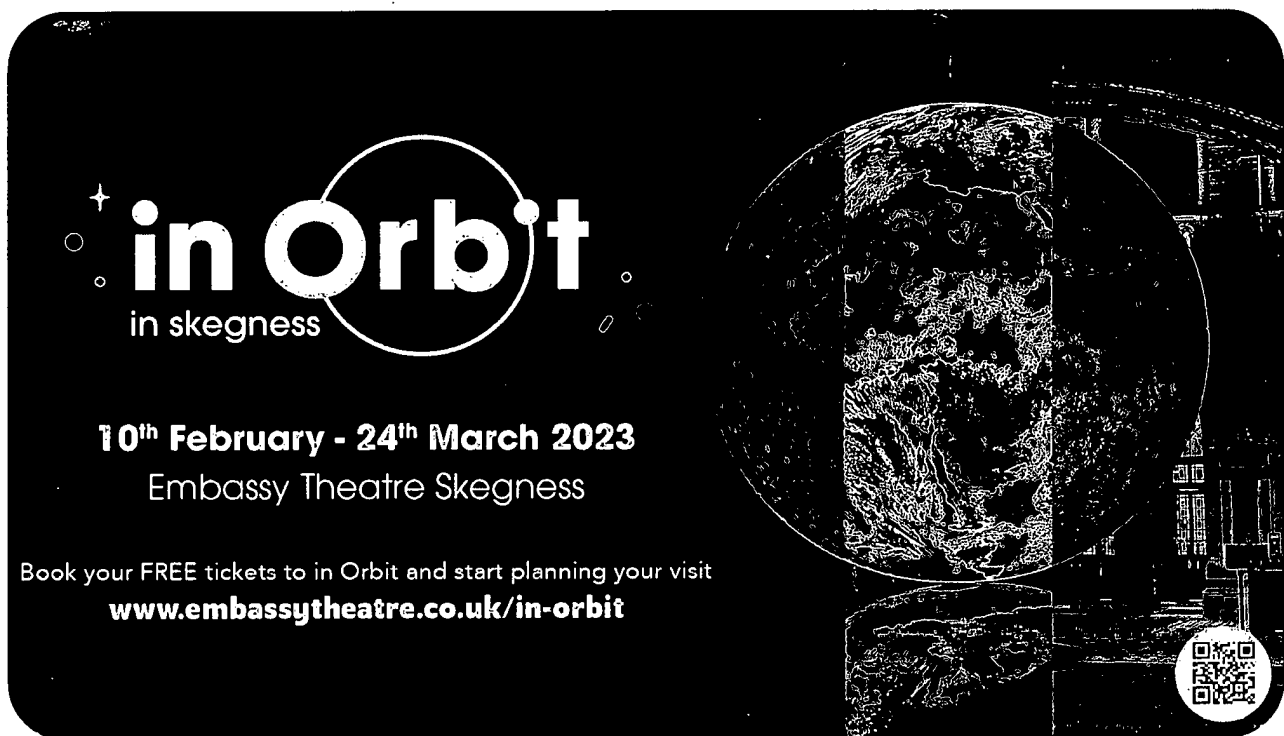


During February and March, The Embassy Theatre showcased 6 weeks of inOrbit, a unique artwork instillation from the renowned artist Luke Jerram made up of Gaia, Museum of the Moon and Mars.

The unique season saw all 3 pieces visiting one venue consecutively for the first time in the UK. In addition, Mars made it's maiden voyage to Lincolnshire and the East Coast. Their six week stay saw the venue transformed from a traditional theatre into a space for reflection, observation and education.

5564 People Visited Gaia - 4893 People visited Museum of the Moon - 4333 People visited Mars

inOrbit drew in a new and diverse audience, showing a 33% increase in Under 14's attending The Embassy for inOrbit in comparison with previous years venue programme.

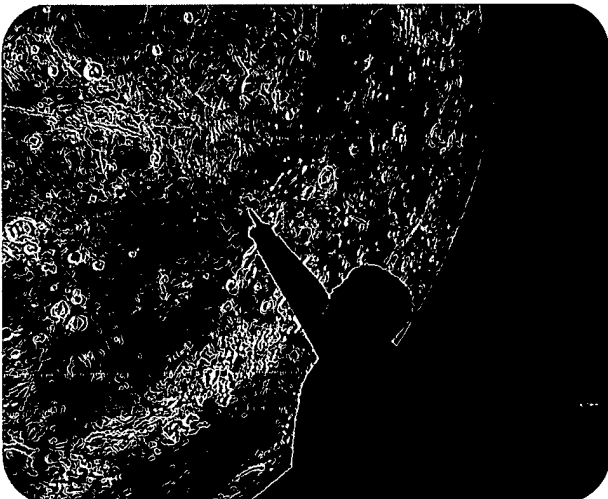


A promotional poster for the 'inOrbit' exhibition at Embassy Theatre Skegness. The poster has a dark background with a large, detailed illustration of the Earth's surface, showing continents and oceans, on the right side. The text 'inOrbit' is written in a large, white, sans-serif font, with 'in' in lowercase and 'Orbit' in title case. Below it, 'in skegness' is written in a smaller, lowercase, sans-serif font. The dates '10th February - 24th March 2023' and the venue 'Embassy Theatre Skegness' are listed below the title. At the bottom, it says 'Book your FREE tickets to in Orbit and start planning your visit' followed by the website 'www.embassytheatre.co.uk/in-orbit'. A QR code is located in the bottom right corner.

inOrbit
in skegness

10th February - 24th March 2023
Embassy Theatre Skegness

Book your FREE tickets to in Orbit and start planning your visit
www.embassytheatre.co.uk/in-orbit



SO Festival

National Portfolio Organisation (NPO)

Our flagship cultural event, SO Festival, has been awarded Arts Council England funding and secured its place as a National Portfolio Organisation (NPO) for the third time running. This crucial funding and uplift will not only allow us to continue to deliver ambitious, accessible, arts and cultural activities, increase team capacity and increase our programme, but also to set the cogs in motion to democratise SO Festival, collaborating closely with the coastal communities we are privileged to work amongst & alongside and taking their steer at every stage in the creative process.

On 24 March, 30 Lincolnshire based creatives flocked to the Embassy Theatre, Skegness, for the long-awaited return of The SOcial: SO Festival's free, open, creative networking session, aimed at celebrating the Greater Lincolnshire art scene and providing a platform for local creatives to connect, collaborate and create!

The special return event was hosted 'inOrbit' of MARS - the latest, awe-inspiring art installation by renowned UK artist, Luke Jerram.

On the last day of Jerram's popular exhibition in Skegness, local makers, movers and shakers in the cultural sector met with fellow like-minds, shared ideas and artistic solutions and forged new connections amongst their celestial surroundings.



Audio Tales

An immersive audio trail around East Lindsey, inviting audiences to explore the county, scanning QR codes to discover original pieces of writing about the district. Audio Tales launched in April 2022, and has a positive response since. We have recently collaborated with the Lincolnshire Libraries network who have taken the maps out on their mobile deliveries.

Skegness Standard attend the launch event and have published an article about the project.

