

**REGISTERED COMPANY NUMBER: 03319069**  
**REGISTERED CHARITY NUMBER: 1060896**

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 MARCH 2025  
FOR  
BOROUGH OF HAVANT SPORT AND LEISURE TRUST**

**BOROUGH OF HAVANT SPORT AND LEISURE TRUST**

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FOR THE YEAR ENDED 31 MARCH 2025**

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# **BOROUGH OF HAVANT SPORT AND LEISURE TRUST**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025**

The Trustee Board of the Borough of Havant Sport and Leisure Trust ('the Charity') are pleased to present their annual report and consolidated financial statements of the Charity and its subsidiary for the year ending 31 March 2025. These are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

### **Our purposes and activities**

The purposes of the Charity are:

- to provide fully inclusive access at affordable prices to sport and leisure facilities; and
- to help improve the health and well-being of the community

The principal object of the Charity is the provision of services and facilities for recreation, physical and other education, or leisure time occupation in the interests of social welfare. The Charity's vision is 'Inspiring healthier, happier communities,' and Horizon is committed to providing best-value leisure centres that are accessible to all. The relationship with Havant Borough Council is integral to Horizon's future strategic direction. Horizon are supporting the council in developing an Active Wellbeing Strategy for the Borough, which will clearly illustrate how both partners will encourage active and healthy lifestyles for local people.

In terms of the trading subsidiary, the main undertaking is the provision of food, beverages, and retail in the leisure centres operated by the Charity, with profits gift-aided into the Charity annually.

The strategies employed to achieve The Charity's aims and objectives are to:

- Provide high quality leisure and sport facilities.
- Develop an Active Wellbeing Service which is accessible to all sections of the local community.
- Offer a varied programme of activities (sporting and non-sporting) which encourages use of the Centres by all sections of the community;
- Provide activities at prices affordable to members of the community.
- Provide a wide range of activities to encourage all sections of the community to participate in health and wellbeing activities; and
- Continuously review the range of activities to ensure that these meet the evolving needs of the local community.

Horizon will continue to evolve, and the future of provision will change to be more aligned with other health and wellbeing providers. Horizon will begin to consider co-located services and the introduction of the integrated health and wellbeing systems to reduce health inequalities and maximise prevention of specific health conditions. Over the last year, strong partnerships have been formed with the NHS and Social Prescribers, Hampshire Mind and Havant Borough Council's Community Team to enhance targeted community programmes.

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2025**

**Community Health and Wellbeing**

The Charity has had a particularly successful year in its Community Health and Wellbeing Programme, with over 719 people enrolled in our Health Referral scheme, illustrating increased engagement and commitment from local residents.

In partnership with Hampshire County Council, Horizon launched a Tier 2 Weight Management programme targeting women. This funded programme has been hugely successful and impactful, entering its 20th cohort, and has seen positive results in terms of weight loss, improved confidence, and motivation to lead more active lifestyles. With additional funding, this programme demonstrates Horizon's ability to deliver effective health intervention projects for local people.

Horizon's wider social value exceeds £8.1 million, reflecting its significant contribution across four key areas: health, education, wellbeing, and crime reduction. This impact is achieved not only within Horizon's facilities but across the broader community through an extensive programme of outreach classes that bring physical activity directly into neighbourhoods across the Borough. By removing barriers to participation, Horizon promotes healthier lifestyles and wider engagement. Targeted initiatives such as stroke rehabilitation, Escape Pain, and falls prevention provide critical support for individuals with complex health needs, enabling them to maintain independence, build confidence, and improve long-term quality of life.

**The Wellbeing Hub**

The Wellbeing Hub at the Meridian Shopping Centre in Havant is a central component of Horizon's strategy to advance community health and reduce inequalities. Developed in partnership with Havant Borough Council, the Hub was created to engage residents who may be less active or require additional support by providing easily accessible health and wellbeing services within a familiar high street setting. Its location outside of traditional leisure centre environments helps foster a more inclusive and welcoming atmosphere that encourages participation from a broader cross-section of the community.

The Hub has quickly become a trusted space for physical and mental health support, as well as a social anchor that strengthens community connections. Strategic partnerships with Southern Health, Smoke Free Hampshire, local physiotherapists, Havant Borough Council, and social prescribing teams enable a coordinated model that improves referral pathways and integrates services across the system.

Collaboration with the NHS has further enhanced the Hub's reach and effectiveness. During the year, 204 patients were discharged following physiotherapy programmes delivered at the Hub, which supported reduced NHS waiting times and ensured continuity of care for individuals transitioning back into their daily routines.

In 2024/25, the Hub recorded 1,415 attendances for health checks including blood pressure, cholesterol, and glucose testing. This marked a substantial increase from 501 visits during its initial nine-month period in 2023/24. The Hub also offers an eight-week supported exercise programme that equips residents to adopt sustainable, healthy lifestyle changes.

**Swim School**

Horizon's Swim School continues to be a success with around 3,100 people now learning to swim across the three centres, the programme has been consistent in providing pool space for those wishing to learn to swim. Swim School provides a defined pathway to competitive swimming and forms an important aspect of Horizon's relationship with Havant and Waterlooville Swimming Club.

In 2024, Horizon rolled out the Swim England's national syllabus for teaching swimming. This transition enhanced the quality of the programme, ensuring that participants are taught to the highest standards, which will support the continued growth and success of the Swim School. Strategic planning of pool space, increased occupancy, and effective swimmer progression have all contributed to this impressive growth.

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2025**

**Future Developments**

In partnership with Havant BC, Horizon secured £200,000 in Community Infrastructure Levy (CIL) funding from Winchester City Council, alongside £1.9 million in Section 106 support and a £400,000 ringfenced contribution from Horizon. These combined funds will enable a £2.7 million capital investment in the redevelopment of Waterloooville Leisure Centre. This investment follows extensive consultation with residents across the Borough and reflects Horizon's commitment to providing modern, inclusive facilities that directly respond to community needs.

Over the next 12 to 18 months, Horizon will focus on transforming the centre into a leading destination for health, fitness, and wellbeing. Planned enhancements include expanded gym areas, refreshed hospitality and changing spaces, upgraded outdoor zones, and the introduction of Padel courts to support the growth of this dynamic new sport. Family-focused fitness concepts will also be incorporated to engage a wider demographic.

The redevelopment presents a valuable opportunity to integrate co-located services with health partners, enabling clinical consultations, targeted exercise programmes, and preventative support to be delivered in a single accessible setting. Once complete, Waterloooville Leisure Centre will stand as a flagship example of Horizon's vision for holistic, community-led health and wellbeing provision.

