

SANDWELL LEISURE TRUST

England & Wales · Charity number 1102431

Details

Other names	SANDWELL SPORT AND LEISURE TRUST
Status	Registered
Legal form	Charitable company
Company number	05011501
Registered	2004-03-02
Register	View on the Charity Commission register

Contact

Address	Tipton Sports Academy Wednesbury Oak Road Tipton West Midlands DY4 0BS
Phone	03000120121
Email	info@korewellness.co.uk
Website	www.korewellness.co.uk

Activities

Objects: 3.1 TO PROVIDE OR ASSIST IN THE PROVISION OF FACILITIES AND SERVICES FOR RECREATIONAL, SPORTING OR OTHER LEISURE TIME OCCUPATION IN THE INTERESTS OF SOCIAL WELFARE, SUCH FACILITIES BEING PROVIDED TO THE PUBLIC AT LARGE SAVE THAT SPECIAL FACILITIES MAY BE PROVIDED FOR PERSONS WHO BY REASON OF THEIR YOUTH, AGE, INFIRMITY OR DISABILITY, POVERTY OR SOCIAL OR ECONOMIC CIRCUMSTANCES MAY HAVE NEED OF SPECIAL FACILITIES AND SERVICES; AND/OR 3.2 TO ADVANCE THE EDUCATION AND LIFELONG LEARNING OF THE PUBLIC; AND/OR 3.3 TO PROMOTE AND PRESERVE GOOD HEALTH THROUGH COMMUNITY PARTICIPATION IN HEALTHY RECREATION; AND/OR 3.4 SUCH OTHER CHARITABLE PURPOSES BENEFICIAL TO THE COMMUNITY CONSISTENT WITH THE OBJECTS ABOVE AS THE TRUSTEES SHALL IN THEIR ABSOLUTE DISCRETION DETERMINE

Activities: SLT provides/assists in the provision of facilities and services for recreational, sporting or other leisure time occupations in the interests of social welfare. SLT operates 9 Leisure Centres under contract to Sandwell MBC

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** General Charitable Purposes, Arts/culture/heritage/science, Amateur Sport, Other Charitable Purposes
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** SANDWELL, WEST MINDLANDS
- Sandwell
- Worcestershire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£14,179,639	£13,659,279	£3,584,133	446
2024-03-31	£13,113,223	£12,938,656	£3,071,773	459
2023-03-31	£10,539,381	£12,726,821	£8,595,206	412
2022-03-31	£9,613,076	£11,655,783	£-11,791,354	167
2021-03-31	£7,531,969	£9,014,327	£-15,986,647	164

Trustees

Name	Role	Appointed
Penelope Jane Venables	Chair	2014-02-06
David Rosser		2024-04-26
MELANIE BRIGGS		2023-06-09
NEIL KING		2023-05-17
Paul Francis Martin Piddock		2018-09-11
Scott Thomas		2024-04-25
Stephen Washbourne		2024-01-22
TRACY PEARCE		2023-05-17

SANDWELL LEISURE TRUST

England & Wales - Charity number 1102431

Accounts



SANDWELL LEISURE TRUST
(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

for the year ended

31 March 2024

Company Registration No. 05011501
Registered Charity No. 1102431

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TRUSTEES' REPORT

STATUS

The organisation was incorporated on 9 January 2004, as a company limited by guarantee and was registered with the Charity Commission on 2 March 2004.

The charitable company is established under a Memorandum of Association which establishes the objects and powers of the charitable company and is governed under its Articles of Association.

OUR BOARD

Our Board is made up of Non-Executives that provide strategic leadership to the Trust and Leadership Team and ensure good governance is adhered to for the Charity. Board Members also have specialist skills and or interests that includes finance, marketing, HR and people management, legal and or business transformation.

All our Board Members are self-motivated professionals who are commercially aware forward-thinking people, with an interest in sport and leisure, health and wellbeing, fitness, community development and customer service.

TRUSTEES

Sandwell Leisure Trust ("SLT") has its own Governance Code and Conduct Policy for Board Members which adopts the Charity Commissions 7 Principles for larger charities to ensure high standards of Governance are adhered to.

As the company is limited by guarantee, the trustees have no interest in any shares in the company. The trustees who served during the period and up to the date of this report were as follows:

Trustees	Appointed	Resigned
Valerie McFarland	01.12.04	01.03.24
Lynda Bateman	04.10.10	01.09.23
Penny Venables (Chair)	04.02.14	
Paul Piddock (Vice Chair)	11.09.18	
Pamela Kaur	11.09.18	02.03.24
Richard McVittie	26.01.21	05.05.23
Thomas Barter	19.11.21	17.05.23
Harry Turner	17.05.23	24.06.24
Adrian Phillips	17.05.23	13.02.24
Melanie Briggs	09.06.23	
Neil King	17.05.23	
Tracy Pearce	17.05.23	

SANDWELL LEISURE TRUST
TRUSTEES' REPORT
for the year to 31 March 2024

Trustees (Continued)	Appointed	Resigned
Steve Washbourne	22.01.24	
Scott Thomas	25.04.24	
Dave Rosser	26.04.24	
Shahin Akhtar	26.06.24	

<https://www.slt-leisure.co.uk/meet-the-board/>

CHIEF EXECUTIVE

Leadership Team (from May 2022 until April 2023: M Wildman, T Siviter, G Ellis and S Dillion)
M Braithwaite (secondee from Sandwell MBC from 01.05.23)

SECRETARY

S Dillion

REGISTERED OFFICE

Tipton Sports Academy
Wednesbury Oak Road
Tipton
DY4 0BS

REGISTRATION

A Company Limited by Guarantee, Registration: England & Wales 5011501
Registered Charity (England & Wales - Registered Number 1102431)
www.slt-leisure.co.uk

AUDITORS

RSM UK Audit LLP
103 Colmore Row
Birmingham
B3 3AG

BANKERS

Natwest Bank
Merry Hill Centre
Brierley Hill
DY5 1QQ

GOVERNANCE AND RISK

We are committed to achieving high standards of corporate governance throughout our operations.

The Board leads and maintains full and effective control of the charitable company and its activities.

The Board is responsible for matters of key strategic importance and delegates financial authority to the Chief Executive and other Trust Managers via a clearly defined scheme of delegation. In addition, the Board has delegated authority to the HR Remuneration Sub-Committee and the Chief Executive and agreed Sub-Committees will be brought together to deal with finance/employment and governance matters as required. Our Board Members also bring skills and experience to help drive our expansion.

We operate a rigorous business planning process whereby corporate objectives and targets directed by the Board and agreed with Sandwell MBC ("SMBC") cascade down the Trust's Business Plan, Action Plans and employees' personal objectives. This is fully embedded in our planning and budgeting cycles and is an integral part of our operation and performance.

We have an established system for identifying, evaluating and managing the significant risks faced by the charitable company and a risk log is an integral part of the annual operational plan which is agreed by the Board. The Board Members have been actively involved in identifying and managing the risks to which we are exposed.

The risk log is reviewed by the Executive team every quarter and an updated version presented to the Board every six months. In addition, the log would be reviewed by the respective sub-committee and in the event of a significant occurrence which materially increases a risk.

Our Memorandum and Articles of Association specify the number of Trustees required and lays down the duration of their terms of office. The number of trustees is kept under review by the Chief Executive and Company Secretary. We maintain an open advert for new trustees via the company website and active recruitment campaigns are undertaken when it is anticipated that trustee numbers are likely to reduce. In line with best governance practice, we put in place a comprehensive induction programme for any new Board Members. In addition to formal training, this provides access to an online resource pack and web portal. Annual reviews for individual Board Members are available with the Chair, and there is also an appraisal scheme and a process for Board performance and effectiveness.

The Trustees and the Management Team make up the key management personnel of the charity in charge of directing, controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely (details of reimbursed expenses are included in note 5).

The pay of the Chief Executive (secondee) is determined by the local authority. The other members of the Trust Management Team are granted pay awards in accordance with their contract of employment.

CORPORATE RESPONSIBILITY

Health & Safety ("H&S")

We take our duty of care to all those who work or visit our facilities extremely seriously and in order that we continue with the healthy culture supporting Health and Safety within the Trust, we seek independent advice from our external provider.

The Board has agreed a Health & Safety Policy which sets the strategic direction for this area. We have a Joint Health & Safety Consultative Committee with the Trade Unions, which meets regularly to discuss and resolve health and safety issues.

Environment

SLT is committed to reducing its carbon footprint and impact on the environment. We recognise the importance of protecting the environment and have installed a number of measures to reuse and recycle trade waste and consumable materials.

We have also installed Combined Heat and Power (CHP) units at some leisure facilities. These units enable energy to be used more efficiently by converting excess heat into power to support the running of the facility.

We work in partnership with our suppliers, local businesses and continue to benchmark ourselves within the leisure industry to develop new ways of working and adopt best practice. We also work with Energy Analysis companies to optimise further opportunities for energy saving and efficiency.

Our sport and leisure centres have received Sandwell's Business Environmental Charter Award ranging from Bronze to Gold standard. This Award recognises the commitment by staff in reducing the centre's impact on the environment. This also demonstrates the sites commitment to supporting environmental issues at the facility and those of Sandwell as listed in Agenda 21.

THIRD PARTY INDEMNITY PROVISION FOR TRUSTEES

Qualifying third party indemnity provision is in place for the benefit of all trustees of the charity.

STATEMENT TO DISCLOSURE OF INFORMATION TO AUDITORS

The trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the trustees have confirmed that they have taken steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

STRATEGIC REPORT

OUR PURPOSE

Sandwell Leisure Trust (SLT) is a non-profit distributing organisation which means we reinvest 100% of any surplus to improve, maintain and deliver quality services for the whole community, allowing local residents to be more physically active and improving their overall health and wellbeing.

The objects of the charity are:

- To provide or assist in the provision of facilities and services for recreational, sporting or other leisure time occupation in the interests of social welfare, such facilities being provided to the public at large save that special facilities may be provided for persons who by reason of their youth, age, infirmity or disability, poverty or social or economic circumstances may have need of special facilities and services;

- To advance the education and lifelong learning of the public; and/or
- To promote and preserve good health through community participation in healthy recreation; and/or
- Such other charitable purposes beneficial to the community consistent with the objects above as the Trustees shall in their absolute discretion determine.

With an ongoing cost of living challenge and remanence of the energy crisis, it continues to be a difficult commercial climate for the leisure industry. We are pleased to see consumer confidence returning to our leisure sites and are aiming to provide a wide range of services to ensure all users have widely accessible services to enjoy. Notwithstanding these challenges, Sandwell was delighted to announce the official opening of Sandwell Aquatics Centre in July 2023, located in the heart of Smethwick and replacing two much loved, but dated 1930's swimming pools.

This new world class legacy aquatic and leisure facility used every day of the 2022 Commonwealth Games, now serves as a fantastic sport, leisure and fitness facility for the wider community and hosts a range of regional and national aquatic events.

Our customers are at the heart of everything we do, it is vital we continue to demonstrate the social impact we make by showcasing the testimonials and feedback of how the Trust and Sandwell Metropolitan Borough Council (SMBC) continues to change people's lives. Sandwell Council's vision is to create a more physically active Sandwell whilst driving the continuous improvement of key Public Health outcomes, SLT plays a leading role in the successful delivery of this vision and achievement of these outcomes. We also value and recognise our key partnership with Sandwell Council and Public Health to serve the communities of Sandwell.

DIRECT AND PUBLIC BENEFITS

The direct benefits that flow from SLT's overall purpose is to improve the health and well-being of the wider community in Sandwell, reduce the social isolation of its citizens through group physical activity and deliver sustainable sport and leisure services for future generations to enjoy.

The public benefits that flow from this purpose are:

- a. an enhanced quality of life and sense of well-being through engagement with and participation in activities and events that bring people together, leading to improvements in physical and emotional well-being, quality of life and a more stable and cohesive community;
- b. increased opportunities to engage in new physical activities that bring people together, leading to greater social cohesion and fulfilment;
- c. enhanced active citizenship and involvement in community life.

IDENTIFYING AND MEASURING BENEFITS

These benefits can be identified through social value, case study examples of how SLT is changing people's lives and measured by the sustained increase in participation in physical activity, sport and leisure throughout Sandwell.

ARISING HARM

No harm arises from SLT's purpose, the beneficiaries are the general public and locally-based community and voluntary organisations, and that no private benefit arises from these purposes. The objects of SLT are to promote the benefits without distinction of sex, race or political, religious or other opinions.

SLT will where possible use local suppliers and employ people from the diverse local community therefore supporting the local economy of Sandwell and will adopt efficient and environmentally friendly processes to optimise the best possible use of resources.

Leadership Team

- Mark Braithwaite, Chief Executive Officer
- Sonia Dillion, Finance Manager & Company Secretary
- Mark Wildman, Head of Operations
- Gemma Ellis, Head of People
- Sean Mitchell, Head of Commercial

Sandwell's Vision 2030

Ambition 2: Sandwell is a place where we live healthy lives and live them for longer, and where those of us who are vulnerable feel respected and cared for.

KEY HIGHLIGHTS

- Total centre visits - 2,224,742
- Total Fitness Members – 10,051 (76% growth)
- Total Swim Lesson Members – 5,407 (29% growth)
- Over 300,000 group exercise participants
- Launched New SLT App → 11,319 users
- Digital improvements → 5.9k Increased monthly website visits
- Awarded RoSPA Health & Safety Order of Distinction
- Successful opening of the Sandwell Aquatics Centre
- Introduced a popular diving and events program

SOCIAL VALUE

Over 2023/24 SLT's 'social value' remained better than the UK leisure sector average and within the top 30% nationwide. Sandwell Leisure Trust is heralding its key headlines, independently verified of:

- Total social value across the sites in 23/24 is at £11.36 million
- Social value was generated from nearly 100K participants with the vast majority coming from Sandwell area
- Average social value per person is within the top 65% of the sector across all sites.

- 68.5% of participants were from IMD groups 1-3 (the most deprived groups), far higher than the sector average of 25.3%.

Generating and delivering nearly £11.4 million of social value* back to Sandwell. This figure highlights the continued recovery and confident return to physical activity in Sandwell, which is above the average standard for the industry.

The Social Value report quantifies and benchmarks the contribution sport and leisure services make on four main categories:

- Physical & Mental Health
- Subjective Wellbeing
- Individual Development
- Social & Community Development

“We are delighted to demonstrate how leisure in Sandwell is contributing back to the borough. Social Value is a key measure to help understand how participation in physical activity is improving health, improving educational attainment and reducing crime.”

Mark Wildman, Head of Operations

Sandwell’s Vision 2030 Ambition 2: Sandwell is a place where we live healthy lives and live them for longer, and where those of us who are vulnerable feel respected and cared for.

MARKETING AND DIGITAL

DIGITAL MARKETING

In June 2023 Sandwell Leisure Trust partnered with TA6 to develop and implement a strategic annual marketing campaign plan, supported by monthly pay-per-click advertising. It focussed on campaigns that connected with the local community and inspire people to become physically active. Key campaigns include:

July – August 2023 – Festival of Fitness

Festival of Fitness was designed to align with the launch campaign of SAC and to increase participation and memberships across the sites during the summer months.



Sept-Oct 2023 – Make a Difference

The Make a Difference campaign was run across both fitness and swimming lessons. The concept was to show how SLT is making a difference to the people of Sandwell.



New Year 2024 – Be Inspired

The SLT members were the stars of the New Year campaign that centred around a main testimonial video showcasing their success stories. We also ran a 'Just Add Water' campaign to promote swimming lessons.



WEBSITE

£17,549
Investment

£0.34
Avg. CPC

2.83M
Advert impressions

£6.16
Cost-Per-Mille
(CPM)

61,788
Website Traffic
from Paid Ads

11,080
Conversions
from Paid Ads

£1.58
Average Cost-
Per-Action (CPA)

- 11,080 conversions came from various sources: Join Clicks, Leads, Book Clicks & Calls/Contacts;
- Avg. CPA was solid at £1.58 & below benchmark across both platforms; and
- Costing just £6.16 per 1,000 impressions (CPM).

The website was used by 216,757 unique users and saw 1,306,394 different page views. The average time spent engaging with the website was just over 2 minutes.

SLT APP

The SLT Get Active App was first launched in July 2023 giving centre users an easy way to book fitness classes and other activities. In addition to receiving the latest news from the centre, members can receive push notifications for any service updates, access all their bookings, update personal details, read more about centre facilities, link directly into MyZone & Les Mills fitness, and get instant social media links.

- 11,319 - App users
- 675,947 - Module opens

SANDWELL ACQUATICS CENTRE

Opening in July 2023, Sandwell Aquatics Centre (SAC) quickly became a community hub. Welcoming circa 16,500 weekly users, it serves a diverse community within Sandwell, with 66.5% from IMD 1-3 and 53% female occupancy. By March 2024, 516,162 visitors had enjoyed its facilities.

The centre balances fitness, swimming, and innovative programming to deliver the Commonwealth Games legacy. It hosts regional and national competitions, merged local swimming clubs, and works with 46 schools, with over 2500 children enrolled in swimming lessons. With over 5000 fitness members, it offers inclusive activities like Bhangra, ladies-only classes, and LGBTQ sessions.

Social value generated from 20,986 participants indicates that 85% of use is from the Sandwell borough with a social value per person that places SAC in the third of this sector.

The success of SAC stems from community engagement, accessibility features, and a focus on underrepresented groups. It aims to break socio-cultural barriers and promote physical activity for all.

The team at SAC aims to gather customer feedback from various platforms and has introduced a Membership Forum for active members to have their voices heard in shaping the programming and creating a positive user experience for all residents.

Since opening, SAC has hosted over 21 events with 9 successful regional competitions, along with major events including ESSA, County Champs, England Badminton and Aquatics GB Diving Championships which served as the British Olympic trials.

PUBLIC HEALTH AND PHYSICAL ENGAGEMENT

PORTWAY LIFESTYLE CENTRE

Portway Lifestyle Centre continues to provide a fully accessible Health, Leisure and Wellbeing Centre for everyone by bringing health, leisure, and social care under one roof from early years all the way through to older adults. Portway provides 'a whole life' approach' to health and social care service delivery for the residents of the borough and the wider community.

The centre maintains its commitment as a Centre of Excellence for People with Disabilities, by ensuring that the building is fully accessible and striving to continue removing barriers that prevent active participation.

Portway's activity programme differs slightly from our other centres, as priority is given during mid- week to individuals and local disability groups in Sandwell, through the Portway Pass scheme.

SANDWELL LEISURE TRUST
TRUSTEES' REPORT
for the year to 31 March 2024

In 2023/24, Portway Pass membership increased 30% on the previous year. The Portway Pass is a concessionary membership, that entitles Sandwell Residents with a registered disability free access to the centre during certain periods.

Portway opened the new Live Well Studio in September 2023. The studio hosts 6 Innerva power-assisted machines which offer those with long-term health conditions and older adults, an effective exercise to improve mobility, strength, balance, flexibility and social wellbeing. The studio has had over 3,000 visits and is also used by Sandwell Visually Impaired and SMBC Adult Services.

SMBC Adults Services team use Portway as a base for many of the Learning Disability groups, so there is a core group of approximately 30 who are using the centre on a daily basis. Other specialist groups and colleges also use the facility.

The centre is seen Nationally as an example of 'Best Practice' and this year was shortlisted as a finalist in the prestigious UK ACTIVE 2023 Awards in the category; Equality, Diversity & Inclusion. Portway received some positive feedback from the panellists:

'It was amazing to hear all about the work Sandwell Leisure Trust have done at Portway Leisure Centre. It is evident that the Leisure Centre is delivering many extremely positive and accessible health & fitness initiatives'

'The centre has clearly benefitted from an amazing history and positive track record of delivering inclusive opportunities'

PUBLIC HEALTH

SLT Schemes supported through Public Health:

Membership Type	Members	Visits
Concessionary Scheme Members	2,409	8,179
Disability Users	646	6,929
Looked After Children & Families	262	1,375
Portway Pass Members	473	4,963
Free Swim Members 60+ & U18	32,685	56,048
Total	36,475	77,494

GYM REFURBISHMENTS

Wednesbury Leisure Centre

Over the last year we have completed a full refurbishment of the gym at Wednesbury Leisure Centre, including expansion of the free weights area, featuring more benches, plate load equipment, and additional cable machines.

Other additions were the installation of two Speedflex Blade machines, a unique piece of equipment to give a whole-body workout for users of all abilities.

A new revamped functional area and new indoor cycles to support the successful group fitness programme.

Tipton Leisure Centre

Other essential repairs to flooring in Tipton Leisure Centre allowed us to also undertake a small refurbishment and expand the highly used free weight space at the facility along with equipping new cardio equipment.

FREE SWIMMING IN SANDWELL

Sandwell's free-swimming scheme is delivered by SLT at pools across Sandwell. This initiative helps residents aged 60+ and those aged 18 and under to access quality safe swimming locally in Sandwell.

In 2023-24 there were **56,048** free swims delivered to those aged 18 and under or over 60.

SCHOOL SWIMMING

From September 2023 our School Swimming Programme resumed to deliver the Swim England School Swimming and Water Safety Charter scheme. We are now working with 79 schools in the Sandwell area.

- **Wednesbury LC** - 730 pupils, 17 Schools
- **Sandwell Aquatics Centre** - 3,980 pupils, 46 Schools
- **Tipton Leisure Centre** - 960 pupils, 18 Schools

SWIMMING LESSONS

Total number of school pupils attending lessons: **5,670**

Number of people on the SLT Swimming Lessons programme

- **APRIL 2023: 5,336**
- **APRIL 2024: 5,750**

Sandwell Aquatics Centre

April 2023: 1961 - April 2024: 2543, Increase: 582 Pupils

Wednesbury Leisure Centre

April 2023: 1048 - April 2024: 1280, Increase: 232 Pupils

Tipton Leisure Centre

April 2023: 1303 - April 2024: 1508 , Increase; 205 Pupils

Portway Lifestyle Centre

April 2024: 419

INDOOR TENNIS PROGRAM AT TIPTON SPORTS ACADEMY

Our indoor tennis program is going from strength to strength with new sessions being launched to offer a greater variety of coaching to all ages and ability levels.

We saw 370 children and 60 adults taking part in coaching sessions each week, along with another 200 people taking part in pay and play weekly court bookings.

Future developments include the launch of pickleball sessions to our program in 2024-2025.

OUR HIGHLIGHTS

Our 18 and under performance players took part in the 'Play Your Way to Wimbledon' events, with Casey Unitt and Harry Spear reaching the National Doubles Final at Wimbledon and winning the overall event on the famous grass courts.

We also moved further young players into our mini tennis orange/green futures (performance) session for those players aged 10 and under who have excelled in their tennis squads.

Once again, our tennis coaches visited the local schools to give young children a taste of fun tennis sessions, with vouchers/scholarships being handed out for all children to play more tennis back at the indoor centre.

Our tournaments and competitions program is consistently growing, with more events being added to the calendar to offer competitive opportunities for various age groups.

We now look forward to growing the tennis program further and re-introducing high level events.

Sandwell's Vision 2030 Ambition 1: Sandwell is a community where our families have high aspirations and where we pride ourselves on equality of opportunity and on our adaptability and resilience.

ACTIVITIES

HAF (Holiday Activities & Food) camps and community outreach/school sports

We deliver Curriculum based PE in two local Sandwell Primary Schools on various days throughout the week, where we deliver to EYFS, Key Stage 1 and Key Stage 2.

As well as event bookings at Tipton Sports Academy (TSA) for various schools and 'School Games' sports such as cricket; tennis; athletics; and Boccia, over 29 schools attended TSA to host their school sports days. These bookings have provided sport for children from Sandwell and across the Black Country region. These have been highly successful and feedback from schools and pupils has been excellent.

Our coaches provide regular weekly sessions for home school groups helping support their PE requirements and focusing on health and well-being. These groups use our facilities at TSA. During this delivery we reached 50 children per week of a wide age range (Key stage 1 - Key stage 4).

The HAF programme (a government funded initiative in conjunction with the DfE and local authorities) is continuing to be a success with our delivery of this programme at TSA and is going from strength to strength. This programme allows us to deliver holiday activities and food education to families, as well as providing a healthy meal each day to eligible benefit related low-income families. The project running here at TSA contributes to ambition 1 and 2 of the Sandwell 2030 Vision. It ran at Easter, Summer and Winter, with 40 children per day signed up for a 4-hour, 4 day a week session.

Tipton Sports Academy also delivered a 'FREE' three-day holiday camp for children who live in Sandwell during May half-term, which was funded by Asda's U18 Better Starts Grant. It was a success with 46 children attending the camp throughout the week and all of them had a fabulous time!

Through partnership work this year, we have helped deliver holiday activities within local Sandwell parks, allowing the families and young people of Sandwell to access structured physical activities and sports in local green spaces during school holidays. This programme was successful and reached over 40 local families.

Aqua Mayhem

Following a refurbishment, the new aqua run now has 6 amazing zones instead of 5, which all offer individual challenges to your balance & courage. Conquer the Mangle, Battle Battens, Spiky Ridge and Tunnel of Thorns before trying to get past the Wipe Out Wall then finally slide down the Dual Slide into the large pool.

We have had over 1,000 bookings on the aqua run, including 30 parties.

Sandwell's Vision 2030 Ambition 8: Our distinctive towns and neighbourhoods are successful centres of community life, leisure and entertainment where people increasingly choose to bring up their families.

OUR STAFF

- We currently employ 419 staff as at the year end (2023: 456);
- 55.19% of contracted staff are Sandwell residents; an increase of 2.5% compared to the previous financial year (2023: 52.63%); and
- Staff turnover was 7.37% during the year (2023: 6.3%).

The Trust has invested £26,000 in staff learning and development and £18,500 on staff health and well-being.

This year has seen everyone, from the Board to front line staff, strive to ensure that the organisation remains in a strong position. Despite the continued cost of living challenges, the Trust continues to support and invest in its workforce supporting them both personally and professionally.

We are proud to continue to offer all our staff access to a Health and Wellbeing Service provided by Westfield Health whose service includes:

- “Together All” – a safe online space to explore things that are troubling and get the support, in confidence.
- 24 Hour Advice and Information Line, including access to a Health e-Hub
- DoctorLineTM – 24/7 access to a GP.
- Westfield Rewards - Making employees' salaries go further with discounts from over 1,000 leading high street and online retailers.

And, together with our team of Mental Health First Aiders, we aim to continue to drive forward positive conversation around mental health across the organisation.

THRIVE AT WORK

A new accreditation model, fully funded by West Midlands Combined Authority, provides a structured approach to workplace health and wellbeing, underpinned, and assessed under 5 themes: Enablers of Health; Mental Health; Musculoskeletal Health; Lifestyles; External Risks to Health.

There are 4 accreditation levels: Foundation, Bronze, Silver, and Gold with gold demonstrating that an organisation has become a specialist in the field, and this is the level that the Trust aims to achieve.

The aim of the framework is to drive results to impact the bottom line whilst creating a healthier and happier workforce.

The Board Approved the implementation of the new assessment model in August 2023, a health and well-being survey of the workforce has been undertaken, and with the use of the results of this survey the Trust is currently working towards achieving Foundation Level to demonstrate our commitment to improving workplace health and well-being.

PARTNERSHIP WORKING

We have continued to work in close partnership with SMBC and Swim England by hosting a second Recruitment Academy for Swimming Teachers, to try and address the workforce shortage to enable more opportunities to be offered to the public to learn to swim across the borough.

OUR CUSTOMERS

MEET THE MEMBER - GEORGIA

Our team had the pleasure of meeting with Portway Lifestyle member Georgia at an early booking Bootcamp. Georgia shared with us her fitness journey story after a brilliant session that took place under a huge late summer rainbow.

Can you confirm your full name, occupation and the town you live in?

My name is Georgia Arapitsa, I am a musculoskeletal physiotherapist working for the NHS and I live in Rowley Regis. Perhaps, you may know that through the NHS service, we offer gym sessions to our patients at Portway every Wednesday and I am actually the team leader of the gym service there.

Tell us about your fitness journey?

"I consider myself to be fit as I have been doing exercises since I was a teenager, but always at an amateur level.

I joined SLT in June 2018. Whilst I had 1.5 year gap due to Covid and maternity, I returned to the centre around January 2022.

I am not one of those who presents with a massive difference in physical appearance through my fitness journey and this never has been my goal. I exercise because it keeps me healthy and happy. Due to my profession where I prescribe exercises to my patients, I know the various benefits of exercises on a physical, mental and social level."

Is there a particular reason that you use Portway Lifestyle Centre?

"Portway is close to where I live but I like the idea that it is a community gym where all members of the family can be involved in different activities.

It is clean and organised, with friendly staff throughout the centre. I am very familiar now with the instructors, classes and even the gym equipment which make the training there a very relaxing activity for me."

What are your favourite sessions and why?

I have lots of favourite classes! Gym X takes the 1st place I think, HIIT classes and BODYCOMBAT/BODYBALANCE.

How does SLT meet your needs? Have you had any 1 to 1's?

Definitely, as it has a variety of classes that you can undertake meeting everyone's baselines, family activities with family fitness/swimming lessons for the little ones and other activities such as skating and football.

I have 1 to 1 sessions when I need further guidance on Deadlifting.

Do you have a favourite instructor who manages to get that extra bit of motivation from you?

I have 3 instructors that I feel suit me the most in different ways.

Garfield is a fantastic instructor who motivates you to break your limits every time. He is almost military fit and our bootcamp leader.

Luke is very energetic and passes his positive energy through his classes. You cannot go to his classes without leaving with a smile.

Amy is very cool, supportive during the classes and super strong.

What motivates you to keep going?

The team of course, this includes the instructors and the other members of the classes that are always friendly and supportive. I think the one pulls the other to keep attending the classes. your attendance rate is always higher when you have gym buddies.

Can you offer any advice for anyone thinking of starting a healthier lifestyle?

Go for it! you will have the support you need; you will never feel under pressure for any kind of competition or feeling awkward, and you will definitely meet nice people.

Do you follow SLT on social media, what do you see as the benefits?

Yes. Benefits are to try and promote a healthy lifestyle to others and to educate the public about their options. It is fun as well if you like to upload funny gym Instagram stories, which can be part of your ongoing motivation.

BE INSPIRED CAMPAIGN

Hear from our members

Our members have amazing stories to share about their journeys with us.

Watch our video from our Be Inspired Campaign to discover how SLT is making a difference in the local community: <https://www.youtube.com/watch?v=XLZxb1dMw0>

PROINSIGHT REPORT

Our recent Proinsight Report has revealed key areas for improvement that we are committed to addressing. We understand the importance of:

- **Human Connection and Engagement:** Ensuring our customers feel a strong sense of community and belonging.
- **Seamless Experience:** Providing an effortless and enjoyable experience from start to finish.

We are dedicated to enhancing these aspects to ensure every member feels valued and connected.

SANDWELL LEISURE TRUST
TRUSTEES' REPORT
for the year to 31 March 2024

	2024-01		2024-02		2024-03		2024-04		Total	
	Score	Cnt	Score	Cnt	Score	Cnt	Score	Cnt	Score	Cnt
Did the staff member ask which activities you wanted to do at the gym/facility?	20.0	5	100.0	5	60.0	5	80.0	5	66.7	21
Were you asked how many times a week you were likely to use the centre?	20.0	5	80.0	5	80.0	5	40.0	5	57.1	21
Was gym support mentioned?	62.5	5	75.0	4	75.0	4	75.0	4	73.5	17
Did they seek to build a rapport with you?	60.0	5	100.0	5	100.0	5	20.0	5	71.4	21
Was the experience stress free and smooth and handled well by the member of staff?	60.0	5	100.0	5	100.0	5	60.0	5	81.0	21
Were you acknowledged by a member of staff during your visit?	40.0	5	100.0	5	60.0	5	75.0	4	70.0	20
Did you feel welcomed into the centre?	60.0	5	100.0	5	100.0	5	60.0	5	81.0	21
Did you feel valued?	60.0	5	100.0	5	100.0	5	40.0	5	76.2	21

Findings from Proinsight Report.

