

REGISTERED COMPANY NUMBER: 04270411 (England and Wales)
REGISTERED CHARITY NUMBER: 1090528

REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2025
FOR
HYNDBURN LEISURE
(A COMPANY LIMITED BY GUARANTEE)



**HYNDBURN LEISURE
(A COMPANY LIMITED BY GUARANTEE)**

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FOR THE YEAR ENDED 31ST MARCH 2025**

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HYNDBURN LEISURE
(A COMPANY LIMITED BY GUARANTEE)

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

The trustees who are also directors of the company for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2025. The financial statements 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 1st January 2015).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
04270411 (England and Wales)

Registered Charity number
1090528

Registered office
Accrington Town Hall
Blackburn Road
Accrington
Lancashire
BB5 1LA

Trustees

Ciaran Wells – Chair
Irene Ryan
Anne Ellwood
Marie Demaine
Peter Baron
Melissa Fisher (Appointed 27th May 2025)
Lorraine Cox
Azad Brepotra (Appointed 26th September 2025)
John Leaver (Appointed 26th September 2025)
Ruby Ali (Appointed 26th September 2025)
Liz Keane (Appointed 26th September 2025)
Richard Swanney (Appointed 26th September 2025)

Key Management Personnel

Lyndsey Sims
Joanne Mortimer
Linda Horsfield
Tina McNiff

Position

Chief Executive
Head of Operations & Strategic Projects
Head of Health & Community Development
Head of Corporate Services

Company Secretary

Lyndsey Sims

FOREWORD BY CHAIR

Welcome to Hyndburn Leisure's Annual Report for the financial year 2024/25. This report provides an overview of our activities, highlights key achievements, and sets out our priorities for the year ahead. It reflects not just what we have delivered, but the values, commitment, and community spirit that continue to drive our organisation forward.

In recent years, Hyndburn Leisure has achieved a significant amount. We have developed new services to support healthier and more active lifestyles, delivered the Hyndburn Hub through the pandemic, and successfully transitioned to subsidy-free leisure operations. Alongside this, we have embarked on a major leisure transformation project with Hyndburn Borough Council and taken steps to reduce our environmental impact—all within the wider context of a global health crisis and an evolving financial landscape.

The last few years have presented considerable challenges. External pressures, including rising operational and energy costs, have meant that the charity has required a subsidy from Hyndburn Borough Council to continue operating all facilities and programmes. Our ambition for the next two years is clear: to work steadily towards returning towards zero subsidy while ensuring that essential local services remain accessible and sustainable.

While we are proud of our progress, we know that it is the stories and people behind the achievements that truly matter. Stories of inclusion, engagement, and personal transformation. Small steps that lead to healthier lifestyles, greater confidence, or renewed social connection. These stories—shared by individuals and families across our borough—are what inspire our team every day.

Hyndburn is a vibrant, diverse place to live and work, but it is also a community facing real challenges. As one of the most deprived local authority in England, with low cultural engagement and almost one in three adults living inactive lives, the need for accessible, community-led health and wellbeing services has never been greater. Our Trust has a vital role to play in addressing these inequalities.

As a charitable organisation, every penny we make is reinvested back into our community. We do not have shareholders, nor do we operate as a private business. Instead, we work closely with Hyndburn Borough Council, a range of partners, and our local communities to deliver services that people want and need. We are proudly governed by a Board of Trustees—local individuals who volunteer their time to guide and support the Trust in pursuit of its mission.

None of our achievements would be possible without the passion, dedication, and professionalism of our staff. Our colleagues remain our greatest asset, consistently going above and beyond to deliver high-quality services and warm, welcoming experiences for our customers. I would like to extend my sincere thanks to each member of the team.

As we reflect on the last year, we do so with pride in how far we have come and a renewed commitment to the journey ahead. With the support of our people, our partners, and our community, we are confident in our ability to navigate challenges, embrace opportunities, and continue making a meaningful and lasting impact on the health and wellbeing of Hyndburn's residents.



Ciaran Wells (Dec 18, 2025 08:57:27 GMT)

Chair – Ciaran Wells

STRUCTURE, GOVERNANCE AND MANAGEMENT

Hyndburn Leisure is both a registered charity and a company limited by guarantee; governed by its Articles of Association. The trustees delegate the day-to-day management to the Chief Executive, Lyndsey Sims.

The Trust adheres to the Nolan rules for Standards in Public Life. Whilst undertaking a review of governance, the Trustees have also reviewed the recommendations in "Good Governance, A Code for the Voluntary and Community Sector" and do not believe the Trust has any standards at variance with that code which require disclosure. The Trust's ethical policy is;

"All delegations must be exercised in accordance with the law and having regard to any lawful direction and/or guidance subsequently issued by Parliament and/or any other appropriate funding body.

Furthermore, all HR and people issues will be handled fairly, consistently and in accordance with relevant legislation, ACAS Codes of Practice and Chartered Institute of Personnel & Development (CIPD) advice and best practice."

Directors and Trustees

The directors of the limited company are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

Recruitment and appointment of new Trustees

As set out in the Articles of Association, the Chair of the Trustees is nominated by the members of the Board of Trustees. The Board of Trustees comprises a minimum of five Trustees and a maximum of fifteen.

The Charity aims to maintain a broad range of skills on the Board of Trustees to contribute to the success of the Charity. The composition of the Board of Trustees may include two trustees appointed by Hyndburn Borough Council and persons from time to time employed by the charity may collectively appoint one person as a trustee.

Trustees Induction and Training

New Trustees undergo orientation sessions and receive literature and training to provide them with an understanding of their legal obligations under both charity and company law, the content of the Articles of Association, the committee and decision making process, the business plan and recent financial performance of the Charity. The Trust also seeks to identify appropriate training and update sessions for the Trustees.

Retirement of Trustees

Appointed trustees shall stay in office until such time as they retire or are removed in accordance with the Articles.

Board meetings

The trustees meet every three months. There is also a sub-committee which covers resource management including finance and corporate performance that meets every three months prior to each board meeting.

Indemnity Insurance

During the year the charity maintained indemnity insurance for the Trustees and senior staff to indemnify them against the consequences of unintentional neglect or default on their part.