**Trading subsidiary**

The Trading Company continues to deliver strong commercial performance, generating annual income of £360,084 in 2024/25. This represents a year-on-year increase of £25,045, or 7.5 percent, compared to £335,039 in the previous year. The uplift reflects a focused strategy to strengthen Horizon's food and beverage operations across Havant and Waterloooville Leisure Centres. Enhancements included refreshed café environments, improved menu options, and more targeted product development. These changes have resulted in greater customer engagement, increased dwell time, and stronger secondary spend, positioning the Trading Company as a growing and resilient contributor to Horizon's overall financial performance.

**Financial Performance and attendances**

Horizon recorded another year of positive financial performance for the period ending 31 March 2025. Group net surplus totalled £360,297, up from £133,614 in the previous year. Total income reached £8.1 million, representing a 15 percent increase year on year.

Visitor numbers across Horizon's facilities also grew substantially. In 2024/25, Horizon welcomed approximately 1,250,000 visits, up from 1,092,160 in 2023/24, a 14 percent increase. The number of active gym members increased by 23 percent during the year, while attrition was consistently maintained at an average of 4 percent. These results reflect Horizon's success in delivering targeted programme development, facility enhancements, and customer experience improvements that continue to drive member growth, retention, and brand loyalty.

**Horizon's Five-Year Strategy**

Horizon is in the fourth year of its five-year strategic plan, which sets out the organisation's direction for the period 2021-2026. The strategic plan underpins the transformation programme, which has mapped out clear objectives to take the organisation from 'Good' to 'Great'. The key strategic themes are:

- Our Future
- Our People
- Our Customers
- Our Impact
- Our Finances

# **BOROUGH OF HAVANT SPORT AND LEISURE TRUST**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025**

Horizon continues to foster a high-performing organisational culture, focused on strategic delivery, improvement, and innovation. The current Strategy sets out a clear framework of ambitious yet achievable objectives that guide the organisation's direction and ensure meaningful outcomes for the communities it serves. These objectives shape leadership priorities and operational focus, with progress evidenced annually through Horizon's Impact Report.

Collaborative working remains central to Horizon's success. Strong partnerships with stakeholders and organisations across the Borough help align efforts and extend Horizon's reach. In particular, the relationship with Havant Borough Council continues to strengthen, built around a shared commitment to creating a healthier and more active Borough. Horizon will maintain its focus on inclusive service delivery, targeted health initiatives, and community-based wellbeing solutions that reflect local needs and aspirations. Horizon has played a proactive role in shaping Havant Borough Council's Active Wellbeing Strategy and will continue to be a key contributor in meeting our partners strategic objectives.

### **Business Expansion and Growth**

Horizon Guildford, which opened in June 2023, has seen tremendous success over the last two years of operation, significantly increasing Horizon's reach and brand profile in the South of the UK. The centre has become a valuable community asset delivering social impact and improving the health and wellbeing of local people. Children's swimming lessons and a family swim have also been introduced, which complement the wider health and fitness and group exercise services. Over the coming year, Horizon will continue to assess future business growth opportunities that have a clear strategic fit with the charitable business model.

### **Capital Enhancements**

Horizon remains firmly committed to improving the quality and accessibility of its facilities to better serve members and local communities. In 2024/25, the organisation invested £422k into a range of targeted improvements that enhance service delivery, member experience, and long-term sustainability. This included upgraded café furniture to improve social spaces, soft play additions such as an inflatable football goal, Hyrox functional training equipment to diversify gym offerings, improved entry gate systems for smoother access, and the implementation of Course Pro to streamline swimming lesson bookings. Significant capital investments also included over £250k to replace the gym strength equipment at Havant Leisure Centre, and £120k towards cardiovascular equipment upgrades at Waterloo Leisure Centre. Horizon further progressed its environmental ambitions through the installation of solar panels at Waterloo Leisure Centre supported by a £197k Sport England sustainability grant.

### **Conclusion**

Horizon has delivered a strong and progressive year throughout 2024/25, marked by targeted investment, innovative service development, and a deepening connection with local communities. With expanded facilities, rising participation, and strengthened partnerships, the organisation continues to demonstrate meaningful progress against its strategic objectives, delivering evidence based impact in the communities we serve.

Looking ahead, Horizon remains ambitious and focused on its charitable purpose, building momentum through collaboration, clear direction, and sustained investment. With a strong foundation in place, Horizon is well-positioned to drive forward inclusive growth, deliver lasting social value, and support healthier, more active lives across the Borough and beyond.

### **Reference and administrative details**

Charity Number 1060896

Company Number 03319069

Registered Office Havant Leisure Centre, Civic Centre Road, Havant, Hampshire, PO92AY

### **Our advisers**

Auditors      MC Audit Limited  
Station House, North Street, Havant, Hampshire, PO9 1QU

Bankers      National Westminster Bank plc  
23 West Street, Havant, Hampshire, PO9 1EU

## **BOROUGH OF HAVANT SPORT AND LEISURE TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025**

Solicitors      Blake Morgan  
New Kings Court, Tailgate, Chandler's Ford, Hampshire, SO53 3LG

Insurers        Aston Lark Ltd  
Malling House, West Malling, Kent, ME19 6QL

#### **Directors and trustees**

The directors of the charitable company (the Charity) are its Trustees for the purpose of charity law.  
The Trustees and officers serving during the year and since the year-end were as follows:

#### **Key management personnel Borough of Havant Sport and Leisure Trust:**

P Mellor  
J Crouch  
P Jones  
P Lewis  
S Gohl  
R Hedley - Resigned 30 May 2024, Appointed 27 February 2025  
G Foster  
J Bowskill - Resigned 27 March 2025  
A Rees - Appointed 25 April 2024, Resigned 27 February 2025

#### **Secretary**

P Lewis

#### **Senior Managers**

The Leadership Team consists of the following posts:

Chief Executive  
Head of Finance  
Commercial Director  
Head of People and Culture

#### **Manager Structure, Governance and Management**

##### **Governing Document**

The Borough of Havant Sport and Leisure Trust is a company limited by guarantee, registered with Companies House, set up on 17 February 1997. Its activities are governed by its Articles of Association, which were last amended on 28 April 2022. The Charity is registered with the Charity Commission. The members of the company are the trustees/directors. Each member agrees to contribute £5 in the event of the Charity being wound up.

The Charity has a subsidiary trading company, which is a private limited company. The subsidiary is wholly owned by the charity.

##### **Appointment of trustees**

Trustees are appointed on the agreement of the Board following consideration of a CV and formal application. In most cases, a recommendation is made by the Board Chair and the Chief Executive to the Board on suitability following an informal meeting with the applicant, which can be attended by any trustee.

**BOROUGH OF HAVANT SPORT AND LEISURE TRUST**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2025**

**Trustee induction and training**

An induction pack is provided to all new directors, which contains relevant information in relation to their roles and responsibilities as charitable trustees as well as information relating to the business of the charity. The induction includes a tour of the facilities operated by the Charity and an introduction to key members of staff.