AWARDS

SLT MAINTAINS SAFE SERVICES IN SANDWELL

Sandwell Leisure Trust (SLT) is proud to have once again be awarded the highest possible accolades in the internationally renowned Royal Society for the Prevention of Accidents (RoSPA) 2024 Health and Safety Awards.

SLT was the first Leisure Trust to achieve the RoSPA Gold Award – and also the President’s Award (10 successive Golds) – This year SLT has again been awarded the ‘Order of Distinction’ by RoSPA for successfully retaining the Gold Award for 18 consecutive years.

This year (2024) Sandwell Leisure Trust was also the sole winner of the ‘Leisure Safety Trophy’ the top award granted under the leisure category.

This is a fantastic achievement for the organisation and demonstrates that SLT make Health and Safety a priority in the delivering of safe services across the borough. Having a solid Health and Safety culture embedded into the work force, the commitment and hard work of all the employees is what makes this possible.

FUTURE IMPROVEMENTS

The upcoming year presents a unique opportunity for growth and development in our centres. Our strategic plan focuses on enhancing customer experience, expanding our service offerings, embracing technological advancements, and promoting sustainability. Key improvements include:

- **Facility Upgrades:** Refurbish existing facilities, including Portway Lifestyle Centre, to modern standards including updated equipment and enhanced accessibility features.
- **Improved Programs:** Introduce diverse fitness classes, wellness programs, and activities tailored to various age groups and interests.
- **Digital Integration:** Develop our digital ecosystem by appointing a new Leisure Management System, ensuring easy booking, membership management and rewards.
- **Green Initiatives:** Invest in energy-efficient systems, waste reduction programs, and sustainable sourcing of materials.
- **Partnerships:** Collaborate with local schools, businesses, and Public Health to expand our reach and community impact.
- **Staff Development:** Offer continuous professional development opportunities to ensure staff remain motivated and skilled.

OUR CENTRES

- Hadley Stadium, Wilson Road, Smethwick, B66 4NL (1972)
- Harry Mitchell Leisure Centre, Broomfield, Smethwick, B67 7DH (1975)
- Tipton Sports Academy, Wednesbury Oak Road, Tipton, DY4 0BS (1998)
- Portway Lifestyle Centre, Newbury Lane, Oldbury, B69 1HE (2013)
- Tipton Leisure Centre, Alexandra Road, Tipton, DY4 8TA (2013)
- Wednesbury Leisure Centre, High Bullen, Wednesbury, WS10 7HP (2015)
- Sandwell Aquatics Centre, Londonderry Lane, Smethwick, B67 7EW (2023)
- Haden Hill Leisure Centre – Currently closed for redevelopment, opening Oct 2026

INVESTMENT POLICY

We have in our Memorandum & Articles of Association the power to make investments to fund the activities of the Trust.

The level of investment is to be determined by the level of surplus cash available compared with the demand for resources required for the operation of services provided by the Trust.

We invest any surplus cash (not needed to meet immediate liabilities) with SMBC Corporate Finance under a Service Level Agreement. The SLA guarantees the Trust a rate of 0.3% below base rate on the day of investment on all balances and is virtually risk free.

RESERVES POLICY

The Board's current policy is to maintain an uncommitted reserve of £900k to protect against downside cost risks identified in our risk register. We are currently using planned accumulated surpluses to help meet the management fee reductions.

During the year ended 31 March 2023, the board approved to re-designate reserves totalling £1,929,000 for grant making activities. At the 6 July 2023 board meeting, the board approved a reduction in the reserves of £429,000 to £1,500,000.

As at 31 March 2024, the charity had uncommitted reserves (being net current assets, less restricted and designated funds) of £862,881 (2023: £430,023).

A key element of the overall financial position of the Trust is the long-term affordability of its pensions' obligations to its employees. FRS 102 calculations within the financial statements are based on returns on Government Gilt Edged stock (gilts). At the year end, because market interest rates are at a 30 year low gilts are showing a very low rate of return. The pension charge calculations within our accounts are based on this calculation. FRS 102 is based on taking the current rate of return, whatever that is, and assuming it will be maintained for thirty years. During a down-turn, this can produce what could be considered an overly pessimistic forecast of pension fund returns and potentially an overstated estimate of pension fund liabilities within the statutory accounts.

The West Midland's pension fund actuary calculates employer contribution rates using a wider range of assets that better reflect current and future market conditions. These calculations are therefore much more driven by the overall long-term state of the market and the result is that they assume lower levels of contribution from the trust are needed to meet the pension fund obligations.

A risk previously facing the charity was the maintenance of adequate funding for the charity's pension liabilities. The financial statements report the share of the Local Government Pension Scheme asset has been restricted to nil on the Charity's balance sheet in line with the requirements of FRS 102 and the scheme funding rules. There is limited risk due to the current asset position of the scheme, but should this return to a liability, the risk is considered mitigated by the deficit recovery plan with the West Midlands Pension Fund.

FINANCIAL PERFORMANCE

A set of KPI's are agreed and monitored by the Board.

The results for the year are show in the Statement of Financial Activities on page 24.

Income increased in 2024 due to additional management fees, growing memberships, swimming lessons and the performance of the Aquatics Centre which opened July 2023.

Expenditure increase was primarily due to the pay award and, redundancy and compensation payments made as a result of Haden Hill which closed March 2023.

The Statement of Financial Activities shows net income for the charity of £174,568 (2023: net expenditure of £2,187,440) before actuarial adjustments required to account for participation in the local government pension scheme. The net result after these adjustments was a net decrease in funds of £5,523,432 (2023: net increase in funds of £20,286,560).

At 31 March 2024, the charity had net assets of £3,071,773 (2023: £8,595,206) of which £91,260 were restricted funds (2023: £21,077), £1,480,513 were held as unrestricted charitable funds (2023: £1,101,510), and a nil position (2023: surplus of £5,543,000) represented the charity's share of the asset in the local government pension scheme.

EMPLOYEE CONSULTATION AND DISABLED EMPLOYEES

SLT encourages the involvement of all employees in its management through regular meetings that take place at a local site level through to senior management and board of trustees.

SLT also recognises a number of Trade Unions and has a formal agreement which enables the Trust Management Team to meet with them jointly on a quarterly basis to discuss and consult on employee related matters.

SLT will and does employ disabled persons whereby the individual has demonstrated the ability to undertake the role either with or without any reasonable adjustments. Disabled candidates are given full and fair consideration when such vacancies arise and reasonable adjustments are considered and made to support candidates through the recruitment process through to employment if they are successful.

During employment, the trust seeks to work with employees, taking into account their personal circumstances, to ensure appropriate training and development opportunities are available to enable them to reach their full potential.

GOING CONCERN

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The Trust has net assets of £3,071,773 (2023: net assets £8,595,206) including a net nil pension fund balance (2023: asset of £5,543,000).

Following the agreement between the Council and the trust, a Supplementary Agreement to the original Management & Funding Agreement between Sandwell MBC and Sandwell Leisure Trust was agreed on 14 July 2023. The Supplementary Agreement ensures continued financial support from the council.

FUTURE DEVELOPMENTS

The upcoming year presents a unique opportunity for growth and development in our centres. Our strategic plan focuses on enhancing customer experience, expanding our service offerings, embracing technological advancements, and promoting sustainability. Key improvements include:

- Facility upgrades: refurbishment of existing facilities, including Portway Lifestyle Centre, to modern standards including updated equipment and enhanced accessibility features.
- Improved programs: introducing diverse fitness classes, wellness programs and activities tailored to various age groups and interests.
- Digital integration: developing our digital ecosystem by appointing a new Leisure Management System, ensuring easy booking, membership management and rewards.

TRUSTEES REPORT APPROVAL

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities.

In preparing this report, the trustees have had due regard to the Charity Commission Guidance on public benefit and confirm that the main activities detailed in the Strategic Report further the charity's purposes for the public benefit.

The Trustees' Report, incorporating both the Strategic Report and the Governance Report, is approved by the Trustees, by whose authority it is signed below:

Penny Venables

P VENABLES
Chair

Date: 16 December 2024

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Sandwell Leisure Trust 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 charity 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 the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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.

Opinion

We have audited the financial statements of Sandwell Leisure Trust (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities (Including income and expenditure account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 21, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud. Irregularities are instances of non-compliance with laws and regulations.

The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the charitable company operates in and how the charitable company is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Health and Safety at Work Act 1974. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls and completeness and cut-off of non-membership income as the areas where the financial statements were most susceptible to material misstatement due to fraud.

Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and performing substantive testing over the completeness and cut off of cash takings income.

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

Use of our report

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

Anna Spencer-Gray

Anna Spencer Gray (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
10th Floor
103 Colmore Row
Birmingham
B3 3AG

Date: 20/12/24

SANDWELL LEISURE TRUST
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
For the year ended 31 March 2024

	Note	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Income from:					
Charitable activities	4	12,423,757	171,728	12,595,485	10,077,343
Other trading activities		346,194	-	346,194	407,339
Investments		171,544	-	171,544	54,699
Total income		12,941,495	171,728	13,113,223	10,539,381
Expenditure on:					
Raising funds	5	127,690	-	127,690	131,990
Charitable activities	5	12,709,421	101,545	12,810,966	12,594,831
Total expenditure		12,837,111	101,545	12,938,656	12,726,821
Net incoming resources before other recognised gains		104,384	70,183	174,567	(2,187,440)
Other recognised gains and losses					
Actuarial (loss) / gain on defined benefit pension scheme	18	(5,698,000)	-	(5,698,000)	22,574,000
Net movement in funds		(5,593,616)	70,183	(5,523,433)	20,386,560
Funds at 1 April 2023		8,574,129	21,077	8,595,206	(11,791,354)
Funds at 31 March 2024		2,980,513	91,260	3,071,773	8,595,206

The income and expenditure for the year arise from the charity's continuing operations.

All gains and losses recognised in the year are included above.

SANDWELL LEISURE TRUST
BALANCE SHEET
As at 31 March 2024

Company Registration No: 05011501

		2024 £	2023 £
Fixed assets			
Tangible fixed assets	7	617,632	671,487
Current assets			
Stocks	8	22,839	18,526
Debtors	9	862,671	341,367
Cash at bank and in hand		3,876,475	3,599,861
		4,761,985	3,959,754
Creditors: amounts falling due within one year	10	(2,307,844)	(1,579,035)
Net current assets		2,454,141	2,380,719
Net assets excluding pension scheme asset		3,071,773	3,052,206
Defined benefit pension scheme asset	18	-	5,543,000
Net assets including pension scheme asset		3,071,773	8,595,206
Represented by:			
Restricted funds	12	91,260	21,077
Unrestricted funds:			
General funds	13	1,480,513	1,101,510
Designated funds	14	1,500,000	1,929,619
		2,980,513	3,031,129
Pension fund		-	5,543,000
Total unrestricted funds		2,980,513	8,574,129
Total assets		3,071,773	8,595,206

The financial statements on pages 25 - 42 were approved by the board of trustees and authorised for issue on 16 December 2024 and are signed on its behalf by:

Penny Venables

P VENABLES

Chair

SANDWELL LEISURE TRUST
STATEMENT OF CASH FLOWS
For the year ended 31 March 2024

	2024 £	2023 £
Cash flows from operating activities:		
Net cash provided by/(used in) operating activities	188,660	(197,274)
Cash flows from investing activities:		
Interest received	171,544	54,699
Purchase of tangible fixed assets	(83,590)	(8,944)
Net cash generated in investing activities	87,954	45,755
Increase/(decrease) in cash and cash equivalents in the year	276,614	(151,519)
Cash and cash equivalents at the beginning of the year	3,599,862	3,751,380
Total cash and cash equivalents at the end of the year	3,876,475	3,599,861

RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net income/(expenditure) as per the SOFA	174,568	(2,187,441)
Depreciation	89,875	191,048
Loss/(profit) on disposal of fixed assets	47,569	(5,415)
Interest received	(171,544)	(54,699)
(Increase)/Decrease in stocks	(4,313)	121
(Increase)/Decrease in debtors	(521,304)	25,787
Increase/(Decrease) in creditors	728,809	(30,675)
Defined benefit pension scheme	(155,000)	1,864,000
Net cash provided by/(used in) operating activities	188,660	(197,274)

1. ACCOUNTING POLICIES

a. GENERAL INFORMATION

Sandwell Leisure Trust is a charity, registered with the Charity Commission in England and Wales, and a private company limited by guarantee, incorporated in England. The address of the Charity's registered office is Carnegie Building, Victoria Road, Tipton, West Midlands, DY4 8SR.

Its principal activity is the managing of sports and leisure centres in Sandwell.

b. BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

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

Sandwell 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.

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

c. GOING CONCERN

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The Trust has net assets of £3,071,773 (2023: net assets £8,595,206) including a net nil pension fund balance (2023: asset of £5,543,000).

Following the agreement between the Council and the trust, a Supplementary Agreement to the original Management & Funding Agreement between Sandwell MBC and Sandwell Leisure Trust was agreed on 14 July 2023. The Supplementary Agreement ensures continued financial support from the council.

d. INCOME

Other trading activities

Income from the operation of catering facilities is included in income in the period in which the charity becomes entitled to the receipt.

Income from charitable activities

All income (predominantly from the operation of sports centres) is recognised in the period in which it is earned (that is, as the related goods or services are provided).

Grants receivable

Revenue and capital grants receivable are recognised in the Statement of Financial Activities when conditions attaching to the grant are satisfied. Grants receivable for capital expenditure are maintained in a restricted fund to which depreciation of the relevant asset is charged.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Membership income

Income from Membership is recognised over the period covered by the Membership.

Income from investment

Investment income is recognised on a receivable basis.

Other income

Other income is recognised as earned.

e. EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. Expenditure is recognised in the period in which the liability is incurred. Expenditure includes attributable VAT, which cannot be recovered.

Expenditure on charitable activities is allocated to the particular activity where the cost relates directly to that activity. Where costs are attributable to more than one activity, the costs are apportioned across those activities on the basis of an estimate of their usage.

Governance costs are those costs incurred in connection with administration of the Trust and compliance with constitutional and statutory requirements.

f. FUNDS

Funds held by the Trust are either:

- Unrestricted general funds – these are funds, which can be used in accordance with the charitable objects at the discretion of the trustees.

f. FUNDS (CONTINUED)

- Pension fund (unrestricted) – these are funds representing the defined benefit pension scheme asset.
- Designated funds – these are unrestricted funds that have been set aside by the Trustees for particular purposes. These funds are reviewed annually.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the Trust. 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 restricted fund is included in the notes to the financial statements.

g. TANGIBLE FIXED ASSETS

Individual fixed assets costing more than £1,000 are capitalised at cost. Fixed assets are stated at historical cost, less accumulated depreciation and any provision for impairment.

Depreciation is provided on all tangible fixed assets (excluding freehold land) at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Plant and Machinery	7 years
Sports Equipment	5 years
IT Equipment	3 years
Office Equipment	5 years

The Trust charges a full year's depreciation in the year of acquisition and no depreciation in the year of disposal.

Refurbishment works are capitalised and written off over the estimated life of the scheme from the date the project is complete and open to the public. Refurbishment works are depreciated over their expected useful life of 10 years.

h. STOCKS

The Trust holds sports equipment for resale (e.g. swimming goggles) and vending stock.

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs expected to be incurred to disposal. Provision is made for obsolete and slow moving items.

i. LEASED ASSETS AND OBLIGATIONS

All leases are operating leases and the annual rentals are expensed on a straight-line basis over the lease term.

j. RETIREMENT BENEFITS

For defined benefit schemes the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost.

Actuarial gains and losses arising from new valuations and from updating valuations to the balance sheet date are recognised in the SOFA.

Defined benefit schemes are funded, with the assets held separately from the charitable company in separate trustee administered funds.

Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at each balance sheet date. The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit credit method and discounted at the current rate of return.

A pension scheme asset is recognised on the Balance Sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the balance sheet date. A pension scheme liability is recognised to the extent that the company has a legal or constructive obligation to settle the liability.

k. EMPLOYEE BENEFITS

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

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

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

l. FINANCIAL INSTRUMENTS

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments and are not considered to be of a financial nature. Such financial instruments, except for investments classified at fair value through the Statement of Financial Activities, are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Fees receivable are recognised at the settlement amount due after any trade discounts offered.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and monies on short term deposit, at the bank and other short-term liquid investments with original maturities of three months or less.

I. FINANCIAL INSTRUMENTS (CONTINUED)

Creditors

Creditors 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. Creditors are normally recognised at their settlement amount allowing for any trade discounts due.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charity's accounting policies, which are described above, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Defined Benefit Pension Scheme Actuarial assumption

The present value of the defined benefit pension scheme asset depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact the carrying amount of the pension asset.

3. NET DEFICIT IS STATED AFTER CHARGING / (CREDITING)

	2024	2023
	£	£
Net expenditure is stated after charging:		
Depreciation of tangible fixed assets	89,875	141,344
Loss/(profit) on sale of equipment	47,569	(5,415)
Operating lease costs	42,720	42,720
Auditor's remuneration		
- as auditor	30,800	35,250
- other services – VAT advice	6,000	6,000
Amount of stock recognised as an expense	92,203	117,357

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Restated Total Funds 2023 £
Income from operation of sports facilities	8,541,797		8,541,797	6,807,525
Grants (management fees)	4,053,688	-	4,053,688	3,269,818
	12,595,485	-	12,595,485	10,077,343

In review of the prior year income from charitable activities, it was identified that the amounts had been incorrectly presented. The presentation has been updated with no impact on the total income from charitable activities recognised within the year ended 31 March 2023.

5. ANALYSIS OF TOTAL EXPENDITURE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Other trading activities				
Cost of goods sold	92,203	-	92,203	117,357
Transport	430	-	430	
Other	35,057	-	35,057	14,633
	127,690	-	127,690	131,990
Charitable activities				
Staff costs	7,843,720	37,345	7,881,065	8,491,977
Other employee costs	285,530	18,884	304,414	294,221
Premises	2,259,233	-	2,259,233	1,559,260
Transport	-	-	-	127
Professional fees	30,421	-	30,421	31,060
Depreciation	89,875	-	89,875	191,048
Other	2,106,451	45,315	2,151,766	1,904,101
Governance costs	77,586	-	77,586	123,037
	12,692,816	101,544	12,794,360	12,594,831

5. ANALYSIS OF TOTAL EXPENDITURE (CONTINUED)

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Governance costs				
External audit	30,800	-	30,800	35,250
Internal audit	19,500	-	19,500	19,500
Trustee indemnity insurance	1,207	-	1,207	-
Staff costs relating to preparation and attendance at trustee meetings	26,078	-	26,078	14,863
	77,586	-	77,586	123,037

Staff costs have been allocated in accordance with the percentage of time spent by employees. All other costs have been allocated on a direct basis.

6. TRUSTEES AND EMPLOYEES

No remuneration is paid to any trustee (director) in respect of their service as Trustees (2023: £nil). £542.70 expenses reimbursed to trustees (2023: £nil). Trustee indemnity insurance of £1,207.43 (2023: £nil) was purchased during the year.

	2024 £	2023 £
Staff costs		
Wages and salaries	6,439,913	5,673,167
Social security costs	489,653	431,664
Pension costs	970,979	2,402,010
	7,900,545	8,506,841
	2024 Number	2023 Number
Average number of persons employed, including executive directors (FTE)	172	169
Average number of persons employed, including executive directors (head count)	459	412

6. TRUSTEES AND EMPLOYEES (CONTINUED)

These employees carry out a variety of duties including direct charitable, management and administration tasks.

Three (2023: three) employees earned between £60,000 and £70,000 during the period. One employee earned between £70,000 and £80,000 (2023: nil) during the period. No employee earned between £110,000 and £120,000 (2023: one) during the period.

Pension contributions in respect of higher paid staff amounted to £32,950 (2023: £317,824).

Remuneration paid to key management personnel (including the above, employer's pension contributions and employer's National Insurance) was £388,780 (2023: £669,567).

Redundancy and termination payments paid during the period amounted to £157,807 (2023: £90,335).

One employee served as a Trustee. The total remuneration during the period (including employer's pension contributions, employer's National Insurance, redundancy & termination costs) was £14,185 (2023: £19,472). No other remuneration was paid to a Trustee.

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

7. TANGIBLE FIXED ASSETS

	Freehold land £	Refurbishment costs £	Plant & Machinery £	Sports Equipment £	IT & Office Equipment £	Total £
Cost						
At 1 April 2023	467,826	1,814,664	191,121	1,099,492	868,696	4,441,801
Additions	-	16,926	-	28,595	21,463	66,985
Disposals	-	(750,142)	(56,787)	(423,392)	(108,126)	(1,338,449)
31 March 2024	467,826	1,081,449	134,334	704,694	782,033	3,170,336
Depreciation						
At 1 April 2023	-	1,710,819	155,441	1,035,769	868,284	3,770,313
Charge for year	-	30,643	11,197	42,219	5,816	89,875
Disposals	-	(729,332)	(54,021)	(416,006)	(108,126)	(1,307,485)
31 March 2024	-	1,012,130	112,617	661,982	765,974	2,552,703
Net book amount						
31 March 2024	467,826	69,319	21,717	42,712	16,060	617,632
31 March 2023	467,826	103,846	35,680	63,723	412	671,487

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

8. STOCKS

	2024	2023
	£	£
Goods for resale	22,839	18,526

9. DEBTORS

	2024	2023
	£	£
Trade debtors	560,545	240,448
Other debtors	16,013	9,726
Prepayments	286,113	91,193
	862,671	341,367

Included within other debtors above are amounts due after more than one year of £8,161 (2023: £7,971) in respect of car loans to staff who qualify under their Terms and Conditions of Service.

10. CREDITORS: Amounts falling due within one year

	2024	2023
	£	£
Trade creditors	610,539	127,954
Other taxation and social security	355,430	191,798
Other creditors	119,363	92,903
Accruals and deferred income	1,222,512	1,166,380
	2,307,844	1,579,035

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

11. DEFERRED INCOME

	£
Balance as at 1 April 2023	32,763
Amount released to income	(32,763)
Amount deferred in the year	53,606
Balance as at 31 March 2024	53,606

Deferred income represents prepaid membership income for the coming year and hire of facilities income received in advance.

12. RESTRICTED FUNDS

The funds of the charity include restricted funds held on trust to be applied for specific purposes.

	At 1 April 2023 £	Income £	Expenditure £	At 31 March 2024 £
Physical Activity Board	6,229	-	(6,229)	-
Street Games	12,418	-	(12,418)	-
Active Citizens	2,430	-	-	2,430
Holiday Activities and Food	-	26,128	(20,668)	5,460
Swim England (head coach)	-	5,040	(5,040)	-
Inspire 22 Diving	-	86,560	(34,305)	52,255
Swimming Recruitment Academy	-	54,000	(22,885)	31,115
Total	21,077	171,728	(101,545)	91,260

12. RESTRICTED FUNDS (CONTINUED)

Prior Year	At 1 April 2022 £	Income £	Expenditure £	At 31 March 2023 £
Physical Activity Board	18,017	20,293	(32,081)	6,229
StreetGames	12,418	-	-	12,418
Active Citizens	2,430	-	-	2,430
Total	32,865	20,293	(32,081)	21,077

There were no transfers between restricted funds during the year (2023: £Nil).

Physical Activity Board

This fund represents the contributions to the Physical Activity Board from SLT and other partners such as PCT, and Sport Colleges to support work in the voluntary sector.

StreetGames

The grant from StreetGames will be used to fund activity in partnership with StreetGames, including weekly activity for local young people in sports which may include football, basketball, cricket, street cheer, cycling etc. In addition, school holiday sports programmes and events such as bmxing festival. The activity will be focused on the most deprived areas of West Bromwich, Smethwick, Tipton, Rowley and Oldbury.

Active Citizens

This grant is from the Police and is aimed at intervention around physical activity for non-sporty girls. Motivational programmes are developed for girls not achieving, or with behavioural problems, life issues, poor school attendances etc.

Holiday Activities Fund

Grant of £8,036 was awarded from Sandwell MBC to deliver the holiday activities and food education to families as well as providing a healthy meal each day to eligible benefit related low – income families during the period 02.01.24 to 05.01.24 (Winter) and 25.03.24 – 28.03.24 (Easter) at Tipton Sports Academy.

Swim England (Head Coach) and Inspire 22 Diving

The Amateur Swimming Association (Swim England) secured £91,600 Inspire Funding from Sport England to fund the employment of a Head Coach and the running of a diving programme

Swimming Recruitment Academy

The agreement between the Institute of Swimming and SLT is for Sandwell centres becoming a recognised 'Institute of Swimming Training Hub' allowing them to host courses and work in partnership on workforce programmes to recruit, mentor and train swimming teachers to SEQ Level 1 and SEQ Level 2.

13. UNRESTRICTED GENERAL FUNDS

	2024 £	2023 £
1 April	1,101,510	2,514,229
Net (expenditure)/income	(50,616)	(311,652)
Transfer (to)/from designated fund	429,619	(1,101,067)
31 March	1,480,513	1,101,510

14. DESIGNATED FUNDS

	2024 £	2023 £
1 April	1,929,619	828,552
Transfer (to)/from unrestricted general funds	(429,619)	1,101,067
31 March	1,500,000	1,929,619

At its 6 July 2023 Board meeting, Members approved to redesignate reserves totalling £1,500k and not spend these funds on the SMBC contract, but instead for the reserves to be made available for the future of SLT which is to be decided at a future Board meeting. Designated now comprises of:

Grant Making Fund

The board approved the designation of £1,500,000 for grant making purposes, which have been confirmed to be consistent with the objects of the charity.

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

15. ANALYSIS OF NET ASSETS / (LIABILITIES) BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Tangible fixed assets	617,632	-	617,632	671,487
Stocks	22,839	-	22,839	18,526
Debtors	862,671	-	862,671	341,367
Cash at bank and in hand	3,785,215	91,260	3,876,475	3,599,861
Creditors due within one year	(2,307,844)	-	(2,307,844)	(1,579,035)
Defined benefit pension scheme asset/(liability)	-	-	-	5,543,000
Net assets	2,980,513	91,261	3,071,773	8,595,206

Prior year	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Tangible fixed assets	671,487	-	671,487	848,176
Stocks	18,526	-	18,526	18,646
Debtors	341,367	-	341,367	367,154
Cash at bank and in hand	3,578,784	21,077	3,599,861	3,751,380
Creditors due within one year	(1,579,035)	-	(1,579,035)	(1,609,710)
Defined benefit pension scheme liability	5,543,000	-	5,543,000	(15,167,000)
Net assets/(liabilities)	8,574,129	21,077	8,595,206	(11,791,354)

16. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2024, the Charity had total future commitments under non-cancellable operating leases as follows:

	2024	2023
	£	£
Plant and machinery		
Amounts due within one year	46,064	46,064
Amounts due between two and five years	-	-
	46,064	46,064

17. TAXATION

The company, which is a registered Charity, is exempt from taxation on its charitable activities.

18. PENSION COSTS

Defined benefit scheme

The Trust participates in a pension scheme operated by the West Midlands Pension Fund. The West Midlands Pension Fund is a funded scheme, with the assets held in separate trustee administered funds.

There were outstanding contributions of £97,434 (2023: £78,755) at the year end, included within other creditors.

The Charity expects to make contributions in the year ended 31 March 2025 of £793,000 (2024: £677,000).

The trust is aware that the Court of Appeal has recently upheld the decision in the Virgin Media vs NTL Pension Trustees II Limited case. The decision puts into question the validity of any amendments made in respect of the rules of a contracted-out pension scheme between 6 April 1997 and 5 April 2016. The judgment means that some historic amendments affecting s.9(2B) rights could be void if the necessary actuarial confirmation under s.37 of the Pension Schemes Act 1993 was not obtained. Until further investigations have been completed by the UK Government's Actuary's Department and/or any legislative action taken by the government, the potential impact if any, on the valuation of scheme liabilities remains unknown.

The following information is based upon a full actuarial valuation of the Fund at 31 March 2020 updated to 31 March 2023 by a qualified independent actuary.

18. PENSION COSTS (CONTINUED)

	2024	2023
Rate of increase in salaries	3.75%	3.95%
Rate of increase in pensions in payment	2.75%	2.95%
Discount rate	4.85%	4.75%
Inflation assumption	2.75%	2.95%

The current mortality assumptions included sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2024	2023
Retiring today:		
Males	21.7	21.8
Females	22.9	23.1
Retiring in 20 years:		
Males	21.1	21.3
Females	24.6	24.8

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

	2024 £'000	2023 £'000
Equities	22,508	22,433
Bonds	10,331	7,258
Property	2,214	2,309
Cash	1,845	990
Total fair value of assets	36,898	32,990

18. PENSION COSTS (CONTINUED)

	2024 £'000	2023 £'000
Trust's estimated asset share	36,898	32,990
Present value of scheme liabilities	(27,988)	(27,447)
Restriction of asset	(8,910)	-
Asset in the scheme	-	5,543

Amounts recognised in the Statement of Financial Activities:

	2024 £'000	2023 £'000
Employer contributions	794	963
Current service cost	(900)	(2,082)
Past service cost	-	(309)
Net interest income/(cost)	261	(436)
Total operating charge	155	(1,864)

Analysis of amount charged to actuarial gains/(losses) in respect of the defined benefit pension scheme:

	2024 £'000	2023 £'000
Remeasurement of assets	1,654	(1,063)
Experience gains and losses on liabilities	(845)	358
Changes in demographic assumptions	171	2,359
Changes in assumptions	2,232	20,920
Restriction of asset	(8,910)	-
Actuarial (loss) / gain	(5,698)	22,574

18. PENSION COSTS (CONTINUED)

Cumulative actuarial gains recognised in the SOFA totalled £13,213,000 (2022: £18,911,000 gain).

	2024 £'000	2023 £'000
Movement in asset during the year		
Deficit in scheme at beginning of year	5,543	(15,167)
Movement in year:		
Current service cost	(900)	(2,082)
Past service cost	-	(309)
Contributions	794	963
Net return on assets	261	(436)
Actuarial (loss) / gain	(5,698)	22,574
Asset / (deficit) in scheme at end of year	-	5,543

Asset and liability reconciliations

	2024 £'000	2023 £'000
Reconciliation of liabilities:		
Liabilities at beginning of year	27,447	47,059
Current service cost	900	2,082
Interest cost	1,322	1,324
Member contributions	302	260
Actuarial losses/(gains)	(2,232)	(20,920)
Change in demographic assumptions	(171)	(2,359)
Experience loss/(gain) on defined benefit obligation	845	63
Benefits paid / estimated benefits paid net of transfers in	(425)	(371)
Past service cost	-	-
Closing fair value of fund liabilities	27,988	27,447

18. PENSION COSTS (CONTINUED)

	2024 £'000	2023 £'000
Reconciliation of assets:		
Assets at beginning of year	32,990	31,892
Expected return on assets	1,583	888
Actuarial gains / (losses)	1,654	(1,063)
Administrative expenses		-
Employer contributions	794	963
Member contributions	302	260
Benefits paid	(425)	(371)
Other actuarial gains / (losses)	-	421
Closing fair value of fund assets	36,898	32,990

Under the Management and Funding Agreement (MFA) with Sandwell MBC, the Council bears the risk of changes in the superannuation contribution rate for the establishment that transferred to the Trust on 1 April 2004 and the Trust's Management Fee is adjusted to reflect this. As a result, the Trust only bears the risk of any shortfall relating to additional superannuation costs it has incurred over and above the amounts funded by the Council. In FY 2023/24 the level of management fee relating to superannuation covered the Trust's actual expenditure.