**HYNDBURN LEISURE
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2025**

Related parties

The Trust has a close relationship with Hyndburn Borough Council (Council) for whom it manages the borough's sports leisure and culture facilities and two community centres. Council facilities include; Hyndburn Leisure Centre, Mercer Hall Leisure Centre, The Cath Thorn Leisure Centre, Accrington Town Hall, Wilson's Playing Fields Athletics track, Bank Mill House and Oswaldtwistle West End. The facilities estate includes; one swimming pool, two state-of-the-art gyms, a soft play centre, two thermal suites, three squash courts and an events and entertainment venue.

There are two Council nominated trustee on the Board. In addition, the Chief Executive of the Trust has regular meetings with the Executive Director (Resources), who is the Trust's liaison, who also attends Board meetings.

Risk management

The major risks to which the charity is exposed, as identified by the trustees, have been reviewed and systems have been established to mitigate those risks.

Pay and Remuneration

Key management personnel of the charity comprise the trustees, the Chief Executive, the Head of Operations & Strategic Projects, Head of Corporate Services and the Head of Health & Community Development. The total employee benefits of the key management personnel of the charity were £190,130 (2024: £159,908), in addition, employer pension contributions of £30,657 (2024: £23,006) were paid in respect of their services

OBJECTIVES AND ACHIEVEMENTS

Hyndburn Leisure (HL) is a company limited by guarantee with charitable status. It was formed in 2002 to manage the borough's sport and leisure facilities and in 2005 also took on the Council's Arts & Entertainment facilities and community buildings.

HL's objects as stated in its governing document are:

"the provision or assisting in the provision of facilities for recreation or other leisure time occupation for the general public in or in connection with the Borough of Hyndburn and its neighbourhood in the interests of social welfare by improving conditions of life"

In planning and delivering its action plan Trustees have considered Charity Commission guidance relating to public benefit, including the setting of affordable fees and charges and ensuring that programmes and activities meet charitable objectives.

OBJECTIVES AND ACHIEVEMENTS

Key areas of activity

The Trust seeks to provide accessible and affordable sports, leisure, arts and cultural activities to every member of the Hyndburn community, irrespective of age, background or ability.

We further our charitable objectives by operating in the following key areas:

- The Leisure Activity Passport scheme offers significantly reduced admission charges to a wide range of individuals who are on limited incomes, including those who are unemployed, receiving Council Tax or Housing Benefit, those receiving Income Support or Job seekers Allowance, students and those receiving Working Tax Credit.
- The Leisure Activity Passport also provides reduced admission for key priority groups including Hyndburn residents over 60 years of age and the registered disabled (including FREE access to carers).
- Our Swimming Programme offers reduced rate swimming for 4 to 16 year olds during school holiday periods.
- Senior citizens and children receive concessionary rates on the purchase of tickets for our sport and leisure activities and entertainment programme. In addition, free use is offered to children participating in themed activities and events.
- Use of our public halls and community facilities is made available to charitable and non-profit making groups at concessionary rates. We also offer free use for certain categories of users.
- Our Health & Wellbeing services support our communities to improve their health outcomes. The team work in the heart of our communities, workplaces and schools, using their expert knowledge and experience in supporting positive lifestyle changes.
- Free access to leisure provision for armed forces personnel.
- Free access to leisure facilities and financial support for talented athletes.

We want to help our community feel healthier, more active, and more connected. This takes many forms—from learning an essential life skill like swimming, to joining friends for an exercise class, or simply finding joy and confidence through movement. Alongside Accrington Town Hall and our community centres, which together host a diverse programme of cultural, social, and educational activities, we are creating spaces where people can learn, celebrate, and build meaningful connections. Through these facilities and programmes, we continue to support residents of all ages to lead healthier, happier, and more connected lives.

ACHIEVEMENTS AND PERFORMANCE

At Hyndburn Leisure, our mission is rooted in improving the health, wellbeing, and connectedness of our community. Over the past year, we have strengthened our impact across leisure, culture, and health—providing services shaped by a deep understanding of the people we serve. From swimming lessons and fitness programmes to creative activities, wellbeing initiatives, and community-led events, our offer continues to support healthier, happier, and more connected lives.

Our services are intentionally designed to feel welcoming, inclusive, and empowering. Whether someone is learning a life skill like swimming, building fitness and confidence, exploring creativity, or taking part in a wellbeing programme, they are supported by skilled teams who place people at the centre of everything they do. This people-first approach is backed by our commitment to listening and adapting; we shape our services around real-life needs and aspirations, ensuring relevance and accessibility.

This year, we made significant progress in enhancing how we communicate and connect with our customers. The launch of our new, user-friendly mobile app has given customers greater flexibility to manage bookings, memberships, and information on the go. Complementing this, our newly established contact centre has transformed customer engagement—achieving a 72% increase in call response rates and enabling faster, more effective support. These developments have greatly improved customer experience and strengthened our relationships with users.

We also continued to embed sustainability across our operations. Through energy-efficient upgrades, waste reduction initiatives, and stronger partnerships with environmentally responsible suppliers, sustainability is now a core component of our decision-making processes. From procurement through to programme design, we are ensuring our impact benefits both people and the planet.

Partnership working remains central to our ability to drive meaningful change. Over the past year, we worked closely with leisure trusts, community organisations, local authorities, funders, and public health partners to co-design initiatives that address the root causes of poor health. Through projects such as Hyndburn Way and Let's Move Hyndburn, we strengthened community partnerships and delivered programmes informed by local insight and lived experience.

We are proud to highlight a number of key achievements from 2024–2025:

- Co-produced a new Active Environment Strategy for Hyndburn, including the development of a new Green Social Prescribing service in partnership with the Primary Care Network and Hyndburn & Rossendale CVS.
- Shared learning from the Hyndburn Way project at national platforms, including King's Fund, New Local, and National Lottery conferences.
- Secured investment for Phase 1 of Mercer Hall redevelopment, through close collaboration with the Mercer Hall Repurposing Group.

To support continuous improvement across our organisation, we continued to strengthen systems, processes, and digital capability. This investment enabled improved operational efficiency, reduced manual workload, and enhanced data analysis—allowing us to make more informed decisions and tailor services more effectively. As a result, we saw an 11% increase in income from fees and charges and delivered £223,000 in in-year savings and growth initiatives, demonstrating strong financial stewardship alongside strategic investment.