Formal trustee training is planned annually although trustees can seek assistance from senior management at any time. Topics for training vary from year to year and are democratically agreed. External speakers may be employed where necessary to provide expertise in specialist areas.

Attendance of trustees at annual charity presentations are actively encouraged in order to keep up to date on sector developments.

**Organisations**

The governing body of the Charity is the Trustee Board, which currently comprises of eight trustees, and meets on a monthly basis although additional meetings may be called when required.

A Chief Executive is appointed by the trustees to implement strategy and manage the day-to-day operations of the Charity.

By order of the Board of Trustees



P Jones

Chairman

Date: 25th September 2025



REPORT OF THE INDEPENDENT AUDITORS  
FOR THE YEAR ENDED 31 MARCH 2025

**Opinion**

We have audited the financial statements of Borough of Havant Sport and Leisure Trust (the 'charitable company') and its subsidiaries for the year ended 31 March 2025 on pages 10 to 32, which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets and Cashflow Statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2025 and of the group's 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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

## **BOROUGH OF HAVANT SPORT AND LEISURE TRUST**

### **REPORT OF THE INDEPENDENT AUDITORS FOR THE YEAR ENDED 31 MARCH 2025**

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities, 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 group and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charity or to cease operations, or have no realistic alternative but to do so.

#### **Our 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 a Report of the Independent Auditors 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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

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:

From discussion with management and those charged with governance information about the entity is documented to assess the activity within the organisation. We discuss management's assessment of risk in respect of irregularities, fraud and going concern.

Based on these discussions and our own assessments we determined that the key risk areas were income recognition in respect of cut off issues concerning ticket sales and grant income and management override concerning the size of the organisation.

We set financial statement materiality level based on the level of income. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level.

**BOROUGH OF HAVANT SPORT AND LEISURE TRUST**

**REPORT OF THE INDEPENDENT AUDITORS  
FOR THE YEAR ENDED 31 MARCH 2025**

Substantive audit tests were designed after assessing and testing systems and controls. The systems and controls which have been designed to act as a preventative measure against fraud and error were operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

Audit substantive tests concluded no material errors over the key risk areas of income recognition and management override.

The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.

Management assessed there is no going concern risk. The audit undertook a review of budgets, management accounts and the review of board minutes and came to the same conclusion as management.

**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 auditors' 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 group and the parent charity and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stuart Mackie (Senior Statutory Auditor)

for and on behalf of MC Audit Limited

Chartered Accountants

Statutory Auditors

Station House

North Street

Havant

Hampshire

PO9 1QU

Date: 26 September 2025

**BOROUGH OF HAVANT SPORT AND LEISURE TRUST**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING A CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2025**

	Note	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
<b>INCOME FROM</b>					
<u>Charitable activities:</u>					
Operation of leisure centres	3	6,986,182	76,200	7,062,382	6,046,740
Income from donations	4	637,500	-	637,500	637,500
<u>Other trading activities:</u>					
Commercial trading operations	5	360,084	-	360,084	335,039
Investment income	6	79,247	-	79,247	50,862
<b>Total</b>		<b>8,063,013</b>	<b>76,200</b>	<b>8,139,213</b>	<b>7,070,141</b>
<b>EXPENDITURE ON</b>					
<u>Cost of raising funds:</u>					
Commercial trading operations		343,707	-	343,707	306,010
<u>Charitable activities:</u>					
Operation of leisure centres	7	6,736,432	76,200	6,812,632	5,989,685
Donated facilities	7	637,500	-	637,500	637,500
<b>Total</b>	<b>25</b>	<b>7,717,639</b>	<b>76,200</b>	<b>7,793,839</b>	<b>6,933,195</b>
Net gains/(losses) on investments		14,923		14,923	(3,332)
<b>NET INCOME/(EXPENDITURE)</b>		<b>360,297</b>	<b>-</b>	<b>360,297</b>	<b>133,614</b>
Transfers between funds		217,085	(217,085)	-	-
<u>Other recognised gains/(losses):</u>					
Actuarial gains/(losses) on defined benefit pension schemes	29	102,000	-	102,000	54,000
<b>NET MOVEMENT IN FUNDS</b>		<b>679,382</b>	<b>(217,085)</b>	<b>462,297</b>	<b>187,614</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		6,761,609	217,085	6,978,694	6,791,080
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>7,440,991</b>	<b>-</b>	<b>7,440,991</b>	<b>6,978,694</b>

**BOROUGH OF HAVANT SPORT AND LEISURE TRUST**

**CONSOLIDATED AND CHARITY BALANCE SHEET  
FOR THE YEAR ENDED 31 MARCH 2025**

	Note	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
<b>FIXED ASSETS</b>					
Tangible assets	18	5,497,584	5,530,332	5,460,231	5,489,364
Investments	19	153,777	138,854	153,779	138,856
		<u>5,651,361</u>	<u>5,669,186</u>	<u>5,614,010</u>	<u>5,628,220</u>
<b>CURRENT ASSETS</b>					
Stocks	20	21,049	8,511	-	-
Current asset investments	21	965,519	258,721	965,519	258,721
Debtors	22	406,364	196,911	399,360	193,290
Cash at bank and in hand	28	1,396,243	1,956,880	1,372,742	1,933,373
		<u>2,789,175</u>	<u>2,421,023</u>	<u>2,737,621</u>	<u>2,385,384</u>
<b>CREDITORS</b>					
Amounts falling due within one year	23	(788,487)	(713,983)	(757,312)	(699,639)
<b>NET CURRENT ASSETS</b>		2,000,688	1,707,040	1,980,309	1,685,745
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		7,652,049	7,376,226	7,594,319	7,313,965
<b>CREDITORS</b>					
Amounts falling due in more than one year	24	(211,058)	(300,532)	(211,058)	(295,178)
<b>NET ASSETS EXCLUDING PENSION LIABILITY</b>		7,440,991	7,075,694	7,383,261	7,018,787
Defined benefit pension scheme liability	29	-	(97,000)	-	(97,000)
<b>NET ASSETS</b>		<u>7,440,991</u>	<u>6,978,694</u>	<u>7,383,261</u>	<u>6,921,787</u>
<b>FUNDS</b>					
<b>Unrestricted funds:</b>	25				
Unrestricted funds excluding pension liability		7,440,991	6,858,609	7,383,261	6,801,702
Pension reserve		-	(97,000)	-	(97,000)
		<u>7,440,991</u>	<u>6,761,609</u>	<u>7,383,261</u>	<u>6,704,702</u>
<b>Restricted funds</b>	25	-	217,085	-	217,085
<b>TOTAL FUNDS</b>		<u>7,440,991</u>	<u>6,978,694</u>	<u>7,383,261</u>	<u>6,921,787</u>