Financial Review

OVERVIEW INCORPORATING KEY FINANCIAL PERFORMANCE INDICATORS

Full details of our financial performance during the year ended 31st March 2023 are shown in the financial statements and supporting notes. The table below shows the headline income and expenditure for 2022/23 compared to 2021/22 – excluding pension and donated services adjustments, and excluding any change in asset market valuation.

	31 March 23	31 March 22
Income		
Service Fee (ELDC)	1,523,308	1,527,732
Fees & Charges	410,269	257,575
Grant Income	250,525	1,013,725
Gym Membership	1,075,096	704,162
Hire Fees	261,847	234,769
Other Income	577,612	352,647
Pool Admissions	429,281	315,637
Rental Income	57,265	17,097
Show Income	972,124	519,574
Swimming Lessons	680,254	492,236
Total Income	6,237,581	5,435,154
Expenditure		
Depreciation	-53,731	-67,643
Employees	-2,877,502	-2,542,949
Premises	-855,693	-638,646
Supplies & Services	-1,983,994	-1,532,887
Transport	-39,493	-41,814
Support Services	-35,034	-34,550
Total Expenditure	-5,845,447	-4,858,489
Deficit	392,134	576,665

Income

Income levels recovered well during the year, following the Covid-19 pandemic impacting previous years. Total income reached the same level as pre-Covid, and was a 15% increase on the previous year. We successfully applied the VAT cultural exemption to our theatre ticket income during the year, which also resulted in the recovery of VAT relating to previous years. This has increased the Show Income in the year.

Expenditure

Expenditure of £5.8m was incurred during the year, an increase of 20% on the prior year. This was in line with the increase in activities and income in the year. Staffing expenditure was our largest area of spend, as in all previous years, representing 49% of total expenditure. However, overall staffing costs were overall lower than pre-Covid.

The surplus for the year was £392,134 against an original deficit budget of £246,838.

The current allocation of reserves is as follows:

	31 March 23	31 March 22
Income	£	£
Income Funds (restricted)	88,433	262,915
Income Funds (unrestricted including designated)	1,755,049	1,088,433
Pension Reserves (-deficit)	0	-968,000
Total Reserves	1,843,482	383,348

The trustees note the positive total reserves position of £1.8m at 31 March 2023. This has grown considerably due to the financial performance during the year and also the reduction of the Pension Reserve deficit to Nil. The actuarial report of the local government scheme pension, carried out for the year end 31 March 2023 showed a pension asset of £3.228m, however the balance has not been recognised on the basis that it is not deemed to be recoverable through reduced contributions in the future or through refunds from the plan.

GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Specific consideration has been given to the impact of inflationary cost pressures, particularly in relation to energy costs. Trustees have agreed a deficit budget in 2023/24 and have agreed to allocate unrestricted income reserves to part fund this deficit. Additionally, Magna Vitae continues to work alongside our main client and strategic partner East Lindsey District Council to mitigate the impact of energy cost pressures.

KEY CHALLENGES

We agreed a five-year business plan (2022-2027) with East Lindsey District Council including an ongoing service fee level, which also includes Community Commissioning work to further support our local community. This is in line with our Corporate Strategy referenced elsewhere in the report.

This partnership and relationship with the Council is key to ensuring that the Trust continues to thrive and support the wellbeing of our communities, residents and customers, so they can live a great life.

The key financial challenges facing Magna Vitae in 2023/24 and beyond relate to mitigating the impact of inflationary cost pressures, particularly gas tariffs which increased by over 200% in April 2023, decarbonisation of our venues, in conjunction with East Lindsey District Council, maintaining and further growing our core business areas, whilst achieving staffing resilience. This work will allow us to ensure focus on achieving our charitable objectives in line with community need whilst remaining financially viable and resilient.

These challenges will most effectively be met through partnership and collaboration with other strategic partners locally, regionally and nationally through a whole system approach.

RESERVES POLICY

Whilst Magna Vitae is a not-for-profit organisation, it is aware that it needs to hold working surpluses in order to create a reserve for unforeseen circumstances. Unrestricted income funds stand at £1,755,049; however, £288,489 is tied up in Magna Vitae's fixed assets. Therefore, current available or free reserves stand at £1,466,560, including £50,000 designated for Cultural Projects.

This reserves figure is higher than our Reserves Policy which is to hold £500,000 in unrestricted or free reserves. However, trustees have agreed to hold these reserves at 31 March 2023 whilst there is so much uncertainty around energy costs and other inflationary cost pressures. The reserves will be required to support Magna Vitae during the coming year and will part fund the budgeted deficit in 2023/24 arising due to increased gas prices from April 2023.

PRINCIPAL FUNDING

The principal income and funding streams for Magna Vitae were as follows: Service Fee from East Lindsey District Council; income from customers' use of leisure venues and theatre income ticket sales; and grant income from Arts Council England and other grant funding bodies.

INVESTMENT POLICY

Magna Vitae's investment policy is driven by four key factors:

- Security;
- Liquidity;
- Rate of return;
- Accessibility.

Investments are restricted to:-

- UK Government investments;
- UK Banks and Building Societies

Investments are permitted in the following instruments:

- Time deposits and deposit accounts with banks in accordance with the above criteria.
- Treasury Bills of 1 month, 3 month or 6 month duration.
- Common Deposit Funds and Money Market Funds

A maximum of £500,000 is to be placed with any one bank/institution excluding day to day working capital accounts. Any figure above this amount requires the agreement of the Finance Sub-Group.

This policy is reviewed by the Finance Sub-Group and signed off by the Board of Trustees.

In 2022/23 the income from bank interest receivable amounted to £45,168.



Structure, Governance and Management

CONSTITUTION

The Trust is a charitable company limited by guarantee, incorporated on 10th June 2014 and registered as a charity on 26th January 2015. East Lindsey District Council transferred its cultural and leisure services, comprising of sports facilities, arts activities and events, sports development and events, health improvement programmes and a theatre on 1st January 2015.

The Trust was established under a Memorandum of Association which established the objectives and powers of the organisation and is governed under its Articles of Association.

Magna Vitae operates, for an agreed service fee, certain culture, arts, recreational and sports activities on behalf of East Lindsey District Council, which leases to Magna Vitae buildings and other assets. The assets are provided at no charge to Magna Vitae on a 25 year lease/licence, which commenced on 1st January 2015 with the exception of Station Sports Centre that is on a 10 year lease. A new lease for the new Mablethorpe Station Leisure Centre will be entered into during 2023/24 and will be co-terminus with the other venue leases.

Magna Vitae is a company limited by guarantee and does not have share capital.

METHOD OF APPOINTMENT OF ELECTION OF TRUSTEES

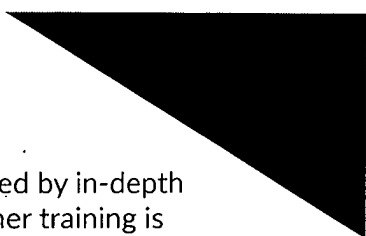
As a limited company Magna Vitae is governed by its Members. There are two categories of Trustees: Community Trustees and Local Authority Trustees. During the year, the articles of association were amended to remove the requirement for an Employee Trustee. The Board of Trustees is fixed at a minimum of three and maximum of eleven, with Board composition consisting of up to two Local Authority Trustees, and up to nine Community Trustees, provided that the Community Trustees are at all times in the majority.