19. COMPANY LIMITED BY GUARANTEE

The charitable company is limited by guarantee amounting to £1 for each member in the event of the charitable company being wound up.

20. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Income from:			
Charitable activities	10,057,050	20,293	10,077,343
Other trading activities	407,339	-	407,339
Investments	54,699	-	54,699
Total income	10,519,088	20,293	10,539,381
Expenditure on:			
Raising funds	131,990	-	131,990
Charitable activities	12,562,750	32,081	12,594,831
Total expenditure	12,694,740	32,081	12,726,821
Net income/(expenditure) for the year	(2,175,652)	(11,788)	(2,187,440)
Other recognised gains and losses			
Actuarial gains on defined benefit pension scheme	22,574,000	-	22,574,000
Net movement in funds	20,398,348	(11,788)	20,386,560
Funds at 1 April 2022	(11,824,219)	32,865	(11,791,354)
Funds at 31 March 2023	8,574,129	21,077	8,595,206

21. ANALYSIS OF CHANGES IN NET FUNDS

	2023 £	Cash flows £	2024 £
Cash in hand and at bank	3,599,861	276,614	3,876,475
Net funds	3,599,861	276,614	3,876,475

SANDWELL LEISURE TRUST

England & Wales - Charity number 1102431

Accounts



SANDWELL LEISURE TRUST
(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

for the year ended

31 March 2023

Company Registration No. 05011501
Registered Charity No. 1102431

SANDWELL LEISURE TRUST TRUSTEES' REPORT for the year to 31 March 2023

Foreword

This was our 18th year of operation and in the most challenging of times SLT has maintained its award-winning services and worked tirelessly to build confidence, offer an affordable choice and support a growth of physical activity in Sandwell.

Whilst the pandemic seems a distant memory, the full recovery lingers on coupled with a challenging financial climate, the cost of living and energy crisis, this continues to be a difficult commercial climate for the leisure industry. We are pleased to see the continued confidence grow in our customers using the services they enjoy. In no small part this is driven by the commitment and dedication of our staff teams. SLT is proud to be a key partner helping to design, develop and support the delivery of the aquatic facilities that hosted the 2022 Birmingham Commonwealth Games at Sandwell Aquatics Centre, a world class legacy aquatic and leisure facility for the communities of Sandwell.

Our customers are at the heart of everything we do, it is vital we continue to demonstrate the social impact we make by showcasing the testimonials and feedback of how the Trust continues to change people's lives. Sandwell Council's vision is to create a more physically active Sandwell whilst driving the continuous improvement of key Public Health outcomes, SLT plays a leading role in the successful delivery of this vision and achievement of these outcomes. We also value and recognise our key partnership with Sandwell Council and Public Health to serve the communities of Sandwell.

"All of our achievements would not be possible without the hard work and commitment of our employees, the effective leadership and expertise of our managers and the dedication of our Board."

Lynda Bateman, Former Chair of SLT Board

Leadership Team

- Mark Braithwaite, Chief Executive Officer
- Mark Wildman, Business & Commercial Manager
- Sonia Dillion, Finance Manager & Company Secretary
- Trina Siviter, HR Business Partner

SANDWELL LEISURE TRUST
TRUSTEES' REPORT
for the year to 31 March 2023

GOVERNANCE REPORT

STATUS

The organisation was incorporated on 9 January 2004 as a company limited by guarantee and was registered with the Charity Commission on 2 March 2004.

The charitable company is established under a Memorandum of Association which establishes the objects and powers of the charitable company and is governed under its Articles of Association.

TRUSTEES

As the company is limited by guarantee, the trustees have no interest in any shares in the company.

The trustees who served during the period and up to the date of this report were as follows:

V McFarland	(appointed 01.12.04)
L Bateman (Chair from 06.09.16, resigned 01.09.23)	
P Venables (Chair from 13.11.23)	(appointed 04.02.14)
P Piddock	(appointed 11.09.18)
P Kaur	(appointed 11.09.18)
R McVittie	(appointed 26.01.21, resigned 05.05.23)
T Barter	(appointed 19.11.21, resigned 17.05.23)
N King	(appointed 17.05.23)
A Phillips	(appointed 17.05.23)
T Pearce	(appointed 17.05.23)
H Turner	(appointed 17.05.23)
M Briggs	(appointed 13.06.23)

CHIEF EXECUTIVE

A Rai until 31.05.22

Leadership Team from May 2022

M Braithwaite (Secondee from Sandwell MBC from 01.05.23)

SECRETARY

S Dillion

REGISTERED OFFICE

Tipton Sports Academy
Wednesbury Oak Road
Tipton
DY4 0BS

REGISTERED NUMBERS

Company registration number 05011501

Registered charity number 1102431

AUDITORS

RSM UK Audit LLP
Chartered Accountants
10th Floor
103 Colmore Row
Birmingham
B3 3AG

BANKERS

NatWest Bank
267 Castle Street
Dudley
DY1 1LJ

GOVERNANCE AND RISK

We are committed to achieving high standards of corporate governance throughout our operations.

The Board leads and maintains full and effective control of the charitable company and its activities.

The Board is responsible for matters of key strategic importance and delegates financial authority to the Chief Executive and other Trust Managers via a clearly defined scheme of delegation. In addition, the Board has delegated authority to the Remuneration Sub-Committee and the Chief Executive and agreed Sub-Committees will be brought together to deal with finance/employment and governance matters as required. Our Board Members also bring skills and experience to help drive our expansion.

We operate a rigorous business planning process whereby corporate objectives and targets directed by the Board and agreed with Sandwell MBC ("SMBC") cascade down the Trust's Business Plan, Action Plans and employees' personal objectives. This is fully embedded in our planning and budgeting cycles and is an integral part of our operation and performance.

We have an established system for identifying, evaluating and managing the significant risks faced by the charitable company and a risk log is an integral part of the annual operational plan which is agreed by the Board. The Board Members have been actively involved in identifying and managing the risks to which we are exposed.

The key risk facing SLT is non-delivery of the 2020-21 to 2022-23 Business Plan, which will be affected by our recovery from the Covid-19 Pandemic which has affected the whole of the Leisure Industry. Non delivery of the Business Plan would affect the viability and financial stability of the Organisation. More information on going concern is provided on page 19.

The risk log is reviewed by the Executive team every quarter and an updated version presented to the Board every six months. In addition, the log would be reviewed in the event of a significant occurrence which materially increases a risk.

Our Memorandum and Articles of Association specify the number of Trustees required and lays down the duration of their terms of office. The number of trustees is kept under review by the Chief Executive and Company Secretary. We maintain an open advert for new trustees via the company website and active recruitment campaigns are undertaken when it is anticipated that trustee numbers are likely to reduce. In line with best governance practice, we put in place a comprehensive induction programme for any new Board Members. In addition to formal training, this provides access to an online resource pack and web portal. Annual reviews for individual Board Members are available with the Chair, and there is also an appraisal scheme and a process for Board performance and effectiveness.

The Trustees and the Management Team make up the key management personnel of the charity in charge of directing, controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely (details of reimbursed expenses are included in note 4).

The pay of the Chief Executive is considered on an annual basis by the Remuneration Sub-Committee which makes recommendations to the Trust Board taking into consideration a number of factors i.e. pay levels of Chief Executives at similar organisations, local authority heads of services, SPORTA (now Community Leisure UK), awards made by the National Joint Council and the Association of Chief Executives of Voluntary Organisations (ACEVO). The other members of the Trust Management Team are granted pay awards in accordance with their contract of employment.

The Sub-Committee is also responsible for undertaking an annual performance appraisal and development process for the Chief Executive.

CORPORATE RESPONSIBILITY

Health & Safety ("H&S")

We take our duty of care to all those who work or visit our facilities extremely seriously and in order that we continue with the healthy culture supporting Health and Safety within the Trust, we seek independent advice from our external provider.

The Board has agreed a Health & Safety Policy which sets the strategic direction for this area. We have a Joint Health & Safety Consultative Committee with the Trade Unions, which meets regularly to discuss and resolve health and safety issues.

Environment

SLT is committed to reducing its carbon footprint and impact on the environment. We recognise the importance of protecting the environment and have installed a number of measures to reuse and recycle trade waste and consumable materials.

We have also installed Combined Heat and Power (CHP) units at some leisure facilities. These units enable energy to be used more efficiently by converting excess heat into power to support the running of the facility.

We also work in partnership with our suppliers, local businesses and continue to benchmark ourselves within the leisure industry to develop new ways of working and adopt best practice.

Our sport and leisure centres have received Sandwell's Business Environmental Charter Award ranging from Bronze to Gold standard. This Award recognises the commitment by staff in reducing the centre's impact on the environment. This also demonstrates the sites commitment to supporting environmental issues at the facility and those of Sandwell as listed in Agenda 21.

THIRD PARTY INDEMNITY PROVISION FOR TRUSTEES

Qualifying third party indemnity provision is in place for the benefit of all trustees of the charity.

STATEMENT TO DISCLOSURE OF INFORMATION TO AUDITORS

The trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the trustees have confirmed that they have taken steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

STRATEGIC REPORT

SLT is a non-profit distributing organisation which means we reinvest 100% of any surplus to maintain, improve and deliver quality services for the whole community to enjoy, socialise in and become more active.

SLT is a social enterprise, established as a company limited by guarantee, and a registered charity, managing award-winning sport and leisure facilities.

The Trust manages 9 sports and leisure centres, including 6 swimming pool facilities, in Sandwell, and delivers a wide range of popular sports development activities throughout the borough, on behalf of and in partnership with Sandwell Council.

We also managed a 10th sports and leisure centre outside of Sandwell – the Ryland Centre in Bromsgrove. The Ryland centre was transferred to the Bromsgrove School on 05.04.23.

OUR AIMS

- Maintain quality of services for Sandwell Residents
- Increase participation
- Increase attendances
- Staff satisfaction & well-being
- Maintain financial stability, whilst being well governed & eco friendly
- Continue to reduce management fee
- Provide value for money
- Customer satisfaction
- Highest level health & safety
- Achieve & maintain external accreditations

OUR PRIORITIES

- Increasing income
- Maintaining/Improving quality
- Maintaining/Improving safety
- Reducing expenditure

SLT MAKING AN IMPACT FOR SANDWELL IN 2022-23

SOCIAL VALUE

SLT's 'social value' is again better than the UK leisure sector average and within the top 30%, Sandwell Leisure Trust is heralding its key headlines, independently verified of:

- Total social value across the 9 sites in 22/23 has grown to **£11.47million**, up from £8.44million in 21/22
- Social value was generated from **nearly 100K participants** with the **vast majority coming from the Sandwell area**
- Average social value per person is £118, which is in the **top 30% of the sector**.

Generating and delivering nearly **£11.5million of social value*** back to Sandwell.

This figure for the 22/23 financial year has increased significantly from 21/22 - highlighting the continued recovery and confident return to physical activity in Sandwell, which is above the average standard for the industry.

The Social Value report quantifies and benchmarks the contribution sport and leisure services make on four main categories:

- Physical & Mental Health
- Subjective Wellbeing
- Individual Development
- Social & Community Development

and is a key measure of how charitable and leisure operators contribute back to their local areas.

"We are delighted to demonstrate how leisure in Sandwell is contributing back to the borough. Social Value is a key measure to help understand how participation in physical activity is improving health, improving educational attainment and reducing crime."

Mark Wildman, SLT Leadership Team, Business & Commercial Manager, Operations

Sandwell's Vision 2030

Ambition 2:

Sandwell is a place where we live healthy lives and live them for longer, and where those of us who are vulnerable feel respected and cared for.

MEMBERSHIPS

From April 2022 to April 2023 the membership increased by 5.65%

Various membership promotions were delivered throughout the year to increase membership sales.

Off peak badminton was added to the ONE membership, Monday to Friday before 5pm and this has been well received by customers.

The Family ONE membership introduced an incentive for Sandwell residents, who are offered a discounted option (£65 for Sandwell residents, £70 for non-Sandwell).

SLT worked with Public Health to offer Pulse Wednesbury members an incentive to join Wednesbury Leisure Centre. We matched their membership, with Public Health meeting the difference. A total of 61 people took advantage of the offer.

Two new membership options were introduced: Gym ONE and Swim ONE.

The Gym ONE allows access to one SLT centre for £21 per month, and the Swim ONE allows access to all SLT pools for unlimited public swimming, also £21. These memberships have been well received with the Gym ONE making up 10% of the overall membership (as of 03/04/23).

Prominent Tenders have been commissioned to launch Sandwell Aquatics Centre membership and swim school marketing campaigns in 23.

TA6 have also been commissioned to support with the driving of membership and swim school in 2022/23, with the first campaign planned for summer 2023.

SOCIAL MEDIA AND WEBSITE

Social media trends continue for our customers.

SLT's social media channels continue to be a valuable tool for the business supporting customer retention, membership sales, programmes, and participation at centre sessions. Facebook reach was over 4.5 million when combining all centres pages together. Engagement rates have declined since COVID as users tend to just use social media for updates, offer feedback or to ask questions.

Customers do use the SLT platforms (Facebook/Twitter/Instagram) and the website as an essential tool for service information. Local news stories and photographs were produced featuring the wide demographics of Sandwell. TikTok will be launched at Sandwell Aquatics Centre to help reach new younger audiences.

2023/24 will see us expand and invest more in pay-per-click advertising to ensure that promotional campaigns reach more local people. The marketing team are working with new partners which will bring added imaginative and creative content to increase the organic and paid reach of posts.

The SLT website was used by 219,000 unique users during the year. Whilst this is lower than the previous year, it is because the cookie acceptance policy was added, and users now have to accept this but many decline. The average time spent on the site is 2 minutes and 4 seconds confirming website users are browsing and using the content. This year saw the addition of Roller Disco bookings at Tipton Sports Academy being added to the shop to increase customer satisfaction at this well attended weekly session.

This excludes the independent websites of Air Mayhem and Aqua Mayhem. These two websites handle the marketing and ticket sales for both of their products.

We continue to implement & make use of our \$10,000 per month Google Charity Adgrants to support the marketing of activities and centres across the Sandwell. These campaigns are reviewed at regular periods and the grant is re-assigned to the needs of the business.

SANDWELL LEISURE TRUST

TRUSTEES' REPORT

for the year to 31 March 2023

Air Mayhem

22-23 Saw the return of Air Mayhem (Sandwell's first indoor Inflatable Park) to Tipton Sports Academy. The inflatable operated through the school holidays of Summer, October and Christmas with a total of 8,168 visitors attending.

With the build up to the reopening we had a high request for our SEN sessions and so increased the programme of SEN time slots which saw a 90% uptake on our SEN sessions. This year we partnered with schools of Sandwell to offer all Sandwell children a discounted rate to enjoy the inflatable.

Sandwell's Vision 2030

Ambition 8:

Our distinctive towns and neighbourhoods are successful centres of community life, leisure and entertainment where people increasingly choose to bring up their families.

Aqua Mayhem

- 960 participants attended parties.
- Income from Aqua Mayhem Parties has been £6,105.
- Sessions have attracted over 5,497 customers since opening in 2021 and our SEN sessions continue to be popular with customers.
- A relaunch has been planned for summer 2023 with a new Aqua Run

Portway Lifestyle Centre

As a result of customer feedback, the centre had a new opening time of 6.30am Monday to Fridays.

New inclusive equipment in the gym has been introduced that specifically supports wheelchair customers.

Roller-skating sessions have become increasingly popular with 150 youngsters attending the session every week. We have had to introduce new family skate sessions once a week on a Saturday afternoon to meet demand.

Portway has supported Oldbury United in hosting the football camps during the Summer, October and February half term holidays.

The centre's inclusive classes are continuing to grow significantly, with over 600 attendances for the Inclusive circuit class, and 1,440 in total attending the weekly chair yoga session.

The Chair Yoga class when it was initially introduced in January 22, had two or three customers attending in the first few weeks, and the average numbers per class now is between 35 to 45, individuals all with mobility difficulties.

Multiple SEN multi-sport events have been hosted at Portway, with Sandwell Parents for Disabled Children a regular user of the hydrotherapy pool.

Portway hosted a SEN Mini Commonwealth Games with 100 primary school children taking part in a Commonwealth Games themed session. The event organised by Wood Green Academy, included Cricket, Football, Tri Golf, Seated Volleyball, Wheelchair Basketball and Boccia.

In partnership with SMBC Adult services and SVI, Portway Lifestyle Centre has delivered free Archery sessions for visually impaired Service Users which were very well attended and enjoyed by participants. After starting with sessions at Portway, one of the individuals, Trish Gracesmith (who is totally blind) continued in the sport, joined a club and become an incredible athlete who has been selected to represent GB at the upcoming Disability Games in Birmingham this August.

We have worked in close partnership with the Albion Foundation since the centre opened and have become a key site for all 3 of their departments (Wellbeing, Behaviour Change and Active Lifestyles). The Wellbeing Department which incorporates all of the Foundation's Disability work have been particularly aligned with Portway Lifestyle Centre with more than 50 teams playing in a PAN disability

SANDWELL LEISURE TRUST
TRUSTEES' REPORT
for the year to 31 March 2023

football league at Portway. This year the event was hosted by men's mental health football, inclusive walking football, and stroke group sessions.

Customer Testimonial – March 23

"I felt compelled to message you regarding the Portway Centre, and our experience there. My Husband is disabled, not only physically, but mentally too- with early onset dementia, and foot drop, ankylosing spondylitis, and many more co-morbidities.

Services have been difficult to access, what with cutbacks, and the Pandemic....my poor Chris has had no exercise in over 2 years. His previous class is now available via a Zoom meeting, totally inappropriate for a man who needs pool access. Our GP advised him to attend Droitwich Spa, and that Centre was all that was available!! I have since taken our GP Portway Centre details.

Several weeks on- and 3x a week relax/hydrotherapy session, my brave Husband has come on leaps and bounds- I get some sleep too.... he is much more alert, active, eager, and ready to attend his sessions from 5pm in the evening....(class is 9pm....bless) he is happy, and smiles again, feeling part of society. The Staff, wow, are incredible- they work so hard, always safety first, then cleaning- constantly up/down cleaning the floors, cleaning the cubicles, even sweeping up from reception to each department, and supporting the clients, many have disability's- in whatever guise- mobility, mentally, post operative...

I have shown loads of clients around and share the support that will be offered. Young/old, frail, vulnerable, but the service is so so needed. I have seen first-hand what is offered, what your staff do-

Chris personally wanted to say thank you to the Staff, for keeping Portway operational....and if you need anything- he wants to help..."

- District Nurse, PGDip- Specialist Practitioner, Bsc (Hons), Nurse Prescriber(NP)

Tennis

Indoor Tennis Programme at Tipton Sports Academy

Since getting all 6 indoor courts up and running, following NHS use as a vaccination centre, we have seen a fantastic rise in the number of people signing up to take part in tennis.

Whether its group coaching, pay and play or one-to-one coaching we have something for all ages and ability levels to get involved in!

We see 350 children and 50 adults taking part in coaching sessions each week, along with another 200 people taking part in pay and play weekly court bookings.

We saw a significant increase in annual income, and this will grow further with more indoor tennis courts back in use.

We also introduced a new racquet stringing service, that has been well received and supports tennis, badminton, and squash players in the local area.

Our Highlights

Our 18 and under performance players taking part in the 'Play Your Way to Wimbledon' events, with Casey Unitt and Joshua Coghlan reaching the National doubles final at Wimbledon.

We also formed a new mini tennis orange/green futures (performance) session for those players aged 10 and under who have excelled in their tennis squads.

Once again, our tennis coaches visited the local schools to give young children a taste of fun tennis sessions, with vouchers/scholarships being handed out for all children to play more tennis back at the indoor centre.

We now look forward to growing the tennis programme further and re-introducing our successful tournaments/events programme.

HAF (Holiday Activities & Food) camps and community outreach/school sports

We deliver Curriculum based PE in one local Sandwell Primary School on various days throughout the week. As well as event bookings here at Tipton Sports Academy (TSA) for various schools and 'School Games' sports such as cricket, tennis, athletics and multi-sport. We also had over 25 sports days attended at TSA, with a mixture of Commonwealth Games themes with visits from Perry the Bull to cheer them on. These bookings have provided sport for children from Sandwell and across the Black Country region. These have been highly successful and feedback from schools and pupils has been excellent.

Our coaches also provide regular weekly sessions for home school groups helping support their PE requirements and focusing on health and well-being. These groups use our facilities here at TSA. During this delivery we reach around 50 children per week of a wide age range (Key stage 1 - Key stage 4).

The HAF programme is a government funded initiative in conjunction with the DfE, in which local authorities ask operators to deliver holiday activities and food to eligible benefit related low-income families. The project running here at TSA contributes to ambition 1 and 2 of Sandwell 2030 Vision. It ran in Easter, Summer and Christmas with 32 children per day signed up for a 4-hour, 4 day a week session. The feedback from the local authority was really positive, along with the feedback from parents of children that attended. Tipton Sports Academy also delivered a 'FREE' holiday camp for children who live in Sandwell during October half-term, which was funded by Tesco Community Grants. It was a great success with 53 children attending the camp throughout the week and all of them had a fabulous time!

Sandwell's Vision 2030

Ambition 1: Sandwell is a community where our families have high aspirations and where we pride ourselves on equality of opportunity and on our adaptability and resilience.

Couch To 5K & Ladies That Lift

As personal confidence regained after COVID, the successful Couch To 5K & Move a Mile jogging programmes returned to Tipton Sports Academy with 200 people taking that first step towards a new healthy lifestyle. These programmes continue to attract local residents who have not ever attended a leisure centre previously.

Centre Manager Simon Bryan added *"These programmes never fail to inspire our team, many participants break a number of barriers to just attend the nine-week programme. It's wonderful that the participants recognise our amazing coaching team who are out on the track delivering the sessions in all weathers."*

The beginners "Ladies That Lift" programme at Portway Lifestyle Centre was introduced to support ONE Card member retention. The six-week programme delivered an introduction to lifting weights and gave confidence to all participants.

ONE Card members who attended the course offered us this feedback:

"I absolutely loved the sessions, I think they were really helpful in making me feel more comfortable in the gym."

Having a small group was perfect as it really gave us the time with the instructor to make sure we were using the equipment in the safest and most effective way. Thank you, Liz, you were ace."

– Rebecca

"The course gave me confidence to go into the gym and to use the free weights and a range of exercises I can pull from to make a program when I go. Prior to this I only did classes. I have felt the benefit of adding weight training quite quickly. I feel stronger and more toned and adding this in has pushed me as I had plateaued in my strength and ability."

Liz really sought to understand what each wanted to get out of the program and delivered it. The videos each week were really helpful when trying out what I had learned in the week and for getting my form right. I am going to book a one to one once I have spent more time on weight training to make sure I continue to progress."

Thanks for making the gym more accessible to women!"

– Hannah

"I thought the course was well organized, clear and easy to follow and the instructor was very knowledgeable with excellent presentation skills."

The instructor did a great job in covering the basic course material. They were very attentive and encouraged engagement from all students. It's easy to sum up—Excellent!"

I will be taking advantage of my 'one to one' sessions as a One Card member, to improve my confidence in the gym and the correct use of equipment. Big thank you from me."

– Angela

Work it Out Programme and Community Support

The Work it Out Programme continued through 2022-23.

At the end of March 2023 there were a total of 60 young people with a pass and from April 2022 to March 2023 a total of 142 visits were made.

Quote from Sergeant David Rogers | Youth Offender Manager:

"The Work it Out programme provided by Sandwell Leisure Trust has been a key tool for Sandwell Police in preventing youth violence.

Police have referred 92 Youths who are at risk of carrying knives, involved in youth violence, and linked to County Lines. This has resulted in a reduction in crime and offending, given the youths a focus, deterred them from hanging around with negative peers and assisted in their mental and physical wellbeing.

The Partnership working within Sandwell has been highlighted across Policing areas within the West Midlands as excellent practice."

Swimming in Sandwell

From September 2022 School Swimming uptake has resumed and is increasing

From September 2022 our School Swimming Programme delivers the Swim England School Swimming and Water Safety Charter scheme.

Sandwell Leisure Trust has 93 schools booked for the next academic year 22/23. 11 Schools have not returned because of increase in costs and COVID still being around.

Total number of school pupils attending lessons: **14,610**

Number of people on the SLT Swimming Lessons programme

- APRIL 2021: **5,144**
- APRIL 2023: **5,336**

The recovery of SLT Swimming Lessons has been strong, but difficult to grow further due to a national shortage of qualified swimming teachers.

Free swimming in Sandwell

Sandwell's free-swimming scheme is delivered by SLT at pools across Sandwell. This initiative helps residents aged 60+ and those aged 18 and under to access quality safe swimming locally in Sandwell.

In 2022-23 there were **74,576** free swims delivered to those aged 18 and under or over 60.

OUR STAFF

- We currently employ 456 staff (as of 31/3/23)
- 52.63% are Sandwell residents (240 staff)
- We had 26 leavers
- 6.3% 2022/23 turnover

The Trust has invested £28,500 in staff learning and development

This year has seen everyone, from the Board to front line staff, strive to try and ensure that the organisation is as strong, if not stronger than it was prior to the COVID-19 pandemic. Despite the cost-of-living challenges that all households and businesses continue to face, SLT has continued to invest in its workforce to support the CPD and continuous improvement and growth in the services provided. Investment in learning and development for the workforce has increased to £28,500. This has included CPD for staff on general health and safety, pool health and safety as well as multi-skilling staff to enable the Trust to expand its swimming programme across its portfolio.

We are proud to continue to offer all our staff access to a Health and Wellbeing Service provided by Westfield Health.

This service includes:

- “Together All” - a safe online space to explore things that are troubling and get the support, in confidence
- 24 Hour Advice and Information Line, including access to a Health e-Hub
- DoctorLineTM - 24/7 access to a GP
- Westfield Rewards - Making employees' salaries go further with discounts from over 1,000 leading high street and online retailers

And, together with our team of Mental Health First Aiders, we aim to continue to drive forward positive conversation around mental health across the organisation.

Partnership Working

We have continued to work in close partnership with Sandwell MBC on many initiatives to benefit the residents of the borough including a tripartite partnership between the Trust, Sandwell MBC and Swim England to develop a Recruitment Academy for Swimming Teachers, to try and address the workforce shortage to enable more opportunities to the public to learn to swim across the borough.

Investors in People

“My Strategic Review for Investors in People, completed in January 2023, demonstrated that Sandwell Leisure Trust continues to uphold the underpinning principles of the ‘We Invest in People’ Standard and remains fully committed to leading, managing and developing its people.

The Trust clearly continues to face high levels of uncertainty as discussions continue with regard to the future structure of the business. However, the Trust is negotiating the challenges it faces very professionally and very proactively. For example, detailed monthly updates have been used to ensure all staff are kept well informed about what is happening.

Throughout this period of uncertainty, the Trust has been proactively helping to reassure all staff that whatever the final decisions made about the future operation of leisure services in the Borough, their terms and conditions of employment are fully protected.

In this respect, the Trust has been exemplary in its approach to ensuring open, honest and transparent communications with all of its staff, managers and stakeholders. There is no doubt that this has sought to alleviate peoples' concerns about the change process and satisfy them that their roles are in no way at risk.

Given this business context, the staff within the Trust continue to do what they have always done; provide excellent service quality and customer experience as demonstrated by the testimonials which are received by the Trust from its customers. This has been recently complemented by a RoSPA Order of Distinction for Health and Safety, which further demonstrates the levels of commitment and

dedication invested by the Trust places in ensuring it provides safe places of work and premises for its staff and customers.

As I have experienced over a number of years now, the Trust is genuinely committed to investing in its people and unlike many organisations, never falters on its commitment, even when faced with unprecedented challenges and uncertainty about the future. My congratulations to everyone who makes the Trust the success it is today."

Gordon Stopani
IIP Practitioner

Our customers

Meet The Member - Kim

Our team were very privileged to meet the wonderful Kim Underwood on a visit to Tipton Leisure Centre. Kim has been a ONE Card member for over eight years, and we were keen to find out more about her fantastic weight loss and enthusiasm for life.

Tell us about your fitness journey?

I've always been conscious about having a healthy lifestyle after losing my Dad to a heart attack when I was just sixteen.

The prompt for me to get fit was attending the centre and watching my son have his swimming lessons. I really wanted to lead a fitter and healthier lifestyle for him. My weight had reached 24 ½ stone, so it was time for me to take action.

I started by attending gym sessions, and this expanded into classes through the encouragement of Karen, a long-standing member of the team at Tipton Leisure Centre.

Chris and John have been wonderful with their ongoing support, ensuring I keep pushing myself and to stay motivated.

Is there any reason you use Tipton and Wednesbury Leisure Centre?

My own mental health struggled after a long-term marriage breakdown, but the SLT team at both centres offered me amazing support and encouragement. The regular gym sessions with a wide range of classes, delivered by amazing instructors, proved to be life changing for me. Everyone is so friendly.

How does SLT meet your needs?

What more can you want? Great gym equipment, a huge selection of uplifting fitness classes and wonderful staff throughout. The team also offered support to overcome a nasty calf injury I suffered.

How did you get advice about diet?

Slimming World were excellent in their advice on diet and nutrition. The healthy eating plan combined with my SLT workouts helped me loose half my bodyweight. I now weigh under 12 stone!

What motivates you to keep going?

Don't get me wrong, some days I wake up feeling lousy, but once I swipe into my class or gym session at reception, I'm ready for action. I know the feeling I have when I've finished will be amazing and give me a lift for the rest of the day. The satisfaction of "I've done it!" is something I love.

Can you offer and advice for anyone thinking of starting a healthier lifestyle?

It's too easy to do nothing, sign up today and it will make a difference to your mental and physical health.

SANDWELL LEISURE TRUST
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Don't be embarrassed, it really doesn't matter about your size or strength, SLT can help you achieve your personal goals whatever they may be. I'm so grateful for the new levels I've reached here at Tipton Leisure Centre.

I'm always encouraging friends to come along and join. Make 2023 about you!

Do you follow SLT on social media?

Yes, I follow SLT on Facebook and Instagram. I cannot wait to see some photos taken today to support this interview.

Meet The Member – Lucy

Our team had a fantastic opportunity to meet Lucy Harper on a recent visit to Haden Hill Leisure Centre. Lucy shared with us her insightful fitness journey.

Can you confirm your full name, occupation, and the town you live in?

Lucy Harper, I work in a restaurant, and I live in Netherton.

Tell us about your fitness journey?

I have been a member for just over a year. I lost quite a bit of weight and felt like I need that class environment to help me. My friend went all the time and I decided to go to my first indoor cycling class with Andrea and I haven't looked back ever since.

However, I then suffered from a knee injury, so I had to stop attending classes. The hospital informed me that I needed keyhole surgery, so I started swimming. Swimming was a great way that I could have a full body workout, but also giving my knee time to heal.

It was disappointing not to be able to go to Sprint in this period however sometimes I just sat and peddled so I could hear the music and feel a part of that class.

Is there any reason you use Haden Hill Leisure Centre?

It was recommended by my friend. I have built close friendships up with instructors and members so I wouldn't go anywhere else.

Instructors are always supportive with my workouts, and they try to adapt with me if I'm in a 1-2-1.

The biggest thing for me is my mental well-being, there is always someone to talk to whether it is Andrea or Clive, they are always willing to listen.

I don't see Heather very often, but every time I need advice she is brilliant and is always willing to help.

What are your favourite sessions and why?

I love Sprint and I perform well in the session. I have started attending again and I know what I can do without hurting my knee. I used to love Grit but my knee needs a longer period of recovery before I return. That class has an amazing buzz.

How did you get advice about diet?