Our impact is reflected in the strong engagement across our facilities and programmes. In 2024–2025, we recorded 611,941 attendances, with total reach estimated at more than 1 million attendances when including family members and supporters. This level of engagement highlights the essential role we play in supporting the health, wellbeing, and social connectedness of residents across the borough.

At the centre of all our achievements is our dedicated workforce. Our staff have once again demonstrated resilience, compassion, and unwavering commitment—supporting people to learn new skills, improve their health, enhance their mental wellbeing, build friendships, and enjoy creative experiences. Their professionalism and passion remain the driving force behind our positive impact.

The Future

As we look to the year ahead, our focus is firmly on building on the strong foundations of 2024–2025 and continuing to evolve our offer in line with community needs. Our ambition is to raise standards, deepen our impact, and ensure our services remain accessible, relevant, and sustainable for the future.

A key priority is to continue strengthening our partnerships. We will build on the collaborative work undertaken through Hyndburn Way, Let's Move Hyndburn, and other borough-wide initiatives—expanding relationships across health, community, and cultural sectors. By working closely with public health colleagues, funders, stakeholders, and community leaders, we will develop more integrated approaches to addressing health inequalities and enabling active, connected lives.

We will also continue to advance our environmental commitments. This includes progressing energy-efficiency upgrades, exploring renewable energy options, reducing waste further, and embedding environmentally responsible practices across all service areas. Sustainability will continue to shape our decisions as we strive to minimise environmental impact while maximising community benefit.

Digital transformation remains a key enabler of future success. Building on the progress made through our new app and improved systems, we will continue to enhance digital tools to improve customer experience, streamline operations, and strengthen data-driven decision-making. This innovation will support us to deliver services more efficiently and responsively.

Our workforce will remain a central focus. We will invest in staff development, wellbeing, and leadership capacity—ensuring teams feel empowered, supported, and equipped to deliver excellent experiences. By nurturing a culture of collaboration, accountability, and continuous learning, we will support our people to continue making a meaningful difference every day.

Finally, we will continue to embed a community-first model—ensuring our programmes are shaped by lived experience, local insight, and the voices of those we serve. By listening, adapting, and responding, we will maintain services that truly reflect the needs and aspirations of our community.

Together—with our teams, partners, and communities—we are confident in our ability to continue delivering positive, lasting impact for the people of Hyndburn.

**HYNDBURN LEISURE
(A COMPANY LIMITED BY GUARANTEE)**

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

GOING CONCERN

The trustees have considered their obligations to prepare these financial statements on an appropriate basis, having specific regard to the charity's net liability position within unrestricted funds as at 31 March 2025.

The trustees have reviewed budgets and cash flow forecasts. Efficiency savings are being delivered and new external grant income streams have been attracted by the management team. The trustees have considered the forecasts, grant funding secured and proposed savings, and consider them to be reasonable.

The trustees recognise the support provided by Hyndburn BC, and are aware of the letter of support received from the council.

After making enquiries and considering the issues described above, the trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For these reasons they continue to adopt the going concern basis of accounting in preparing these financial statements.

FINANCIAL REVIEW

The financial statements have been prepared on a going concern basis, which presumes that the trust will receive no financial support from the Council by means of a management fee.

Total income for the year 2024/25 was £5,851,114 (2023/24: £5,475,857) an increase of £375,257 (6.85%). The increase in income is the result of improved performance at the leisure sites and additional support from the Council.

Total expenditure for the year 2024/25 was £5,905,154 (2023/24: £6,109,489), a decrease of £204,335 (3.34%). This was a result of the savings made on the premises costs.

The trust had an overall funds surplus as at 31 March 2025 of £796,875 (2024: deficit of £375,085). This was after the positive change in the pension scheme which experienced a £1,352,000 increase and was a balance sheet asset of £3,306,000 (2024: £1,954,000) at the year end.

To supplement the provision of high quality leisure facilities the charity is committed to developing a high quality service. The trust is working with partner organisations to introduce cost effective, fit for purpose, peer quality assurance processes.

Reserves policy

It is the aim of the Trustees to build up unrestricted reserves to cover a reasonable level of future management, administration and support costs.

At present the Trust has insufficient reserves to ensure that it can deal with major unexpected adverse developments without direct support from Hyndburn Borough Council. Both Trustees and Executives maintain a regular dialogue with the council to ensure that, should major unexpected adverse developments arise, any difficulties that require attention are addressed in a mutually agreeable manner.

Trustees are confident that the charity has established diversity of operations, sufficient versatility and control of expenditures of such nature that it is able to adapt to changing circumstances that will arise from time-to-time under normal business conditions.

Trustees have agreed the reserves as follows;

- Hold a minimum cash balance in the bank account of at least £50,000.
- Long term aim to increase the minimum cash balance in the bank account to £200,000.

The Trustees have considered the current adverse economic climate when reviewing their reserves policy.

FINANCIAL REVIEW (CONTINUED)

Investment Powers and Policy

Under the Memorandum and Articles of Association, the Trust has the power to invest in any way the Trustees wish. The Trust having regard to the liquidity requirements of operating leisure facilities, and to the reserves policy, operate a policy of keeping surplus funds available in interest bearing bank accounts.

Principal risks and uncertainties

The Trust is extremely reliant on income from fees & charges, therefore the charity is open to a number of risks which can negatively impact upon the sustainability of the organisation including:

- Uncontrollable budget pressures placed upon the Trust will reduce the Trust's capability to plan and manage the business effectively
- The Trust is subject to elasticity in its demand income and a level of uncontrollable costs
- Delay in progressing the Leisure Transformation will defer income opportunities
- Changes in assumptions in relation to the defined pension scheme liabilities
- Volatility within the investments held within the defined benefit pension scheme
- Uncontrollable increases in the wholesale price of gas and electric
- The UK cost of living crisis currently being experienced.