The Local Authority Trustees are selected and appointed by the local authority East Lindsey District Council for such period as the authority determines. Councillor Steve Kirk and Sarah Parkin resigned on 24 May 2023, with Councillors Sam Kemp and Robert Watson being appointed on the same date.

The Community Trustees are selected following a rigorous trustee recruitment process. A Community Trustee will be required to retire by rotation whereby one third of the Community Trustees shall be required to retire each year but will be eligible for reappointment. The Community Trustees required to retire will be those who have been longest in office or in the event of the Community Trustees serving the same period of office, those required to retire shall be determined by lot. The rotational retirement requirement for Community Trustees became effective from January 2018. In July 2022 Ashley Lidgard retired by rotation and was subsequently reappointed. During the year, Cate Atwater and Michelle Howard were appointed as new community trustees.

The requirement for an Employee Trustee was removed from Magna Vitae's articles of association in the year. Ross Cameron was the Employee Trustee until April 2022. Links between the board of trustees and Magna Vitae were strengthened over the year via Staff Socials attended by the Chairman Peter Helps, and a trustee buddy system was developed and practically implemented for each venue/ service team/area.

Trustees are required to meet at least four times a year to review the management of the organisation. They employ managers to take on the day-to-day running of the activities.



POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The induction process for Trustees includes an induction programme, supported by in-depth briefings from senior managers where required, and visits to our venues. Further training is arranged to meet the specific needs of individual Trustees.

PAY POLICY FOR SENIOR STAFF

Senior Leadership Team salaries are set strictly by the Board of Trustees. These are reviewed annually as part of the budget setting process, generally in January or April of each year. They were last reviewed in April 2023.

Trustees do not receive a salary, but are entitled to claim expenses for attending meetings or specific events.

ORGANISATIONAL STRUCTURE

The Trustees who served during the year and the Senior Leadership Team are listed on Page 2.

RELATED PARTIES

Trustees and the Senior Leadership Team members are asked to complete an annual Disclosure Statement to notify Magna Vitae of any involvement in any other organisations. This was most recently completed in May 2023.

A summary of transactions with related parties are set out in note 31 in the financial statements.

RISK MANAGEMENT

The Board of Trustees has overall responsibility for establishing and maintaining the whole system of internal control and reviewing its effectiveness.

The Trustees recognise that no system of internal control can provide absolute assurance against material misstatement or loss or eliminate all risk of failure to achieve the organisation's objectives. The system of internal control is designed to manage key risks and to provide reasonable assurance that planned objectives and outcomes are achieved. This will also give reasonable assurance about the reliability of financial and operational information and the safeguarding of Magna Vitae's assets and reputation. This approach includes the regular evaluation of the nature and extent of risks to which Magna Vitae is exposed.

The Board has developed a culture of strong corporate governance. Key elements of the control framework and the system for reviewing the effectiveness of the system of internal control are as follows:

RISK REGISTER

The Trust's Senior Leadership Team routinely documents, monitors and evaluates identified business risks through The Risk Register. This "live" document is reviewed quarterly by the Finance Subgroup who quantify financial impact of risk. Risks deemed to be extreme or high are reviewed at every board meeting and the whole risk register is reviewed annually.

PLANNING APPROVAL

Magna Vitae reviews new projects including identifying risks and controls. This combined with the budget process, which reviews risks and controls in existing processes, generates a comprehensive review of risks.

INTERNAL AUDIT

The Board together with the Senior Leadership Team reviews the major risks and assesses the effectiveness of controls in managing those risks. This includes setting an internal audit programme of activities to assess the effectiveness of controls. During the year a "back to basics" internal audit review was agreed by trustees – the audits themselves were undertaken at four venues in April 2023 by Forrester Boyd.

MONITORING AND CORRECTIVE ACTION

Financial reporting procedures include detailed budgets for the year ahead, detailed monthly management accounts, and longer-term financial plans used for strategic/business planning as part of the five year business plan. The Senior Leadership Team and wider Management Team review management accounts every month, and in depth performance monitoring also takes place at Quarterly Management Team away days. Reports are then considered and approved by the Trustees. Where objectives are not being met, the Senior Leadership Team report on actions being taken to correct performance, and these reports are also considered and approved by the Trustees.

Additionally, the Finance Sub-Group review in more depth the financial performance, forecasting, budgeting, business planning, audit reports and associated policies and procedures. The sub-group which consists of Community Trustees, the Executive Directors and the Director of Finance has Terms of Reference and reports regularly to the Board of Trustees.





HEALTH AND SAFETY

Robust, corporately agreed & implemented policies, procedures & standards are vital to ensure the health, safety & welfare of employees, members of the public, customers, members & others, visiting MV sites and other service areas, including a variety of outreach work taking place in East Lindsey "inland conurbations". Magna Vitae currently maintains a corporate H&S Manual, management system & implements a strict, annually planned, H&S and quality assurance/management (QUEST) auditing regime.

The H&S performance statistics included in this report are based on the last calendar year - January to December 2022. In part, the data is routinely compared with past performance & general comparative data taken from the previous calendar year, 2021.

The annual Magna Vitae "STITCH of the Nation" results compare very positively against the national benchmark data made available for 2022. Nb: Magna Vitae sites & service areas welcomed a total of 723,155 visits in 2022 compared to 246,855 in the previous twelve (12) months (note Covid recovery). The Magna Vitae 2022 accident to usage ratio was 0.01% compared to the national average of 0.10%. 87% of Magna Vitae accidents were uncontrollable in 2022 compared against a national average of 65%.

The total number of accidents recorded in 2022 = 93, compared to 51 in 2021. Representing an increase of 82% on the previous year. However, in this regard consideration must be given to the number of visits in relation to the number of accidents that occurred pre-Covid.

2022 – 723,155 visits = 93 Accidents = 0.012%.
2021 – 246,855 visits = 51 Accidents = 0.020%.
2019 – 922,704 visits = 162 Accidents = 0.017%.

Based on the data supplied above, it confirms that Magna Vitae's H&S performance has slightly improved upon the previous year (2021) and also pre-pandemic levels.

As well as directly employing competently qualified and experienced senior managers, Magna Vitae's commitment to Health and Safety establishes a positive health and safety culture throughout the workforce. Since inception in 2015, the Trust is supported by an annually retained external Health & Safety specialist consultancy (Right Directions Ltd). During 2022, Magna Vitae continued, for the eighth consecutive year, to invest and work in conjunction with Right Directions Ltd. This is a nationally renowned leisure industry consultancy, specializing in health & safety, quality assurance and environmental management support. Magna Vitae continues to annually invest approximately £10,000 - £12,000 in this service.

Right Directions Ltd provide Magna Vitae with expert advice (industry relevant updates) and support (includes access to 24/7 telephone advice support) to further develop, maintain & review the Magna Vitae H&S Manual and general management system(s). This also includes direct support with a variety of risk assessments, legislative changes, operational auditing and the STITCH accident/incident monitoring management & control system.