Diet wise I know myself, but it's hard to keep motivated. I talk to Andrea about diet a lot, she helps with healthy diets, carb intake and things like that.

What motivates you to keep going?

Motivating myself is hard but I keep going because I know when I walk into Haden Hill it's like a family who supports you all the time.

What do you think about Myzone, does it make a difference?

Myzone is hard, as I can no longer do what I used to. I think you get fixated on red chasing and it's not always about that... I know now that if it's blue or grey I've worked out. It's all about getting into the mindset, which I now realise myself.

Can you offer any advice for anyone thinking of starting a healthier lifestyle?

I think the first issue is stepping through the doors. Being bigger it's hard as you are not a typical gym size, but honestly, I've never been as fit as I am now, being bigger doesn't stop me.

The most important thing is the support from the team and the other members, they are all fantastic.

Do you follow SLT on social media, what do you see as the benefits?

I do follow SLT on social media, as I like to see updates on new classes including Les Mills. I also enjoy seeing what other SLT centres are doing.

Our Awards

SLT maintains safe services in Sandwell

Sandwell Leisure Trust (SLT) is proud to have once again been awarded the highest possible accolades in the internationally renowned Royal Society for the Prevention of Accidents (RoSPA) 2023 Health and Safety Awards.

Lynda Bateman, Former Chair of The Trust's Board, says:

"SLT was the first Leisure Trust to achieve the RoSPA Gold Award – and also the President's Award (10 successive Golds) – then to retain the award over 17 consecutive years and be the first Leisure Trust awarded the Order of Distinction (15 consecutive Gold Awards). In addition to all this, SLT also received the Leisure Safety Gold Award, which recognises excellence in health and safety management among companies that primarily offer services direct to guests and visitors. This really does demonstrate the consistent high standards achieved by our staff at the facilities managed by the Trust.

We sincerely thank and congratulate all our teams that continue to work extra hard to monitor and maintain such a safe standard of services for all our customers, staff and visitors that work in and enjoy using the sport, leisure, health, fitness and swimming pool facilities throughout Sandwell managed by Sandwell Leisure Trust."

The RoSPA Awards not only focus on commitment to accident and ill-health prevention, but occupational health and safety management systems, including practices like leadership and workforce involvement. It received over 2,000 entries from organisations around the world this year, reaching over seven million employees, and is also the longest-running industry awards scheme in the UK - recognising the best of the best and organisations that have gone the extra mile, raising the bar for the delivery of safety in the workplace.

“The RoSPA Award is the most highly-respected and industry accredited health and safety award globally, so we’re extremely proud to maintain and be recognised at the highest level in health and safety practice, leading the way in leisure health and safety recognition.”

Lynda Bateman, Former Chair of The Board

Sandwell’s Vision 2030

Ambition 10:

Sandwell now has a national reputation for getting things done, where all local partners are focused on what really matters in people’s lives and communities.

Our Centres

- Haden Hill Leisure Centre Barrs Road, Cradley Heath, B64 7HA
- Hadley Stadium Leisure Centre Wilson Road, Smethwick, B66 4NL
- Harry Mitchell Leisure Centre Broomfield, Smethwick, B67 7DH
- Langley Swimming Centre Vicarage Road, Langley, Oldbury, B68 8HS (Closed July 14 2023)
- Portway Lifestyle Centre Newbury Lane, Oldbury, B69 1HE
- Smethwick Swimming Centre Thimblemill Road, Smethwick, B67 5QT (Closed July 14 2023)
- Tipton Leisure Centre Alexandra Road, Tipton, DY4 8TA
- Tipton Sports Academy Wednesbury Oak Road, Tipton, DY4 0BS
- Wednesbury Leisure Centre High Bullen, Wednesbury, WS10 7HP
- Sandwell Aquatics Centre, Londonderry Lane, Smethwick, B67 7EW (Opened July 24 2023)

WHAT IS SLT’S PURPOSE

The purpose of Sandwell Leisure Trust (SLT) is to encourage and increase participation in physical activity, sport and leisure by the whole community. SLT is non-profit distributing which means as a trust and charity we reinvest 100% of any surplus to improve, maintain and deliver quality services for the whole community to enjoy, socialise in and become more active.

What are the direct and public benefits flowing from SLT’s purpose?

The direct benefits that flow from SLT’s overall purpose is to improve the health and well-being of the wider community in Sandwell, reduce the social isolation of its citizens through group physical activity and deliver sustainable sport and leisure services for future generations to enjoy.

The public benefits that flow from this purpose are:

- (a)** an enhanced quality of life and sense of well-being through engagement with and participation in activities and events that bring people together, leading to improvements in physical and emotional well-being, quality of life and a more stable and cohesive community;
- (b)** increased opportunities to engage in new physical activities that bring people together, leading to greater social cohesion and fulfilment; and
- (c)** enhanced active citizenship and involvement in community life.

How can these benefits be identified and measured?

These benefits can be identified through case study examples of how SLT is changing people’s lives and measured by the sustained increase in participation in physical activity, sport and leisure throughout Sandwell.

Is there any harm arising from any of the purposes?

No harm arises from SLT's purpose, the beneficiaries are the general public and locally-based community and voluntary organisations, and that no private benefit arises from these purposes. The objects of SLT are to promote the benefits without distinction of sex, race or political, religious or other opinions. SLT will where possible use local suppliers and employ people from the diverse local community therefore supporting the local economy of Sandwell and will adopt efficient and environmentally friendly processes to optimise the best possible use of resources.

INVESTMENT POLICY

We have in our Memorandum & Articles of Association the power to make investments to fund the activities of the Trust. The level of investment is to be determined by the level of surplus cash available compared with the demand for resources required for the operation of services provided by the Trust.

We invest any surplus cash (not needed to meet immediate liabilities) with SMBC Corporate Finance under a Service Level Agreement. The SLA guarantees the Trust a rate of 0.3% below base rate on the day of investment on all balances and is virtually risk free.

RESERVES POLICY

The Board's current policy is to maintain an uncommitted reserve of £500k to protect against downside cost risks identified in our risk register. We are currently using planned accumulated surpluses to help meet the management fee reductions.

The Council took the decision to terminate the contract with SLT at its Cabinet 8 February 2022 because the Business Plan 2021-2024 could not be agreed. Following that decision, the Board at its meeting 23 March 2022 approved to re-designate reserves totalling £1,929,000 and not spend on the SMBC contract but instead for funds to be made available for the future of SLT which the Trustees decided on 30 October 22 that it would be a Grant Making Charity once the contract with SMBC came to an end, however on 6 March 2023 the Board approved in principle to an extension to the SMBC contract to 31 March 2027.

As at 31 March 2023, the charity had uncommitted reserves (being net current assets, less restricted and designated funds) of £430,023 (2022: £1,666,053).

A key element of the overall financial position of the Trust is the long-term affordability of its pensions' obligations to its employees. FRS 102 calculations within the financial statements are based on returns on Government Gilt Edged stock (gilts). At the year end, because market interest rates are at a 30 year low gilts are showing a very low rate of return. The pension charge calculations within our accounts are based on this calculation. FRS 102 is based on taking the current rate of return, whatever that is, and assuming it will be maintained for thirty years. During a down-turn, this can produce what could be considered an overly pessimistic forecast of pension fund returns and potentially an overstated estimate of pension fund liabilities within the statutory accounts.

The West Midlands' pension fund actuary calculates employer contribution rates using a wider range of assets that better reflect current and future market conditions. These calculations are therefore much more driven by the overall long-term state of the market and the result is that they assume lower levels of contribution from the trust are needed to meet the pension fund obligations.

A risk previously facing the charity was the maintenance of adequate funding for the charity's pension liabilities. The financial statements report the share of the Local Government Pension Scheme asset (£5,543k) on the Charity's balance sheet in line with the requirements of FRS 102. There is limited risk due to the current asset position of the scheme, but should this return to a liability, the risk is considered mitigated by the deficit recovery plan with the West Midlands Pension Fund.

FINANCIAL PERFORMANCE

A set of KPI's are agreed and monitored by the Board.

The results for the year are shown in the Statement of Financial Activities on page 24.

Income increased in 2022 due to growing memberships, and swimming lessons (despite the national shortage of swimming teachers).

SANDWELL LEISURE TRUST

TRUSTEES' REPORT

for the year to 31 March 2023

Expenditure increase was primarily due to employees who were removed from the National Joint Council (NJC) and contracted back in May 2022, which resulted in increased pay to align salaries with that of the NJC.

The Statement of Financial Activities shows net expenditure for the charity of £2,187,440 (2022: net expenditure of £2,042,707) before actuarial adjustments required to account for participation in the local government pension scheme. The net result after these adjustments was a net increase in funds of £20,286,560 (2022: net increase in funds of £4,195,293). At 31 March 2023, the charity had net assets of £8,595,206 (2022: net liabilities of £11,791,354) of which £21,077 were restricted funds, £3,031,129 were held as unrestricted charitable funds, and a surplus of £5,543,000 represented the charity's share of the asset in the local government pension scheme.

EMPLOYEE CONSULTATION AND DISABLED EMPLOYEES

SLT encourages the involvement of all employees in its management through regular meetings that take place at a local site level through to senior management and board of trustees of which a staff representative is elected each year and contributes at Board level.

SLT also recognises a number of Trade Unions and has a formal agreement which enables the Trust Management Team to meet with them jointly on a quarterly basis to discuss and consult on employee related matters.

SLT will and does employ disabled persons whereby the individual has demonstrated the ability to undertake the role either with or without any reasonable adjustments. Disabled candidates are given full and fair consideration when such vacancies arise and reasonable adjustments are considered and made to support candidates through the recruitment process through to employment if they are successful.

During employment, the trust seeks to work with employees, taking into account their personal circumstances, to ensure appropriate training and development opportunities are available to enable them to reach their full potential.

GOING CONCERN

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The Trust has net assets of £8,595,206 (2022: net liabilities £11,791,354) due to the significant defined benefit pension scheme asset of £5,543,000 (2022: Pension deficit of £15,167,000).

Following the decision that the Council took on the 8 February 2022 to terminate the contract with Sandwell Leisure Trust on 2 May 2023, the Board agreed in principle 6 March 2023 for the contract to be extended to 31 March 2027. The Supplementary Agreement to the Management & Funding Agreement between Sandwell MBC and Sandwell Leisure Trust to effect was agreed on 14 July 2023.

FUTURE DEVELOPMENTS

The Trust is currently supporting the Local Authority with a Built Facilities Strategy as part of an overall borough strategy to support improvements in Health and education, growing employment opportunities and providing good quality services.

TRUSTEES REPORT APPROVAL

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities.

In preparing this report, the trustees have had due regard to the Charity Commission Guidance on public benefit.

SANDWELL LEISURE TRUST
TRUSTEES' REPORT
for the year to 31 March 2023

The Trustees' Report, incorporating both the Strategic Report and the Governance Report, is approved by the Trustees, by whose authority it is signed below:

Penny Venables

P VENABLES
Chair

Date: 18/12/23

Statement of Trustees' responsibilities

The trustees (who are also directors of Sandwell Leisure Trust 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 charity 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 the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SANDWELL LEISURE TRUST

Opinion

We have audited the financial statements of Sandwell Leisure Trust (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities (Including income and expenditure account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SANDWELL LEISURE TRUST

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 21, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SANDWELL LEISURE TRUST

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the charitable company operates in and how the charitable company is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Health and Safety at Work Act 1974. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls and completeness of cash takings income as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and performing substantive testing over the completeness of cash takings income.

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

Use of our report

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

Anna Spencer-Gray

Anna Spencer Gray (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
10th Floor
103 Colmore Row
Birmingham
B3 3AG

Date: 18/12/23

SANDWELL LEISURE TRUST
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE
ACCOUNT)
For the year ended 31 March 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Income from:					
Charitable activities	2	10,057,050	20,293	10,077,343	9,323,648
Other trading activities		407,339	-	407,339	288,942
Investments		54,699	-	54,699	486
Total income		10,519,088	20,293	10,539,381	9,613,076
Expenditure on:					
Raising funds	3	131,990	-	131,990	85,564
Charitable activities	3	12,562,750	32,081	12,594,831	11,570,219
Total expenditure		12,694,740	32,081	12,726,821	11,655,783
Net incoming resources before other recognised gains					
	1	(2,175,652)	(11,788)	(2,187,440)	(2,042,707)
Other recognised gains and losses					
Actuarial gain on defined benefit pension scheme	16	22,574,000	-	22,574,000	6,238,000
Net movement in funds		20,398,348	(11,788)	20,386,560	4,195,293
Funds at 1 April 2022		(11,824,219)	32,865	(11,791,354)	(15,986,647)
Funds at 31 March 2023		8,574,129	21,077	8,595,206	(11,791,354)

The income and expenditure for the year arise from the charity's continuing operations.

All gains and losses recognised in the year are included above.

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	5	671,487	848,176
Current assets			
Stocks	6	18,526	18,646
Debtors	7	341,367	367,154
Cash at bank and in hand		3,599,861	3,751,380
		3,959,754	4,137,180
Creditors: amounts falling due within one year	8	(1,579,035)	(1,609,710)
Net current assets		2,380,719	2,527,470
Net assets excluding pension scheme asset/(liability)		3,052,206	3,375,646
Defined benefit pension scheme asset/(liability)	16	5,543,000	(15,167,000)
Net assets/(liabilities) including pension scheme asset/(liability)		8,595,206	(11,791,354)
Represented by:			
Restricted funds	10	21,077	32,865
Unrestricted funds:			
General funds	11	1,101,510	2,514,229
Designated funds	12	1,929,619	828,552
		3,031,129	3,342,781
Pension fund		5,543,000	(15,167,000)
Total unrestricted funds		8,574,129	(11,824,219)
Total asset/(deficit)		8,595,206	(11,791,354)

The financial statements on pages 25 - 42 were approved by the board of trustees and authorised for issue on 18/12/23 and are signed on its behalf by:

Penny Venables

P VENABLES
Chair

SANDWELL LEISURE TRUST
STATEMENT OF CASH FLOWS
For the year ended 31 March 2023

	2023 £	2022 £
Cash flows from operating activities:		
Net cash (used in)/provided by operating activities	(197,274)	146,930
Cash flows from investing activities:		
Interest	54,699	486
Purchase of tangible fixed assets	(8,944)	(104,726)
Net cash generated/(used in) investing activities	45,755	(104,240)
(Decrease)/increase in cash and cash equivalents in the year	(151,519)	42,690
Cash and cash equivalents at the beginning of the year	3,751,380	3,708,690
Total cash and cash equivalents at the end of the year	3,599,861	3,751,380

RECONCILIATION OF NET (EXPENDITURE) TO NET CASH FLOWS
FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net (expenditure) as per the SOFA	(2,187,441)	(2,042,707)
Depreciation	191,048	223,855
(Profit)/loss on disposal of fixed assets	(5,415)	-
Interest	(54,699)	(486)
Decrease in stocks	121	1,626
Decrease/(increase) in debtors	25,787	83,161
(Decrease)/increase in creditors	(30,675)	(158,520)
Defined benefit pension scheme	1,864,000	2,040,000
Net cash provided by/(used in) operating activities	(197,274)	146,930

ANALYSIS OF CHANGES IN NET FUNDS

	2022 £	Cash flow £	2023 £
Cash in hand and at bank	3,751,380	(151,519)	3,599,861
Net funds	3,751,380	(151,519)	3,599,861

SANDWELL LEISURE TRUST

ACCOUNTING POLICIES

GENERAL INFORMATION

Sandwell Leisure Trust is a charity, registered with the Charity Commission in England and Wales, and a private company limited by guarantee, incorporated in England. The address of the Charity's registered office is Carnegie Building, Victoria Road, Tipton, West Midlands, DY4 8SR.

Its principal activity is the managing of sports and leisure centres in Sandwell.

BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

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

Sandwell 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.

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

GOING CONCERN

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The Trust has net assets of £8,595,206 (2022: net liabilities £11,791,354) due to the significant defined benefit pension scheme asset of £5,543,000 (2022: pension deficit of £15,167,000).

Following the decision that the Council took on the 8 February 2022 to terminate the contract with Sandwell Leisure Trust on 2 May 2023, the Board agreed in principle 6 March 2023 for the contract to be extended to 31 March 2027. The Supplementary Agreement to the Management & Funding Agreement between Sandwell MBC and Sandwell Leisure Trust to effect was agreed on 14 July 2023.

INCOME

Other trading activities

Income from the operation of catering facilities is included in income in the period in which the charity becomes entitled to the receipt.

Income from charitable activities

All income (predominantly from the operation of sports centres and the golf course) is recognised in the period in which it is earned (that is, as the related goods or services are provided).

SANDWELL LEISURE TRUST

ACCOUNTING POLICIES

INCOME (continued)

Grants receivable

Revenue and capital grants receivable are recognised in the Statement of Financial Activities when conditions attaching to the grant are satisfied. Grants receivable for capital expenditure are maintained in a restricted fund to which depreciation of the relevant asset is charged.

Government grants (including CJRS claims) are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Membership income

Income from Membership (Golf Season Tickets and One Card) is recognised over the period covered by the Membership.

Income from investments

Investment income is recognised on a receivable basis.

Other income

Other income is recognised as earned.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. Expenditure is recognised in the period in which the liability is incurred. Expenditure includes attributable VAT, which cannot be recovered.

Expenditure on charitable activities is allocated to the particular activity where the cost relates directly to that activity. Where costs are attributable to more than one activity, the costs are apportioned across those activities on the basis of an estimate of their usage.

Governance costs are those costs incurred in connection with administration of the Trust and compliance with constitutional and statutory requirements.

FUNDS

Funds held by the Trust are either:

- Unrestricted general funds – these are funds, which can be used in accordance with the charitable objects at the discretion of the trustees.
- Pension fund (unrestricted) – these are funds representing the defined benefit pension scheme asset.
- Designated funds – these are unrestricted funds that have been set aside by the Trustees for particular purposes. These funds are reviewed annually.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the Trust. 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 restricted fund is included in the notes to the financial statements.

TANGIBLE FIXED ASSETS

Individual fixed assets costing more than £1,000 are capitalised at cost. Fixed assets are stated at historical cost, less accumulated depreciation and any provision for impairment.

SANDWELL LEISURE TRUST ACCOUNTING POLICIES

TANGIBLE FIXED ASSETS (continued)

Depreciation is provided on all tangible fixed assets (excluding freehold land) at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Plant and Machinery	7 years
Sports Equipment	5 years
IT Equipment	3 years
Office Equipment	5 years

The Trust charges a full year's depreciation in the year of acquisition and no depreciation in the year of disposal.

Refurbishment works are capitalised and written off over the estimated life of the scheme from the date the project is complete and open to the public. Refurbishment works are depreciated over their expected useful life of 10 years.

STOCKS

The Trust holds sports equipment for resale (e.g. swimming goggles) and vending stock.

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs expected to be incurred to disposal. Provision is made for obsolete and slow moving items.

LEASED ASSETS AND OBLIGATIONS

All leases are operating leases and the annual rentals are expensed on a straight-line basis over the lease term.

RETIREMENT BENEFITS

For defined benefit schemes the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost.

Actuarial gains and losses arising from new valuations and from updating valuations to the balance sheet date are recognised in the SOFA.

Defined benefit schemes are funded, with the assets held separately from the charitable company in separate trustee administered funds.

Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at each balance sheet date. The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit credit method and discounted at the current rate of return. A pension scheme asset is recognised on the Balance Sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the balance sheet date. A pension scheme liability is recognised to the extent that the company has a legal or constructive obligation to settle the liability.

EMPLOYEE BENEFITS

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

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

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

FINANCIAL INSTRUMENTS

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments and are not considered to be of a financial nature. Such financial instruments, except for investments classified at fair value through the Statement of Financial Activities, are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Fees receivable are recognised at the settlement amount due after any trade discounts offered.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and monies on short term deposit, at the bank and other short-term liquid investments with original maturities of three months or less.

Creditors

Creditors 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. Creditors are normally recognised at their settlement amount allowing for any trade discounts due.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charity's accounting policies, which are described above, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Defined Benefit Pension Scheme Actuarial assumptions

The present value of the defined benefit pension scheme asset depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 16, will impact the carrying amount of the pension asset.

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

1	NET EXPENDITURE	2023 £	2022 £
	Net expenditure is stated after charging:		
	Depreciation of tangible fixed assets:		
	Owned assets	(504,259)	223,855
	Add back disposal on fixed assets	695,306	-
	(Profit) / loss on sale of equipment	44,289	-
	Operating lease rentals		
	- plant and machinery	42,720	42,720
	Auditor's remuneration		
	- as auditor	35,250	15,920
	- other services – VAT advice	6,000	4,700
	Internal audit	19,500	17,100
	Amount of stock recognised as an expense	117,357	81,973

2 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Income from operation of sports facilities	7,067,482	20,293	7,087,775	5,945,449
Grants (management fees)	2,989,568	-	2,989,568	2,517,515
CJRS income and Covid grants	-	-	-	860,684
	10,057,050	20,293	10,077,343	9,323,648

3 ANALYSIS OF TOTAL EXPENDITURE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Other trading activities				
Cost of goods sold	117,357	-	117,357	81,973
Other	14,633	-	14,633	3,591
	131,990	-	131,990	85,564
Charitable activities				
Staff costs	8,491,977	-	8,491,977	7,530,392
Other employee costs	294,221	-	294,221	185,535
Premises	1,559,260	-	1,559,260	1,563,996
Transport	127	-	127	41
Professional fees	31,060	-	31,060	19,800
Depreciation	191,048	-	191,048	223,855
Other	1,872,020	32,081	1,904,101	1,999,301
Governance costs	123,037	-	123,037	47,299
	12,562,750	32,081	12,594,831	11,570,219

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

3 ANALYSIS OF TOTAL EXPENDITURE (CONTINUED)

Governance costs	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£
Legal costs – External audit	35,250	-	35,250	15,920
Legal costs – Internal audit	19,500		19,500	17,100
Trustee indemnity insurance	-	-	-	-
Staff costs relating to preparation and attendance at trustee meetings	14,863	-	14,863	14,279
Total	123,037	-	123,037	47,299

Staff costs have been allocated in accordance with the percentage of time spent by employees. All other costs have been allocated on a direct basis.

4 TRUSTEES AND EMPLOYEES

No remuneration is paid to any trustee (director) in respect of their service as Trustees (2022: £nil). No expenses were reimbursed to trustees (2022: £nil). Trustee indemnity insurance of £nil (2022: £nil) was purchased during the year.

	2023	2022
	£	£
Staff costs		
Wages and salaries	5,673,167	4,906,316
Social security costs	431,664	370,081
Pension costs	2,402,010	2,268,274
	8,506,841	7,544,671
	2023	2022
	Number	Number
Average number of persons employed, including executive directors (FTE)	169	167
Average number of persons employed, including executive directors (head count)	412	371

These employees carry out a variety of duties including direct charitable, management and administration tasks.

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

4 TRUSTEES AND EMPLOYEES (CONTINUED)

Three (2022: nil) employees earned between £60,000 and £70,000 during the period. No employees earned between £80,000 and £90,000 (2022: one) during the period. One employee earned between £110,000 and £120,000 (2022: nil) during the period.

Pension contributions in respect of higher paid staff amounted to £317,824 (2022: £14,376). One higher paid staff member is accruing benefits under the defined benefit pension scheme.

Remuneration paid to key management personnel (including the above, employer's pension contributions and employer's National Insurance) was £669,567 (2022: £273,680).

Redundancy and termination payments paid during the period amounted to £90,335 (2022: £nil).

One employee served as a Trustee. The total remuneration during the period (including employer's pension contributions, employer's National Insurance, redundancy & termination costs) was £19,472 (2022: £18,155). No other remuneration was paid to a Trustee.

5 TANGIBLE FIXED ASSETS

	Freehold land £	Refurbishment costs £	Plant & Machinery £	Sports Equipment £	IT & Office Equipment £	Total £
Cost						
At 1 April 2022	467,826	2,205,833	207,381	1,361,484	880,225	5,122,748
Additions	-	-	9,239	5,120	-	14,359
Disposals	-	(391,168)	(25,499)	(267,111)	(11,528)	(695,306)
31 March 2023	467,826	1,814,664	191,121	1,099,492	868,696	4,441,801
Depreciation						
At 1 April 2022	-	2,003,288	167,052	1,241,628	862,603	4,274,572
Charge for year	-	48,994	13,888	61,252	17,210	141,344
Disposals	-	(341,464)	(25,499)	(267,111)	(11,528)	(645,602)
31 March 2023	-	1,710,819	155,441	1,035,769	868,284	3,770,313
Net book amount						
31 March 2023	467,826	103,846	35,680	63,723	412	671,487
31 March 2022	467,826	202,544	40,329	119,855	17,622	848,176

6 STOCKS

	2023 £	2022 £
Goods for resale	18,526	18,646

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

7 DEBTORS

	2023	2022
	£	£
Trade debtors	240,448	354,673
Other debtors	9,726	7,591
Prepayments	91,193	4,890
	<u>341,367</u>	<u>367,154</u>

Included within other debtors above are amounts due after more than one year of £7,971 (2022: £3,338) in respect of car loans to staff who qualify under their Terms and Conditions of Service.

8 CREDITORS: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	127,954	113,689
Other taxation and social security	191,798	186,709
Other creditors	92,903	82,854
Accruals and deferred income	1,166,380	1,226,458
	<u>1,579,035</u>	<u>1,609,710</u>

9 DEFERRED INCOME

	£
Balance as at 1 April 2022	56,249
Amount released to income	(56,249)
Amount deferred in the year	32,763
	<u>32,763</u>
Balance as at 31 March 2023	<u>32,763</u>

Deferred income represents prepaid membership income for the coming year and hire of facilities income received in advance.

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

10 RESTRICTED FUNDS

The funds of the charity include restricted funds held on trust to be applied for specific purposes.

	Movement in Funds			
	Balance 1 April 2022 £	Income £	Expenditure £	Transfers £
Physical Activity Board	18,017	20,293	(32,081)	-
Street Games	12,418	-	-	-
Active Citizens	2,430	-	-	-
Total	32,865	20,293	(32,081)	-

Prior Year	Movement in Funds			
	Balance 1 April 2021 £	Income £	Expenditure £	Transfers £
Physical Activity Board	18,017	-	-	-
StreetGames	12,418	-	-	-
Active Citizens	2,430	-	-	-
Total	32,865	-	-	-

Physical Activity Board

This fund represents the contributions to the Physical Activity Board from SLT and other partners such as PCT, and Sport Colleges to support work in the voluntary sector.

StreetGames

The grant from StreetGames will be used to fund activity in partnership with StreetGames, including weekly activity for local young people in sports which may include football, basketball, cricket, street cheer, cycling etc. In addition, school holiday sports programmes and events such as bmxing festival. The activity will be focused on the most deprived areas of West Bromwich, Smethwick, Tipton, Rowley and Oldbury.

Active Citizens

This grant is from the Police and is aimed at intervention around physical activity for non-sporty girls. Motivational programmes are developed for girls not achieving, or with behavioural problems, life issues, poor school attendances etc.

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

11 UNRESTRICTED GENERAL FUNDS

	2023 £	2022 £
1 April 2022	2,514,229	1,399,515
Net (expenditure)/income	(311,652)	(2,707)
Transfer (to)/from designated fund	(1,101,067)	1,117,421
31 March 2023	1,101,510	2,514,229

General Funds include an amount for the Ryland Repair Fund.

12 DESIGNATED FUNDS

	2023 £	2022 £
1 April 2022	828,552	1,945,973
Transfer from/(to) unrestricted general funds	1,101,067	(1,117,421)
31 March 2023	1,929,619	828,552

At its 23rd March 2022 Board meeting, Members approved to redesignate reserves totalling £1,929k and not spend these funds on the SMBC contract, but instead for the reserves to be made available for the future of SLT which is to be decided at a future Board meeting. Designated now comprises of:-

Ryland Repair Fund

In 2021-22 Trustees decreased the designated to £129,619 for the Ryland Repair Fund to deal with all major lifecycle maintenance issues, including the replacement of the athletics track

Grant Making Fund

The board approved the designation of £1,800,000 for grant making purposes, which have been confirmed to be consistent with the objects of the charity.

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

13 ANALYSIS OF NET ASSETS/(LIABILITIES) BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Tangible fixed assets	671,487	-	671,487	848,176
Stocks	18,526	-	18,526	18,646
Debtors	341,367	-	341,367	367,154
Cash at bank and in hand	3,578,784	21,077	3,599,861	3,751,380
Creditors due within one year	(1,579,035)	-	(1,579,035)	(1,609,710)
Defined benefit pension scheme asset/(liability)	5,543,000	-	5,543,000	(15,167,000)
Net assets/(liabilities)	8,574,129	21,077	8,595,206	(11,791,354)

Prior year – 31 March 2022:	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Tangible fixed assets	848,176	-	848,176	967,305
Stocks	18,646	-	18,646	20,273
Debtors	367,154	-	367,154	450,315
Cash at bank and in hand	3,718,515	32,865	3,751,380	3,708,690
Creditors due within one year	(1,609,710)	-	(1,609,710)	(1,768,230)
Defined benefit pension scheme liability	(15,167,000)	-	(15,167,000)	(19,365,000)
Net assets/(liabilities)	(11,824,219)	32,865	(11,791,354)	(15,986,647)

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

14 COMMITMENTS UNDER OPERATING LEASES

	2023 £	2022 £
At 31 March 2023, the Charity had total future commitments under non-cancellable operating leases as follows:		
Plant and machinery:		
Amounts due within one year	46,064	40,025
Amounts due within one to five years	-	360
	46,064	40,385

15 TAXATION

The company, which is a registered Charity, is exempt from taxation on its charitable activities.

16 PENSION COSTS

Defined benefit scheme

The Trust participates in a pension scheme operated by the West Midlands Pension Fund. The West Midlands Pension Fund is a funded scheme, with the assets held in separate trustee administered funds.

There were outstanding contributions of £78,755 (2022: £76,051) at the year end, included within other creditors.

The Charity expects to make contributions in the year ended 31 March 2023 of £677,000 (2022: £611,000).

The following information is based upon a full actuarial valuation of the Fund at 31 March 2020 updated to 31 March 2023 by a qualified independent actuary.

	At 31 March 2023	At 31 March 2022
Rate of increase in salaries	3.95%	4.15%
Rate of increase in pensions in payment	2.95%	3.15%
Discount rate	4.75%	2.75%
Inflation assumption	2.95%	3.15%

The current mortality assumptions included sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	At 31 March 2023	At 31 March 2022
Retiring today:-		
Males	21.8	21.2
Females	23.1	23.6
Retiring in 20 years:-		
Males	21.3	22.9
Females	24.8	25.4

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

16 PENSION COSTS (continued)

The fair value of the assets in the scheme was:

	2023 £000	2022 £000
Equities	22,433	21,368
Bonds	7,258	7,016
Property	2,309	2,232
Cash	990	1,276
Total fair value of assets	32,990	31,892

	2023 £000	2022 £000
Trust's estimated asset share	32,990	31,892
Present value of scheme liabilities	(27,447)	(47,059)
Asset/(deficit) in the scheme	5,543	(15,167)

ANALYSIS OF THE AMOUNT CHARGED TO STATEMENT OF FINANCIAL ACTIVITIES	2023 £000	2022 £000
Employer contributions	963	630
Current service cost	(2,082)	(2,257)
Past service cost	(309)	-
Net interest cost	(436)	(413)
	(1,864)	(2,040)

Analysis of the amount charged to actuarial gains/(losses) on defined benefit pension scheme	2023 £000	2022 £000
Remeasurements (assets)	(1,063)	1,808
Experience gains and losses on liabilities	358	(101)
Change in demographic assumptions	2,359	262
Changes in assumptions	20,920	4,269
Actuarial gain recognised in SOFA	22,574	6,238

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

16 PENSION COSTS (continued)

Cumulative actuarial gains recognised in the SOFA totalled £18,911,000 (2021: £3,663,000 loss).