**HYNDBURN LEISURE
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2025**

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Disclosure to Auditors


In so far as the trustees are aware, there is no relevant information of which the charitable company's auditor is unaware, and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

The auditors, Ainsworths Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting. This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approval

This report was approved by the trustees on 11th December 2025 and signed on its behalf by


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Ciaran Wells
Trustee/Chair of the Board

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HYNDBURN LEISURE
(A COMPANY LIMITED BY GUARANTEE)**

Opinion

We have audited the financial statements of Hyndburn Leisure (the 'charity') for the year ended 31st March 2025 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement 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 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 charity's affairs as at 31st March 2025 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusion relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis accounting in the preparation of the financial statements is appropriate. Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

We draw attention to the Accounting Policies, which highlight the charity's reliance on the support from Hyndburn Borough Council. The board members have concluded that the charity remains a going concern, however these events mean a material uncertainty exists that may cast doubt on the charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The trustees are responsible for the other information. The other information comprises the information in the Report of the Trustees, but does not include the financial statements and our Report of the 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, 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
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Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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 prepare the financial statements in accordance with the small companies regime and 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 set out on page ten, 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 necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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 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.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having made enquiries of management about their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of noncompliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
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We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and local tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements, but compliance with which may be fundamental to the company's ability to operate.

Audit response to risks identified

As a result of performing the above our procedures to respond to the risks identified included the following:

- reviewing the financial statements disclosure and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management about actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risk of material misstatement due to fraud;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or noncompliance with laws and regulations throughout the audit.

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 Report of the Auditors.

Use of our report

This report is made solely to the charity'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 trustees those matters we are required to state to them in a Report of the Auditors 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 the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Sunter (Senior Statutory Auditor)
for and on behalf of Ainsworths Limited
Chartered Accountants
and Statutory Auditors
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

Date: 18th December 2025

HYNDBURN LEISURE
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST MARCH 2025

	Notes	Unrestricted funds £	Restricted funds £	31.3.25 Total funds £	31.3.24 Total Funds £
INCOME					
Income from donations					
Donations	2	270,325	-	270,325	274,492
Income from charitable activities	3				
Operation of sports facilities		3,457,610	1,799,743	5,257,353	4,899,563
Operation of town hall and similar buildings		219,968	-	219,968	218,595
Income from other activities	4				
Commercial operations		99,772	-	99,772	80,104
Investments		<u>3,696</u>	<u>-</u>	<u>3,696</u>	<u>3,103</u>
Total income		4,051,371	1,799,743	5,851,114	5,475,857
EXPENDITURE					
Charitable activities	5				
Operation of sports facilities		3,895,853	1,895,569	5,791,422	5,788,448
Operation of town hall and similar buildings		239,732	-	239,732	389,041
Pension operating charge		(24,000)	-	(24,000)	(1,000)
Net interest on pension scheme liability	18	<u>(102,000)</u>	<u>-</u>	<u>(102,000)</u>	<u>(67,000)</u>
Total expenditure		<u>4,009,585</u>	<u>1,895,569</u>	<u>5,905,154</u>	<u>6,109,489</u>
NET INCOME/(EXPENDITURE)		41,786	(95,826)	(54,040)	(633,632)
Transfers between funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		41,786	(95,826)	(54,040)	(633,632)
Other recognised gains and losses					
Pension scheme actuarial gain/(loss)	18	<u>1,226,000</u>	<u>-</u>	<u>1,226,000</u>	<u>639,000</u>
NET MOVEMENT IN FUNDS		1,267,786	(95,826)	1,171,960	5,368

HYNDBURN LEISURE
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST MARCH 2025

	Notes	Unrestricted funds £	Restricted funds £	31.3.25 Total funds £	31.3.24 Total Funds £
NET MOVEMENT IN FUNDS		1,267,786	(95,826)	1,171,960	5,368
RECONCILIATION OF FUNDS					
Total funds brought forward		(706,239)	331,154	(375,085)	(380,453)
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD		<u>561,547</u>	<u>235,328</u>	<u>796,875</u>	<u>(375,085)</u>

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

All income and expenditure derive from continuing activities.

HYNDBURN LEISURE
(A COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET
AT 31ST MARCH 2025


	Notes	31.3.25 £	31.3.24 £
FIXED ASSETS			
Tangible assets	9	439,960	472,618
CURRENT ASSETS			
Stock	10	14,702	10,189
Debtors	11	193,346	241,152
Cash at bank and in hand		138,007	581,711
		346,055	833,052
CURRENT LIABILITIES			
Amounts falling due within one year	12	(2,204,481)	(2,475,040)
NET CURRENT LIABILITIES		(1,858,426)	(1,641,988)
TOTAL ASSETS LESS CURRENT LIABILITIES		(1,418,466)	(1,169,370)
LONG TERM LIABILITIES			
Amounts falling due after more than one year	13	(1,090,659)	(1,159,715)
NET LIABILITIES EXCLUDING PENSION DEFICIT		(2,509,125)	(2,329,085)
PENSION SCHEME SURPLUS/(DEFICIT)	18	3,306,000	1,954,000
NET LIABILITIES INCLUDING PENSION DEFICIT		796,875	(375,085)
FUNDS			
Unrestricted funds	16	(2,744,453)	(2,660,239)
Restricted funds	17	235,328	331,154
Pension scheme surplus/(deficit)	18	3,306,000	1,954,000
TOTAL FUNDS		796,875	(375,085)

**HYNDBURN LEISURE
(A COMPANY LIMITED BY GUARANTEE)**

**BALANCE SHEET
FOR THE YEAR ENDED 31ST MARCH 2025**

The trustees have prepared the accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard 102 (effective 1st January 2015).

The financial statements were approved by the Board of Trustees on 11th December 2025 and were signed on its behalf by:


.....
Ciaran Wells
Trustee/Chair of the Board

HYNDBURN LEISURE
(A COMPANY LIMITED BY GUARANTEE)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2025

	Notes	31.3.25 £	31.3.24 £
Cash flows from charitable activities			
Cash generated from activities	1	<u>(291,155)</u>	<u>332,632</u>
Net cash from charitable activities		<u>(291,155)</u>	<u>332,632</u>
 Cash flows from investing activities			
Interest income		3,696	3,103
Interest paid		(32,301)	(34,334)
Sale proceeds		-	-
Purchase of tangible fixed assets		<u>(19,491)</u>	<u>-</u>
Net cash from investing activities		<u>(48,096)</u>	<u>(31,231)</u>
 Cash flows from financing activities			
New borrowings in the year		-	-
Capital repayments in the year		<u>(104,453)</u>	<u>(63,698)</u>
Net cash from financing activities		<u>(104,453)</u>	<u>(63,698)</u>
 Increase/(decrease) in cash and cash equivalents		<u>(443,704)</u>	<u>237,703</u>
 Cash and cash equivalents at the beginning of the year	2	<u>581,711</u>	<u>344,008</u>
Cash and cash equivalents at the end of the year	2	<u><u>138,007</u></u>	<u><u>581,711</u></u>