The financial statements were approved by the Board of Trustees on 25/09/2025 and signed on their behalf by

  
P Jones - Chairman

**BOROUGH OF HAVANT SPORT AND LEISURE TRUST**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2025**

	<b>Note</b>	<b>Group 2025 £</b>	<b>Group 2024 £</b>	<b>Charity 2025 £</b>	<b>Charity 2024 £</b>
<b>Cash flows from operating activities</b>					
Cash generated from operations	<b>27</b>	665,614	695,717	638,972	661,520
<b>Cash provided by (used in) operating activities</b>		<u>665,614</u>	<u>695,717</u>	<u>638,972</u>	<u>661,520</u>
<b>Cash flows from investing activities</b>					
Interest income		79,247	50,862	79,247	50,862
Purchase of investments		(706,798)	-	(706,798)	-
Proceeds on sale of investments		-	1,735,173	-	1,735,173
Proceeds on sale of fixed assets		10,650	-	10,650	-
Purchase of tangible fixed assets		(528,676)	(1,406,675)	(509,360)	(1,386,802)
<b>Cash provided by (used in) investing activities</b>		<u>(1,145,577)</u>	<u>379,360</u>	<u>(1,126,261)</u>	<u>399,233</u>
<b>Cash flows from financing activities</b>					
Cash inflows from new borrowing		-	416,186	-	416,186
Repayment of borrowing		(80,674)	(102,218)	(73,342)	(94,886)
<b>Cash provided by (used in) financing activities</b>		<u>(80,674)</u>	<u>313,968</u>	<u>(73,342)</u>	<u>321,300</u>
Change in cash and cash equivalents in the reporting period		(560,637)	1,389,045	(560,631)	1,382,053
Cash and cash equivalents at the beginning of the reporting period		1,956,880	567,835	1,933,373	551,320
<b>Total cash at the end of the year</b>	<b>28</b>	<u>1,396,243</u>	<u>1,956,880</u>	<u>1,372,742</u>	<u>1,933,373</u>

# **BOROUGH OF HAVANT SPORT AND LEISURE TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

### **1. ACCOUNTING POLICIES**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### **1.1 Basis of preparation of financial statements**

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

Borough of Havant Sport and Leisure Trust 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 note(s).

#### **1.2 Preparation of the accounts on a going concern basis**

The Charity reported a cash outflow of £480k (2024: inflow of £1,075k) from operating activities and investing activities.

At the year end the group had free reserves totalling £477k (2024: £424k). The designation of funds for future projects and potential shortfalls is considered to ensure the future of the charity. The trustees have reviewed projected income and expenditure for the next twelve months and on that basis the Charity is a going concern.

#### **1.3 Group financial statements**

The financial statements consolidate the results of the Charity and its wholly owned subsidiary, Borough of Havant Sport and Leisure Trading Limited, on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

#### **1.4 Income**

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income represents point of sale receipts and amounts invoiced, excluding value added tax, in respect of the sale of goods and services to customers.

Income from local authority and other grants is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Investment income is accounted for in the period in which the Charity is entitled to receipt.

Income received in advance of a fitness class, swimming lesson or parties is deferred until the criteria for income recognition are met (see note 23).

## **BOROUGH OF HAVANT SPORT AND LEISURE TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

#### **1.5 Donated services and facilities**

Donated professional services and donated facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity 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.

Donated facilities reflect the rateable value of the two leisure centres provided by the local authority for no charge and a 20% discretionary relief provided by the local authority on the National Non Domestic Rates bill.

#### **1.6 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

#### **1.7 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 Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for specific purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund.

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

#### **1.8 Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Costs of raising funds comprise the costs of commercial trading including the cafes and goods for resale and their associated support costs.

Expenditure on charitable activities includes costs associated with the running of the leisure centres and include both the direct costs and support costs relating to these activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g., allocating property costs by floor areas, staff costs by time spent and other costs by their usage.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.



## **BOROUGH OF HAVANT SPORT AND LEISURE TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

#### **1.9 Allocation of support costs**

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include support office costs, finance, personnel, payroll, and governance costs which support the Charity's leisure programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities where applicable. The bases on which support costs have been allocated are set out in note 9.

#### **1.10 Operating leases**

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

#### **1.11 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Substantial assets are reviewed and broken down into component parts where the useful economic life of a component is significantly different to the rest of the asset.

All assets costing more than £1,000 are capitalised.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property consisting of:

- Land and buildings: Over the period of the lease
- Other components: Over 10 - 15 years straight line

Plant & machinery: 10% - 33% straight line

Income generating equipment: 20% - 50% straight line

Operational equipment: 20% - 33% straight line

Assets under construction: No depreciation charge

#### **1.12 Investments**

- (i) Fixed asset investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.
- (ii) Investments in subsidiaries are valued at cost less provision for impairment.
- (iii) Current asset investments include short term highly liquid investments that require more than three months but less than one year notice to withdraw cash.

#### **1.13 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks.

#### **1.14 Debtors**

Trade and other debtors are recognised at the settlement amount due.

#### **1.15 Creditors**

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

## **BOROUGH OF HAVANT SPORT AND LEISURE TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

#### **1.16 Finance leases**

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the charity, are capitalised in the balance sheet and are depreciated over the shorter of the lease term and the assets' useful lives. A corresponding liability is recognised for the fair value of the leased asset in the balance sheet. Lease payments are apportioned between the reduction of the lease liability and finance charges in the Statement of Financial Activities so as to achieve a constant rate of interest on the remaining balance of the liability.

#### **1.17 Pensions**

The company operates a defined benefits pension scheme which requires contributions to be made to a separately administered fund. The scheme is closed to new members. A defined contribution pension scheme is available to all employees.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method, which attributes entitlement to benefits to the current period (to determine current service cost) and to the current and prior periods (to determine the present value of defined benefit obligations) and is based on actuarial advice. When a settlement or a curtailment occurs the change in the present value of the scheme liabilities and the fair value of the plan assets reflects the gain or loss which is recognised in the income statement during the period in which it occurs.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, at the start of the period taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income or expenditure as other finance revenue or cost.

Re-measurements, comprising actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability (excluding amounts included in net interest) are recognised immediately in other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

The defined net benefit pension asset or liability in the balance sheet comprises the total of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

Allowance has been made for full indexation on all Guaranteed Minimum Pensions (GMP) for members whose State Pension Age is on or after 6 April 2016. A McCloud underpin liability has been calculated with the assumption that the underpin applies to

- 1) all members in service on 1 April 2012
- 2) members' benefits on reaching retirement (normal or ill health), or on prior withdrawal, and
- 3) spouse's benefits on death after retirement. Contributions to defined contribution schemes are recognised in the profit and loss account in the period in which they become payable.