	2023 £000	2022 £000
Movement in deficit during year		
Deficit in scheme at beginning of year	(15,167)	(19,365)
Movement in year:		
Current service cost	(2,082)	(2,257)
Past service cost	(309)	-
Contributions	963	630
Net return on assets	(436)	(413)
Actuarial loss	22,574	6,238
Administrative expenses	-	-
Asset/(deficit) in scheme at end of year	5,543	(15,167)
Asset and Liability reconciliation		
	2023 £000	2022 £000
Reconciliation of liabilities:		
Liabilities at start of year	47,059	48,381
Current service cost	2,082	2,257
Interest cost	1,324	1,012
Member contributions	260	242
Actuarial losses/(gains)	(20,920)	(4,269)
Change in demographic assumptions	(2,359)	(262)
Experience loss/(gain) on defined benefit obligation	63	101
Benefits paid / estimated benefits paid net of transfers in	(371)	(403)
Past service cost	-	-
Closing Defined Benefit Obligation	27,447	47,059
Reconciliation of assets:		
Assets at start of year	31,892	29,016
Expected return on assets	888	599
Actuarial gains/(losses)	(1,063)	1,808
Administrative expenses	-	-
Employer contributions	963	630
Member contributions	260	242
Benefits paid	(371)	(403)
Other actuarial gains/(losses)	421	-
Closing fair value of Fund Assets	32,990	31,892

Under the Management and Funding Agreement (MFA) with Sandwell MBC, the Council bears the risk of changes in the superannuation contribution rate for the establishment that transferred to the Trust on 1 April 2004 and the Trust's Management Fee is adjusted to reflect this. As a result, the Trust only bears the risk of any shortfall relating to additional superannuation costs it has incurred over and above the amounts funded by the Council. In FY 2021/22 the level of management fee relating to superannuation covered the Trust's actual expenditure.

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

17 COMPANY LIMITED BY GUARANTEE

The charitable company is limited by guarantee amounting to £1 for each member in the event of the charitable company being wound up.

18 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Income from:			
Charitable activities	9,323,648	-	9,323,648
Other trading activities	288,942	-	288,942
Investments	486	-	486
Total income	9,613,076	-	9,613,076
Expenditure on:			
Raising funds	85,564	-	85,564
Charitable activities	11,570,219	-	11,570,219
Total expenditure	11,655,783	-	11,655,783
Net income/(expenditure) for the year	(2,042,707)	-	(2,042,707)
Other recognised gains and losses			
Actuarial gains on defined benefit pension scheme	6,238,000	-	6,238,000
Net movement in funds	4,195,293	-	4,195,293
Funds at 1 April 2021	(16,019,512)	32,865	(15,986,647)
Funds at 31 March 2022	(11,824,219)	32,865	(11,791,354)

SANDWELL LEISURE TRUST

England & Wales - Charity number 1102431

Accounts



SANDWELL LEISURE TRUST
(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

for the year ended

31 March 2022

Company Registration No. 05011501
Registered Charity No. 1102431

SANDWELL LEISURE TRUST TRUSTEES' REPORT for the year to 31 March 2022

Foreword

This was our 17th year of operation and in the most challenging of times SLT has maintained its award winning services and worked tirelessly to rebuild confidence and encourage a return to physical activity in Sandwell.

The recovery from the pandemic has been and still is the most significant challenge to hit the leisure industry in our lifetime and although there is still some way to go, we are pleased to see the confidence grow in our customers by them returning to use the services they enjoy. In no small part this has been driven by the commitment and dedication of our staff teams. SLT is proud to have returned all front line staff and re-opened all facilities again. Although we now face the impact of energy price increases and cost of living that effects all of us, we are encouraged to see a positive trajectory of performance as we continue to move forward.

Our customers are at the heart of everything we do and it is vital we continue to demonstrate the social impact we make by showcasing the testimonials and feedback of how the Trust has continued to change people's lives. Sandwell Council's vision is to create a more physically active Sandwell whilst driving the continuous improvement of key Public Health outcomes, SLT plays a leading role in the successful delivery of this vision and achievement of these outcomes.

Notable highlights include overall membership which increased to 75,667 (2021: 59,117), attendances at our sports and leisure centres increased to 2,038,379 (2021:426,459) whilst swimming for all ages in Sandwell continues to remain popular, Free swimming registrations slightly decreased to 44,634 (2021: 46,963).

SLT is the first Leisure Trust to be awarded the Order of Distinction the highest possible accolade in the internationally-renowned Royal Society for the Prevention of Accidents (RoSPA) 2022 Health and Safety Awards.

Leisure facilities also received QUEST excellence which heavily test Covid Secure standards and operations. The Trust maintained Silver accreditation from Investors in People an award only achieved by the top 15% of organisations in the UK.

We continue to demonstrate the social impact we make by showcasing the testimonials and feedback of how the Trust has continued to change people's lives.

SLT is proud to have been an integral part of all the partnership working, technical expertise and swimming pool specialist knowledge and support all contributing towards the completion of the world class Sandwell Aquatics Centre. This iconic swimming facility will play host to the Birmingham 2022 Commonwealth Games and then ultimately will deliver the future legacy provision as the newest and largest aquatic facility of its kind in the UK serving both the local and wider community.

SLT staff have provided a critical safety role of lifeguarding test events at Sandwell Aquatic Centre for the Project Team and the official 'Prep The Pool' staging events for the Organising Committee of Commonwealth Games.

All of our achievements would not be possible without the hard work and commitment of our employees, the effective leadership and expertise of our managers and the dedication of our Board. We also value and recognise our key partnership with the Council and Public Health to serve the communities of Sandwell.

We thank everyone for their continued contribution and support.

Lynda Bateman – Chair
2022

SANDWELL LEISURE TRUST
TRUSTEES' REPORT
for the year to 31 March 2022

GOVERNANCE REPORT

STATUS

The organisation was incorporated on 9 January 2004 as a company limited by guarantee and was registered with the Charity Commission on 2 March 2004.

The charitable company is established under a Memorandum of Association which establishes the objects and powers of the charitable company and is governed under its Articles of Association.

TRUSTEES

As the company is limited by guarantee, the trustees have no interest in any shares in the company.

The trustees who served during the period and up to the date of this report were as follows:

V McFarland	(appointed 01.12.04)
L Bateman (Chair from 06.09.16)	(appointed 04.05.10)
M Sharma	(resigned 10.02.22)
P Venables (Vice Chair from 11.09.18)	(appointed 04.02.14)
P Piddock	(appointed 11.09.18)
R Jackson	(appointed 11.09.18, resigned 23.07.21)
P Kaur	(appointed 11.09.18)
R McVittie	(appointed 26.01.21)
S Fleming	(appointed 02.11.21, resigned 01.08.22)
T Barter	(appointed 19.11.21)

CHIEF EXECUTIVE

A Rai	(resigned 31.05.22)
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SECRETARY

S Dillion

REGISTERED OFFICE

Tipton Sports Academy
Wednesbury Oak Road
Tipton
DY4 0BS

REGISTERED NUMBERS

Company registration number 05011501
Registered charity number 1102431

AUDITORS

RSM UK Audit LLP
Chartered Accountants
10th Floor
103 Colmore Row
Birmingham
B3 3AG

BANKERS

NatWest Bank
267 Castle Street
Dudley
DY1 1LJ

SANDWELL LEISURE TRUST
TRUSTEES' REPORT
for the year to 31 March 2022

GOVERNANCE AND RISK

We are committed to achieving high standards of corporate governance throughout our operations.

The Board leads and maintains full and effective control of the charitable company and its activities.

The Board is responsible for matters of key strategic importance and delegates financial authority to the Chief Executive and other Trust Managers via a clearly defined scheme of delegation. In addition, the Board has delegated authority to the Remuneration Sub-Committee and the Chief Executive and agreed Sub-Committees will be brought together to deal with finance/employment and governance matters as required. Our Board Members also bring skills and experience to help drive our expansion.

We operate a rigorous business planning process whereby corporate objectives and targets directed by the Board and agreed with Sandwell MBC ("SMBC") cascade down the Trust's Business Plan, Action Plans and employees' personal objectives. This is fully embedded in our planning and budgeting cycles and is an integral part of our operation and performance.

We have an established system for identifying, evaluating and managing the significant risks faced by the charitable company and a risk log is an integral part of the annual operational plan which is agreed by the Board. The Board Members have been actively involved in identifying and managing the risks to which we are exposed.

The key risk facing SLT is non-delivery of the 2020-21 to 2022-23 Business Plan, which will be affected by our recovery from the Covid-19 Pandemic which has affected the whole of the Leisure Industry. Non delivery of the Business Plan would affect the viability and financial stability of the Organisation. More information on going concern is provided on page 18.

The risk log is reviewed by the Executive team every quarter and an updated version presented to the Board every six months. In addition, the log would be reviewed in the event of a significant occurrence which materially increases a risk.

Our Memorandum and Articles of Association specify the number of Trustees required and lays down the duration of their terms of office. The number of trustees is kept under review by the Chief Executive and Company Secretary. We maintain an open advert for new trustees via the company website and active recruitment campaigns are undertaken when it is anticipated that trustee numbers are likely to reduce. In line with best governance practice, we put in place a comprehensive induction programme for any new Board Members. In addition to formal training, this provides access to an online resource pack and web portal. Annual reviews for individual Board Members are available with the Chair, and there is also an appraisal scheme and a process for Board performance and effectiveness.

The Trustees and the Management Team make up the key management personnel of the charity in charge of directing, controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely (details of reimbursed expenses are included in note 4).

The pay of the Chief Executive is considered on an annual basis by the Remuneration Sub-Committee which makes recommendations to the Trust Board taking into consideration a number of factors i.e. pay levels of Chief Executives at similar organisations, local authority heads of services, SPORTA (now Community Leisure UK), awards made by the National Joint Council and the Association of Chief Executives of Voluntary Organisations (ACEVO). The other members of the Trust Management Team are granted pay awards in accordance with their contract of employment.

The Sub-Committee is also responsible for undertaking an annual performance appraisal and development process for the Chief Executive

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CORPORATE RESPONSIBILITY

Health & Safety ("H&S")

We take our duty of care to all those who work or visit our facilities extremely seriously and in order that we continue with the healthy culture supporting Health and Safety within the Trust, we seek independent advice from our external provider.

The Board has agreed a Health & Safety Policy which sets the strategic direction for this area. We have a Joint Health & Safety Consultative Committee with the Trade Unions, which meets regularly to discuss and resolve health and safety issues.

Environment

SLT is committed to reducing its carbon footprint and impact on the environment. We recognise the importance of protecting the environment and have installed a number of measures to reuse and recycle trade waste and consumable materials.

We have also installed Combined Heat and Power (CHP) units at some leisure facilities. These units enable energy to be used more efficiently by converting excess heat into power to support the running of the facility.

We also work in partnership with our suppliers, local businesses and continue to benchmark ourselves within the leisure industry to develop new ways of working and adopt best practice.

Our sport and leisure centres have received Sandwell's Business Environmental Charter Award ranging from Bronze to Gold standard. This Award recognises the commitment by staff in reducing the centre's impact on the environment. This also demonstrates the sites commitment to supporting environmental issues at the facility and those of Sandwell as listed in Agenda 21.

THIRD PARTY INDEMNITY PROVISION FOR TRUSTEES

Qualifying third party indemnity provision is in place for the benefit of all trustees of the charity.

STATEMENT TO DISCLOSURE OF INFORMATION TO AUDITORS

The trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the trustees have confirmed that they have taken steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor

SANDWELL LEISURE TRUST TRUSTEES' REPORT for the year to 31 March 2022

STRATEGIC REPORT

SLT is a non-profit distributing organisation which means we reinvest 100% of any surplus to maintain, improve and deliver quality services for the whole community to enjoy, socialise in and become more active.

SLT is a social enterprise, established as a company limited by guarantee, and a registered charity, managing award-winning sport and leisure facilities.

The Trust manages 9 sports and leisure centres, including 6 swimming pool facilities, in Sandwell, and delivers a wide range of popular sports development activities throughout the borough, on behalf of and in partnership with Sandwell Council.

We also manage a 10th sports and leisure centre outside of Sandwell – the Ryland Centre in Bromsgrove.

OUR AIMS

- Maintain quality of services for Sandwell Residents
- Increase participation
- Increase attendances
- Staff satisfaction & well-being
- Maintain financial stability, whilst being well governed & eco friendly
- Continue to reduce management fee
- Provide value for money
- Customer satisfaction
- Highest level health & safety
- Achieve & maintain external accreditations

OUR PRIORITIES

- Increasing income
- Maintaining/Improving quality
- Maintaining/Improving safety
- Reducing expenditure

SLT MAKING AN IMPACT FOR SANDWELL IN 2021-22

SOCIAL VALUE

Following the reopening of facilities in April 2021, the sector has struggled to recover to pre pandemic activity levels, therefore impacting the social value generated. One point to note is that whilst total social value is well below the previous report, this is a trend seen across the sector due to restrictions over the last year and challenges with returning to pre pandemic activity levels.

SLT continues to perform **better than the sector average** for social value, as highlighted in this report.

KEY FINDINGS:

Key findings from this report on Sandwell Leisure Trusts facilities are:

- 8 out of 9 Sandwell sites sit in the 3rd or 4th quartile for Social Value per person, showing that they are above average for the industry, with Sandwell Leisure Trust sitting in the top 30% overall for social value per person.
- 327,000 ACTIVE AND 343,000 FAIRLY ACTIVE individuals attended Sandwell's facilities, with the majority attending from Sandwell borough.
- 45.1% of participants were from IMD group 1 or 2 (the most deprived groups).

These figures support Sandwell's Vision 2030 Ambition 8:

Ambition 8 - Our distinctive towns and neighbourhoods are successful centres of community life, leisure and entertainment where people increasingly choose to bring up their families.

SANDWELL LEISURE TRUST TRUSTEES' REPORT for the year to 31 March 2022

SLT 'social value' again better than UK leisure sector average Sandwell Leisure Trust is heralding its latest independently verified success story of:

Generating and delivering nearly £7million of social value* back to the Borough.

This figure for the 21/22 financial year has increased significantly from £1.8million in financial year 20/21 - highlighting the impact of COVID-19 closures on Social Value – plus the Black Country-based charity (which still runs nine leisure facilities for Sandwell Council across the borough) is well above standard for the industry.

The Social Value report quantifies and benchmarks the contribution sport services make on four main categories:

- Physical & Mental Health
- Subjective Wellbeing
- Individual Development
- Social & Community Development

And is a key measure of how charitable and leisure operators contribute back to their local areas.

"We are delighted to demonstrate how leisure in Sandwell is contributing back to the borough. Social Value is a key measure to help understand how participation in physical activity is improving health, improving educational attainment and reducing crime."

Mark Wildman, SLT Business & Commercial Manager

This positive news comes with SLT also recently celebrating being the only leisure operator to achieve RoSPA's Order of Distinction Award for achieving the highest Gold Health & Safety Standard for 16 consecutive years and supports Sandwell's Vision 2030 Ambition 2 & 8:

Ambition 2: Sandwell is a place where we live healthy lives and live them for longer, and where those of us who are vulnerable feel respected and cared for.

Ambition 8: Our distinctive towns and neighbourhoods are successful centres of community life, leisure and entertainment where people increasingly choose to bring up their families.

MEMBERSHIPS

2021/22 has been a tough year for memberships. In April 2021 we saw the membership figures fall to 5,618 the lowest since 2014. Losing around 6,300 members during the closure period for Covid-19.

Membership offers

Membership offers were developed and available from July when the centres re-opened and throughout the year.

However, there has been steady growth with memberships 5,111 new memberships sold and increasing by 49% to 8,420 in April 2022.

Gym Pass and Fitness Pass

New membership options have been launched: Gym Pass and Fitness Pass £9.99 for 7-days use of gyms or fitness classes.

It was introduced to give customers the opportunity to use the facilities without the commitment of a monthly membership. In the first three months of going on sale over 250 of these passes have been sold.

Shireland Collegiate Academy

Shireland Collegiate Academy have exclusive private use of Hadley Stadium sports hall and 3g pitch 9 which brings in around £90,000 of income term time plus further income is generated from car parking arrangements for school staff during term time.

West Midlands Police

West Midlands Police used Harry Mitchell for designated police training for new recruits throughout 21/22.

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This exclusive day time use agreement also supported the feasibility of reopening Harry Mitchell in the evenings for community use after the Covid pandemic. There is an excellent relationship between the police and centre staff. The contract is in place until August 2023. This provides SLT with a guaranteed income of £267,903 over the duration of the contract.

Harry Mitchell and Hadley Stadium are also a partner for the Commonwealth Games Transport Plan and will be supporting with Car Parking and transport provision throughout the games.

Hadley Stadium

Hadley Stadium has seen an excellent return from the covid pandemic. Football income alone was around £150,000 resulting in Hadley having its best ever financial year and generating a significant surplus back into the leisure trust.

Junior, Youth and Adult Football both male and female takes place between our 3g pitch and grass pitch. We host Semi-professional and Academy teams including Kidderminster Harriers, as well as providing opportunities for teams in Midland Football League, Birmingham Premier Division and Warley Sunday League and the FA Women's National League North.

Grass roots and community initiatives are equally supported – The Benson Community Project hires Hadley Stadium several days a week and SLT supported this project with over £30,000 of funding in the way of reduced hire fees in recognition of the fantastic work Paul Landucci and his team at the project do.

Sandwell's Vision 2030

Ambition 5: Our communities are built on mutual respect and taking care of each other, supported by all the agencies that ensure we feel safe and protected in our homes and local neighbourhoods.

Ambition 8:

Our distinctive towns and neighbourhoods are successful centres of community life, leisure and entertainment where people increasingly choose to bring up their families.

SOCIAL MEDIA AND WEBSITE

Post COVID social media trends have changed for our customers

Facebook remains a valuable tool for the business for selling memberships and centre sessions. Once again, we surpassed a reach over 2.5 million. Customers do use these platforms (Facebook/Twitter/Instagram) as an essential tool for service information.

The platforms following increased to a combined total of 57,236 an increase of 6.26%. All social media platforms are restricting 'reach' as a way of generating income from organisations such as SLT who use the platforms to sell and push the business.

It is now a more competitive advertising space, and the marketing team are working through the challenge of posting more imaginative and creative content to increase the organic reach of posts.

A February Instagram Story campaign proved to be a major success with huge numbers of members and customers sharing their SLT workouts to ourselves but also their own followers really supporting us spread the word of SLT. This organic campaign helped us attract new followers & support membership campaigns.

The SLT website was used by 400,000 unique users during the year. This excludes the independent websites of Air Mayhem and Aqua Mayhem. Both these two websites handle the marketing and ticket sales for both products.

Aqua Mayhem

Our established social media platforms were instrumental in helping us launch Aqua Mayhem at Wednesbury Leisure Centre. Our marketing team produced videos, stories, testimonials and images to generate engagement and interest from local residents.

The eighteen metre pool inflatable became the main attraction at the centre for all school holidays and was loved by all those who attended. The smaller inflatable, Aqua Gator, sessions were also held in the small pool. Our centre teams were commended for their outstanding customer care & service.

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The sessions attracted over 4,500 visitors with age ranges from 3 to 80. A new website using our e-commerce supported the customer experience and helped staff manage the sessions.

Sandwell's Vision 2030

Ambition 8: Our distinctive towns and neighbourhoods are successful centres of community life, leisure and entertainment where people increasingly choose to bring up their families.

Portway Vaccination Centre

Vaccination Centre at Portway Lifestyle Centre

Portway became one of the first Vaccination Clinics set up in January 2021, which seemed a most fitting use of the facility during lockdown, particularly with its strong links to the GP Practice and Sandwell and West Birmingham NHS Trust.

Lead by the Portway Family Practice and used by more than 20 GP Surgeries across the Primary Care Network, over 65,000 Sandwell residents in total have been double vaccinated, this equates to 26% of the adult population of Sandwell, with over 50% of all Sandwell's vaccinations delivered from these sites.

"we are delighted to have reached this milestone, so early on into the vaccination programme. The support of both our SLT colleagues at Portway and Health Professionals across all of the GP practices within the network including Nurses, GP's, Health care support staff and Volunteers has been truly overwhelming."

Dr Arun Saini

Sandwell's Vision 2030

Ambition 2: Sandwell is a place where we live healthy lives and live them for longer, and where those of us who are vulnerable feel respected and cared for.

Portway Lifestyle Centre

The hydrotherapy pool timetable has fully returned. To date over 440 youngsters have either joined or remained on the programme since lockdown. Many of the existing disability groups and organisations have been using the pool, including SEN school, arthritis groups and the very popular public access Relax sessions and Parent and Baby classes.

All of the large organisations have resumed their football activities including Sandwell College and the Educational focused football academy. The Albion Foundation have delivered Football Disability Camps throughout the school holidays, with good numbers recorded.

Oldbury Utd have also delivered community football camps, and used some of the funding from HAF funding (holiday activities and food programme) to support a number of eligible youngsters access the programme.

Our Partners

We have worked closely with Sandwell and West Birmingham NHS Trust to ensure a safe return of physiotherapy provision during the COVID pandemic. Both the NHS Hydrotherapy and Gym sessions have now returned, with considerable demand being met by the NHS physio team.

Additionally, in partnership with the Community Cardio-Respiratory service, we have introduced three Chronic Obstructive Pulmonary Disease (COPD) sessions per week to support patients through a pulmonary rehabilitation programme. It includes breathing retraining, exercise training, education, and counselling.

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Portway Pass

Disabled groups and individuals have been disproportionately affected by the Pandemic, which is evident at PLC, many of which have been hesitant in returning to the centre. However, we have recently seen an increase in enquiries, and have worked with a number of groups to support them including the following: Our colleagues in Adult Social care, have seen a steady increase in numbers attending the various activities available, ranging from walking, working in the sensory garden, attendance in the gym and classes.

- Sandwell Visually Impaired have successfully been awarded funding from Active Black Country for instructed gym, class and pool sessions.
- Sandwell Deaf Community have offered a series of children fun sessions throughout the school holidays and have also introduced a weekly youth club session on site.
- Whizzkids sports days providing sporting activities for young wheelchair users.

Sandwell's Vision 2030

Ambition 1: Sandwell is a community where our families have high aspirations and where we pride ourselves on equality of opportunity and on our adaptability and resilience.

Staff Development

One member of staff at Portway Lifestyle Centre has successfully completed their apprentice scheme, gaining valuable experience in understanding the role of a Leisure attendant and completing the National Pool lifeguard award, Level 2 Gym Instructor and Swim Teacher qualification, and a First Aid at work.

External bespoke training on manual handling of people, to support the team in tasks such as transferring wheelchair users from out of the car into their chair, has been delivered to the team at Portway Lifestyle Centre.

Customer Testimonials

"Hello Portway, I would like to say thank you Liz for the amazing and interesting outdoor class, it was really worthy to do all the moves and have so much fun today, keep like that our lovely gym."

"Hi there I would like to say helpful Ashley was on your front desk at Portway on Saturday afternoon - he is a credit to your organisation being impaired physically is tough but Ashley really helped me regarding swimming passes so thank you"

"I am the Operational lead for the Vaccination site which is being hosted at Portway Lifestyle Centre.

We have been working from the site since December 2020, John and his staff have been absolutely marvellous accommodating us through this unprecedented programme, it has been extremely challenging at times, with the hundreds of people attending per day especially in the beginning. Nothing has been too much trouble for the staff who have looked after us with our niggles and requests and handled them with the utmost professionalism. The centre at times has been full of Patients who did not recognise the difference between NHS and Site staff but all staff handle all situations with a friendly attitude.

It is a pleasure to hold our clinics at the site with a friendly team around us and as clinics have changed the site staff have accommodated us without question, I know it must be extremely difficult at times to manage our expectations, and deal with the challenges working with public raise but they all take it in their stride and we all make a wonderful team making history in the UK providing thousands of people with a vaccine for this awful virus.

A big Thank you to John and his team."

**Sonia Simkins
Operational Manager for the Vaccination Programme**

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Tennis

Indoor Tennis Programme at Tipton Sports Academy

Since returning from various lockdowns our Indoor Tennis Programme at Tipton Sports Academy has seen a healthy rise in the number of children and adults wanting to sign up and take part in tennis.

Whether its group coaching, pay and play or one to one coaching we have something for all ages and ability levels to get involved in.

We see 320 children and 400 adults taking part in coaching sessions each week, along with another 200 people taking part in pay and play weekly court bookings.

This is all despite being down from our usual 6 indoor tennis courts to just 3 indoor courts, while Tipton Sports Academy is being used as an NHS Vaccination centre.

We saw a significant increase in annual income of £115,000 (pro rata based on 3 indoor courts) when compared to pre COVID-19 income. This would have been even higher if we had not had reduced income levels for April/May 2021 when restrictions were still in place for adults and credits were being honoured for customers who missed sessions due to lockdowns.

Our Highlights

Our 14 and under performance players taking part in the 'Play Your Way to Wimbledon' events, with Casey Unitt reaching the actual final at Wimbledon in the National stage of the event. Casey has since been selected as a baton bearer for the upcoming Birmingham Commonwealth Games.

We also formed a new mini tennis red futures (performance) session for those players aged 8 and under who have excelled in their tennis squads.

We now look forward to growing the tennis programme further and re-introducing our successful tournaments/events programme once we have all 6 indoor tennis courts in operation.

HAF (Holiday Activities & Food) camps and community outreach/school sports

Despite various lockdowns and prolonged furlough we have managed to re-engage school bookings and outreach work for our coaches. We deliver Curriculum based PE in one local Sandwell Primary School on various days throughout the week.

During this time we reached 300 attendances per week for curriculum based PE and games.

We have also obtained event bookings here at TSA for various schools and 'School Games' sports such as cricket, tennis, athletics and multisports. These bookings have provided for children from Sandwell and across the Black Country region. These have been very successful and feedback from schools and pupils has been excellent.

Our coaches also provide regular weekly sessions for home school groups helping support their PE requirements and focusing on health and well-being. These groups use our facilities here at TSA. During this delivery we reach around 50 children per week of a wide age range (Key stage 1- key stage 4).

The HAF programme is a government funded initiative in conjunction with the DfE, in which local authorities ask operators to deliver holiday activities and food to eligible benefit related low income families. The project running here at TSA contributes to ambition 1 and 2 of Sandwell 2030 Vision.

It started in Easter this year, and will be running in Summer and Christmas holidays. In Easter we reached on average 22 children who attended a 4 day week, 4 hours a day. Most of these numbers were families of 2 or more children. The feedback from the local authority was really positive along with the feedback from parents of children that attended. By the end of the programme we aim to have reached on average 192 children.

Sandwell's Vision 2030

Ambition 1: Sandwell is a community where our families have high aspirations and where we pride ourselves on equality of opportunity and on our adaptability and resilience.

SANDWELL LEISURE TRUST TRUSTEES' REPORT for the year to 31 March 2022

Work it Out Programme and Community Support

Working closely with West Midlands Police, the Work it Out programme was developed to act as a support tool to the young people in Sandwell at risk of becoming involved in criminal and antisocial behaviours.

The incentive of a free membership is used to encourage positive behaviours for the vulnerable young people on the doorsteps of our leisure centres.

Sgt David Rogers, Sandwell Offender Manager said: I offered a pass to a 15-year-old girl, who by her own admission has anger issues and has been involved in assaults. When I offered her the pass, her face lit up and she said "what, you're giving me this for free! Thank you, I'll use it every night".

"Work it Out is now part of the Offender Managers Toolkit in Sandwell. My team visit young offenders linked to knife crime, County Lines and Youth Violence. When we explain the programme to the young people it helps to break down barriers and build trust and ultimately support in preventing any further criminal behaviours."

So far 50 youths aged between 14 - 18 years have been referred into Work It Out.

Sandwell's Vision 2030

Ambition 2: Sandwell is a place where we live healthy lives and live them for longer, and where those of us who are vulnerable feel respected and cared for.

A further example is that of a 17-year-old male convicted of Youth Violence and on licence. He is now using the Gym at Portway Lifestyle Centre with his Youth Offending Officer:

'The gym session with the young person went very well. It provided a platform for informal conversations to build a better relationship; basically, talking about weight training techniques and what each machine can be used for. We also had discussions around the use of natural products and supplements and the dangers of steroid usage.

He has shown an interest in weight training, so I have used the Work it Out programme to introduce him to a diversionary activity hopefully away from previous negative associations and behaviours.'

Sandwell's Vision 2030

Ambition 5: Our communities are built on mutual respect and taking care of each other, supported by all the agencies that ensure we feel safe and protected in our homes and local neighbourhoods

Swimming in Sandwell

From September 2021 School swimming uptake has resumed and is increasing

Covid-19 restrictions have had a massive impact of school swimming and recovery has been slow. From September 2021 our School Swimming Programme delivers the Swim England School Swimming and Water Safety Charter scheme.

369 schools have booked in with 60 having not attended due to Covid-19.

Total number of school pupils attending lessons: 19,597.

Number of people on the SLT Lessons programme

- APRIL 2021: 2,929
- APRIL 2022: 5,144

An increase of 75%

The recovery of SLT swimming lessons has been strong, but difficult to grow further due to a national shortage of qualified swimming teachers. **Free swimming in Sandwell**

Sandwell's free swimming scheme is delivered by SLT at pools across Sandwell. This initiative helps residents aged 60+ and those aged 18 and under to access quality safe swimming locally in Sandwell.

In 2021-22 there were **44,634 free swims** delivered to those aged 18 and under or over 60.

SANDWELL LEISURE TRUST TRUSTEES' REPORT for the year to 31 March 2022

Sandwell's Vision 2030

Ambition 8: Our distinctive towns and neighbourhoods are successful centres of community life, leisure and entertainment where people increasingly choose to bring up their families.

The Ryland Centre

Michelle and the Ryland Centre team have continued to work hard to offer their members and the local community a first-class service through the pandemic and beyond.

With the centre closed due to the restrictions during the pandemic this gave us an opportunity to work with Worcestershire county council to set up a Covid-19 test centre within Bromsgrove. Due to the subsequent Covid regulations in the borough we established a link with Bromsgrove district council to host the election count and polling station.

Both links with Worcestershire County Council and Bromsgrove District Council enabled us to maintain our income.

We have seen a steady growth in membership which has now enabled us to rent 15 bikes with life fitness to re-introduce indoor cycling classes for the first time in two years.

We have undertaken a restructure in staffing structure to manage expenditure and we have revised our opening hours.

We have grown the number of classes from 14 per week to 50 classes per week.

OUR STAFF

- We currently employ 432 staff
- 52.3% are Sandwell residents
- We had 32 leavers
- 2021/22 staff turnover of 7.4%

The Trust has invested £24,500 in staff learning and development

This year our centres, staff and the public have continued to be affected by the lifting and re-imposing of restrictions in response to the fluctuating infection rate of Covid-19.

However, we believe that our staff are one of the key contributors to the successful recovery of the organisation and as a result the Trust has still invested £24.5k in staff learning and development which has included upskilling some employees in IT, First Aid, delivering exercise programmes for disabled customers, continued professional development for swimming instructors and lifeguard staff along with a range of health and safety training.

We believe that our staff are one of the key contributors to the successful recovery of the organisation.

We are proud to continue to offer all our staff access to the Westfield Health 'Healthy Extras'

This service is provided to all staff and includes:

- Together all - safe online space to explore things that are troubling and get the support, in confidence
- 24 Hour Advice and Information Line, including access to a Health e-Hub
- DoctorLineTM - access to a GP 24/7
- Westfield Rewards Making employees' salaries go further – discounts from over 1,000 leading high street and online retailers

It is a great package for all SLT staff to access help, support, and information to help maintain good mental and physical health. Regular reminders are shared with the staff via The Wellness Hub email.