More recently Magna Vitae has invested in another operational, digital system (MagNet) in collaboration with Right Directions. MagNet is a multi-functional, modular staff management, monitoring information system. MagNet provides one staff database referencing all employees, their job roles, locations they work and the workplace groups they form part of. Alongside this it forms a facilities database containing all locations, location staff, departments, and department administrators, all together this power the MagNet system and provides a one stop operational

reference library, comprehensively covering the work elements stated below:

- Internal Communications: Compliance based internal communications system.
- Information Management: Storage, organisation, distribution, control, and acknowledgment.
- Training Management: Framework, matrices, assignment, records, journey, qualifications, courses.
- Action Management: Tasks, checks, audits, assessments, incidents, handover diaries, reporting.
- Time Management: Rotas, rota templates, extra shifts, holidays, sickness, TOIL, time sheets.
- Page Management: Create Web Pages for information, links, and more.

MagNet has been designed to be an all-encompassing management information system, featuring multiple function applications all on one platform, and all powered by a single central database. One place for time, tasks, incidents, handovers, training, information, and communications, available to managers and staff anytime, anywhere, on any device and is having a positive impact on operations. This is gradually revolutionising operational management.

The continued, current level of investment made in these resources reflects the organization's ongoing commitment and drive in developing a positive health & safety culture alongside Magna Vitae striving to continually improve its Health & Safety performance.

Health and Safety arrangements are also supported internally via a robust Health & Safety Working Group that meets quarterly with the meeting minutes being routinely submitted to the Magna Vitae Board of Trustees for update and information. These minutes, along with other supporting H&S performance data, are also circulated to ELDC (Client Contract Officer, PSPSL H&S Manager and ELDC / MV Working Group) as Magna Vitae's main funding partner and landlord of the East Lindsey leisure venues presently operated / managed by Magna Vitae.

Magna Vitae' health and safety performance data is routinely collated, monitored and analysed via the STITCH accident, incident and near miss reporting system. This data is also routinely provided to Board and ELDC for information; the data helps the trust benchmark health and safety performance internally (monthly) and nationally (quarterly & annually) against similar leisure facilities and services.

The Trust's Senior Leadership Team (SLT) routinely documents, monitors and evaluates identified business risks through the update of its Risk Register. This "live" document is reviewed annually and shared with the Board of Trustees for update and information.

EQUALITY & DIVERSITY

Magna Vitae colleagues attend Community Leisure UK Equality, Diversity & Inclusion Special Interest Group quarterly, regular updates are communicated to managers and employees as necessary as well as HR team keeping up to date with legislation changes and sharing knowledge as appropriate.

Equality & Diversity mandatory training takes place with employees. The training is also mandatory for all new trustees as part of the existing trustees ongoing CPD programme.

TRUSTEES' LIABILITY

Magna Vitae has indemnified the Trustees of Magna Vitae against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third-party indemnity provision was in force during the year.

None of the Trustees have any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of winding up.

FUTURE DEVELOPMENTS

The cost of living crisis and increased utility costs pose continuing challenges for our operations and customers as we strive to continually improve the quality and value for money of the services we offer in our communities. Future developments will include improving our app and website, to improve customers' online joining and booking experiences, and working with our strategic partner East Lindsey District Council to decarbonise our venues.

We are also excited to work with East Lindsey District Council on their development of the new Mablethorpe Leisure Centre, due to open in September 2024, and the Embassy Theatre Culture House.

A major focus for the coming year will be on staff development and wider community employability scheme developments.

EMPLOYEE INVOLVEMENT

We are committed to providing our employees with information about our activities, consulting with them on major changes and generally developing an open culture in the organisation. Regular meetings are held between managers and staff teams to allow free flow of information, and we hold team briefing and social sessions to update staff on strategy and other major developments on a regular basis.

We worked with TenSense during 2022/23 to engage with the workforce via an anonymous quarterly Employee Survey, a continued mechanism of allowing staff to be able to share their thoughts anonymously. The workforce is our most valued asset.

STAFF, VOLUNTEERS AND TRUSTEES

Finally, I would like to thank the staff, volunteers and Trustees of Magna Vitae for their undiminishing commitment, resolve and hard work throughout the past year.



TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees, who are also the Directors of Magna Vitae for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare accounts 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 accounts, 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; and
- Prepare the accounts 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 accounts 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.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the Trustees has confirmed that:

- So far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- That Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This report was approved by the Trustees, on *4 October 23* and signed on their behalf by:



Peter Helps, Chairman of Trustees



TRUST FOR LEISURE & CULTURE

Wood Lane
Louth
Lincolnshire
LN11 8SA

MAGNA VITAE
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAGNA VITAE

Opinion

We have audited the financial statements of Magna Vitae (the 'trust') for the year ended 31 March 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 March 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

MAGNA VITAE
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAGNA VITAE (CONTINUED)

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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

MAGNA VITAE
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAGNA VITAE (CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the 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.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the trust through discussions with directors and other management, and from our commercial knowledge and experience of the trust and sector in which it operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the trust, including the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the trust's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

MAGNA VITAE
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAGNA VITAE (CONTINUED)

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- reviewed a sample of grants and other income streams in the year to ensure accurate recognition;
- agreed a sample of employees on the trust payroll to existence and agreed the accuracy of their pay;
- assessed and reviewed the appropriateness and effectiveness of the key systems and controls;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing any correspondence with HMRC, relevant regulators and the trust's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit 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.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

MAGNA VITAE
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAGNA VITAE (CONTINUED)

Use of our report

This report is made solely to the charitable 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 charitable 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Robert Anderson (Senior statutory auditor)

for and on behalf of

Streets Audit LLP

Chartered Accountants & Statutory Auditor

Tower House

Lucy Tower Street

Lincoln

LN1 1XW

Date: 20/11/23

MAGNA VITAE
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	185,481	7,847	193,328	220,825
Charitable activities	5	5,886,162	266,425	6,152,587	5,327,217
Other trading activities	6	1,622	-	1,622	70,440
Investments	7	75,294	-	75,294	1,922
Total income		6,148,559	274,272	6,422,831	5,620,404
Expenditure on:					
Raising funds	8	40,353	-	40,353	103,554
Charitable activities	9	5,759,590	523,754	6,283,344	5,307,185
Total expenditure		5,799,943	523,754	6,323,697	5,410,739
Net income/(expenditure) before net gains on investments					
		348,616	(249,482)	99,134	209,665
Net gains on investments	16	100,000	-	100,000	-
Net income / (expenditure)		448,616	(249,482)	199,134	209,665
Transfers between funds	22	(75,000)	75,000	-	-
Net movement in funds before other recognised gains/(losses)		373,616	(174,482)	199,134	209,665
Other recognised gains/(losses):					
Actuarial gains on defined benefit pension schemes	28	4,489,000	-	4,489,000	1,854,000
Defined benefit pension scheme asset not recognised	28	(3,228,000)	-	(3,228,000)	-
Net movement in funds		1,634,616	(174,482)	1,460,134	2,063,665
Reconciliation of funds:					
Total funds brought forward		120,433	262,915	383,348	(1,680,317)
Net movement in funds		1,634,616	(174,482)	1,460,134	2,063,665
Total funds carried forward		1,755,049	88,433	1,843,482	383,348

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 37 to 68 form part of these financial statements.