## **BOROUGH OF HAVANT SPORT AND LEISURE TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

#### **1.18 Judgements**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

##### **Operating and finance lease commitments**

The Charity has entered into leases as a lessee for use of plant and equipment. The classification of such leases as operating or finance lease requires the Charity to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet. One lease has been recognised as a finance lease.

##### **Pensions**

The cost of defined benefit pension plan is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. Management have placed reliance on the figures prepared by the work of an expert. Further details are given in note 29.

##### **Fixed Assets**

The Charity purchases fixed assets and writes the cost less estimated residual value down over the expected useful life of each asset. Choosing the useful economic life of an asset is a judgement by management that impacts on the financial statements over a number of years. A small variation in the life could have a significant affect on the financial statements. The useful life of the asset is determined in the year of purchase and is based on experience. This is reviewed annually to ensure it is still appropriate.

## **2. LEGAL STATUS OF THE CHARITY**

The Charity is a company limited by guarantee and has no share capital. The members of the company are the Trustees named on page 8. In the event of the company being wound up, the liability in respect of the guarantee is limited to £5 per member of the Charity.

# BOROUGH OF HAVANT SPORT AND LEISURE TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### 3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2025 £	Restricted funds 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £
Grants from institutions	198,868	76,200	5,053	49,079
Operation of leisure centres	6,787,314	-	5,992,608	-
	<u>6,986,182</u>	<u>76,200</u>	<u>5,997,661</u>	<u>49,079</u>

### 4. INCOME FROM DONATIONS

	2025 £	2024 £
Donated facilities	<u>637,500</u>	<u>637,500</u>

### 5. INCOME FROM OTHER TRADING ACTIVITIES

The wholly owned trading subsidiary the Borough of Havant Sport and Leisure Trading Limited is incorporated in the United Kingdom (company number 3406679) and pays all of its profits to the Charity under the gift aid scheme. The subsidiary operates café and bar facilities and sells leisure goods. All commercial trading operations are carried out at the Charity's leisure centres. A summary of the trading results is shown below.

	2025 £	2024 £
Turnover	359,513	334,573
Cost of sales and administration costs	(347,261)	(306,010)
Management charge expense	(12,000)	(13,110)
Other operating income	0	0
Interest receivable	571	466
	<u>823</u>	<u>15,919</u>
Net profit	0	0
Amount gift aided to the charity	<u>823</u>	<u>15,919</u>
Retained in subsidiary		

The assets and liabilities of the subsidiary were:

Non-current assets	37,352	40,968
Current assets	54,959	61,648
Current liabilities	(34,579)	(40,353)
Non-current liabilities	0	(5,354)
	<u>57,732</u>	<u>56,909</u>
Total net assets		

### 6. INVESTMENT INCOME

	2025 £	2024 £
Bank interest	<u>79,247</u>	<u>50,862</u>

# BOROUGH OF HAVANT SPORT AND LEISURE TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### 7. DIRECT COSTS

	Provision of sporting and leisure facilities to the public	Total funds	Total funds
	2025	2025	2024
	£	£	£
Operational staff	3,749,016	3,749,016	3,354,360
Other finance expense (Note 17)	5,000	5,000	8,000
Equipment and materials	163,150	163,150	107,545
Subcontractors	-	-	-
Premises and equipment maintenance	612,700	612,700	605,230
Repair and replacement fixtures	125,635	125,635	117,156
Energy and utility	778,160	778,160	612,002
Third party support and insurance	192,736	192,736	166,683
Marketing, unrecoverable VAT and other	315,658	315,658	314,852
(Gains)/losses on disposal of fixed assets	24,700	24,700	(12,752)
Depreciation	503,184	503,184	426,231
Governance costs	139,662	139,662	98,151
Support costs	203,031	203,031	192,227
	<u>6,812,632</u>	<u>6,812,632</u>	<u>5,989,685</u>
Donated facilities	637,500	637,500	637,500
	<u>7,450,132</u>	<u>7,450,132</u>	<u>6,627,185</u>

Expenditure on charitable activities was £6,812,632 (2024: £5,989,685) of which £6,736,432 was unrestricted (2024: £5,934,358) and £76,200 was restricted (2024: £55,327).

### 8. SUMMARY OF ANALYSIS OF EXPENDITURE AND RELATED INCOME FOR CHARITABLE ACTIVITIES

This shows the cost of the main charitable activity and the sources of income that directly support those activities.

	Provision of sporting and leisure facilities to the public	
	2025	2024
	£	£
Costs	(6,812,632)	(5,989,685)
Income from sport and leisure facilities	7,062,382	6,046,740
Net income to fund future costs and projects	<u>249,750</u>	<u>57,055</u>

# BOROUGH OF HAVANT SPORT AND LEISURE TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### 9. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

The Charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs these, along with the remaining support costs, are allocated to the cost of the Charity's key charitable activity. The table below shows the basis of apportionment and the analysis of support and governance costs.

	Basis of apportionment	General Support 2025 £	Governance function 2025 £	Total 2025 £
Audit, legal and professional (Note 11)	Governance	-	139,113	139,113
Trustee expenses and indemnity insurance	Governance	-	549	549
Corporate office staff costs	Time allocated	-	-	-
IT and payroll running costs	As invoiced	203,033	-	203,033
Council pension settlement	Support	-	-	-
		<u>203,033</u>	<u>139,662</u>	<u>342,695</u>

### 10. TURNOVER

All turnover arose within the United Kingdom.

### 11. NET INCOMING RESOURCES

	2025 £	2024 £
This is stated after charging:		
Depreciation of tangible fixed assets:		
Owned by the charitable group	445,400	378,129
Assets held under finance lease	80,674	72,742
(Surplus)/Loss on disposal of fixed assets	24,700	(12,752)
Auditor's remuneration:		
Auditor's remuneration	12,300	11,700
Auditor's remuneration- Other services	3,350	3,150
Operating leases - equipment	<u>23,354</u>	<u>2,285</u>

# **BOROUGH OF HAVANT SPORT AND LEISURE TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

### **12. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL**

	2025	2024
	£	£
Staff costs were as follows:		
Wages and salaries	3,577,079	3,204,606
Social security costs	223,422	204,042
Other pension costs (Note 29)	58,846	44,652
Redundancy costs	20,818	-
	<u>3,880,165</u>	<u>3,453,300</u>

	2025	2024
	No.	No.
The number of higher paid employees was:		
In the band		
£60,001 - £70,000	1	1
£70,001 - £80,000		
£80,001 - £90,000		
£90,001 - £100,000		
£100,001 - £110,000		1
£110,001 - £120,000	1	

Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

During the year, no trustees received any remuneration (2024: £NIL).

During the year, no trustees received any benefits in kind (2024: £NIL).