HYNDBURN LEISURE
(A COMPANY LIMITED BY GUARANTEE)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2025

1. RECONCILIATION OF DEFICIT TO CASH GENERATED FROM ACTIVITIES

	31.3.25	31.3.24
	£	£
Deficit for the year (before gains and losses on the pension scheme)	(54,040)	(633,632)
Interest receivable	(3,696)	(3,103)
Interest payable	32,301	34,334
Depreciation charges	52,149	88,611
Pension scheme operating and interest costs	(126,000)	(68,000)
	(99,286)	(581,790)
Decrease/(increase) in stocks	(4,513)	-
Decrease/(increase) in trade and other debtors	47,806	148,191
(Decrease)/increase in trade and other creditors	(235,162)	766,231
Cash generated from charitable activities	<u>(291,155)</u>	<u>332,632</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31st March 2025

	31.3.25	1.4.24
	£	£
Cash and cash equivalents	<u>138,007</u>	<u>581,711</u>

Year ended 31st March 2024

	31.3.24	1.4.23
	£	£
Cash and cash equivalents	<u>581,711</u>	<u>344,008</u>

1. ACCOUNTING POLICIES

Company information

Hyndburn Leisure is a charitable company, limited by guarantee, registered in England and Wales. The charity's registered number and registered office address can be found on the Company Information page. Each member's personal liability is limited to an amount not exceeding £1.

Basis of preparing the financial statements

The financial statements have been prepared on a going concern basis which assumes that the company will be able to meet its liabilities as they fall due. The related party, Hyndburn Borough Council, have confirmed their commitment to financial support of the charity, including continued support of the charity in its cash flow requirements within agreed terms and levels. The trustees have considered this support, along with the cashflow forecasts and budgets. Accordingly, the trustees have concluded that it is appropriate for these financial statements to be prepared on the going concern basis.

Accounting convention

The financial statements have been prepared under the historical cost convention, and 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 1st January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Hyndburn Leisure 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.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Income is the amount derived from ordinary activities, and stated after trade discounts, other sales taxes and net of VAT.

Grants receivable are accounted for when due. Income is deferred when it is received in advance of the period to which it relates.

Investment income is recognised on a receivable basis.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management and administration of the charity.

All support costs are allocated between the activity expenditure categories on a basis designed to reflect the use of the resource. Support costs are apportioned on an appropriate basis e.g. time spent, floor areas, or estimated usage.

1. ACCOUNTING POLICIES (CONTINUED)

Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% Straight line
Improvements to property	- 10% Straight line
Facilities	- Fully depreciated
Fixtures and equipment	- 10-25% Straight line
Plant and machinery	- 15% Straight line

Fixed assets are stated at cost less accumulated depreciation. Assets are also subject to an annual review to identify any indicators of impairment.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity participates in the Lancashire County Pension Fund defined benefit scheme. Although the scheme is a multi-employer scheme it is possible to allocate a share of the assets and liabilities to the charity and hence contributions are accounted for as a defined benefit scheme in accordance with FRS 102.

The charity also participates in the NHS Pension Fund defined benefit scheme. The scheme is not designed to be run in a way that would enable the charity to identify its share of the underlying scheme assets and liabilities. The pension contributions made during the financial period are therefore treated as if the scheme is a defined contribution scheme and recognised in the Statement of Financial Activities.

Stock

Stock is valued at the lower of cost and net realisable value, after making due allowances for slow and obsolete items.

Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Debtors and Creditors

Short term debtors and creditors are measured at transaction price, less any impairment.

Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The major item in the financial statements where these judgements and estimates must be made is in relation to the pension scheme. Management consult with experts to provide appropriate assumptions on which to calculate projected funding position for the scheme.

HYNDBURN LEISURE
(A COMPANY LIMITED BY GUARANTEE)

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

2. DONATIONS

	31.3.25	31.3.24
	£	£
Gifts in kind – use of buildings	270,325	270,325
Corporate donations	-	4,167
	<u>270,325</u>	<u>274,492</u>

In 2024, of the total donation income, £270,325 was unrestricted funds.

3. CHARITABLE ACTIVITIES

	31.3.25	31.3.24
	£	£
Unrestricted income:		
Operational income from Hyndburn Borough Council	1,000,000	490,000
Income from the operation of leisure and arts facilities	<u>2,677,578</u>	<u>2,583,419</u>
	3,677,578	3,073,419
Restricted income:		
Architectural Heritage Fund	10,000	-
Arts Council England	32,500	32,500
Business Health Matters	-	49,060
Cardiac Grant	17,053	16,500
Change Grow Live	-	3,000
Community Ownership Fund	-	10,000
Culture and Heritage Fund	244,089	219,041
Clayton Community Centre	1,500	-
Feasibility Grant	-	10,000
Holiday Activity Fund	419,372	405,750
Household Support Fund	697,462	832,930
Hyndburn Way	182,354	168,728
Innovate UK	-	2,600
Invest to Save	-	8,000
King's Coronation	-	4,300
Together an Active Future – Sport England	178,332	179,704
Warm Space Grant	1,000	500
Weight Management/PASTA	16,081	102,126
	<u>1,799,743</u>	<u>2,044,739</u>
	<u>7,190,570</u>	<u>5,118,158</u>

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

4. OTHER ACTIVITIES – COMMERCIAL OPERATIONS

	31.3.25	31.3.24
	£	£
Other commercial income	<u>99,772</u>	<u>80,104</u>
	<u>99,772</u>	<u>80,104</u>

In 2024, of the total other activities income, £14,414 was unrestricted funds.