MAGNA VITAE
(A company limited by guarantee)
REGISTERED NUMBER: 09078400

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	14	28,994	18,237
Tangible assets	15	9,494	32,344
Investments	17	1	1
Investment property	16	250,000	171,764
		<u>288,489</u>	<u>222,346</u>
Current assets			
Stocks	18	25,349	24,436
Debtors	19	137,173	207,620
Investments	20	1,294,520	1,274,510
Cash at bank and in hand		2,313,140	523,106
		<u>3,770,182</u>	<u>2,029,672</u>
Creditors: amounts falling due within one year	21	(2,215,189)	(900,670)
Net current assets		<u>1,554,993</u>	<u>1,129,002</u>
Total assets less current liabilities		<u>1,843,482</u>	<u>1,351,348</u>
Net assets excluding pension asset / liability		<u>1,843,482</u>	<u>1,351,348</u>
Defined benefit pension scheme asset / liability	28	-	(968,000)
Total net assets		<u><u>1,843,482</u></u>	<u><u>383,348</u></u>

MAGNA VITAE
(A company limited by guarantee)
REGISTERED NUMBER: 09078400

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Trust funds			
Restricted funds	22	88,433	262,915
Unrestricted funds			
Unrestricted funds excluding pension reserve	22	1,755,049	1,088,433
Pension reserve	22	-	(968,000)
Total unrestricted funds	22	1,755,049	120,433
Total funds		1,843,482	383,348

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on *4 October 23* and signed on their behalf by:



Peter Helps
Chairman of Trustees

The notes on pages 37 to 68 form part of these financial statements.

MAGNA VITAE
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	25	1,773,825	734,235
Cash flows from investing activities			
Proceeds from the sale of tangible fixed assets		-	5,750
Purchase of intangible assets		(19,875)	-
Purchase of tangible fixed assets		(6,830)	-
Interest received		32,798	1,922
Rental income		30,126	-
Net cash withdrawn from / (placed in) investments		(20,010)	(746,554)
Net cash provided by/(used in) investing activities		16,209	(738,882)
Change in cash and cash equivalents in the year		1,790,034	(4,647)
Cash and cash equivalents at the beginning of the year		523,106	527,753
Cash and cash equivalents at the end of the year	26	2,313,140	523,106

The notes on pages 37 to 68 form part of these financial statements

MAGNA VITAE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. General information

Magna Vitae (the Trust) is a limited company by guarantee incorporated in England and Wales and a registered charity. The Trust's registered office is at Meridian Leisure Centre, Wood Lane, Louth, Lincolnshire, LN11 8SA. The Trust's principal activity is the operation of cultural and leisure facilities.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Magna Vitae meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Consolidation

These financial statements represent the figures of the Trust only. Consolidated financial statements have not been prepared on the basis that the subsidiary company is not material to the financial statements.

2.3 Going concern

The Trustees have reviewed its plans and forecasts and remain confident that the Trust will continue to maintain adequate resources to continue in operational existence for the foreseeable future.

The Trustees consider that it is appropriate to prepare the financial statements on the going concern basis.

2.4 Income

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Trust which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

MAGNA VITAE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on raising funds includes all expenditure incurred by the Trust to raise funds for its charitable purposes.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Trust's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Intangible assets and amortisation

Intangible assets are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Computer software	- 5 years
-------------------	-----------

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

MAGNA VITAE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Plant, machinery and fixtures - 3 - 6 years

2.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.10 Investment property

Investment property is initially recognised at cost and is subsequently measured at fair value at the balance sheet date. Revaluation gains or losses are shown in the heading gains / losses on investment property in the statement of financial activities incorporating income and expenditure account.

Investment property contains a balance in respect of cafe equipment which is initially recognised at cost and subsequently measured cost less an accumulated write-down. The write-down is charged so as to allocate the cost of the assets less their residual value over their estimated useful lives on a straight line basis. The estimated useful life of the assets is 2 years.

2.11 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.13 Cash at bank and in hand

Cash at bank and in hand represents cash held in bank current account and deposit account facilities that the Trust has instant access and cash floats.

MAGNA VITAE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.14 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.15 Financial instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.16 Pensions

The Trust operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Trust to the fund in respect of the year.

The Trust operates a defined benefits pension scheme and the pension charge is based on an actuarial valuation dated 31 March 2023.

2.17 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Trust and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Trust for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Intangible, tangible fixed assets and investment property are recognised at cost or valuation, less accumulated depreciation / amortisation and any impairment. Depreciation / amortisation takes place over the estimated useful life, down to the assessed residual value. The carrying amount of the Trust's fixed assets is tested as soon as changed conditions show that a need for impairment has arisen.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 March 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

4. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations	231	7,847	8,078
Donated Services and Facilities	185,250	-	185,250
	<u>185,481</u>	<u>7,847</u>	<u>193,328</u>
	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Donations	516	35,059	35,575
Donated Services and Facilities	185,250	-	185,250
	<u>185,766</u>	<u>35,059</u>	<u>220,825</u>

MAGNA VITAE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

5. Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Culture	17,913	219,657	237,570
Health Improvement	(1,760)	-	(1,760)
Sports & Leisure	2,761,493	44,368	2,805,861
Theatre	1,571,653	400	1,572,053
Other	1,536,863	2,000	1,538,863
	<u>5,886,162</u>	<u>266,425</u>	<u>6,152,587</u>

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Culture	47,282	263,429	310,711
Health Improvement	44,876	119,911	164,787
Sports & Leisure	1,960,610	434,550	2,395,160
Theatre	713,668	192,531	906,199
Other	1,549,108	1,252	1,550,360
	<u>4,315,544</u>	<u>1,011,673</u>	<u>5,327,217</u>

MAGNA VITAE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

6. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2023 £	Total funds 2023 £
Cafe Income	1,622	1,622

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Cafe Income	65,438	5,002	70,440

7. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Rental Income	30,126	30,126	-
Bank Interest Receivable	45,168	45,168	1,922
	75,294	75,294	1,922

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

8. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Wages and Salaries	7,725	7,725	7,500
National Insurance	852	852	806
Pension Costs	2,505	2,505	2,364
	<u>11,082</u>	<u>11,082</u>	<u>10,670</u>

Expenditure for activities for generating funds

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Other Costs	6,984	6,984	41,570
Wages and Salaries	520	520	29,269
National Insurance	3	3	281
Depreciation	21,764	21,764	21,764
	<u>29,271</u>	<u>29,271</u>	<u>92,884</u>

MAGNA VITAE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Culture	139,654	296,282	435,936
Health Improvement	261,111	1,237	262,348
Sports & Leisure	3,658,343	220,835	3,879,178
Theatre	1,700,482	3,400	1,703,882
Other	-	2,000	2,000
	<u>5,759,590</u>	<u>523,754</u>	<u>6,283,344</u>

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total 2022 £</i>
Culture	251,005	268,204	519,209
Health Improvement	242,981	88,479	331,460
Sports & Leisure	2,905,090	305,591	3,210,681
Theatre	1,036,136	208,447	1,244,583
Other	-	1,252	1,252
	<u>4,435,212</u>	<u>871,973</u>	<u>5,307,185</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

10. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Culture	363,075	72,861	435,936
Health Improvement	218,499	43,849	262,348
Sports & Leisure	3,230,824	648,354	3,879,178
Theatre	1,419,101	284,781	1,703,882
Other	2,000	-	2,000
	<u>5,233,499</u>	<u>1,049,845</u>	<u>6,283,344</u>