Two trustees received reimbursement of expenses amounting to £437 in the current year (2024: one trustee received £235).

The key management personnel of the parent charity comprise senior management team consisting of the Chief Executive, Head of People and Culture, Head of Finance and Commercial Director. The total employee benefits of the key management personnel of the Charity were £356,970 (2024: £322,347).

The key management personnel of the group comprise those of the Charity and the directors of its wholly owned subsidiary, Borough of Havant Sport and Leisure Trading Limited.

### **13. STAFF NUMBERS**

The average monthly head count including casual and part-time staff during the year was as follows

	2025	2024
	No.	No.
Management	4	4
Other	220	195
	<u>224</u>	<u>199</u>

## BOROUGH OF HAVANT SPORT AND LEISURE TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

#### 14. RELATED PARTIES

In 2025 the following transactions took place between the Charity and its wholly owned subsidiary Borough of Havant Sport and Leisure Trading Limited:

The provision of kitchen facilities at the Waterlooville café and kitchen equipment by the Charity to Borough of Havant Sport and Leisure Trading Limited of £1,084 (2024: £1,084).

The provision of management and administrative services by the Charity to Borough of Havant Sport and Leisure Trading Limited totalling £12,000 (2024: £12,000).

The transfer under gift aid of the trading profits of Borough of Havant Sport and Leisure Trading Limited to the Charity of £Nil (2024: £Nil).

At the balance sheet date the Charity owed Borough of Havant Sport and Leisure Trading Limited £3,403 (2024: £26,009). The majority of this balance represents receipts received by the Charity on behalf of Borough of Havant Sport and Leisure Trading Limited which were not paid to the Trading Company as at 31 March 2025.

#### 15. GOVERNMENT GRANTS

Income from Government grants comprises project related grants made by Local Authorities to fund specific sport, leisure and health projects run by the Charity.

Below are the Government Grants received in the current and previous financial year.

	2025 £	2024 £
Government grants	275,178	78,090

#### 16. CORPORATION TAX

As a charity, the Borough of Havant Sport and Leisure Trust benefits from various exemptions from taxation afforded by tax legislation and is therefore not liable to corporation tax on income or gains falling within those exemptions.

#### 17. OTHER FINANCE EXPENSES

	2025 £	2024 £
Expected return on pension scheme assets	190,000	177,000
Interest on pension scheme liabilities	(195,000)	(185,000)
	(5,000)	(8,000)



# **BOROUGH OF HAVANT SPORT AND LEISURE TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

### **18. TANGIBLE FIXED ASSETS - GROUP**

	Assets under construction £	L/Term Leashold Property £	Plant and Machinery £	Income generating equipment £	Operational Equipment £	Total £
<b>COST</b>						
At 1 April 2024	60,339	8,033,804	42,028	1,844,668	818,672	10,799,511
Additions	151,187	201,470	14,078	36,290	125,651	528,676
Disposals	(34,676)	(1,619)	(688)	(918)	-	(37,901)
At 31 March 2025	176,850	8,233,655	55,418	1,880,040	944,323	11,290,286
<b>DEPRECIATION</b>						
At 1 April 2024	-	3,247,189	29,985	1,388,679	603,326	5,269,179
Charge for year	-	321,589	11,613	121,433	71,439	526,074
Eliminated on disposals	-	(1,174)	(688)	(689)	-	(2,551)
At 31 March 2025	-	3,567,604	40,910	1,509,423	674,765	5,792,702
<b>NET BOOK VALUE</b>						
At 31 March 2025	176,850	4,666,051	14,508	370,617	269,558	5,497,584
At 31 March 2024	60,339	4,786,615	12,043	455,989	215,346	5,530,332

### **TANGIBLE FIXED ASSETS - CHARITY**

	Assets under construction £	L/Term Leashold Property £	Plant and Machinery £	Income generating equipment £	Operational Equipment £	Total £
<b>COST</b>						
At 1 April 2024	60,339	8,033,804	-	1,802,643	812,608	10,709,394
Additions	151,187	201,470	-	31,052	125,651	509,360
Disposals	(34,676)	(1,619)	-	(918)	-	(37,213)
At 31 March 2025	176,850	8,233,655	-	1,832,777	938,259	11,181,541
<b>DEPRECIATION</b>						
At 1 April 2024	-	3,247,189	-	1,369,515	603,326	5,220,030
Charge for year	-	321,589	-	110,115	71,439	503,143
Eliminated on disposals	-	(1,174)	-	(689)	-	(1,863)
At 31 March 2025	-	3,567,604	-	1,478,941	674,765	5,721,310
<b>NET BOOK VALUE</b>						
At 31 March 2025	176,850	4,666,051	-	353,836	263,494	5,460,231
At 31 March 2024	60,339	4,786,615	-	433,128	209,282	5,489,364

# BOROUGH OF HAVANT SPORT AND LEISURE TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### 19. FIXED ASSET INVESTMENTS

Group	Listed Securities £
<b>Market value</b>	
At 1 April 2024	138,854
Disposals	-
Revaluations	14,923
At 31 March 2025	<u>153,777</u>
<b>Historical cost</b>	<u>70,000</u>

The listed securities are all held in unit trusts limited on the UK Stock exchange

Charity	Listed Securities £	Shares in group undertakings £	Total £
<b>Market Value</b>			
At 1 April 2024	138,854	2	138,856
Disposals	-	-	-
Revaluations	14,923	-	14,923
At 31 March 2025	<u>153,777</u>	<u>2</u>	<u>153,779</u>
<b>Historical cost</b>	<u>70,000</u>	<u>2</u>	<u>70,002</u>

The Charity owns the whole of the issued share capital of the Borough of Havant Sport and Leisure Trading Limited, a company incorporated in England and Wales which carries on the business of running a café. The investment, which consists of 2 ordinary shares of £1 each, is shown at cost. In the opinion of the Trustees, the aggregate value of the shares in and amounts owing from the company's subsidiary is not less than the aggregate of the amounts at which those assets are stated in the company's balance sheet. The activities and results of this company are summarised in note 5.

### 20. STOCKS

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Catering supplies	<u>21,049</u>	<u>8,511</u>	<u>-</u>	<u>-</u>

### 21. CURRENT ASSET INVESTMENT

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Cash on deposit between 3 and 12 months	<u>965,519</u>	<u>258,721</u>	<u>965,519</u>	<u>258,721</u>

**BOROUGH OF HAVANT SPORT AND LEISURE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**22. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Trade debtors	26,506	38,991	24,298	38,279
Prepayments and accrued income	184,118	157,920	179,322	155,011
Other debtors	195,740	-	195,740	-
Amounts owed by group undertakings	-	-	-	-
	<u>406,364</u>	<u>196,911</u>	<u>399,360</u>	<u>193,290</u>

**23. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Trade creditors	227,500	216,584	211,162	200,594
Social security and other taxes	66,759	70,663	55,517	57,040
Other creditors	26,899	22,252	26,899	22,252
Finance leases	89,472	80,672	84,118	73,340
Amounts owed to group undertakings	-	-	3,403	26,009
Accruals and deferred income	377,857	323,812	376,213	320,404
	<u>788,487</u>	<u>713,983</u>	<u>757,312</u>	<u>699,639</u>

**DEFERRED INCOME**

Deferred income comprises advance bookings of fitness classes, swimming lessons and parties that take place after the year end.