Together with our team of Mental Health First Aiders, we aim to continue to drive forward positive conversation around mental health across the organisation.

SANDWELL LEISURE TRUST
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Sandwell's Vision 2030

Ambition 3: Our workforce and young people are skilled and talented, geared up to respond to changing business needs and to win rewarding jobs in a growing economy

Investors in People

SLT received a glowing review following the interim review from the external IIP assessor Gordon Stopani:

"Following my review in November 2021, the Trust has continued to make excellent progress throughout 2021, returning to its usual operating practices wherever possible.

The Trust is to be congratulated for its ability to navigate the extended challenging times it has experienced, and for having been financially prudent in previous trading years, since it has had to use financial reserves to ensure the ongoing security of its employees' jobs and its operating assets, covering the operating losses incurred through closures brought about by the pandemic.

The wellbeing of the Trust's employees has continued to be placed front and centre at all times during and beyond the restrictions and challenges brought about by the pandemic. Through the efforts and commitment of everyone in the Trust, it is generating greater levels of social value for local communities and outperforming leisure facilities in other regions, with its ability to attract a higher percentage of local residents to make use of its leisure facilities. A fantastic result given the trading context.

A notable example of the Trust's commitment to local communities, is the work conducted at two of the Trust's leisure centres, which have acted as official Covid-19 vaccinations sites. The superb partnership working of the Trust, has meant that its efforts have accounted for approximately 50% of all vaccinations undertaken in the Borough, much to the public praise of the local Director of Public Health.

The ability to deliver such results and to engage with local communities so successfully is to be congratulated and something to be extremely proud of. It is thanks in no small part, to the sheer hard work and dedication of its employees who are committed to what they do."

Our Customers

"I would just like to say how wonderful your lifeguard team are. My boys attended the SEND Aqua Mayhem session and had a wonderful time. This was because the lifeguard team made them feel so capable and were so encouraging of them. The lifeguard in the pool was so patient and gave them so much encouragement it meant they actually persevered and managed to do it. They had a brilliant time thank you so much for providing such an amazing session that kids with additional needs can do and your team is amazing."

"Today was an amazing evening for my daughter as her swimming instructor Lauren did an excellent job. The way she taught was to a high standard, seemed very passionate and enjoyed what she was doing. This is the first time I've actually witnessed this since my daughter started swimming at Tipton Leisure Centre. Please thank her on our behalf and do everything you can to keep staff like this."

"The gym staff are absolutely amazing their dedication and passion to the job is outstanding and they always get the best out of the members during the sessions."

"Just a quick note to say thank you for your support yesterday from both myself and all the attendees of the Amputation Track Day, a tremendous success and a great building block for future events. An absolute picture to see so many smiles on so many peoples faces."

"I just wanted to say what an amazing team you have at Haden Hill. They have changed my life completely. My first ic45 class Andrea was amazing and so welcoming. And Mark in Grit, I had no clue but he was so encouraging and now I do it twice a week if I can. And Heather Manser is so professional in her job role and is a fountain of knowledge. I just wanted to send this email as they have generally changed my life and I'm a better person mentally and physically so thank you."

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Sandwell's Vision 2030

Ambition 8: Our distinctive towns and neighbourhoods are successful centres of community life, leisure and entertainment where people increasingly choose to bring up their families.

Our Awards

SLT's Double Health & Safety Accolade Yet Again

Sandwell Leisure Trust (SLT) has once more been awarded the highest possible accolade in the internationally-renowned Royal Society for the Prevention of Accidents (RoSPA) 2022 Health and Safety Awards.

The Black Country-based charity - which still runs nine leisure facilities for Sandwell Council across the borough - has landed the coveted Order of Distinction (for 16 consecutive annual Gold Awards) and is the only Leisure Trust nationwide to ever achieve this distinction.

Gold Awards are awarded for superior health and safety performance and excellence among companies that primarily offer services direct to guests and visitors – and this latest and 16th continuous accolade is for the period of 1 January 2021 to 31 December 2021.

Lynda Bateman, Chair of The Trust's Board, says: "SLT was initially the first Leisure Trust to achieve the RoSPA Gold Award – and also the President's Award for 12 successive Golds – but to retain the award over 16 consecutive years and be the first Leisure Trust awarded the Order of Distinction, really does demonstrate the consistent high standards achieved by all staff at all the Trust's facilities.

Once again we thank and congratulate our teams that continue to work extra hard to monitor and maintain such a safe standard of services for all in Sandwell - especially in these most challenging of circumstances - to have safe and proper practices in place and also provide a COVID-secure environment for staff, customers and visitors across all our sites."

The RoSPA Awards not only focus on commitment to accident and ill-health prevention, but occupational health and safety management systems, including practices like leadership and workforce involvement. It received over 2,000 entries from organisations around the world this year, reaching over 7million employees, and is also the longest-running industry awards scheme in the UK - recognising the best of the best and organisations that have gone the extra mile, raising the bar for the delivery of safety in the workplace.

"The RoSPA Award is the most highly-respected health and safety accolade globally, so we're extremely honoured again to be recognised as a world-leader in health and safety practice."
Lynda Bateman, Chair of the Board

Sandwell's Vision 2030

Ambition 10: Sandwell now has a national reputation for getting things done, where all local partners are focused on what really matters in people's lives and communities

WHAT IS SLT'S PURPOSE

The purpose of Sandwell Leisure Trust (SLT) is to encourage and increase participation in physical activity, sport and leisure by the whole community. SLT is non-profit distributing which means as a trust and charity we reinvest 100% of any surplus to improve, maintain and deliver quality services for the whole community to enjoy, socialise in and become more active.

What are the direct and public benefits flowing from SLT's purpose?

The direct benefits that flow from SLT's overall purpose is to improve the health and well-being of the wider community in Sandwell, reduce the social isolation of its citizens through group physical activity and deliver sustainable sport and leisure services for future generations to enjoy.

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The public benefits that flow from this purpose are:

- (a) an enhanced quality of life and sense of well-being through engagement with and participation in activities and events that bring people together, leading to improvements in physical and emotional well-being, quality of life and a more stable and cohesive community;
- (b) increased opportunities to engage in new physical activities that bring people together, leading to greater social cohesion and fulfilment; and
- (c) enhanced active citizenship and involvement in community life.

How can these benefits be identified and measured?

These benefits can be identified through case study examples of how SLT is changing people's lives and measured by the sustained increase in participation in physical activity, sport and leisure throughout Sandwell.

Is there any harm arising from any of the purposes?

No harm arises from SLT's purpose, the beneficiaries are the general public and locally-based community and voluntary organisations, and that no private benefit arises from these purposes. The objects of SLT are to promote the benefits without distinction of sex, race or political, religious or other opinions. SLT will where possible use local suppliers and employ people from the diverse local community therefore supporting the local economy of Sandwell and will adopt efficient and environmentally friendly processes to optimise the best possible use of resources.

INVESTMENT POLICY

We have in our Memorandum & Articles of Association the power to make investments to fund the activities of the Trust. The level of investment is to be determined by the level of surplus cash available compared with the demand for resources required for the operation of services provided by the Trust.

We invest any surplus cash (not needed to meet immediate liabilities) with SMBC Corporate Finance under a Service Level Agreement. The SLA guarantees the Trust a rate of 0.3% below base rate on the day of investment on all balances and is virtually risk free.

RESERVES POLICY

The Board's current policy is to maintain an uncommitted reserve of £500k to protect against downside cost risks identified in our risk register. We are currently using planned accumulated surpluses to help meet the management fee reductions.

The Council took the decision to terminate the contract with SLT at its Cabinet 8 February 2022 because the Business Plan 2021-2024 could not be agreed. Following that decision the Board at its meeting 23 March 2022 approved to re-designate reserves totalling £1,357,000 and not spend on the SMBC contract but instead for funds to be made available for the future of SLT which is to be decided at a later Board.

As at 31 March 2022, the charity had uncommitted reserves (being net current assets, less restricted and designated funds) of £1,666,233 (2021: £432,210).

A key element of the overall financial position of the Trust is the long-term affordability of its pensions' obligations to its employees. FRS 102 calculations within the financial statements are based on returns on Government Gilt Edged stock (gilts). At the year end, because market interest rates are at a 30 year low gilts are showing a very low rate of return. The pension charge calculations within our accounts are based on this calculation. FRS 102 is based on taking the current rate of return, whatever that is, and assuming it will be maintained for thirty years.

During a down-turn, this can produce what could be considered an overly pessimistic forecast of pension fund returns and potentially an overstated estimate of pension fund liabilities within the statutory accounts.

The West Midland's pension fund actuary calculates employer contribution rates using a wider range of assets that better reflect current and future market conditions.

SANDWELL LEISURE TRUST TRUSTEES' REPORT for the year to 31 March 2022

These calculations are therefore much more driven by the overall long-term state of the market and the result is that they assume lower levels of contribution from the trust are needed to meet the pension fund obligations.

A risk facing the charity is the maintenance of adequate funding for the charity's pension liabilities. The financial statements report the share of the Local Government Pension Scheme deficit (£15,167k) on the Charity's balance sheet in line with the requirements of FRS 102. The risk is mitigated by an agreed deficit recovery plan with the West Midlands Pension Fund.

FINANCIAL PERFORMANCE

A set of KPI's are agreed and monitored by the Board.

The results for the year are shown in the Statement of Financial Activities on page 23.

Prior to the Covid-19 Pandemic the Trust had increased income year on year by over 200k since its incorporation despite reductions in the Management Fee. However 2021 saw a reduction in income as the leisure centres re-opened at the end of March 2021 following closures (3 lockdowns), and when the centres opened it was under Covid secure measures which impacted maximisation of income.

Income was significantly down in 2021 because although we received the National Leisure Recovery Fund Grant of £565k, the Job Retention Scheme Grant and Covid restart grants, recovery was still not at its optimum level as it will take time to rebuild income.

Expenditure was significantly down in 2021 due to employees who were furloughed which resulted in:

- Reduced use of casual and self-employed workers; and
- Furlough deduction (ie paying furloughed staff 80% of their salary up to a maximum of £2,500) until September 2021, which led to a review of opening hours and working patterns.

Other reduced expenditure in 2021 was due to management having a tight control on expenditure across the board whilst recovering from the pandemic, and only spending where it was necessary.

The Statement of Financial Activities shows net expenditure for the charity of £2,042,707 (2021: net expenditure of £1,482,358) before actuarial adjustments required to account for participation in the local government pension scheme. The net result after these adjustments was a net increase in funds of £4,195,293 (2021: net decrease in funds of £11,088,358). At 31 March 2022, the charity had net liabilities of £11,791,354 (2020: net liabilities of £15,986,647) of which £32,865 were restricted funds, £828,552 were designated funds, £2,514,229 were held as unrestricted charitable funds, and a deficit of £15,167,000 represented the charity's share of the deficit in the local government pension scheme.

EMPLOYEE CONSULTATION AND DISABLED EMPLOYEES

SLT encourages the involvement of all employees in its management through regular meetings that take place at a local site level through to senior management and board of trustees of which a staff representative is elected each year and contributes at Board level.

SLT also recognises a number of Trade Unions and has a formal agreement which enables the Trust Management Team to meet with them jointly on a quarterly basis to discuss and consult on employee related matters.

SLT will and does employ disabled persons whereby the individual has demonstrated the ability to undertake the role either with or without any reasonable adjustments. Disabled candidates are given full and fair consideration when such vacancies arise and reasonable adjustments are considered and made to support candidates through the recruitment process through to employment if they are successful.

During employment, the trust seeks to work with employees, taking into account their personal circumstances, to ensure appropriate training and development opportunities are available to enable them to reach their full potential.

**SANDWELL LEISURE TRUST
TRUSTEES' REPORT
for the year to 31 March 2022**

GOING CONCERN

At its Cabinet meeting on 8 February 2022, Sandwell Council took the decision to terminate the contracts with Sandwell Leisure Trust on 31 March 2023. The Trustees have prepared detailed cash flow forecasts which indicate that SLT will have cash reserves of £2m for the year ended 31 March 2023 and that these will remain consistent at £1.9m for the foreseeable future. With no expected significant future operating costs, SLT has sufficient cash resources that will meet its day to day working capital requirements in the long term.

SLT is currently in discussion with both Sandwell Council and The Charity Commission, exploring future opportunities for the charity. At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

FUTURE DEVELOPMENTS

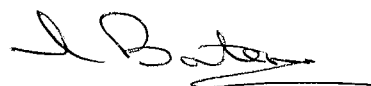
The Trust is currently supporting the Local Authority with a Built Facilities Strategy as part of an overall borough strategy to support improvements in Health and education, growing employment opportunities and providing good quality services.

TRUSTEES REPORT APPROVAL

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities.

In preparing this report, the trustees have had due regard to the Charity Commission Guidance on public benefit.

The Trustees' Report, incorporating both the Strategic Report and the Governance Report, is approved by the Trustees, by whose authority it is signed below:



L BATEMAN
Chair

12/12/2022

SANDWELL LEISURE TRUST
TRUSTEES' REPORT
for the year to 31 March 2022

Statement of Trustees' responsibilities

The trustees (who are also directors of Sandwell Leisure Trust 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 charity 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 the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SANDWELL LEISURE TRUST

Opinion

We have audited the financial statements of Sandwell Leisure Trust (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SANDWELL LEISURE TRUST

- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 19, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SANDWELL LEISURE TRUST

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Health and Safety at Work Act 1974. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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

Use of our report

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

Anna Spencer-Gray (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
10th Floor
103 Colmore Row
Birmingham
B3 3AG

Date:

SANDWELL LEISURE TRUST
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE
ACCOUNT)
For the year ended 31 March 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income from:					
Charitable activities	2	9,323,648	-	9,323,648	7,303,863
Other trading activities		288,942	-	288,942	226,635
Investments		486	-	486	1,471
Total income		9,613,076	-	9,613,076	7,531,969
Expenditure on:					
Raising funds	3	85,564	-	85,564	17,830
Charitable activities	3	11,570,219	-	11,570,219	8,996,497
Total expenditure		11,655,783	-	11,655,783	9,014,327
Net expenditure for the year	1	(2,042,707)	-	(2,042,707)	(1,482,358)
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension scheme	16	6,238,000	-	6,238,000	(9,606,000)
Net movement in funds		4,195,293	-	4,195,293	(11,088,358)
Funds at 1 April 2021		(16,019,512)	32,865	(15,986,647)	(4,898,289)
Funds at 31 March 2022		(11,824,219)	32,865	(11,791,354)	(15,986,647)

The income and expenditure for the year arise from the charity's continuing operations.

All gains and losses recognised in the year are included above.

SANDWELL LEISURE TRUST
BALANCE SHEET
31 March 2022

Company Registration No: 05011501

		2022 £	2021 £
Fixed assets			
Tangible fixed assets	5	848,176	967,305
Current assets			
Stocks	6	18,646	20,273
Debtors	7	367,154	450,315
Cash at bank and in hand		3,751,380	3,708,690
		4,137,180	4,179,278
Creditors: amounts falling due within one year	8	(1,609,710)	(1,768,230)
Net current assets		2,527,470	2,411,048
Net assets excluding pension scheme liability		3,375,646	3,378,353
Defined benefit pension scheme liability	16	(15,167,000)	(19,365,000)
Net (liabilities) including pension scheme liability		(11,791,354)	(15,986,647)
Represented by:			
Restricted funds	10	32,865	32,865
Unrestricted funds:			
General funds	11	2,514,229	1,399,515
Designated funds	12	828,552	1,945,973
		3,342,781	3,345,488
Pension fund		(15,167,000)	(19,365,000)
Total unrestricted funds		(11,824,219)	(16,019,512)
Total (deficit)		(11,791,354)	(15,986,647)

The financial statements on pages 24 - 40 were approved by the board of trustees and authorised for issue on 2022 and are signed on its behalf by:

L BATEMAN
Chair

SANDWELL LEISURE TRUST
STATEMENT OF CASH FLOWS
For the year ended 31 March 2022

	2022 £	2021 £
Cash flows from operating activities:		
Net cash provided by/(used in) operating activities	146,930	(306,663)
Cash flows from investing activities:		
Interest	486	1,471
Purchase of tangible fixed assets	(104,726)	(50,387)
Net cash (used in) investing activities	(104,240)	(48,916)
Increase/(decrease) in cash and cash equivalents in the year	42,690	(355,579)
Cash and cash equivalents at the beginning of the year	3,708,690	4,064,269
Total cash and cash equivalents at the end of the year	3,751,380	3,708,690

RECONCILIATION OF NET (EXPENDITURE) TO NET CASH FLOWS
FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net (expenditure) as per the SOFA	(2,042,707)	(1,482,358)
Depreciation	223,855	270,606
Interest	(486)	(1,471)
Decrease in stocks	1,627	7,374
Decrease/(increase) in debtors	83,161	(295,879)
(Decrease)/increase in creditors	(158,520)	283,065
Defined benefit pension scheme	2,040,000	912,000
Net cash provided by/(used in) operating activities	146,930	(306,663)

ANALYSIS OF CHANGES IN NET FUNDS

	2021 £	Cash flow £	2022 £
Cash in hand and at bank	3,708,690	42,690	3,751,380
Net funds	3,708,690	42,690	3,751,380

SANDWELL LEISURE TRUST ACCOUNTING POLICIES

GENERAL INFORMATION

Sandwell Leisure Trust is a charity, registered with the Charity Commission in England and Wales, and a private company limited by guarantee, incorporated in England. The address of the Charity's registered office is Carnegie Building, Victoria Road, Tipton, West Midlands, DY4 8SR.

Its principal activity is the managing of sports and leisure centres in Sandwell.

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty are set out below:

BASIS OF PREPARATION

The financial statements have been prepared under historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Charities Act 2011 and the Companies Act 2006. Sandwell Leisure Trust meets the definition of a public benefit entity under FRS 102.

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

GOING CONCERN

At its Cabinet meeting on 8 February 2022, Sandwell Council took the decision to terminate the contracts with Sandwell Leisure Trust on 31 March 2023. The Trustees have prepared detailed cash flow forecasts which indicate that SLT will have cash reserves of £2m for the year ended 31 March 2023 and that these will remain consistent at £1.9m for the foreseeable future. With no expected significant future operating costs, SLT has sufficient cash resources that will meet its day to day working capital requirements in the long term.

SLT is currently in discussion with both Sandwell Council and The Charity Commission, exploring future opportunities for the charity. At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

INCOME

Other trading activities

Income from the operation of catering facilities is included in income in the period in which the charity becomes entitled to the receipt.

Income from charitable activities

All income (predominantly from the operation of sports centres and the golf course) is recognised in the period in which it is earned (that is, as the related goods or services are provided).

Grants receivable

Revenue and capital grants receivable are recognised in the Statement of Financial Activities when conditions attaching to the grant are satisfied. Grants receivable for capital expenditure are maintained in a restricted fund to which depreciation of the relevant asset is charged.

Government grants (including CJRS claims) are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

SANDWELL LEISURE TRUST ACCOUNTING POLICIES

INCOME (continued)

Membership income

Income from Membership (Golf Season Tickets and One Card) is recognised over the period covered by the Membership.

Income from investments

Investment income is recognised on a receivable basis.

Other income

Other income is recognised as earned.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. Expenditure is recognised in the period in which the liability is incurred. Expenditure includes attributable VAT, which cannot be recovered.

Expenditure on charitable activities is allocated to the particular activity where the cost relates directly to that activity. Where costs are attributable to more than one activity, the costs are apportioned across those activities on the basis of an estimate of their usage.

Governance costs are those costs incurred in connection with administration of the Trust and compliance with constitutional and statutory requirements.

FUNDS

Funds held by the Trust are either:

- Unrestricted general funds – these are funds, which can be used in accordance with the charitable objects at the discretion of the trustees.
- Pension fund (unrestricted) – these are funds representing the defined benefit pension scheme obligation.
- Designated funds – these are unrestricted funds that have been set aside by the Trustees for particular purposes. These funds are reviewed annually.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the Trust. 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 restricted fund is included in the notes to the financial statements.

TANGIBLE FIXED ASSETS

Individual fixed assets costing more than £1,000 are capitalised at cost. Fixed assets are stated at historical cost, less accumulated depreciation and any provision for impairment.

Depreciation is provided on all tangible fixed assets (excluding freehold land) at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Plant and Machinery	7 years
Sports Equipment	5 years
IT Equipment	3 years
Office Equipment	5 years

The Trust charges a full year's depreciation in the year of acquisition and no depreciation in the year of disposal.

SANDWELL LEISURE TRUST

ACCOUNTING POLICIES

TANGIBLE FIXED ASSETS (continued)

Refurbishment works are capitalised and written off over the estimated life of the scheme from the date the project is complete and open to the public. Refurbishment works are depreciated over their expected useful life of 10 years.

STOCKS

The Trust holds sports equipment for resale (e.g. swimming goggles) and vending stock.

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs expected to be incurred to disposal. Provision is made for obsolete and slow moving items.

LEASED ASSETS AND OBLIGATIONS

All leases are operating leases and the annual rentals are expensed on a straight-line basis over the lease term.

RETIREMENT BENEFITS

For defined benefit schemes the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost.

Actuarial gains and losses arising from new valuations and from updating valuations to the balance sheet date are recognised in the SOFA.

Defined benefit schemes are funded, with the assets held separately from the charitable company in separate trustee administered funds.

Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at each balance sheet date. The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit credit method and discounted at the current rate of return. A pension scheme asset is recognised on the Balance Sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the balance sheet date. A pension scheme liability is recognised to the extent that the company has a legal or constructive obligation to settle the liability.

EMPLOYEE BENEFITS

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

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

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

FINANCIAL INSTRUMENTS

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments and are not considered to be of a financial nature. Such financial instruments, except for investments classified at fair value through the Statement of Financial Activities, are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Fees receivable are recognised at the settlement amount due after any trade discounts offered.

SANDWELL LEISURE TRUST ACCOUNTING POLICIES

FINANCIAL INSTRUMENTS (continued)

Cash at bank and in hand

Cash at bank and cash in hand includes cash and monies on short term deposit, at the bank and other short-term liquid investments with original maturities of three months or less.

Creditors

Creditors 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. Creditors are normally recognised at their settlement amount allowing for any trade discounts due.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charity's accounting policies, which are described above, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Defined Benefit Pension Scheme Actuarial assumptions

The present value of the defined benefit pension scheme liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 16, will impact the carrying amount of the pension liability.

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

1	NET EXPENDITURE	2022 £	2021 £
	Net expenditure is stated after charging:		
	Depreciation of tangible fixed assets:		
	Owned assets	223,855	270,606
	Operating lease rentals		
	- plant and machinery	120,295	115,551
	Auditor's remuneration		
	- as auditor	15,920	21,110
	- other services – VAT advice	4,700	2,000
	Internal audit	17,100	12,300

2 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Income from operation of sports facilities	5,945,449	-	5,945,449	1,283,696
Grants (management fees)	2,517,515	-	2,517,515	2,779,909
CJRS income and Covid grants	860,684	-	860,684	3,240,258
	9,323,648	-	9,323,648	7,303,863

3 ANALYSIS OF TOTAL EXPENDITURE

	Unrestricted Funds £	Pension Reserve £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Other trading activities					
Cost of goods sold	81,973	-	-	81,973	10,194
Other	3,591	-	-	3,591	7,636
	85,564	-	-	85,564	17,830
Charitable activities					
Staff costs	5,903,392	1,627,000	-	7,530,392	6,237,225
Other employee costs	185,535	-	-	185,535	75,683
Premises	1,563,996	-	-	1,563,996	1,017,433
Transport	41	-	-	41	-
Professional fees	19,800	-	-	19,800	22,527
Depreciation	223,855	-	-	223,855	270,606
Other	1,586,301	413,000	-	1,999,301	1,326,120
Governance costs	47,299	-	-	47,299	46,903
	9,530,219	2,040,000	-	11,570,219	8,996,497

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

3 ANALYSIS OF TOTAL EXPENDITURE (GOVERNANCE COSTS)

	Unrestricted Funds	Pension Reserve	Restricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£	£
Legal costs	33,020	-	-	33,020	33,410
Trustee indemnity insurance	-	-	-	-	578
Staff costs relating to preparation and attendance at trustee meetings	14,279	-	-	14,279	12,915
Total	47,299	-	-	47,299	46,903

Staff costs have been allocated in accordance with the percentage of time spent by employees. All other costs have been allocated on a direct basis.

4 TRUSTEES AND EMPLOYEES

No remuneration is paid to any trustee (director) in respect of their service as Trustees (2021: £nil). No expenses were reimbursed to trustees (2021: £nil). Trustee indemnity insurance of £nil (2021: £578) was purchased during the year.

	2022 £	2021 £
Staff costs		
Wages and salaries	4,906,316	4,656,018
Social security costs	370,081	289,112
Pension costs	2,268,274	1,305,009
	7,544,671	6,250,139
	2022 Number	2021 Number
Average number of persons employed, including executive directors (FTE)	167	164
Average number of persons employed, including executive directors (head count)	371	424

These employees carry out a variety of duties including direct charitable, management and administration tasks.

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

4 TRUSTEES AND EMPLOYEES (continued)

One (2021: One) employee earned in excess of £60,000 during the period. This employee earned between £80,000 and £90,000 (2021: One).

Pension contributions in respect of higher paid staff amounted to £14,376 (2021: £13,956). One higher paid staff member is accruing benefits under the defined benefit pension scheme.

Remuneration paid to key management personnel (including the above, employer's pension contributions and employer's National Insurance) was £273,680 (2021: £265,412).

Redundancy and termination payments paid during the period amounted to £nil (2021: £42,336).

One employee served as a Trustee. The total remuneration during the period (including employer's pension contributions, employer's National Insurance, redundancy & termination costs) was £18,155 (2021: £14,447). No other remuneration was paid to a Trustee.

5 TANGIBLE FIXED ASSETS

	Freehold land £	Refurbishment costs £	Plant & Machinery £	Sports Equipment £	IT & Office Equipment £	Total £
Cost						
At 1 April 2021	467,826	2,169,586	200,520	1,301,107	878,983	5,018,022
Additions	-	36,246	6,861	60,377	1,242	104,726
31 March 2022	467,826	2,205,832	207,381	1,361,484	880,225	5,122,748
Depreciation						
At 1 April 2021	-	1,909,796	152,886	1,144,641	843,394	4,050,717
Charge for year	-	93,492	14,166	96,988	19,209	223,855
31 March 2022	-	2,003,288	167,052	1,241,629	862,603	4,274,572
Net book amount						
31 March 2022	467,826	202,544	40,329	119,855	17,622	848,176
31 March 2021	467,826	259,790	47,634	156,466	35,589	967,305

6 STOCKS

	2022 £	2021 £
Goods for resale	18,646	20,273

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

7 DEBTORS

	2022 £	2021 £
Trade debtors	354,673	29,683
Other debtors	7,591	414,689
Prepayments	4,890	5,943
	<u>367,154</u>	<u>450,315</u>

Included within other debtors above are amounts due after more than one year of £3,338 (2021: £13,400) in respect of car loans to staff who qualify under their Terms and Conditions of Service.

8 CREDITORS: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	113,689	131,018
Other taxation and social security	186,709	155,637
Other creditors	82,854	245,725
Accruals and deferred income	1,226,458	1,235,850
	<u>1,609,710</u>	<u>1,768,230</u>

9 DEFERRED INCOME

	£
Balance as at 1 April 2021	237,054
Amount released to income	(237,054)
Amount deferred in the year	<u>56,249</u>
Balance as at 31 March 2022	<u>56,249</u>

Deferred income represents prepaid membership income for the coming year and hire of facilities income received in advance.

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

10 RESTRICTED FUNDS

The funds of the charity include restricted funds held on trust to be applied for specific purposes.

	Balance 1 April 2021 £	Movement in Funds			Balance 31 March 2022 £
		Income £	Expenditure £	Transfers £	
Physical Activity Board	18,015	-	-	-	18,015
Street Games	12,420	-	-	-	12,420
Active Citizens	2,430	-	-	-	2,430
Total	32,865	-	-	-	32,865

Prior Year	Balance 1 April 2020 £	Movement in Funds			Balance 31 March 2021 £
		Income £	Expenditure £	Transfers £	
Physical Activity Board	17,970	45	-	-	18,015
Street Games	12,420	-	-	-	12,420
Active Citizens	2,430	-	-	-	2,430
Total	32,820	45	-	-	32,865

Physical Activity Board

This fund represents the contributions to the Physical Activity Board from SLT and other partners such as PCT, and Sport Colleges to support work in the voluntary sector.

StreetGames

The grant from StreetGames will be used to fund activity in partnership with StreetGames, including weekly activity for local young people in sports which may include football, basketball, cricket, street cheer, cycling etc. In addition, school holiday sports programmes and events such as bmxing festival. The activity will be focused on the most deprived areas of West Bromwich, Smethwick, Tipton, Rowley and Oldbury.

Active Citizens

This grant is from the Police and is aimed at intervention around physical activity for non-sporty girls. Motivational programmes are developed for girls not achieving, or with behavioural problems, life issues, poor school attendances etc.

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

11 UNRESTRICTED GENERAL FUNDS

	2022 £	2021 £
1 April 2021	1,399,515	3,375,891
Net (expenditure)/income	(2,707)	(570,403)
Transfer from/(to) designated fund	1,117,421	(1,405,973)
31 March 2022	2,514,229	1,399,515

General Funds include an amount for the Ryland Repair Fund.

12 DESIGNATED FUNDS

	2022 £	2021 £
1 April 2021	1,945,973	540,000
Transfer (to)/from unrestricted general funds	(1,117,421)	1,405,973
31 March 2022	828,552	1,945,973

At its 23rd March 2022 Board meeting, Members approved to redesignate reserves totalling £1,357.6k and not spend these funds on the SMBC contract, but instead for the reserves to be made available for the future of SLT which is to be decided at a future Board meeting. Designated now comprises of:-

Ryland Repair Fund

In 2021-22 Trustees increased the designated to £198,652 for the Ryland Repair Fund to deal with all major lifecycle maintenance issues, including the replacement of the athletics track.

Business Plan 2021-2023 Fund

In 2021-22 the Trustees reduced designated to £229,900 of reserves to support the 2020-2023 Business Plan.

Investment Portfolio Fund

In 2021-22 the Trustees reduced designated to £400,000 to support the development of an investment strategy/portfolio to generate increased income and thereby enabling the Trust to reduce the Management Fee in future years. The process commenced February 2020 but put into abeyance following the outbreak of the Covid-19 pandemic crisis.

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

13 ANALYSIS OF NET ASSETS/(LIABILITIES) BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Tangible fixed assets	848,176	-	848,176	967,305
Stocks	18,646	-	18,646	20,273
Debtors	367,154	-	367,154	450,315
Cash at bank and in hand	3,718,515	32,865	3,751,380	3,708,690
Creditors due within one year	(1,609,710)	-	(1,609,710)	(1,768,230)
Defined benefit pension scheme liability	(15,167,000)	-	(15,167,000)	(19,365,000)
Net assets/(liabilities)	(11,824,219)	32,865	(11,791,354)	(15,986,647)
Prior year – 31 March 2021:	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Tangible fixed assets	967,305	-	967,305	1,187,525
Stocks	20,273	-	20,273	27,647
Debtors	450,315	-	450,315	154,436
Cash at bank and in hand	3,675,825	32,865	3,708,690	4,064,269
Creditors due within one year	(1,768,230)	-	(1,768,230)	(1,485,166)
Defined benefit pension scheme liability	(19,365,000)	-	(19,365,000)	(8,847,000)
Net assets/(liabilities)	(16,019,512)	32,865	(15,986,647)	(4,898,289)

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

14 COMMITMENTS UNDER OPERATING LEASES

	2022 £	2021 £
At 31 March 2022, the Charity had total future commitments under non-cancellable operating leases as follows:		
Plant and machinery:		
Amounts due within one year	40,025	39,197
Amounts due within one to five years	360	202
	40,385	39,399

15 TAXATION

The company, which is a registered Charity, is exempt from taxation on its charitable activities.