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Culture	435,229	83,980	519,209
Health Improvement	277,848	53,612	331,460
Sports & Leisure	2,691,367	519,314	3,210,681
Theatre	1,043,277	201,306	1,244,583
Other	1,252	-	1,252
	<u>4,448,973</u>	<u>858,212</u>	<u>5,307,185</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Culture 2023 £	Health Improvement 2023 £	Sports & Leisure 2023 £	Theatre 2023 £
Pension Finance Cost	1,596	961	14,204	6,239
Staff Costs	117,089	164,921	1,702,066	357,757
Depreciation	893	537	19,826	10,713
Service Provision Costs	77,312	10,558	88,343	44,368
Goods for Resale	35	21	64,776	73,993
Performers and Entertainers	53,295	52	-	533,600
Other Employee Costs	2,995	3,167	28,410	10,588
Rent, Rates and Utilities	1,140	2,343	756,446	118,859
Repairs, Maintenance and Cleaning	417	4,731	254,604	19,634
Insurance	5,198	3,128	46,254	21,787
Travel Costs	37,772	10,297	15,475	4,683
Printing, Postage and Stationery	644	427	5,416	5,712
Advertising and Promotion	18,914	4,701	29,613	17,524
IT, Telephone and Internet	4,364	1,978	34,092	29,881
Other Costs	26,338	8,186	47,400	38,232
Bank Charges	1,107	512	21,605	21,882
Irrecoverable VAT	13,966	1,979	102,294	103,649
	<u>363,075</u>	<u>218,499</u>	<u>3,230,824</u>	<u>1,419,101</u>

MAGNA VITAE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

10. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	Other 2023 £	Total funds 2023 £
Pension Finance Cost	-	23,000
Staff Costs	2,000	2,343,833
Depreciation	-	31,969
Service Provision Costs	-	220,581
Goods for Resale	-	138,825
Performers and Entertainers	-	586,947
Other Employee Costs	-	45,160
Rent, Rates and Utilities	-	878,788
Repairs, Maintenance and Cleaning	-	279,386
Insurance	-	76,367
Travel Costs	-	68,227
Printing, Postage and Stationery	-	12,199
Advertising and Promotion	-	70,752
IT, Telephone and Internet	-	70,315
Other Costs	-	120,156
Bank Charges	-	45,106
Irrecoverable VAT	-	221,888
	2,000	5,233,499

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

10. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Culture</i> 2022 £	<i>Health Improvement</i> 2022 £	<i>Sports & Leisure</i> 2022 £	<i>Theatre</i> 2022 £
Pension Finance Cost	4,795	3,061	29,650	11,494
Staff Costs	112,409	222,135	1,485,913	356,353
Depreciation	1,259	1,596	32,055	11,922
Service Provision Costs	196,080	11,026	50,722	20,145
Goods for Resale	-	-	29,237	39,134
Performers and Entertainers	44,609	4,844	-	321,866
Other Employee Costs	4,657	3,132	31,222	10,711
Rent, Rates and Utilities	3,839	2,301	575,060	100,348
Repairs, Maintenance and Cleaning	1,132	5,326	207,283	57,307
Insurance	5,813	3,710	35,944	13,933
Travel Costs	23,782	11,061	16,236	3,402
Printing, Postage and Stationery	547	417	4,726	4,212
Advertising and Promotion	11,227	3,175	22,489	25,966
IT, Telephone and Internet	1,154	782	32,076	7,642
Other Costs	9,780	2,713	62,699	26,501
Bank Charges	965	587	17,564	30,130
Irrecoverable VAT	13,181	1,982	58,491	2,211
	<u>435,229</u>	<u>277,848</u>	<u>2,691,367</u>	<u>1,043,277</u>

MAGNA VITAE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

10. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Other 2022 £</i>	<i>Total funds 2022 £</i>
Pension Finance Cost	-	49,000
Staff Costs	1,252	2,178,062
Depreciation	-	46,832
Service Provision Costs	-	277,973
Goods for Resale	-	68,371
Performers and Entertainers	-	371,319
Other Employee Costs	-	49,722
Rent, Rates and Utilities	-	681,548
Repairs, Maintenance and Cleaning	-	271,048
Insurance	-	59,400
Travel Costs	-	54,481
Printing, Postage and Stationery	-	9,902
Advertising and Promotion	-	62,857
IT, Telephone and Internet	-	41,654
Other Costs	-	101,693
Bank Charges	-	49,246
Irrecoverable VAT	-	75,865
	<u>1,252</u>	<u>4,448,973</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Culture 2023 £	Health Improvement 2023 £	Sports & Leisure 2023 £	Theatre 2023 £	Total funds 2023 £
Staff Costs	43,511	26,185	387,179	170,064	626,939
Other Costs	19,540	11,760	173,878	76,373	281,551
Support Service Agreements	2,431	1,463	21,636	9,504	35,034
Governance Costs	7,379	4,441	65,661	28,840	106,321
	<u>72,861</u>	<u>43,849</u>	<u>648,354</u>	<u>284,781</u>	<u>1,049,845</u>

	Culture 2022 £	Health Improvement 2022 £	Sports & Leisure 2022 £	Theatre 2022 £	Total funds 2022 £
Staff Costs	47,097	30,067	291,236	112,895	481,295
Other Costs	22,666	14,469	140,166	54,333	231,634
Support Service Agreements	4,092	2,612	25,302	9,808	41,814
Governance Costs	10,125	6,464	62,610	24,270	103,469
	<u>83,980</u>	<u>53,612</u>	<u>519,314</u>	<u>201,306</u>	<u>858,212</u>

11. Auditor's remuneration

	2023 £	2022 £
Fees payable to the Trust's auditor for the audit of the Trust's annual accounts	<u>8,400</u>	<u>7,650</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

12. Staff costs

	2023 £	2022 £
Wages and salaries	2,422,498	2,113,206
Social security costs	184,879	157,842
Contribution to defined contribution pension schemes	38,216	28,995
Operating costs of defined benefit pension schemes	432,000	492,000
	<u>3,077,593</u>	<u>2,792,043</u>

Wages and salaries above include a total of £nil (2022 - £19,670) relating to redundancy, PILON and other exit payments during the year.

The average number of persons employed by the Trust during the year was as follows:

	2023 No.	2022 No.
Culture	4	4
Health Improvement	6	11
Sports & Leisure	103	76
Theatre	20	15
Management	13	13
	<u>146</u>	<u>119</u>

The average headcount expressed as full-time equivalents was:

	2023 No.	2022 No.
Culture	3	3
Health Improvement	5	6
Sports & Leisure	65	52
Theatre	12	12
Management	13	13
	<u>98</u>	<u>86</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

12. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023 No.	2022 No.
In the band £60,001 - £70,000	2	-
In the band £70,001 - £80,000	-	2
In the band £80,001 - £90,000	2	-

The key management personnel of the Trust comprise the Employee Trustee and the Senior Leadership Team as included in the Trustees Report. The total amount of employee benefits (including national insurance and employer pension contributions) received by key management personnel for their services to the Trust was £385,750 (2022 - £348,000).

13. Trustees' remuneration and expenses

The Employee Trustee received remuneration in the £0k - £5k (2022 - £25k - £30k) for the period they were a trustee. Retirement benefits accrued to the Employee Trustee during the current and previous year in respect of the defined benefit pension scheme.