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Brought forward	203,686	105,532	203,498	105,532
Amount released to incoming resources	(203,686)	(105,532)	(203,498)	(105,532)
Amount deferred in year	248,914	203,686	248,914	203,498
Carried forward	<u>248,914</u>	<u>203,686</u>	<u>248,914</u>	<u>203,498</u>

**24. CREDITORS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR**

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Finance leases	211,058	300,532	211,058	295,178
	<u>211,058</u>	<u>300,532</u>	<u>211,058</u>	<u>295,178</u>

**BOROUGH OF HAVANT SPORT AND LEISURE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**25. STATEMENT OF FUNDS**

	Brought forward 1 April 24 £	Incoming resources £	Resources expended £	Transfers in/(out) £	Gains / (losses) £	Carried forward 31 March 25 £
<b>DESIGNATED FUNDS</b>						
Improvement reserve	416,178	-	-	59,220	-	475,398
Life cycle programme reserve	200,000	-	-	-	-	200,000
LGPS deficit reserve	97,000	-	-	(97,000)	-	-
Fixed asset reserve	4,485,821	-	-	235,582	-	4,721,403
Fixed asset reserve Guildford	835,401	-	-	(59,220)	-	776,181
WLC extension reserve	400,000	-	-	-	-	400,000
Project reserve	-	-	-	195,740	-	195,740
	<u>6,434,400</u>	<u>-</u>	<u>-</u>	<u>334,322</u>	<u>-</u>	<u>6,768,722</u>
<b>GENERAL FUNDS</b>						
General reserve	424,209	7,873,013	(7,522,639)	(117,237)	14,923	672,268
Pension reserve	(97,000)	190,000	(195,000)	-	102,000	-
Total unrestricted funds	<u>6,761,609</u>	<u>8,063,013</u>	<u>(7,717,639)</u>	<u>217,085</u>	<u>116,923</u>	<u>7,440,991</u>
<b>RESTRICTED FUNDS</b>						
WLC Extension fund	148,030	-	-	(148,030)	-	-
Refurbishment project fund	52,546	-	-	(52,546)	-	-
Disabled changing room fund	8,534	-	-	(8,534)	-	-
Community Against Cancer Fund	-	-	-	-	-	-
Flourish Grant	-	60,106	(60,106)	-	-	-
Active Play Grant	5,975	-	-	(5,975)	-	-
Beating Heart Grant	-	-	-	-	-	-
Beat It Grant	2,000	16,094	(16,094)	(2,000)	-	-
Energise Me Grant	-	-	-	-	-	-
Total restricted funds	<u>217,085</u>	<u>76,200</u>	<u>(76,200)</u>	<u>(217,085)</u>	<u>-</u>	<u>-</u>
<b>Total of funds</b>	<u><u>6,978,694</u></u>	<u><u>8,139,213</u></u>	<u><u>(7,793,839)</u></u>	<u><u>-</u></u>	<u><u>116,923</u></u>	<u><u>7,440,991</u></u>

**BOROUGH OF HAVANT SPORT AND LEISURE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**Comparatives for movement in funds**

	Brought forward 1 April 23 £	Incoming resources £	Resources expended £	Transfers in/(out) £	Gains / (losses) £	Carried forward 31 March 24 £
<b>DESIGNATED FUNDS</b>						
Operational reserve	-	-	-	-	-	-
Improvement reserve	673,469	-	-	(257,291)	-	416,178
Life cycle programme reserve	200,000	-	-	-	-	200,000
LGPS deficit reserve	150,000	-	-	(53,000)	-	97,000
Fixed asset reserve	4,288,093	-	-	197,728	-	4,485,821
Fixed asset reserve Guildford	-	-	-	835,401	-	835,401
Guildford project reserve	888,300	-	-	(888,300)	-	-
WLC extension reserve	-	-	-	400,000	-	400,000
	<u>6,199,862</u>	<u>-</u>	<u>-</u>	<u>234,538</u>	<u>-</u>	<u>6,434,400</u>
<b>GENERAL FUNDS</b>						
General reserve	425,880	6,844,062	(6,692,868)	(149,533)	(3,332)	424,209
Pension reserve	(143,000)	177,000	(185,000)	-	54,000	(97,000)
Total unrestricted funds	<u>6,482,742</u>	<u>7,021,062</u>	<u>(6,877,868)</u>	<u>85,005</u>	<u>50,668</u>	<u>6,761,609</u>
<b>RESTRICTED FUNDS</b>						
WLC Extension fund	156,739	-	(8,709)	-	-	148,030
GP Referral training grant	-	-	-	-	-	-
Refurbishment project fund	139,511	-	(3,672)	(83,293)	-	52,546
Disabled changing room fund	11,113	-	(867)	(1,712)	-	8,534
Community Against Cancer Fund	975	-	(975)	-	-	-
Flourish Grant	-	29,114	(29,114)	-	-	-
Active Play Grant	-	15,000	(9,025)	-	-	5,975
Beating Heart Grant	-	1,000	(1,000)	-	-	-
Beat It Grant	-	2,000	-	-	-	2,000
Energise Me Grant	-	1,965	(1,965)	-	-	-
Total restricted funds	<u>308,338</u>	<u>49,079</u>	<u>(55,327)</u>	<u>(85,005)</u>	<u>-</u>	<u>217,085</u>
<b>Total of funds</b>	<u><u>6,791,080</u></u>	<u><u>7,070,141</u></u>	<u><u>(6,933,195)</u></u>	<u><u>-</u></u>	<u><u>50,668</u></u>	<u><u>6,978,694</u></u>

## **BOROUGH OF HAVANT SPORT AND LEISURE TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

#### **The designated funds consist of:**

##### **Operational reserve:**

Funds set aside to meet any shortfall between the anticipated income and budgeted outgoings and any unforeseen expenditure. It will also be available to assist in the funding of new activities not foreseen in budgets.

##### **Improvement reserve:**

Funds set aside for future projects, these amounts have been funded from cash surpluses generated in the year. Some projects still require additional funds.

##### **Life cycle programme reserve:**

A programme run by the Charity for the continuing refurbishment of the leisure centres.

##### **LGPS deficit reserve:**

Funds set aside to pay off LGPS deficit.