16 PENSION COSTS

Defined benefit scheme

The Trust participates in a pension scheme operated by the West Midlands Pension Fund. The West Midlands Pension Fund is a funded scheme, with the assets held in separate trustee administered funds.

There were outstanding contributions of £76,051 (2021: £68,928) at the year end, included within other creditors.

The Charity expects to make contributions in the year ended 31 March 2023 of £674,000 (2022: £611,000).

The following information is based upon a full actuarial valuation of the Fund at 31 March 2020 updated to 31 March 2022 by a qualified independent actuary.

	At 31 March 2022	At 31 March 2021
Rate of increase in salaries	4.15%	3.8%
Rate of increase in pensions in payment	3.15%	2.8%
Discount rate	2.75%	2.05%
Inflation assumption	3.15%	2.8%

The current mortality assumptions included sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	At 31 March 2022	At 31 March 2021
Retiring today:-		
Males	21.2	21.6
Females	23.6	23.9
Retiring in 20 years:-		
Males	22.9	23.4
Females	25.4	25.8

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

16 PENSION COSTS (continued)

The fair value of the assets in the scheme was:

	2022 £000	2021 £000
Equities	21,368	17,095
Government Bonds	7,016	2,890
Other Bonds	-	1,114
Property	2,232	2,096
Cash	1,276	1,734
Other	-	4,087
Total fair value of assets	31,892	29,016

	2022 £000	2021 £000
Trust's estimated asset share	31,892	29,016
Present value of scheme liabilities	(47,059)	(48,381)
Deficit in the scheme	(15,167)	(19,365)

ANALYSIS OF THE AMOUNT CHARGED TO STATEMENT OF FINANCIAL ACTIVITIES	2022 £000	2021 £000
Employer contributions	630	609
Current service cost	(2,257)	(1,302)
Past service cost	-	(1)
Net interest cost	(413)	(201)
Administration expenses	-	(17)
	(2,040)	(912)

Analysis of the amount charged to actuarial gains/(losses) on defined benefit pension scheme	2022 £000	2021 £000
Remeasurements (assets)	1,808	4,099
Experience gains and losses on liabilities	(101)	339
Change in demographic assumptions	262	407
Changes in assumptions	4,269	(14,451)
Actuarial gain/(loss) recognised in SOFA	6,238	(9,606)

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

16 PENSION COSTS (continued)

Cumulative actuarial losses recognised in the SOFA totalled £3,663,000 (2021: £9,901,000 loss).

	2022 £000	2021 £000
Movement in deficit during year		
Deficit in scheme at beginning of year	(19,365)	(8,847)
Movement in year:		
Current service cost	(2,257)	(1,302)
Past service cost	-	(1)
Contributions	630	609
Net return on assets	(413)	(201)
Actuarial gain/(loss)	6,238	(9,606)
Administrative expenses	-	(17)
	<u>(15,167)</u>	<u>(19,365)</u>
 Asset and Liability reconciliation		
	2022 £000	2021 £000
Reconciliation of liabilities:		
Liabilities at start of year	48,381	32,922
Current service cost	2,257	1,302
Interest cost	1,012	770
Member contributions	242	236
Return on assets less interest	(4,269)	14,451
Change in demographic assumptions	(262)	(407)
Experience loss on defined benefit obligation	101	(339)
Benefits paid	(403)	(555)
Past service cost	-	1
	<u>47,059</u>	<u>48,381</u>
 Reconciliation of assets:		
Assets at start of year	29,016	24,075
Interest on plan assets	599	569
Actuarial gains/(losses)	1,808	4,099
Administrative expenses	-	(17)
Employer contributions	630	609
Member contributions	242	236
Benefits paid	(403)	(555)
	<u>31,892</u>	<u>29,016</u>

Under the Management and Funding Agreement (MFA) with Sandwell MBC, the Council bears the risk of changes in the superannuation contribution rate for the establishment that transferred to the Trust on 1 April 2004 and the Trust's Management Fee is adjusted to reflect this. As a result, the Trust only bears the risk of any shortfall relating to additional superannuation costs it has incurred over and above the amounts funded by the Council. In FY2021/22 the level of management fee relating to superannuation covered the Trust's actual expenditure.

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

17 COMPANY LIMITED BY GUARANTEE

The charitable company is limited by guarantee amounting to £1 for each member in the event of the charitable company being wound up.

18 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Income from:			
Charitable activities	7,303,818	45	7,303,863
Other trading activities	226,635	-	226,635
Investments	1,471	-	1,471
Total income	7,531,924	45	7,531,969
Expenditure on:			
Raising funds	17,830	-	17,830
Charitable activities	8,996,497	-	8,996,497
Total expenditure	9,014,327	-	9,014,327
Net income/(expenditure) for the year	(1,482,403)	45	(1,482,358)
Other recognised gains and losses			
Actuarial (losses)/gains on defined benefit pension scheme	(9,606,000)	-	(9,606,000)
Net movement in funds	(11,088,403)	45	(11,088,358)
Funds at 1 April 2020	(4,931,109)	32,820	(4,898,289)
Funds at 31 March 2021	(16,019,512)	32,865	(15,986,647)

SANDWELL LEISURE TRUST

England & Wales - Charity number 1102431

Accounts



SANDWELL LEISURE TRUST
(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

for the year ended

31 March 2021

Company Registration No. 05011501
Registered Charity No. 1102431

**SANDWELL LEISURE TRUST
TRUSTEES' REPORT
for the year to 31 March 2021**

Foreword

This was our 16th year of operation and 2020 has been a year we will never forget. Covid-19 has brought many challenges to not only the fitness industry but the whole world. We would like to offer our sincerest thoughts to our staff, customers and the wider community whose lives have been affected by this global pandemic.

This has been without a doubt the most challenging and hard-hitting event to impact the leisure industry in our lifetime. We have faced many challenges with lockdowns and new restrictions in place however our staff and customers have been extraordinary in adapting to these changes, leaving us hopeful for the future.

Sandwell Leisure Trust (SLT) is a social enterprise, established as a company limited by guarantee, and a registered charity, managing award-winning sport and leisure facilities.

We are non-profit distributing which means we reinvest 100% of any surplus to maintain, improve and deliver quality services for the whole community to enjoy, socialise in and become more active.

The Trust manages 9 sports and leisure centres, including 6 swimming pool facilities, and a golf course in Sandwell, and delivers a wide range of popular sports development activities throughout the borough, on behalf of and in partnership with Sandwell Council.

We also manage a 10th sports and leisure centre outside of Sandwell – the Ryland Centre in Bromsgrove.

It is heartening to see that in a competitive market with challenging local demographics, SLT continues to deliver service improvements and exceed targets, to increase participation in physical activity and sport throughout the borough whilst improving the health of Sandwell.

Our customers are at the heart of everything we do and it is vital we continue to demonstrate the social impact we make by showcasing the testimonials and feedback of how the Trust is changing people's lives. Sandwell Council's vision is to create a more physically active Sandwell whilst driving the continuous improvement of key Public Health outcomes, SLT plays a leading role in the successful delivery of this vision and achievement of these outcomes

As a result of the pandemic overall membership has decreased to 59,117 (2020: 76,424), attendances at our sports and leisure centres were also affected but despite 3 lockdowns and Covid secure restrictions swimming for all ages in Sandwell remained popular once centres re-opened. Free swimming registrations increased to 46,963 (2020: 46,692).

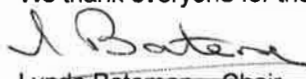
Other notable highlights include receiving the National RoSPA Health & Safety 'Order of Distinction' the only leisure trust to obtain this award following retaining successive 15 years of Gold recognition. Leisure facilities also received QUEST excellence which heavily test Covid Secure standards and operations. The Trust maintained Silver accreditation from Investors in People an award only achieved by the top 15% of organisations in the UK.

Importantly, we also continued to receive excellent feedback from our customers on how we are changing their lives. A selection of their stories and comments are featured throughout this report.

Sandwell Council's vision is to create a more physically active Sandwell and SLT continues to play a leading role in the successful delivery of this vision.

All of our achievements would not be possible however without the commitment and hard work of our employees, the effective leadership, expertise and innovation of our managers and Board Members and the support of Sandwell Council and all our partners.

We thank everyone for their continued contribution and support.


Lynda Bateman – Chair
2021 / 12 / 21


Ash Rai – Chief Executive
21 / 12 / 2021

**SANDWELL LEISURE TRUST
TRUSTEES' REPORT
for the year to 31 March 2021**

GOVERNANCE REPORT

STATUS

The organisation was incorporated on 9 January 2004 as a company limited by guarantee and was registered with the Charity Commission on 2 March 2004.

The charitable company is established under a Memorandum of Association which establishes the objects and powers of the charitable company and is governed under its Articles of Association.

TRUSTEES

As the company is limited by guarantee, the trustees have no interest in any shares in the company. The trustees who served during the period and up to the date of this report were as follows:

V McFarland		(appointed 01.12.04)
Cllr P Hughes		(appointed 12.09.07, resigned 31.08.16, reappointed 07.02.17, resigned 07.12.20)
L Bateman	(Chair from 06.09.16)	(appointed 04.05.10)
V Nembhard		(appointed 17.09.13, resigned 02.09.19)
M Sharma		(appointed 17.09.13)
P Venables	(Vice Chair from 11.09.18)	(appointed 04.02.14)
P Piddock		(appointed 11.09.18)
R Jackson		(appointed 11.09.18, resigned 23.07.21)
P Kaur		(appointed 11.09.18)
R McVittie		(appointed 26.01.21)
S Fleming		(appointed 02.11.21)
T Barter		(appointed 19.11.21)

CHIEF EXECUTIVE

A Rai

SECRETARY

S Dillion

REGISTERED OFFICE

Carnegie Building
Victoria Road
Tipton
West Midlands
DY4 8SR

**SANDWELL LEISURE TRUST
TRUSTEES' REPORT
for the year to 31 March 2021**

REGISTERED NUMBERS

Company registration number 05011501
Registered charity number 1102431

AUDITORS

RSM UK Audit LLP
Chartered Accountants
St Phillips Point
Temple Row
Birmingham
B2 5AF

BANKERS

NatWest Bank
267 Castle Street
Dudley
DY1 1LJ

GOVERNANCE AND RISK

We are committed to achieving high standards of corporate governance throughout our operations.

The Board leads and maintains full and effective control of the charitable company and its activities. The Board is responsible for matters of key strategic importance and delegates financial authority to the Chief Executive and other Trust Managers via a clearly defined scheme of delegation. In addition, the Board has delegated authority to the Remuneration Sub-Committee and the Chief Executive and agreed Sub-Committees will be brought together to deal with finance/employment and governance matters as required. Our Board Members also bring skills and experience to help drive our expansion.

We operate a rigorous business planning process whereby corporate objectives and targets directed by the Board and agreed with Sandwell MBC ("SMBC") cascade down the Trust's Business Plan, Action Plans and employees' personal objectives. This is fully embedded in our planning and budgeting cycles and is an integral part of our operation and performance.

We have an established system for identifying, evaluating and managing the significant risks faced by the charitable company and a risk log is an integral part of the annual operational plan which is agreed by the Board. The Board Members have been actively involved in identifying and managing the risks to which we are exposed.

The key risk facing SLT is non-delivery of the 2020-21 to 2022-23 Business Plan, which will be affected by our recovery from the Covid-19 Pandemic which has affected the whole of the Leisure Industry. Non delivery of the Business Plan would affect the viability and financial stability of the Organisation. More information on going concern is provided on page 16.

The risk log is reviewed by the Executive team every quarter and an updated version presented to the Board every six months. In addition, the log would be reviewed in the event of a significant occurrence which materially increases a risk.

Our Memorandum and Articles of Association specify the number of Trustees required and lays down the duration of their terms of office. The number of trustees is kept under review by the Chief Executive and Company Secretary. We maintain an open advert for new trustees via the company website and active recruitment campaigns are undertaken when it is anticipated that trustee numbers are likely to reduce. In line with best governance practice, we put in place a comprehensive induction programme for any new Board Members. In addition to formal training, this provides access to an online resource pack and web portal. Annual reviews for individual Board Members are available with the Chair, and the Board performance and effectiveness process was implemented during the last year along with a new appraisal scheme.

The Trustees and the Management Team make up the key management personnel of the charity in charge of directing, controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely (details of reimbursed expenses are included in note 4).

The pay of the Chief Executive is considered on an annual basis by the Remuneration Sub-Committee which makes recommendations to the Trust Board taking into consideration a number of factors i.e. pay levels of Chief Executives at similar organisations, local authority heads of services, SPORTA (now Community Leisure UK), awards made by the National Joint Council and the Association of Chief Executives of Voluntary Organisations (ACEVO). The other members of the Trust Management Team are granted pay awards in accordance with their contract of employment.

The Sub-Committee is also responsible for undertaking an annual performance appraisal and development process for the Chief Executive.

CORPORATE RESPONSIBILITY

Health & Safety ("H&S")

We take our duty of care to all those who work or visit our facilities extremely seriously and in order that we continue with the healthy culture supporting Health and Safety within the Trust, we seek independent advice from our external provider.

The Board has agreed a Health & Safety Policy which sets the strategic direction for this area. We have a Joint Health & Safety Consultative Committee with the Trade Unions, which meets regularly to discuss and resolve health and safety issues.

Environment

SLT is committed to reducing its carbon footprint and impact on the environment. We recognise the importance of protecting the environment and have installed a number of measures to reuse and recycle trade waste and consumable materials.

We have also installed Combined Heat and Power (CHP) units at some leisure facilities. These units enable energy to be used more efficiently by converting excess heat into power to support the running of the facility.

We also work in partnership with our suppliers, local businesses and continue to benchmark ourselves within the leisure industry to develop new ways of working and adopt best practice.

Our sport and leisure centres have received Sandwell's Business Environmental Charter Award ranging from Bronze to Gold standard. This Award recognises the commitment by staff in reducing the centre's impact on the environment. This also demonstrates the sites commitment to supporting environmental issues at the facility and those of Sandwell as listed in Agenda 21.

THIRD PARTY INDEMNITY PROVISION FOR TRUSTEES

Qualifying third party indemnity provision is in place for the benefit of all trustees of the charity.

STATEMENT TO DISCLOSURE OF INFORMATION TO AUDITORS

The trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the trustees have confirmed that they have taken steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

STRATEGIC REPORT

SLT MAKING AN IMPACT FOR SANDWELL IN 2020/2021

SLT is a non-profit distributing organisation which means we reinvest 100% of any surplus to improve, maintain and deliver quality services for the whole community to enjoy, socialise in and become more active.

It is heartening to see that in a competitive market with challenging local demographics, SLT continues to deliver service improvements and exceed targets to increase participation in physical activity whilst improving the health and well-being of Sandwell.

Our customers are at the heart of everything we do and it is vital we continue to demonstrate the social impact we make by showcasing the testimonials and feedback of how the Trust is changing people's lives. Sandwell Council's vision is to create a more physically active Sandwell whilst driving the continuous improvement of key Public Health outcomes, SLT plays a leading role in the successful delivery of this vision and achievement of these outcomes.

We continue to work in partnership with Sandwell Council on the new £60m Sandwell Aquatic Centre swimming facility opening for the Birmingham 2022 Commonwealth Games and £5.1m West Smethwick Park restoration which includes a new pavilion building, both to be managed by SLT.

All of our achievements would not be possible without the commitment and hard work of all our employees, the effective leadership, expertise and innovation of our managers and our Board and our key partnership with Sandwell Council.

We thank everyone for their continued contribution and support.

OUR AIMS

- Maintain quality of services for Sandwell Residents
- Increase participation
- Increase attendances
- Staff satisfaction & well-being
- Maintain financial stability, whilst being well governed & eco friendly
- Continue to reduce management fee
- Provide value for money
- Customer satisfaction
- Highest level health & safety
- Achieve & maintain external accreditations

OUR PRIORITIES

- Increasing income
- Maintaining/Improving quality
- Maintaining/Improving safety
- Reducing expenditure

SOCIAL IMPACT

Increasing participation in physical activity and improving the health and well-being of the local and wider community remains the top priority for SLT. The trust works hard to do this by providing a range of opportunities for more people to enjoy leisure in a safe and social way.

The coronavirus pandemic has undoubtedly affected end of year figures. The world and SLT started to see the effects of Covid-19 at the start of March 2020 and the virus was still prevalent and affecting everyday life at the end of this financial year. Due to government enforced closures, our centres were closed for around 9 months this year.

Despite a very strong start at the beginning of 2020 for membership growth, the impact of Covid-19 and the closure of the facilities for over half of the year April 2020 to March 2021, has had a huge impact on membership for the Leisure Trust. On average, the annual new member sales circa' 8,000; during this year it was just under 1,200 and this has consequently seen the membership base drop by 51%.

Whilst there were brief periods where the leisure centres were open, the decision was made not to run any new member offers or promotions. Despite the centres being closed, we have retained over 6,200 members. Plans are being drafted to re-build the previously strong membership base once the centres are given the go-ahead to re-open.

A Social Value Analysis report compiled by industry leading 4Global provides detail of the level of Social Value that arises from the Trusts operation here in Sandwell, the analysis confirms a staggering £16.5 Million Pounds worth of Social Value from our operation in one of the most deprived Boroughs in the country.

The Social Value total is split into sub-categories: Subjective Wellbeing, Health, Education and Crime. Figures are provided at a per-person level and detailed by member category. A breakdown is also provided into the 'Cases prevented' within individuals as a result of participating in physical activity at Sandwell sites.

The social value analysis identifies that the SLT estate generated £16.5m of social value in 2019, with Portway Lifestyle Centre generating the highest amount, at almost £3.9m. When comparing the outcomes to the rest of the UK leisure sector, 7 of the 10 SLT sites sit in the 3rd or 4th (highest) quartiles, demonstrating they are above average for the industry.

16.1% of Sandwell residents were a member of an SLT facility at some point in 2019, which is higher than the 15.9% industry average (for Health & Fitness only) Over 60% of SLT members were from IMD group 1 or 2 (the most deprived groups), which is almost exactly representative to the Sandwell Borough IMD statistics. Over 93% of SLT members live within the Sandwell Borough, with an average travel time of less than 5 and a half minutes (drive time) between their registered home address and their 'home' facility.

These figures support Sandwell's Vision 2030 Ambition 2 & 8.

Ambition 2 - Sandwell is a place where we live healthy lives and live them for longer, and where those of us who are vulnerable feel respected and cared for.

Ambition 8 - Our distinctive towns and neighbourhoods are successful centres of community life, leisure and entertainment where people increasingly choose to bring up their families.

THE IMPACT OF COVID-19

The Coronavirus pandemic began affecting everyday life in March 2020 with extra measures being introduced at all SLT centres mid-March. Enhanced cleaning and social distancing measures were put in place however the government announced the national closure of all leisure centres on 23rd March 2020.

While all centres were closed a core number of staff worked to prepare for when the government announced the re-opening of leisure centres. Preparations for creating Covid-19 secure centres included:

- Creating risk assessments that adhered to government guidance.

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- Adjusting various aspects of centres to allow social distancing such as creating a queue system, spacing apart equipment and producing signage for customer guidance.
- Regular building checks and cleaning.
- Implementing a new booking system.
- Ensuring staff are informed and up to date with training.
- Letting customers know of changes to operations via social media & email.
- Sourcing cleaning materials and PPE for staff.

Following the easing of restrictions, a Phased re-opening commenced with Portway Lifestyle Centre, Wednesbury Leisure Centre, Haden Hill Leisure Centre and Tipton Sports Academy opening from August 6th 2020. Harry Mitchell Leisure Centre and Hadley Stadium followed re-opening on September 2nd 2020. Due to essential building works Tipton Leisure Centre re-opened on October 5th 2020.

Bookable gym slots, fitness classes and swimming sessions were available as well as swimming lessons, indoor sports and outdoor sports. Customers were co-operative with the new Covid-secure measures in place and enjoyed the return to SLT's services.

Unfortunately, due to an increase in Coronavirus cases, leisure centres were once again closed and a national lockdown began on 5th November 2020. Centres once again closed and the relevant cleaning and building checks continued to take place until centres were able to re-open again one month later on 2nd December 2020.

December however saw another increase in Coronavirus cases and following government guidance, centres were once again closed from Thursday 31st December. The third national lockdown eased restrictions for outdoor sports on Monday 29th March and gyms were permitted to re-open on Monday April 12th meaning our centres didn't see much time open towards the end of this year.

This year has been challenging for people and businesses all around the world however despite the impact it may have had on SLT, customers and staff remained positive throughout and continue to support the trust.

Impact of Covid on budgets

	2020-21 £m
<u>Financial Impact of Covid 19</u>	
Loss of Income From Fees & Charges	6.4
Offset by:	
Grants	3.2
Net loss	(3.2)
Savings from Reduced Expenditure on	
Employees	1.6
Premises	0.8
Transport & Other Expenditure	0.6

Throughout the pandemic, the Council continued to pay the management fee.

HELPING THE COMMUNITY DURING THE PANDEMIC

Food Hub

A partnership was created with Sandwell Food Hub, SLT supported the team in delivering food and essential supplies to those who were the most vulnerable.

Vending donations

£4,500 worth of vending stock was donated to the Sandwell Food Hub by SLT which was shared with NHS frontline staff at Walsall Manor Hospital. Councillor Maria Crompton, Sandwell Council Deputy Leader and Cabinet Member for Safer Communities, said: "It was a really easy decision to use the stock donated by Sandwell Leisure Trust to provide much-needed refreshments to our local hospitals. They are doing such an amazing job and we wanted to show our appreciation and support."

Portway Reach

Funded by the National Lottery's Reaching Community programme Portway Reach aims to re-engage and support people 18 and over in the local community directly affected by Covid-19. Portway Reach aims to increase the confidence & self-esteem of individuals by re-introducing them into centres and back towards a healthy lifestyle.

Participants receive a free 4 weeks ONE Card membership, a virtual tour and induction of the building and a social media support group.

Vaccination Hubs

Portway Lifestyle Centre

Since the end of December, Portway became one of the first Vaccination Clinics set up, which seemed a most fitting use of the facility during lockdown, particularly with its strong links to the GP Practice and Sandwell and West Birmingham NHS Trust.

Lead by the Portway Family Practice, and used by more than 20 GP Surgeries across the Primary Care Network, the team have surpassed the target of offering a first vaccine dose to all of their patients who are registered to the GP Surgery within the top four priority groups by the middle of February. It is forecasted that 25,000 individuals will have received their first jab by the end of March.

Dr Arun Saini commented "we are delighted to be utilising the excellent facilities within the leisure centre in our efforts to vaccinate the local community. The support of colleagues at Portway and across all of the GP practices within the network including Nurses, GP's, Health care support staff and Volunteers has been truly overwhelming."

Tipton Sports Academy

As a well-known landmark close to good transport links, the venue in Wednesbury Oak Road proved to be a strong choice to support the work of the NHS in delivering the vaccine to the local community.

The vaccination centre at Tipton Sports Academy became operational from Monday 22 February, with the national vaccination effort being extended to further priority groups, as announced recently by the Department of Health and NHS England.

The first patient to receive a vaccination at Tipton Sports Academy when the doors opened on Monday 22 February was Mrs Christine Adams, aged 74, from Tipton. She received her vaccine from Consultant Nurse Michelle Dexter.

Mrs Adams said:

"I've been planning to get my vaccination for a couple of weeks so when I found out there was a centre opening just down the road at Tipton Sports Academy, it was ideal for me. Thanks to everyone – the NHS staff and all the scientists – who's looking after us so well."

Sally Roberts, Chief Nurse, Black Country and West Birmingham CCGs said:

"Across the Black Country and West Birmingham, a great many people are working hard to rollout vaccinations, starting with those most at risk. Our progress to date has been steady and I am delighted that we are now able to add another vaccination centre, capable of delivering thousands more vaccines each week."

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Ash Rai, Chief Executive of Sandwell Leisure Trust which runs Tipton Sports Academy, said:

"By hosting the vaccine centre at Tipton Sports Academy, we're able to support the NHS in providing immunisation for the local community. We already have vaccinations being offered at Portway Lifestyle Centre, in partnership with our local GPs. People who book an appointment when they're eligible and receive the vaccine will be helping the NHS in the most important public health initiative it has ever undertaken."

Sandwell Council deputy leader, Councillor Maria Crompton, said:

"This is fantastic news for us locally, in our fight across the borough against the coronavirus. Having Tipton Sports Academy on board as a vaccination centre will greatly increase the number of jabs we can deliver, and the speed at which we can administer them. It will make people safer from this deadly virus more quickly."

Quotes:

"Just like to say a big thank you to all your staff. Came for my Covid jab today. Felt really safe & well looked after. Thank you."

"I had taken my dad for his Covid jab. Lovely place, and the staff were lovely and so organised. 100% putting their lives at risk to help others...well done to each and everyone of you".

CHANGING WITH FITNESS

Team SLT at Home

During the national lockdown which took place from Thursday 5 November to Wednesday 2 December, a platform was set up for SLT members to join live and pre-recorded fitness classes by purchasing the 'Team SLT at Home' product. The service cost £9.99 for 30 days and 117 members were part of the group which enjoyed daily fitness classes suitable for all abilities.

Les Mills on Demand

As a result of SLT's partnership with Les Mills Fitness, customers could benefit from a discounted price on Les Mills On Demand. The platform offers over 800 workouts with many popular classes available such as BodyCombat, BodyPump, BodyBalance & GRIT. Over 749 members signed up and took advantage of the great discount.

Outdoor Workouts

In October Tier 3 restrictions on Sandwell meant that indoor fitness classes could not take place however outdoor fitness classes were allowed, social distancing permitted. Fitness teams at Portway Lifestyle Centre and Haden Hill Leisure Centre quickly adapted to this news offering outdoor fitness classes. Haden Hill Leisure Centre hosted fitness sessions in the park while Portway Lifestyle Centre offered classes on their 3G pitch and life trail. The classes provided a great alternative to indoor fitness classes enjoyed by many members.

SWIMMING IN SANDWELL

We are proud to continue to play a major role in the delivery of safe swimming in Sandwell. Swimming is an essential skill and the demand for learning and enjoying swimming in Sandwell continues to grow.

SLT Swimming Lessons deliver lessons for parent and baby/toddler, pre-school children, school children, young people, adults, and targeted sessions supporting people with disabilities. We work in partnership with Swim England delivering their Learn to Swim Programme. Although Covid-19 impacted capacities for swimming lessons this year, we were still able to offer a successful public swimming lesson programme that is recovering well.

SLT's popular Junior Lifeguard Academy aims to 'progressively challenge' learners to attain survival and rescue skills that can save lives and provide opportunities also leading to employment with SLT. Although Covid-19 halted our ability to run courses, we have high demand for Pool Lifeguard and Swimming Teacher courses and will be restarting as soon as restrictions ease.

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Over 11,000 school children from over 90 schools at key stage 1 and 2 receive swimming lessons with SLT in Sandwell each year with around 200 school lessons a week delivered during term-time. Covid-19 has impacted two academic years in achieving national curriculum standards. We are supporting local schools to support their key stage 1, 2 & 3 attainment recovery with sign up to Swim England's School Swimming & Water Safety Charter, as well as offering additional 'top up' swimming lessons where possible.

Free Swimming in Sandwell

Sandwell's free swimming scheme is delivered by SLT at pools across Sandwell. This initiative helps residents aged 60+ and those aged 16 and under to access quality safe swimming locally in Sandwell. Although Covid-19 impacted the timescale and logistics of Free Swimming this year, 4,582 Sandwell free swims have been delivered to those aged 16 and under or over 60.

THE RYLAND CENTRE

For many leisure providers around the world, 2020 was a challenging year with lockdowns, closures and many restrictions in place when facilities were able to open. For the Team at the Ryland Centre, this has given us an opportunity to diversify our product and in some cases hit the reset button.

During the first lockdown we offered a free online fitness class timetable, with over 200 people per session logging in. We used Facebook and Zoom as our platforms. To support the business in this stage we set up a donations page for members who still wanted to contribute and support the business. Our aim was to continue serving and supporting our members through these difficult times and to retain members for when we could re-open.

We saw a steady return in July 2020 to the gym and classes. With many restrictions in place this did affect our club use and hall hire on return.

We continued our online fitness offering and made this a part of our membership offer. Along with adding programmes such as beginner Yoga courses to increase income and help serve our customers.

In November 2020 we faced another lockdown, during this lockdown we made our online fitness programme a standalone product with over 450 sign ups to this membership.

With further restrictions and tiers in December, we created an outdoor fitness brand to enable us to continue delivering classes.

During the January - March Lockdown, we continued with a strong online membership.

Towards the end of the year, we have continued with online classes, a brand new outdoor fitness class product with 14 classes per week and we are set for a strong return throughout 2021.

OUR STAFF

We currently employ 424 staff, 64% are Sandwell residents and the staff turnover for 2020/21 was 5.8%.

For a large part of the year our centres were closed due to Covid-19, however, SLT continued to invest in staff training and development including £6,000 on new and updated E-learning modules including Infection Prevention and Control and Covid safety training to ensure staff continue to keep themselves and our customers safe.

Due to the various Coronavirus lockdowns throughout the year, staff were furloughed regularly. This meant that keeping staff informed and updated was essential, to do so regular staff emails were sent out. These emails varied from essential information, progress updates and mental health advice.

Investors in People

SLT received a glowing review following the interim review from the external IIP assessor Gordon Stopani:

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TRUSTEES' REPORT

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"Despite the significant challenges faced by SLT as a result of the pandemic, the Trust has successfully continued to make good progress and improvements in its approaches to keeping in touch with staff, supporting staff health and wellbeing, as well as forging even more extensive relationships with a range of community stakeholders. The interim IIP Review demonstrated that SLT has regularly maintained contact with its staff, seeking to ensure that they are safe and well and that any support they may need is provided. SLT has also been able to deliver some learning online, ensuring that it further maintains contact with staff.

It is clear from the regular staff communications, which have been adapted accordingly, that SLT has made the wellbeing of its staff a key priority for leaders and managers in the business to maintain a focus on. The information provided to staff via The Wellness Hub for example, provides extensive health-related information and signposting suited to those staff who find themselves requiring further support with health-related matters. For example, access to the 24-hour 'Doctorline' support is an excellent staff benefit which is available to all staff, something which few organisations have made available to their staff during the pandemic. Such measures clearly demonstrate SLT's on-going commitment to staff and their wellbeing.

What is also clear from the Review, is that SLT has been making extensive preparations for a return to work and ensuring that its staff continue to be supported both in terms of their safety, health and wellbeing and the training that will be necessary for them to undertake, in order to meet the requirements associated with their role. This positive and proactive approach to 're-setting and recovering' from the pandemic, clearly has staff wellbeing and staff interests at its heart."

The Wellness Hub

This year saw the launch of The Wellness Hub which is a new staff support service. We have teamed up with Westfield Health to provide 'Healthy Extras'.

The benefits of this will include:

- Together all - safe online space for you to explore things that are troubling you and get the support you need, in confidence
- 24 Hour Advice and Information Line, including access to a Health e-Hub
- DoctorLineTM - access to a GP 24/7
- Westfield Rewards Making employees' salaries go further – get discounts from over 1,000 leading high street and online retailers

The ambition for 'The Wellness Hub' is to create a 'go-to' area for all employees to access help, support and information to help maintain good mental and physical health.