5. EXPENDITURE ON CHARITABLE ACTIVITIES - 2025

	Sports facilities	Town hall & buildings	Total 2025
	£	£	£
Unrestricted expenses:			
Costs directly allocated to activities:			
Salaries, NI and pensions	1,729,121	94,692	1,809,973
Other staff costs	11,140	517	11,657
Premises costs	729,334	78,732	808,066
Promotions and marketing	24,520	-	24,520
Depreciation	34,795	2,021	36,816
Gifts in kind – use of buildings	270,325	-	270,325
Other costs	<u>516,534</u>	<u>25,413</u>	<u>541,947</u>
	3,315,769	201,375	3,517,144
Support and governance costs allocated:			
Support costs (note 6)	522,076	34,521	556,597
Governance costs (note 6)	<u>58,008</u>	<u>3,836</u>	<u>61,844</u>
	580,084	38,357	618,442
	<u>3,895,853</u>	<u>239,732</u>	<u>4,135,586</u>
Restricted expenses (note 17):			
Salaries, NI and pensions	449,996	-	449,996
Other staff costs	356	-	356
Promotions and marketing	708	-	708
Depreciation	8,320	-	8,320
Project delivery costs	1,428,355	-	1,428,355
Other costs	<u>7,834</u>	<u>-</u>	<u>7,834</u>
	1,895,569	-	1,895,569
	<u>5,791,422</u>	<u>239,732</u>	<u>6,031,154</u>

5. EXPENDITURE ON CHARITABLE ACTIVITIES (CONTINUED) - 2024

	Sports facilities £	Town hall & buildings £	Total 2024 £
Unrestricted expenses:			
Costs directly allocated to activities:			
Salaries, NI and pensions	1,576,344	150,998	1,727,342
Other staff costs	8,271	1,368	9,639
Premises costs	947,698	109,645	1,057,343
Promotions and marketing	3,028	454	3,482
Depreciation	77,713	2,406	80,119
Gifts in kind – use of buildings	270,325	-	270,325
Other costs	352,079	63,154	415,233
	<u>3,235,458</u>	<u>328,025</u>	<u>3,563,483</u>
Support and governance costs allocated:			
Support costs (note 6)	586,005	58,299	644,304
Governance costs (note 6)	27,315	2,717	30,032
	<u>613,320</u>	<u>61,016</u>	<u>674,336</u>
	<u>3,848,778</u>	<u>389,041</u>	<u>4,237,819</u>
Restricted expenses:			
Salaries, NI and pensions	501,918	-	501,918
Other staff costs	72	-	72
Promotions and marketing	6,886	-	6,886
Depreciation	8,492	-	8,492
Project delivery costs	1,412,198	-	1,412,198
Other costs	10,104	-	10,104
	<u>1,939,670</u>	<u>-</u>	<u>1,939,670</u>
	<u>5,788,448</u>	<u>389,041</u>	<u>6,177,489</u>

6. GOVERNANCE AND SUPPORT COSTS

The charity initially identifies the cost of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the two charitable activities (see note 5) in the year.

The costs are apportioned on the following basis:

Salaries, NI and pensions – Allocated on a time basis
All other costs – Pro rata to direct (non-salary related) costs

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

7. NET MOVEMENT IN FUNDS

Net resources are stated after charging:

	31.3.25	31.3.24
	£	£
Auditors' remuneration: Audit fee	8,600	8,200
Auditors' remuneration: Non-audit services	1,898	3,997
Operating lease rentals – property	270,325	270,325
Depreciation	<u>52,149</u>	<u>88,611</u>

8. STAFF COSTS

	31.3.25	31.3.24
	£	£
Wages and salaries	2,221,089	2,117,449
Social security costs	137,972	125,386
Other pension costs	<u>262,140</u>	<u>258,155</u>
	<u>2,621,201</u>	<u>2,500,990</u>

The average monthly number of employees during the year was as follows:

	31.3.25	31.3.24
Employees	160	161

Due to reliance on seasonal workers, class instructors and casual bank staff, the number of employees can vary materially during the course of any one year.

The number of employees whose total employee benefits excluding pension contributions earning over £60,000, classified within bands of £10,000 is as follows.

	31.3.25	31.3.24
£70,000-£79,999	1	1

Key management personnel of the charity comprise the trustees, the Chief Executive, the Head of Operations & Strategic Projects, Head of Corporate Services and the Head of Health & Community Development. The total employee benefits of the key management personnel of the charity were £190,130 (2024: £159,908), in addition employer pension contributions of £30,657 (2024: £25,705) were paid in respect of their services.

Trustees' Remuneration

No trustees received remuneration for their roles as trustees for the year ended 31st March 2025 nor for the year ended 31st March 2024.

Trustees' Expenses

There were no trustees' expenses paid for the year ended 31st March 2025 nor for the year ended 31st March 2024.

HYNDBURN LEISURE
(A COMPANY LIMITED BY GUARANTEE)

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

9. TANGIBLE FIXED ASSETS

	Freehold Property £	Improvements to property £	Facilities £	Fixtures & Equipment £	Totals
COST					
At 1 st April 2024	392,871	435,602	371,163	1,304,268	2,503,904
Additions	-	15,936	-	3,555	19,491
At 31 st March 2025	392,871	451,538	371,163	1,307,823	2,523,395
DEPRECIATION					
At 1 st April 2024	13,870	373,605	371,163	1,272,648	2,031,286
Charge for year	7,857	19,025	-	25,267	52,149
At 31 st March 2025	21,727	392,630	371,163	1,297,915	2,083,435
NET BOOK VALUE					
At 31 st March 2025	371,144	58,908	-	9,908	439,960
At 31 st March 2024	379,001	61,997	-	31,620	472,618

10. STOCK

	31.3.25	31.3.24
	£	£
Bar stocks	6,637	6,771
Pool chemicals	3,076	1,085
Vending and food	4,989	2,333
	14,702	10,189

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.25	31.3.24
	£	£
Trade debtors	51,206	72,776
Prepayments and accrued income	133,839	168,376
VAT	8,301	-
	193,346	241,152

Debtors include £nil in respect of grants receivable at the year end. All amounts shown under debtors fall due for payment within one year.