##### **Fixed assets reserve:**

The value of unrestricted funds represented by tangible fixed assets owned and used by the Charity for leisure activities.

#### **The restricted funds consist of:**

##### **WLC extension fund:**

The \$106 contribution passed on by Havant Borough Council to partly fund the building of the Waterloo extension.

##### **Refurbishment projects fund:**

This fund relates to remedial works and improvements to buildings and facilities funded by a capital grant in previous years.

##### **Disabled changing room fund:**

This fund relates to conversion works to create a disabled changing room facility funded by a capital grant in previous years.

Other small grants - represents income received in the year to fund small projects. This funding was spent on the relevant activities in the year.

#### **Transfers**

The amounts transferred from restricted to unrestricted funds are due to the restricted being satisfied on those particular capital items.

**BOROUGH OF HAVANT SPORT AND LEISURE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**26. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2025 £	Designated funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	-	5,497,584	-	5,497,584
Fixed asset investments	-	153,777	-	153,777
Current assets	1,671,814	1,117,361	-	2,789,175
Creditors due within one year	(788,487)	-	-	(788,487)
Creditors due after one year	(211,058)	-	-	(211,058)
Provisions for liabilities and charges	-	-	-	-
	<u>672,269</u>	<u>6,768,722</u>	<u>-</u>	<u>7,440,991</u>

**27. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Net income/(expenditure)	360,297	133,614	359,474	132,776
Adjustments for:				
Depreciation charges	526,074	450,871	503,143	437,489
Losses/(gains) on investments	(14,923)	3,332	(14,923)	3,332
(Profit)/loss on disposal of fixed assets	24,700	2,326	24,700	(12,752)
Interest received	(79,247)	(50,862)	(79,247)	(50,862)
(Increase)/Decrease in stock	(12,538)	(1,100)	-	-
(Increase)/Decrease in debtors	(209,453)	488	(206,070)	(1,024)
Increase/(Decrease) in creditors	65,704	149,048	46,895	144,561
FRS17 pension adjustment	5,000	8,000	5,000	8,000
	<u>665,614</u>	<u>695,717</u>	<u>638,972</u>	<u>661,520</u>

**28. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Cash at bank and in hand	1,396,243	1,956,880	1,372,742	1,933,373
	<u>1,396,243</u>	<u>1,956,880</u>	<u>1,372,742</u>	<u>1,933,373</u>

# BOROUGH OF HAVANT SPORT AND LEISURE TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### 29. PENSION COMMITMENTS

**The company operates a defined contribution pension scheme.**

The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £2,000 (2024: £5,000). Contributions totalling £Nil (2024: £Nil) were payable to the fund at the balance sheet date and are included in creditors.

The company operates a final salary defined benefit pension scheme.

The company participates in the Local Government Pension Scheme. The Local Government Pension Scheme is a defined benefit scheme based on final pensionable salary. Three members of staff are members of the scheme, which is closed to new members. The Trustees are monitoring the potential impact of the final employee leaving the scheme and the liability crystallising.

The most recent valuation was carried out as at 31 March 2025, and has been updated by independent actuaries to the Hampshire County Council Pension Fund (the Fund) to take account of the requirements of FRS102 in order to assess the liabilities of the Fund. Scheme assets are stated at their market values at the respective balance sheet dates and overall expected rates of return are established by applying published brokers' forecasts to each category of scheme assets.

The assets and liabilities of the scheme at 31 March are:

	2025 £	2024 £
Scheme assets at fair value		
Equities	2,074,280	2,032,400
Government bonds	1,436,040	824,800
Cash	79,780	25,800
Property	398,900	288,300
Other	-	877,700
Fair value of scheme assets	3,989,000	4,049,000
Present value of scheme liabilities	(3,593,000)	(4,146,000)
	396,000	(97,000)

Per the SORP, the plan surplus is a defined benefit plan asset and it is recognised to the extent that the charity is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. Therefore, the asset will not be recognised as the pension fund has confirmed that there will be no refunds or reduced contributions.

The pension plan has not invested in any of the Charity's own properties or other assets used by the group.



# BOROUGH OF HAVANT SPORT AND LEISURE TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

The amounts recognised in the Statement of Financial Activities are as follows except for where a pension asset is created which has been restricted:

	2025	2024
	£	£
Current service cost	(2,000)	(6,000)
Net interest on defined benefit liability	(5,000)	(7,000)
Total recognised in net income	<u>(7,000)</u>	<u>(13,000)</u>
Asset gains/(losses) arising during the period	(72,000)	162,000
Liability gains/(losses) arising during the period	570,000	(108,000)
Total recognised in other comprehensive income	<u>498,000</u>	<u>54,000</u>

	2025	2024
	%	%
Main assumptions:		
Discount rate	5.8	4.8
CPI Inflation assumption	2.8	2.8
Pension increases	2.8	2.8
Pension accounts revaluation rate	2.8	2.8
Salary increases	3.8	3.8
Post-retirement mortality:		
Current pensioners at 65 - male	22	22.1
Future pensioners at 65 - male	22.5	22.6
Current pensioners at 65 - female	24.7	24.7
Future pensioners at 65 - female	25.6	25.7

The post-retirement mortality assumptions allow for expected increases in longevity. The "current" disclosures above relate to assumptions based on longevity (in years) following retirement at the balance sheet date, with "future" being that relating to an employee retiring in 2040.

Changes in the present value of the defined benefit obligations are analysed as follows:

	2025	2024
	£	£
Opening defined benefit obligation	4,146,000	4,017,000
Current service cost	2,000	6,000
Interest expense on defined benefit obligation	195,000	185,000
Contributions by scheme participants	-	2,000
Benefits paid	(180,000)	(172,000)
Actuarial losses/(gains)	(570,000)	108,000
Closing defined benefit obligation	<u>3,593,000</u>	<u>4,146,000</u>

**BOROUGH OF HAVANT SPORT AND LEISURE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

Changes in the fair value of scheme assets were as follows:

	2025	2024
	£	£
Opening fair value of scheme assets	4,049,000	3,874,000
Remeasurement (losses)/gains	(72,000)	162,000
Interest income on assets	190,000	178,000
Contributions by employers	2,000	5,000
Benefits paid	-	(172,000)
Contributions by scheme participants	(180,000)	2,000
Closing defined benefit obligation	<u>3,989,000</u>	<u>4,049,000</u>

**30. OPERATING LEASE COMMITMENTS**

Group

At the balance sheet date, the group had annual commitments for equipment under non-cancellable operating leases as follows:

	2025	2024
	£	£
Less than 1 year	168,850	96,257
Between 1 and 2 years	144,880	96,192
Between 2 and five years	183,887	72,222
More than 5 years	-	-
	<u>497,617</u>	<u>264,671</u>