Remuneration is received in respect of contracts of employment and not in respect of the role of Employee Trustee.

Other Trustees do not receive any remuneration from the Trust.

During the year ended 31 March 2023, expenses were reimbursed or paid directly to 2 Trustees (2022 - to 2 Trustees) broken down as follows:

	2023 £	2022 £
Travel	300	260
Accommodation	111	-
	<u>411</u>	<u>260</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

14. Intangible assets

	Computer software £
Cost	
At 1 April 2022	45,593
Additions	19,875
At 31 March 2023	65,468
Amortisation	
At 1 April 2022	27,356
Charge for the year	9,118
At 31 March 2023	36,474
Net book value	
At 31 March 2023	28,994
At 31 March 2022	18,237

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

15. Tangible fixed assets

	Plant, machinery and fixtures £
Cost or valuation	
At 1 April 2022	265,897
At 31 March 2023	265,897
Depreciation	
At 1 April 2022	233,553
Charge for the year	22,850
At 31 March 2023	256,403
Net book value	
At 31 March 2023	9,494
At 31 March 2022	32,344

16. Investment property

	Cafe property £	Cafe equipment £	Total £
Valuation			
At 1 April 2022	150,000	21,764	171,764
Surplus on revaluation	100,000	-	100,000
Write-down	-	(21,764)	(21,764)
At 31 March 2023	250,000	-	250,000

Cafe property was initially recorded at cost. The property has subsequently valued at fair value based on an independent valuation prepared by a suitably qualified third party as at 31 March 2023.

Cafe equipment has initially been recorded at cost and is being written down to its residual value over its useful economic life.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

17. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2022	1
At 31 March 2023	<u>1</u>
Net book value	
At 31 March 2023	<u>1</u>
At 31 March 2022	<u>1</u>

Principal subsidiaries

The following was a subsidiary undertaking of the Trust:

Name	Company number	Principal activity	Class of shares	Holding
Magna Vitae Enterprises Limited	11788244	Dormant	Ordinary	100%

As the subsidiary company is dormant, it has made neither a profit nor loss for the year ended 31 March 2023. Net assets at 31 March 2023 are £nil.

The registered office of the subsidiary company is the same as the Trust as disclosed on page 1.

18. Stocks

	2023 £	2022 £
Finished goods and goods for resale	<u>25,349</u>	<u>24,436</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

19. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	39,041	33,112
Other debtors	2,750	32,941
Prepayments and accrued income	95,382	141,567
	<u>137,173</u>	<u>207,620</u>

20. Current asset investments

	2023 £	2022 £
Cash investments in notice accounts	<u>1,294,520</u>	<u>1,274,510</u>

21. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	177,016	167,302
Other taxation and social security	177,125	38,851
Other creditors	13,511	13,021
Accruals and deferred income	1,847,537	681,496
	<u>2,215,189</u>	<u>900,670</u>

	2023 £	2022 £
Deferred income at 1 April	442,688	487,732
Resources deferred during the year	1,600,188	350,664
Amounts released from previous periods	(410,819)	(395,708)
Deferred income at 31 March	<u>1,632,057</u>	<u>442,688</u>

Deferred income represents Grants and Other Income Received in Advance, Box Office Ticket Sales in Advance of Shows and Unspent Gift Vouchers. Deferred income also includes 50% of the 2023/24 service fee which has been invoiced and received in advance.

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**NOTES TO THE FINANCIAL STATEMENTS
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22. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted Funds						
Designated Funds						
Cultural and Wellbeing Projects	50,000	-	-	-	-	50,000
General Funds						
Reserves	1,038,433	6,148,559	(5,506,943)	(75,000)	100,000	1,705,049
Pension Reserve	(968,000)	-	(293,000)	-	1,261,000	-
Total Unrestricted Funds	120,433	6,148,559	(5,799,943)	(75,000)	1,361,000	1,755,049
Restricted Funds						
SO Festival	18,841	152,760	(263,660)	110,900	-	18,841
Theatre Grants and Donations	52,080	7,238	(3,400)	-	-	55,918
Cultural / Health Improvement Projects	5,521	67,906	(33,859)	(35,900)	-	3,668
Sports Projects	10,006	44,368	(44,368)	-	-	10,006
Other	-	2,000	(2,000)	-	-	-
National Leisure Recovery Fund	176,467	-	(176,467)	-	-	-
	262,915	274,272	(523,754)	75,000	-	88,433
Total of Funds	383,348	6,422,831	(6,323,697)	-	1,361,000	1,843,482

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22. Statement of funds (continued)

Unrestricted Funds:

General Funds

General Funds are those funds not designated towards any project in particular and can be used towards any of the Trust's objectives.

At the year-end, the Trustees have designated £50,000 for cultural and wellbeing projects where the operational budgets may be insufficient or for the match-funding of any new projects.

Pension Reserve

The Pension Reserve represents the year-end balance on the Trust's pension scheme.

Any deficit is not an immediately crystallising liability and contributions have and will be made in line with the actuary's recommendations. East Lindsey District Council continues to act as a guarantor.

Material Restricted Funds:

SO Festival

SO Festival represents incoming resources (including specific funding from Arts Council England totalling £152,760) received to put on the annual SO Festival in August / September each year.

Theatre Grants and Donations

Theatre Grants and Donations represents grants and donations received towards Big Screen development and theatre recovery following the pandemic.

Cultural / Health Improvement Projects

This includes funding from Without Walls and Lincolnshire Coastal Destination BID which have been applied to the SO Festival. This also includes funding in relation to the People Power Partnership.

Sports Projects

This includes funding from Lincolnshire County Council in relation to the Holiday Activities and Food (HAF) Programme.

National Leisure Recovery Fund

The National Leisure Recovery Fund is a grant to support the recovery of leisure facilities following the lifting of pandemic restrictions.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

22. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2022 £</i>
Unrestricted Funds					
Designated Funds					
Cultural and Wellbeing Projects	50,000	-	-	-	50,000
General Funds					
Reserves	641,529	4,568,670	(4,171,766)	-	1,038,433
Pension Reserve	(2,455,000)	-	(367,000)	1,854,000	(968,000)
Total Unrestricted Funds	(1,763,471)	4,568,670	(4,538,766)	1,854,000	120,433
Restricted Funds					
SO Festival	18,841	152,760	(152,760)	-	18,841
Theatre Grants and Donations	35,492	34,002	(17,414)	-	52,080
Cultural / Health Improvement Projects	18,815	180,144	(193,438)	-	5,521
Sports Projects	10,006	10,000	(10,000)	-	10,006
Other	-	65,643	(65,643)	-	-
COVID Support	-	145,061	(145,061)	-	-
Cultural Recovery Fund	-	159,557	(159,557)	-	-
National Leisure Recovery Fund	-	304,567	(128,100)	-	176,467
	83,154	1,051,734	(871,973)	-	262,915
Total of Funds	(1,680,317)	5,620,404	(5,410,739)	1,854,000	383,348