HYNDBURN LEISURE
(A COMPANY LIMITED BY GUARANTEE)

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

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.25	31.3.24
	£	£
Trade creditors	116,197	131,284
Taxation and social security	45,404	106,299
Amounts owed to Hyndburn Borough Council	1,686,355	1,780,704
Accruals and deferred income	356,525	456,753
	<u>2,204,481</u>	<u>2,475,040</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.25	31.3.24
	£	£
Amounts owed to Hyndburn Borough Council	1,090,659	1,159,715
	<u>1,090,659</u>	<u>1,159,715</u>

Included in the above amount owed to Hyndburn Borough Council is an amount totalling £806,253 which is repayable in more than 5 years and by instalments. Hyndburn Borough Council have a fixed and floating charge over all assets of the charity in relation to all balances owed to them.

14. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	31.3.25	31.3.24
	£	£
Expiry date:		
Within 1 year	-	-
Between one and five years	-	-
	<u>-</u>	<u>-</u>

15. ANALYSIS OF NET LIABILITIES BETWEEN FUNDS

	Unrestricted funds	Restricted funds	31.3.25 Total funds	31.3.24 Total Funds
	£	£	£	£
Fixed assets	285,995	153,965	439,960	472,618
Current assets	178,198	81,363	259,561	833,052
Current liabilities	(2,204,481)	-	(2,204,481)	(2,475,040)
Long term liabilities	(1,090,659)	-	(1,090,659)	(1,159,715)
Pension scheme surplus	3,306,000	-	3,306,000	1,954,000
	<u>475,053</u>	<u>235,328</u>	<u>710,381</u>	<u>(375,085)</u>

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

16. UNRESTRICTED FUNDS

	Pension (deficit)/surplus £	General funds £	Designated funds £	Total funds £
Balance at 1 st April 2024	1,954,000	(2,661,731)	1,492	(706,239)
Net income / (expenditure)	1,352,000	(169,216)	(1,492)	1,181,292
Transfers between funds	-	-	-	-
	<u>3,306,000</u>	<u>(2,830,947)</u>	<u>-</u>	<u>475,053</u>

General fund

The general fund consists of the total of free reserves available to spend on the objectives of the charity. As these are negative, the trustees have considered this when reviewing the going concern status of the charity and are satisfied that the charity remains a going concern particularly in light of the on-going support provided by Hyndburn Borough Council.

17. RESTRICTED FUNDS

	At 1 st April 2024 £	Incoming resources £	Outgoing resources £	Fund transfers £	At 31 st March 2025 £
Project fund					
Architectural Heritage Fund	-	10,000	(10,000)	-	-
Arts Council England (ACE)	32,500	32,500	(65,000)	-	-
Cardiac Grant	-	17,053	(17,053)	-	-
Community Ownership Fund	10,000	-	(10,000)	-	-
Culture and Heritage Fund	43,365	244,089	(287,454)	-	-
Clayton Community Centre	-	1,500	(1,500)	-	-
Events at Accrington Town Hall	2,282	-	(2,282)	-	-
Feasibility grant	10,000	-	(10,000)	-	-
Fixed assets	162,285	-	(8,320)	-	153,965
Holiday Activity Fund	18,315	419,372	(394,902)	-	42,785
Household Support Fund	-	697,462	(697,462)	-	-
Hyndburn Way Fund	33,391	182,354	(177,167)	-	38,578
Invest to save	8,000	-	(8,000)	-	-
Together an Active Fund	-	178,332	(178,332)	-	-
Warm Space	500	1,000	(1,500)	-	-
Weight Management/PASTA	10,516	16,081	(26,597)	-	-
	<u>331,154</u>	<u>1,799,743</u>	<u>(1,895,569)</u>	<u>-</u>	<u>235,328</u>

17. RESTRICTED FUNDS (CONTINUED)

Cardiac Grant

The cardiac grant supports 17 hours to provide a 12 week cardiac rehab referral programme, that provides low level classes and education sessions, supported by the Health Activator team.

Community Ownership Fund

A fund to support community groups take ownership of assets which are at risk of being lost to the community.

Events at Accrington Town Hall

Funding from the council to contribute to events run from Accrington Town Hall.

Fixed Asset Fund

Restricted element of grants received for the purchase of fixed assets.

Healthier Communities

This programme was set up and funded to empower voluntary and community sector organisations to work together with the local health and care sector to boost the health and wellbeing of their communities.

Holiday Active Fund

The purpose of this funding was to make free places at holiday clubs available in the Summer, Spring, and Winter holiday periods to children in their local authority area in receipt of benefits-related free school meals.

Household Support Fund

The Household Support Fund, provided by the Department for Work and Pensions, was introduced in October 2021 last year to support vulnerable households with essentials like food, energy and water bills and household items.

Hyndburn Way

Hyndburn Leisure has been awarded £450k from the National Lottery to lead a partnership project to improve local people's health and reduce health inequalities in the borough over the next three years. The not-for-profit leisure trust is using the funds to launch The Hyndburn Way: a project dedicated to improving local people's health and reducing health inequalities.

Together an Active Fund

Funding has been received from Sport England to identify innovative solutions to make it easier for people in specific areas to access sport and physical activity.

Weight Management

We are seeking to provide an accessible tier 2 adult weight management service, which supports obese adults to lose weight and improves knowledge and skills in maintaining healthy weight, as part of wider programmes which promote healthy weight and physical activity in localities. This will form an integral part of the NHS Health Checks care pathway and wider obesity pathways.

18. PENSION ARRANGEMENTS

Net Pension surplus:

	31.3.25	31.3.24
	£	£
Lancashire County Pension Scheme	<u>3,306,000</u>	<u>1,954,000</u>
	<u>3,306,000</u>	<u>1,954,000</u>

Lancashire County Pension Fund

The charity participates in the Lancashire County Pension Fund which is a funded defined benefit scheme providing benefits based on final remuneration. The assets of the scheme are held separately from those of the charity. Whilst this is a multi-employer scheme, the actuary is able to segregate the assets and liabilities relating to the charity. During the year, normal employer pension contributions of £262,140 (2024: £258,155) were paid to the scheme.

The following calculations as at 31st March 2025 have been provided by the actuaries, Mercer Limited, using the projected unit actuarial costs method. Principal actuarial assumptions used by the actuary were as follows:

	31.3.25	31.3.24
Rate of CPI inflation	2.60	2.60
Rate of increase in salaries	4.10	4.10
Rate of increase in pensions	2.70	2.70
Discount rate	5.90	4.90
Life expectancy of a male future pensioner aged 65 in 20 years' time	22.30	22.40
Life expectancy of a female future pensioner aged 65 in 20 years' time	25.40	25.30
Life expectancy of a male current pensioner aged 65	21.10	21.10
Life expectancy of a female current pensioner aged 65	23.60	23.50

The amounts recognised in the balance sheet are as follows:

	31.3.25	31.3.24
	£	£
Present value of funded obligations	(6,718,000)	(7,626,000)
Fair value of plan assets	<u>10,024,000</u>	<u>9,580,000</u>
Net pension surplus	<u>3,306,000</u>	<u>1,954,000</u>

18. PENSION ARRANGEMENTS (CONTINUED)

Analysis of amounts charged to the Statement of Financial Activities:

	31.3.25 £	31.3.24 £
Operating charge		
Current service cost	226,000	249,000
Administration expenses	10,000	10,000
Total operating charge	<u>236,000</u>	<u>259,000</u>
Other finance costs		
Expected return on pension scheme assets	(473,000)	(422,000)
Interest on pension scheme liabilities	371,000	355,000
Net charge	<u>(102,000)</u>	<u>(67,000)</u>
Total charge to resources expended in Statement of Financial Activities	<u>134,000</u>	<u>192,000</u>

Analysis of the actuarial gains and losses shown in the Statement of Financial Activities:

	31.3.25 £	31.3.24 £
Actuarial gains/(losses) on assets	(149,000)	307,000
Actuarial gains/(losses) on liabilities	1,375,000	332,000
Actuarial gain / (loss) recognised	<u>1,226,000</u>	<u>639,000</u>

Changes in the fair value of the defined benefit obligation are as follows:

	31.3.25 £	31.3.24 £
Opening defined benefit obligation	7,626,000	7,465,000
Current service cost	226,000	249,000
Interest on pension scheme liabilities	371,000	355,000
Employee contributions	96,000	98,000
Actuarial (gains)/losses	(1,375,000)	(332,000)
Benefits paid / transfers	<u>(226,000)</u>	<u>(209,000)</u>
Closing defined benefit obligations	<u>6,718,000</u>	<u>7,626,000</u>

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

18. PENSION ARRANGEMENTS (CONTINUED)

Changes in the fair value of plan assets are as follows:

	31.3.25	31.3.24
	£	£
Opening fair value of plan assets	9,580,000	8,712,000
Expected return on plan assets	473,000	422,000
Actuarial gains/(losses)	(149,000)	307,000
Employer contributions	260,000	260,000
Employee contributions	96,000	98,000
Administration expenses	(10,000)	(10,000)
Benefits paid / transfers	(226,000)	(209,000)
Closing fair value of plan assets	<u>10,024,000</u>	<u>9,580,000</u>

The split of assets between investment categories is as follows:

	2025	2025	2024	2024
	£	%	£	%
Equities	11,000	0.10	9,000	0.10
Other bonds	10,000	0.10	10,000	0.10
Property	120,000	1.20	125,000	1.30
Cash/liquidity	150,000	1.50	172,000	1.80
Other	<u>9,733,000</u>	<u>97.10</u>	<u>9,264,000</u>	<u>96.70</u>
	<u>10,024,000</u>	<u>100.00</u>	<u>9,580,000</u>	<u>100.00</u>

Amounts for the current and previous periods are as follows:

	2025	2024	2022	2021
	£	£	£	£
Defined benefit obligation	(6,718,000)	(7,626,000)	(7,465,000)	(11,807,000)
Plan assets	<u>10,024,000</u>	<u>9,580,000</u>	<u>8,712,000</u>	<u>8,501,000</u>
Surplus/(Deficit)	<u>3,306,000</u>	<u>1,954,000</u>	<u>1,247,000</u>	<u>(3,306,000)</u>

A full actuarial review of the scheme was undertaken as at 31st March 2025.

Following the full actuarial valuation at 31st March 2025, employer contributions were agreed to stay at a rate of 13.70% with effect from 1st April 2025, and reduce to 10.9% from 1st April 2026.

The current estimate of employer contributions for the year ended 31st March 2026 is £260,000. Implied service cost is estimated at £149,000 and a net interest and administration cost at (£202,000) resulting in the surplus increasing by an estimated £313,000 to £3,619,000.

19. RELATED PARTY TRANSACTIONS

The charity receives a level of grant funding from Hyndburn Borough Council. The Council also has the power to appoint up to two trustees of the charity. The grant funding received during the year and the amounts owed to Hyndburn Borough Council at 31 March 2025 are summarised as follows:

	31.3.25	31.3.24
	£	£
Unrestricted operational income	1,000,000	490,000
Net amounts owed to Hyndburn Borough Council	2,777,014	2,992,680

Certain properties, occupied and operated by the charity, are provided by Hyndburn Borough Council on a peppercorn rent in accordance with the earliest lease expiring on 31 March 2027. The estimated benefit of the low rentals for these properties is £270,325 (2024: £270,325).

The charity also has transactions in the year with Rishton United FC, Accrington Stanley Community Trust and Carers Link Lancashire who each have common trustees. The nature of these transactions relates to the hire of pitches, sports hall and room facilities from the Leisure trust on an arm's length basis.

20. GOING CONCERN AND POST BALANCE SHEET EVENTS

In preparing this Annual Report and Accounts, the trustees have considered their statement made regarding preparation of the financial statements on a going-concern basis. The financial statements have been produced on a going concern basis, despite the existence of net current liabilities and net total liabilities (excluding the pension scheme surplus) as at 31st March 2025 because the trustees are satisfied that subject to the reservations identified in the Going Concern paragraph in the Trustees Report and Accounting Policies, the charity will meet all its obligations as and when they fall due over the foreseeable future. In forming this opinion, the trustees have paid particular regard to:

- a) The nature of and future prospects for the economic climate in which the charity operates;
- b) The adequacy of the liquidity in the business demonstrated through the current 12-month forecast;
- c) The continued support of the Hyndburn Borough Council;
- d) The remaining term to March 2027 of the leases;
- e) The competencies of the executive staff employed by the charity;
- f) The actual performance to date for the financial year ending 31st March 2026;
- g) The details included in the Report of the Trustees which sets out the impact of the energy price rises and cost of living crisis.

The trustees are not aware of any other reportable post balance sheet events at the time of this report.