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Summary of funds

Summary of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Designated funds	50,000	-	-	-	-	50,000
General funds	70,433	6,148,559	(5,799,943)	(75,000)	1,361,000	1,705,049
Restricted funds	262,915	274,272	(523,754)	75,000	-	88,433
	<u>383,348</u>	<u>6,422,831</u>	<u>(6,323,697)</u>	<u>-</u>	<u>1,361,000</u>	<u>1,843,482</u>

Summary of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
Designated funds	50,000	-	-	-	50,000
General funds	(1,813,471)	4,568,670	(4,538,766)	1,854,000	70,433
Restricted funds	83,154	1,051,734	(871,973)	-	262,915
	<u>(1,680,317)</u>	<u>5,620,404</u>	<u>(5,410,739)</u>	<u>1,854,000</u>	<u>383,348</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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24. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	9,494	-	9,494
Intangible fixed assets	28,994	-	28,994
Fixed asset investments	1	-	1
Investment property	250,000	-	250,000
Current assets	3,681,749	88,433	3,770,182
Creditors due within one year	(2,215,189)	-	(2,215,189)
Total	1,755,049	88,433	1,843,482

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	32,344	-	32,344
Intangible fixed assets	18,237	-	18,237
Fixed asset investments	1	-	1
Investment property	171,764	-	171,764
Current assets	1,766,757	262,915	2,029,672
Creditors due within one year	(900,670)	-	(900,670)
Provisions for liabilities and charges	(968,000)	-	(968,000)
Total	120,433	262,915	383,348

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**NOTES TO THE FINANCIAL STATEMENTS
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25. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net income for the year (as per Statement of Financial Activities)	199,134	209,665
Adjustments for:		
Depreciation charges	22,850	37,713
Amortisation charges	9,118	9,119
Write down of other investment assets	21,764	21,764
Investment income	(75,294)	(1,922)
Loss/(profit) on the sale of fixed assets	-	(953)
Increase in stocks	(913)	(8,376)
Decrease in debtors	82,817	33,495
Increase in creditors	1,321,349	66,730
Pension scheme FRS102 actuarial adjustments	293,000	367,000
Gain on revaluation of investment property	(100,000)	-
Net cash provided by operating activities	1,773,825	734,235

26. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	2,313,140	523,106
Total cash and cash equivalents	2,313,140	523,106

27. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	523,106	1,790,034	2,313,140
Liquid investments	1,274,510	20,010	1,294,520

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28. Pension commitments

The Trust operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Trust in an independently administered fund. The pension cost charge represents contributions payable by the Trust to the fund and amounted to £38,149 (2022 - £29,415). Total contributions amounting to £9,020 (2022 - £8,156) were payable to the fund at the balance sheet date which is included in other creditors.

The Trust operates a defined benefit pension scheme.

The Trust's employees belong to the Local Government Pension Scheme (LGPS), which is managed by Lincolnshire County Council. The pension costs are assessed in accordance with the advice of independent qualified actuaries. The LGPS is subject to a triennial valuation.

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. Details of the total contributions during the year are given in the analysis below. The latest tri-annual valuation was undertaken to 31 March 2022 which set the agreed contribution rate for the 3 years commencing 1 April 2023 at 10.0% for the Trust. Employee contributions remain at various levels based on bandings with a maximum of 12.5%.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	At 31 March 2023 %	At 31 March 2022 %
Discount Rate	4.80	2.55
Salary Increase Rate	3.90	1.00
Pension Increase Rate	2.90	3.05
	At 31 March 2023 Years	At 31 March 2022 Years
Mortality rates (in years)		
- for a male aged 65 now	19.8	21.2
- at 65 for a male aged 45 now	21.1	22.1
- for a female aged 65 now	22.9	23.7
- at 65 for a female aged 45 now	24.4	25.1

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**NOTES TO THE FINANCIAL STATEMENTS
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28. Pension commitments (continued)

Sensitivity analysis

	At 31 March 2023 £	At 31 March 2022 £
Discount rate +0.1%	(173,000)	(350,000)
Discount rate -0.1%	179,000	361,000
Mortality assumption - 1 year increase	209,000	443,000
Mortality assumption - 1 year decrease	(203,000)	(426,000)
CPI rate +0.1%	167,000	302,000
CPI rate -0.1%	(161,000)	(292,000)

The Trust's share of the assets in the scheme was:

	At 31 March 2023 £	At 31 March 2022 £
Equities	5,831,000	7,540,000
Bonds	1,381,000	1,323,000
Property	787,000	1,150,000
Cash / Temporary Investments	333,000	411,000
Infrastructure	394,000	-
Absolute Return Fund	1,715,000	-
Total fair value of assets	10,441,000	10,424,000

The actual return on scheme assets was £(108,000) (2022 - £1,010,000).

The amounts recognised in the Statement of financial activities are as follows:

	2023 £	2022 £
Current service cost	432,000	490,000
Past service cost	-	2,000
Interest income	(267,000)	(193,000)
Interest cost	290,000	242,000
Administrative expenses	8,000	7,000
Total amount recognised in the Statement of financial activities	463,000	548,000

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28. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2023 £
Opening defined benefit obligation	11,392,000
Current service cost	432,000
Interest cost on defined benefit obligation	290,000
Contributions by scheme participants	71,000
Changes in assumptions	(4,864,000)
Benefits paid	(108,000)
Past service costs	-
Closing defined benefit obligation	7,213,000

Movements in the fair value of the Trust's share of scheme assets were as follows:

	2023 £
Opening fair value of scheme assets	10,424,000
Interest income on plan assets	267,000
Return on assets less interest and other actuarial gains / (losses)	(375,000)
Contributions by employer	170,000
Contributions by scheme participants	71,000
Benefits paid	(108,000)
Administration expenses	(8,000)
Closing fair value of scheme assets	10,441,000

The actuarial report valued a pension scheme surplus of £3,228,000 as set out by the disclosures above. This balance has not been recognised on the basis that the balance is not deemed to be recoverable through reduced contributions in the future or through refunds from the plan.

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29. Operating lease commitments

At 31 March 2023 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	70,000	70,000
Later than 1 year and not later than 5 years	280,000	280,000
Later than 5 years	822,740	892,740
	<u>1,172,740</u>	<u>1,242,740</u>

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2023 £	2022 £
Operating lease rentals	<u>70,000</u>	<u>70,000</u>

30. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

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31. Related party transactions

The following transactions and balances have been undertaken which require disclosure in line with the requirements of the Charities SORP:

Magna Vitae Enterprises Limited:

Magna Vitae Enterprises Limited is a wholly owned subsidiary of Magna Vitae. Magna Vitae Enterprises Limited is a dormant company.

The balance previously outstanding was written off during the year and associated provision released. The balance outstanding at the year-end is £nil (2022 - £11,031 with an associated provision of £11,031).

Trustees:

A R Lidgard has significant influence and control over Brackenborough Limited. During the year, the company provided hospitality services at a cost of £697 (2022 - £3,978). There was no balance outstanding at either year-end.

Key Management Personnel:

The spouse of James Brindle runs First Cricket. During the year, the club was invoiced for hire costs of £1,801 (2022 - £2,072). The balance outstanding at the year was £302 (2022 - £769) which is included in trade debtors.

James Brindle is a part owner of Greenwich House School. During the year, the school was invoiced for swimming lessons of £1,068 (2022 - £986). There was no balance outstanding at either year-end.