Mental Health First Aiders, information and resources will be directed through this new service, with hopes of an employee steering group being set up to agree on focus areas and improve positive conversation around mental health across the organisation.

AWARD WINNING SERVICES

Maintaining and achieving external accreditation demonstrates how we are benchmarked within the leisure industry nationally. By providing award-winning services our customers are assured that they are receiving the best quality, safe services.

RoSPA Gold Award

SLT maintains the prestigious National RoSPA Gold Presidents Award, awarded by the Royal Society for the Prevention of Accidents (RoSPA). This is a highly sought after and internationally recognised accolade, not just for the leisure industry but sector wide. This award is proof of the high level of health and safety we provide for all our customers and staff.

Investors in People

SLT maintains Silver accreditation from Investors in People, an award only achieved by the top 15% of organisations in the UK. The Silver recognition demonstrates the high standard of people management and organisational development SLT has.

Quest Accreditation

Importantly, we also maintain Quest accreditation, a continuous improvement tool and the leisure industry's only recognised Quality Assurance scheme for facility management and sports development designed to measure how effective organisations are. The scheme enables organisations to benchmark themselves with other leading operators nationally that are independently verified.

This supports Sandwell's Vision 2030 Ambitions 1 & 10

Ambition 1 - Sandwell is a community where our families have high aspirations and where we pride ourselves on equality of opportunity and on our adaptability and resilience.

Ambition 10 - Sandwell now has a national reputation for getting things done, where all local partners are focused on what really matters in people's lives and communities.

OUR CUSTOMERS

"Just loved being back, I do ache, arms and back but even though it hurts it's a feeling I've missed sooooo much. So organised and well managed, I'm very proud to be an SLT member."

"Just wanted to thank you. Due to asthma, I belong to the vulnerable section. But seeing how much effort you put in of keeping the gym virus free, I enjoy coming everyday now."

"Just been to use the gym today using a pre-booked slot online. Hand sanitiser, clear directions, loads of cleaning spray, staff on hand to help, all the machines spaced out. Really excellently set up to use safely and social distance. So good to be back."

"Well done Wednesbury first time back yesterday absolutely got it right spotless everywhere cleaning stations layout brilliant...and to be back in a spin class was brilliant the staff must of worked really hard for us members thank you and well done."

"Great to be back at Hadley Stadium last night for badminton. Felt really safe. Staff cleaned equipment before we started, one way system and following Badminton England guidelines. Well done! And thank you."

"My grandson returned to his swimming lesson today at 4.15 with Tracey. I was very impressed with the organisation of Smethwick Swimming Centre from being greeted at the door and being shown through the one way system in place. The timing of the swimming lessons avoids several people being in the changing rooms at once. I observed social distancing being maintained and "hand touch" areas being cleaned. I would like to encourage everyone to return to their swimming lessons in this safe environment."

"It is actually fantastic! Due to advanced osteoarthritis in both my hips, I've had to give up running and rely heavily on swimming for exercise. Every morning I go in, the staff (lifeguards, reception and cleaning) are always really welcoming and friendly. I love it!"

"Really enjoyed the BLT class at Tipton Sports Academy, lots of space, sanitiser/wipes brilliant instructor, so glad to be back keeping fit, well done SLT and Les G".

SOCIAL FOLLOWERS

SLT Marketing and Comms team played a key role in keeping members and customers fully informed of opening hours, Covid-19 procedures and membership payments across all social media platforms and website. The website received over 215,000 visits which was down on previous year due to customers not using the timetable function daily due to enforced closures. Pages that were particularly well read were "Working to keep you safe" and all leisure industry guidance.

SLT delivered a fantastic "National Fitness Day" campaign which we produced a number of videos showing how safe it was to use the gyms and fitness classes and interviewing a range of customers who told us why fitness is important to them.

Our Facebook pages had a 6.4% increase of followers which contributed to a reach of over 4.7 million. Responding to our customers quickly and efficiently was business critical and a 95% time measured response rate was achieved across all channels.

To support the pandemic issues, our team produced in-house a series of videos and content to support members, customers and staff which laid out essential guidance for safe use of the facilities. In addition, SLT shared a huge range of community posts supporting Sandwell's Covid-19 efforts.

WHAT IS SLT'S PURPOSE

The purpose of Sandwell Leisure Trust (SLT) is to encourage and increase participation in physical activity, sport and leisure by the whole community. SLT is non-profit distributing which means as a trust and charity we reinvest 100% of any surplus to improve, maintain and deliver quality services for the whole community to enjoy, socialise in and become more active.

What are the direct and public benefits flowing from SLT's purpose?

The direct benefits that flow from SLT's overall purpose is to improve the health and well-being of the wider community in Sandwell, reduce the social isolation of its citizens through group physical activity and deliver sustainable sport and leisure services for future generations to enjoy.

The public benefits that flow from this purpose are:

- (a) an enhanced quality of life and sense of well-being through engagement with and participation in activities and events that bring people together, leading to improvements in physical and emotional well-being, quality of life and a more stable and cohesive community;
- (b) increased opportunities to engage in new physical activities that bring people together, leading to greater social cohesion and fulfilment;
- (c) enhanced active citizenship and involvement in community life.

How can these benefits be identified and measured?

These benefits can be identified through case study examples of how SLT is changing people's lives and measured by the sustained increase in participation in physical activity, sport and leisure throughout Sandwell.

Is there any harm arising from any of the purposes?

No harm arises from SLT's purpose, the beneficiaries are the general public and locally-based community and voluntary organisations, and that no private benefit arises from these purposes. The objects of SLT are to promote the benefits without distinction of sex, race or political, religious or other opinions. SLT will where possible use local suppliers and employ people from the diverse local community therefore supporting the local economy of Sandwell and will adopt efficient and environmentally friendly processes to optimise the best possible use of resources.

INVESTMENT POLICY

We have in our Memorandum & Articles of Association the power to make investments to fund the activities of the Trust. The level of investment is to be determined by the level of surplus cash available compared with the demand for resources required for the operation of services provided by the Trust.

We invest any surplus cash (not needed to meet immediate liabilities) with SMBC Corporate Finance under a Service Level Agreement. The SLA guarantees the Trust a rate of 0.3% below base rate on the day of investment on all balances and is virtually risk free.

RESERVES POLICY

The Board's current policy is to maintain an uncommitted reserve of £500k to protect against downside cost risks identified in our risk register. We are currently using planned accumulated surpluses to help meet the management fee reductions. The Board recognises that this is not sustainable in the long term and is working with SMBC about the level of service that can be provided in the long term with the available management fee. As at 31 March 2021, the charity had uncommitted reserves (being net current assets, less restricted and designated funds) of £399,410 (2020: £2,188,368) which is £100,590 below the £500k required.

RESERVES POLICY (continued)

Any uncommitted reserve will be used to support the recovery from the Covid19 pandemic. There is uncertainty around future cashflows following the Government enforced closure from 21st March 2020 across all LC's. Once lockdown restrictions are lifted, it will take time to renew customer confidence to the level it was prior to the pandemic. Please refer to page 16 and the accounting policies on page 25 for more information on going concern.

A key element of the overall financial position of the Trust is the long-term affordability of its pensions' obligations to its employees. FRS 102 calculations within the financial statements are based on returns on Government Gilt Edged stock (gilts). At the year end, because market interest rates are at a 30 year low gilts are showing a very low rate of return. The pension charge calculations within our accounts are based on this calculation. FRS 102 is based on taking the current rate of return, whatever that is, and assuming it will be maintained for thirty years. During a down-turn, this can produce what could be considered an overly pessimistic forecast of pension fund returns and potentially an overstated estimate of pension fund liabilities within the statutory accounts.

The West Midland's pension fund actuary calculates employer contribution rates using a wider range of assets that better reflect current and future market conditions. These calculations are therefore much more driven by the overall long-term state of the market and the result is that they assume lower levels of contribution from the trust are needed to meet the pension fund obligations.

A risk facing the charity is the maintenance of adequate funding for the charity's pension liabilities. The financial statements report the share of the Local Government Pension Scheme deficit (£19,365k) on the Charity's balance sheet in line with the requirements of FRS 102. The risk is mitigated by an agreed deficit recovery plan with the West Midlands Pension Fund.

FINANCIAL PERFORMANCE

A set of KPI's are agreed and monitored by the Board.

The results for the year are shown in the Statement of Financial Activities on page 22.

Prior to the Covid-19 Pandemic the Trust had increased income year on year by over 200k since its incorporation despite reductions in the Management Fee. However 2020 saw a reduction in income as the leisure centres were closed for the majority of the financial year due to Government enforced closures (3 lockdowns), and when the centres opened it was under Covid secure measures which impacted maximisation of income.

Expenditure was significantly down in 2020 again due to the closure of centres and because the majority of employees were furloughed which resulted in:

- reduced use of casual and self-employed workers from the month of July
- Furlough deduction (ie paying furloughed staff 80% of their salary up to a maximum of £2,500) from May 2020.

Other reduced expenditure in 2020 due to the closure of facilities was from:-

- Utilities – Reduced consumption at closed sites.
- Minor works - Reduced spend on repairs due to centres being closed.
- Equipment – renegotiated service contracts eg life Fitness, Les Mills
- Printing & stationery/vending supplies – reduced purchases/ movement in stock
- G4s / Bank Charges – There was no cash collection service during the closures, and we also took the decision to reduce the frequency of cash collections from weekly to monthly w.e.f November during phase 1 and 2 reopening as we encouraged online bookings and cashless transactions.
- Insurance – The premium was reduced due to reduced income assumptions for the financial year as a result of closures and reduced claims

FINANCIAL PERFORMANCE (continued)

- Reduced irrecoverable VAT, in the first 2 quarter's this was calculated at 8% and 35% respectively because of the proportion of vatable sales to total sales. Quarter 3 IV amounted to 46%. Whilst the centres were closed exempt income was significantly reduced, and the Council continued to pay the management fee, which resulted in improved partial exemption

The Statement of Financial Activities shows net expenditure for the charity of £1,482,358 (2020: net expenditure of £1,100,889) before actuarial adjustments required to account for participation in the local government pension scheme. The net result after these adjustments was a net decrease in funds of £11,088,358 (2020: net increase in funds of £1,787,111). At 31 March 2021, the charity had net liabilities of £15,986,647 (2020: net liabilities of £4,898,289) of which £32,865 were restricted funds, £1,978,773 were designated funds, £1,366,715 were held as unrestricted charitable funds, and a deficit of £19,365,000 represented the charity's share of the deficit in the local government pension scheme.

EMPLOYEE CONSULTATION AND DISABLED EMPLOYEES

SLT encourages the involvement of all employees in its management through regular meetings that take place at a local site level through to senior management and board of trustees of which a staff representative is elected each year and contributes at Board level.

SLT also recognises a number of Trade Unions and has a formal agreement which enables the Trust Management Team to meet with them jointly on a quarterly basis to discuss and consult on employee related matters.

SLT will and does employ disabled persons whereby the individual has demonstrated the ability to undertake the role either with or without any reasonable adjustments. Disabled candidates are given full and fair consideration when such vacancies arise and reasonable adjustments are considered and made to support candidates through the recruitment process through to employment if they are successful.

During employment, the trust seeks to work with employees, taking into account their personal circumstances, to ensure appropriate training and development opportunities are available to enable them to reach their full potential.

GOING CONCERN

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The Trust has net liabilities of £15,986,647 (2020: £4,898,289) at 31 March 2021 due to the significant defined benefit pension scheme liability of £19,365,000 (2020: £8,847,000).

Following the uncertainty presented by Covid-19, management has reassessed the going concern assumption and confirms that it remains appropriate based on the strong cash position which enables the charitable company to sustain its business and meet its liabilities as they fall due despite the Covid-19 situation.

Management has stress tested their forecasts which indicate that the charitable company has sufficient cash to sustain its business for at least 12 months from the date of the signing of the audit report thus supporting the assertion to prepare the accounts on a going concern basis, despite uncertainty surrounding how the Covid-19 situation will impact the business over that period. The charitable company will continue to monitor the situation closely and adapt to changing ways of doing business over the coming months.

FUTURE DEVELOPMENTS

The Trust is currently supporting the Local Authority with a Built Facilities Strategy as part of an overall borough strategy to support improvements in Health and education, growing employment opportunities and providing good quality services.

SANDWELL LEISURE TRUST
TRUSTEES' REPORT
for the year to 31 March 2021

TRUSTEES REPORT APPROVAL

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities.

In preparing this report, the trustees have had due regard to the Charity Commission Guidance on public benefit.

The Trustees' Report, incorporating both the Strategic Report and the Governance Report, is approved by the Trustees, by whose authority it is signed below:



L BATEMAN
Chair

21/12. 2021

Statement of Trustees' responsibilities

The trustees (who are also directors of Sandwell Leisure Trust 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 charity 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SANDWELL LEISURE TRUST

Opinion

We have audited the financial statements of Sandwell Leisure Trust (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SANDWELL LEISURE TRUST

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 18, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SANDWELL LEISURE TRUST

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Health and Safety at Work Act 1974. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and reviewed the Board of Trustees minutes.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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

Use of our report

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

Anna Spencer-Gray

Anna Spencer-Gray (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
St Philips Point
Temple Row
Birmingham
B2 5AF

Date: 21 December 2021

SANDWELL LEISURE TRUST
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE
ACCOUNT)
For the year ended 31 March 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income from:					
Charitable activities	2	7,303,818	45	7,303,863	10,416,320
Other trading activities		226,635	-	226,635	421,778
Investments		1,471	-	1,471	15,798
Total income		7,531,924	45	7,531,969	10,853,896
Expenditure on:					
Raising funds	3	17,830	-	17,830	140,204
Charitable activities	3	8,996,497	-	8,996,497	11,814,581
Total expenditure		9,014,327	-	9,014,327	11,954,785
Net income/(expenditure) for the year	1	(1,482,403)	45	(1,482,358)	(1,100,889)
Other recognised gains and losses					
Actuarial (losses)/gains on defined benefit pension scheme	16	(9,606,000)	-	(9,606,000)	2,888,000
Net movement in funds		(11,088,403)	45	(11,088,358)	1,787,111
Funds at 1 April 2020		(4,931,109)	32,820	(4,898,289)	(6,685,400)
Funds at 31 March 2021		(16,019,512)	32,865	(15,986,647)	(4,898,289)

The income and expenditure for the year arise from the charity's continuing operations.

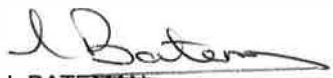
All gains and losses recognised in the year are included above.

SANDWELL LEISURE TRUST
BALANCE SHEET
31 March 2021

Company Registration No: 05011501

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	5	967,305	1,187,525
Current assets			
Stocks	6	20,273	27,647
Debtors	7	450,315	154,436
Cash at bank and in hand		3,708,690	4,064,269
		4,179,278	4,246,352
Creditors: amounts falling due within one year	8	(1,768,230)	(1,485,166)
Net current assets		2,411,048	2,761,186
Net assets excluding pension scheme liability		3,378,353	3,948,711
Defined benefit pension scheme liability	16	(19,365,000)	(8,847,000)
Net (liabilities) including pension scheme liability		(15,986,647)	(4,898,289)
Represented by:			
Restricted funds	10	32,865	32,820
Unrestricted funds:			
General funds	11	1,399,515	3,375,891
Designated funds	12	1,945,973	540,000
		3,345,488	3,915,891
Pension fund		(19,365,000)	(8,847,000)
Total unrestricted funds		(16,019,512)	(4,931,109)
Total (deficit)		(15,986,647)	(4,898,289)

The financial statements on pages 22 - 39 were approved by the board of trustees and authorised for issue on 21 December 2021 and are signed on its behalf by:


L BATEMAN
Chair

SANDWELL LEISURE TRUST
STATEMENT OF CASH FLOWS
For the year ended 31 March 2021

	2021 £	2020 £
Cash flows from operating activities:		
Net cash (used in)/provided by operating activities	(306,663)	349,810
Cash flows from investing activities:		
Interest	1,471	15,798
Purchase of tangible fixed assets	(50,387)	(248,850)
Net cash (used in) investing activities	(48,916)	(233,052)
Increase in cash and cash equivalents in the year	(355,579)	116,758
Cash and cash equivalents at the beginning of the year	4,064,269	3,947,511
Total cash and cash equivalents at the end of the year	3,708,690	4,064,269

**RECONCILIATION OF NET (EXPENDITURE) TO NET CASH FLOWS
FROM OPERATING ACTIVITIES**

	2021 £	2020 £
Net (expenditure) as per the SOFA	(1,482,358)	(1,100,889)
Depreciation	270,606	291,545
Interest	(1,471)	(15,798)
Decrease in stocks	7,374	6,860
(Increase)/decrease in debtors	(295,879)	42,056
Increase/(decrease) in creditors	283,064	(224,965)
Defined benefit pension scheme	912,000	1,351,000
Net cash (used in)/provided by operating activities	(306,663)	349,810

ANALYSIS OF CHANGES IN NET FUNDS

	2020 £	Cash flow £	2021 £
Cash in hand and at bank	4,064,269	(355,579)	3,708,690
Net funds	4,064,269	(355,579)	3,708,690

SANDWELL LEISURE TRUST

ACCOUNTING POLICIES

GENERAL INFORMATION

Sandwell Leisure Trust is a charity, registered with the Charity Commission in England and Wales, and a private company limited by guarantee, incorporated in England. The address of the Charity's registered office is Carnegie Building, Victoria Road, Tipton, West Midlands, DY4 8SR.

Its principal activity is the managing of sports and leisure centres in Sandwell.

BASIS OF ACCOUNTING

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

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

Sandwell 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.

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

GOING CONCERN

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The Trust has net liabilities of £15,986,647 (2020: £4,898,289) at 31 March 2021 due to the significant defined benefit pension scheme liability of £19,365,000 (2020: £8,847,000).

Following the uncertainty presented by Covid-19, management has reassessed the going concern assumption and confirms that it remains appropriate based on the strong cash and net asset position which enables the charitable company to sustain its business and meet its liabilities as they fall due despite the Covid-19 situation.

Management has stress tested their forecasts which indicate that the charitable company has sufficient cash to sustain its business for at least 12 months from the date of the signing of the audit report thus supporting the assertion to prepare the accounts on a going concern basis, despite uncertainty surrounding how the Covid-19 situation will impact the business over that period. The charitable company will continue to monitor the situation closely and adapt to changing ways of doing business over the coming months.

INCOME

Other trading activities

Income from the operation of catering facilities is included in income in the period in which the charity becomes entitled to the receipt.

Income from charitable activities

All income (predominantly from the operation of sports centres and the golf course) is recognised in the period in which it is earned (that is, as the related goods or services are provided).

SANDWELL LEISURE TRUST ACCOUNTING POLICIES

INCOME (continued)

Grants receivable

Revenue and capital grants receivable are recognised in the Statement of Financial Activities when conditions attaching to the grant are satisfied. Grants receivable for capital expenditure are maintained in a restricted fund to which depreciation of the relevant asset is charged.

Government grants (including CJRS claims) are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Membership income

Income from Membership (Golf Season Tickets and One Card) is recognised over the period covered by the Membership.

Income from investments

Investment income is recognised on a receivable basis.

Other income

Other income is recognised as earned.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. Expenditure is recognised in the period in which the liability is incurred. Expenditure includes attributable VAT, which cannot be recovered.

Expenditure on charitable activities is allocated to the particular activity where the cost relates directly to that activity. Where costs are attributable to more than one activity, the costs are apportioned across those activities on the basis of an estimate of their usage.

Governance costs are those costs incurred in connection with administration of the Trust and compliance with constitutional and statutory requirements.

FUNDS

Funds held by the Trust are either:

- Unrestricted general funds – these are funds, which can be used in accordance with the charitable objects at the discretion of the trustees.
- Pension fund (unrestricted) – these are funds representing the defined benefit pension scheme obligation.
- Designated funds – these are unrestricted funds that have been set aside by the Trustees for particular purposes. These funds are reviewed annually.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the Trust. 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 restricted fund is included in the notes to the financial statements.

TANGIBLE FIXED ASSETS

Individual fixed assets costing more than £1,000 are capitalised at cost. Fixed assets are stated at historical cost, less accumulated depreciation and any provision for impairment.

SANDWELL LEISURE TRUST ACCOUNTING POLICIES

TANGIBLE FIXED ASSETS (continued)

Depreciation is provided on all tangible fixed assets (excluding freehold land) at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Plant and Machinery	7 years
Sports Equipment	5 years
IT Equipment	3 years
Office Equipment	5 years

The Trust charges a full year's depreciation in the year of acquisition and no depreciation in the year of disposal.

Refurbishment works are capitalised and written off over the estimated life of the scheme from the date the project is complete and open to the public. Refurbishment works are depreciated over their expected useful life of 10 years.

STOCKS

The Trust holds sports equipment for resale (e.g. swimming goggles) and vending stock.

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs expected to be incurred to disposal. Provision is made for obsolete and slow moving items.

LEASED ASSETS AND OBLIGATIONS

All leases are operating leases and the annual rentals are expensed on a straight-line basis over the lease term.

RETIREMENT BENEFITS

For defined benefit schemes the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost.

Actuarial gains and losses arising from new valuations and from updating valuations to the balance sheet date are recognised in the SOFA.

Defined benefit schemes are funded, with the assets held separately from the charitable company in separate trustee administered funds.

Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at each balance sheet date. The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit credit method and discounted at the current rate of return. A pension scheme asset is recognised on the Balance Sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the balance sheet date. A pension scheme liability is recognised to the extent that the company has a legal or constructive obligation to settle the liability.

EMPLOYEE BENEFITS

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

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

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

SANDWELL LEISURE TRUST

ACCOUNTING POLICIES

FINANCIAL INSTRUMENTS

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments and are not considered to be of a financial nature. Such financial instruments, except for investments classified at fair value through the Statement of Financial Activities, are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Fees receivable are recognised at the settlement amount due after any trade discounts offered.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and monies on short term deposit, at the bank and other short-term liquid investments with original maturities of three months or less.

Creditors

Creditors 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. Creditors are normally recognised at their settlement amount allowing for any trade discounts due.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charity's accounting policies, which are described above, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Defined Benefit Pension Scheme Actuarial assumptions

The present value of the defined benefit pension scheme liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 16, will impact the carrying amount of the pension liability.

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

1	NET EXPENDITURE	2021 £	2020 £
	Net expenditure is stated after charging:		
	Depreciation of tangible fixed assets:		
	Owned assets	270,606	291,545
	Operating lease rentals		
	- plant and machinery	115,551	110,044
	Auditor's remuneration		
	- as auditor	21,110	14,441
	- other services – VAT advice	2,000	4,000
	Internal audit	12,300	18,000

2 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Income from operation of sports facilities	1,283,696	-	1,283,696	7,512,251
Grants (management fees)	2,779,864	45	2,779,909	2,904,069
CJRS income and Covid grants	3,240,258	-	3,240,258	-
	7,303,818	45	7,303,863	10,416,320

3 ANALYSIS OF TOTAL EXPENDITURE

	Unrestricted Funds £	Pension Reserve £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Other trading activities					
Cost of goods sold	10,194	-	-	10,194	134,853
Other	7,636	-	-	7,636	5,351
	17,830	-	-	17,830	140,204
Charitable activities					
Staff costs	5,526,225	711,000	-	6,237,225	7,842,450
Other employee costs	75,683	-	-	75,683	316,923
Premises	1,017,433	-	-	1,017,433	1,593,671
Transport	-	-	-	-	51
Professional fees	22,527	-	-	22,527	20,999
Depreciation	270,606	-	-	270,606	291,545
Other	1,125,120	201,000	-	1,326,120	1,701,431
Governance costs	46,903	-	-	46,903	47,511
	8,084,497	912,000	-	8,996,497	11,814,581

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

3 ANALYSIS OF GOVERNANCE COSTS

	Unrestricted Funds	Pension Reserve	Restricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£	£	£
Legal costs	33,410	-	-	33,410	32,441
Trustee indemnity insurance	578	-	-	578	439
Staff costs relating to preparation and attendance at trustee meetings	12,915	-	-	12,915	14,350
Other	-	-	-	-	281
Total	46,903	-	-	46,903	47,511

Staff costs have been allocated in accordance with the percentage of time spent by employees. All other costs have been allocated on a direct basis.

4 TRUSTEES AND EMPLOYEES

No remuneration is paid to any trustee (director) in respect of their service as Trustees. No expenses were reimbursed to trustees (2020: no trustees) during the period (2020: £nil). Trustee indemnity insurance of £578 (2020: £439) was purchased during the year.

	2021 £	2020 £
Staff costs		
Wages and salaries	4,656,018	5,634,457
Social security costs	289,112	418,903
Pension costs	1,305,009	1,803,440
	6,250,139	7,856,800
	2021 Number	2020 Number
Average number of persons employed, including executive directors (FTE)	164	190
Average number of persons employed, including executive directors (head count)	424	485

These employees carry out a variety of duties including direct charitable, management and administration tasks.

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

4 TRUSTEES AND EMPLOYEES (CONTINUED)

One (2020: one) employee earned in excess of £60,000 during the period. This employee earned between £80,000 and £90,000 (2020: One).

Pension contributions in respect of higher paid staff amounted to £13,956 (2020: £13,180). One higher paid staff member is accruing benefits under the defined benefit pension scheme.

Remuneration paid to key management personnel (including the above, employer's pension contributions and employer's National Insurance) was £265,412 (2020: £265,436).

Redundancy and termination payments paid during the period amounted to £42,336 (2020: £nil).

One employee served as a Trustee. The total remuneration during the period (including employer's pension contributions, employer's National Insurance, redundancy & termination costs) was £14,447 (2020: £17,504). No other remuneration was paid to a Trustee.

5 TANGIBLE FIXED ASSETS

	Freehold land £	Refurbishment costs £	Plant & Machinery £	Sports Equipment £	IT & Office Equipment £	Total £
Cost						
At 1 April 2020	467,826	2,169,586	200,520	1,301,107	828,596	4,967,635
Additions	-	-	-	-	50,387	50,387
	<u>467,826</u>	<u>2,169,586</u>	<u>200,520</u>	<u>1,301,107</u>	<u>878,983</u>	<u>5,018,022</u>
31 March 2021	467,826	2,169,586	200,520	1,301,107	878,983	5,018,022
	<u>467,826</u>	<u>2,169,586</u>	<u>200,520</u>	<u>1,301,107</u>	<u>878,983</u>	<u>5,018,022</u>
Depreciation						
At 1 April 2020	-	1,790,717	138,651	1,035,438	815,304	3,780,110
Charge for year	-	119,079	14,235	109,203	28,090	270,606
	<u>-</u>	<u>1,909,796</u>	<u>152,886</u>	<u>1,144,641</u>	<u>843,394</u>	<u>4,050,717</u>
31 March 2021	-	1,909,796	152,886	1,144,641	843,394	4,050,717
	<u>-</u>	<u>1,909,796</u>	<u>152,886</u>	<u>1,144,641</u>	<u>843,394</u>	<u>4,050,717</u>
Net book amount						
31 March 2021	467,826	259,790	47,634	156,466	35,589	967,305
	<u>467,826</u>	<u>259,790</u>	<u>47,634</u>	<u>156,466</u>	<u>35,589</u>	<u>967,305</u>
31 March 2020	467,826	378,869	61,869	265,669	13,292	1,187,525
	<u>467,826</u>	<u>378,869</u>	<u>61,869</u>	<u>265,669</u>	<u>13,292</u>	<u>1,187,525</u>

6 STOCKS

	2021 £	2020 £
Goods for resale	20,273	27,647
	<u>20,273</u>	<u>27,647</u>

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

7 DEBTORS

	2021	2020
	£	£
Trade debtors	29,683	142,316
Other debtors	414,689	8,886
Prepayments	5,943	3,234
	<u>450,315</u>	<u>154,436</u>

Included within other debtors above are amounts due after more than one year of £13,400 (2020: £10,871) in respect of car loans to staff who qualify under their Terms and Conditions of Service.

8 CREDITORS: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	131,018	183,228
Other taxation and social security	155,637	220,617
Other creditors	245,725	86,034
Accruals and deferred income	1,235,850	995,287
	<u>1,768,230</u>	<u>1,485,166</u>

9 DEFERRED INCOME

	£
Balance as at 1 April 2020	212,648
Amount released to income	(212,648)
Amount deferred in the year	237,054
	<u>237,054</u>
Balance as at 31 March 2021	<u>237,054</u>

Deferred income represents prepaid membership income for the coming year and hire of facilities income received in advance.

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

10 RESTRICTED FUNDS

The funds of the charity include restricted funds held on trust to be applied for specific purposes.

	Movement in Funds			
	Balance 1 April 2020 £	Income £	Expenditure £	Transfers £
Physical Activity Board	17,970	45	-	-
Street Games	12,420	-	-	-
Active Citizens	2,430	-	-	-
Total	32,820	45	-	-

	Movement in Funds			
Prior Year	Balance 1 April 2019 £	Income £	Expenditure £	Transfers £
Physical Activity Board	11,037	6,933	-	-
Street Games	12,420	-	-	-
Active Citizens	2,430	-	-	-
Total	25,887	6,933	-	-

Physical Activity Board

This fund represents the contributions to the Physical Activity Board from SLT and other partners such as PCT, and Sport Colleges to support work in the voluntary sector.

StreetGames

The grant from StreetGames will be used to fund activity in partnership with StreetGames, including weekly activity for local young people in sports which may include football, basketball, cricket, street cheer, cycling etc. In addition, school holiday sports programmes and events such as bmxing festival. The activity will be focused on the most deprived areas of West Bromwich, Smethwick, Tipton, Rowley and Oldbury.

Active Citizens

This grant is from the Police and is aimed at intervention around physical activity for non-sporty girls. Motivational programmes are developed for girls not achieving, or with behavioural problems, life issues, poor school attendances etc.

SANDWELL LEISURE TRUST
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11 UNRESTRICTED GENERAL FUNDS

	2021 £	2020 £
1 April 2020	3,375,891	3,132,713
Net (expenditure)/income	(570,403)	243,178
Transfer to designated fund	(1,405,973)	-
31 March 2021	1,399,515	3,375,891

General Funds include an amount for the Ryland Repair Fund.

12 DESIGNATED FUNDS

	2021 £	2020 £
1 April 2020	540,000	540,000
Transfer from unrestricted general funds	1,405,973	-
31 March 2021	1,945,973	540,000

Sandwell Aquatics Fund

During 2019-20, the Trustees designated £540,000 to help support the Council in the delivery of the Sandwell Aquatics Centre

Ryland Repair Fund

In 2020-21 Trustees designated £185,373 to the Ryland Repair Fund to deal with all major lifecycle maintenance issues, including the replacement of the athletics track

Redundancy Fund

In 2020-21 Trustees designated £240,000 to deal with future redundancy costs associated with closing facilities in preparation for when the new Sandwell Aquatic Centre is operational.

Business Plan 2021-2023 Fund

In 2020-21 the Trustees designated £313,400 of reserves to support the 2020-2023 Business Plan

Investment Portfolio Fund

In 2020-21 the Trustees designated £500,000 to support the development of an investment strategy/portfolio to generate increased income and thereby enabling the Trust to reduce the Management Fee in future years. The process commenced February 2020 but put into abeyance following the outbreak of the Covid-19 pandemic crisis.

Energy Saving Opportunities Fund

In 2020-21 Trustees designated £100,000 towards Investing in new energy efficiency projects across SLT facilities which will lead to reduced carbon footprint, reduced energy costs, which again will help to reduce the Management fee.

Wednesbury Leisure Centre Sauna

In 2020-21 Trustees designated £35,000 for the installation of the sauna & steam facility at Wednesbury LC, which is still an outstanding commitment, subject to agreeing a final plan with SMBC.

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

12 DESIGNATED FUNDS (CONTINUED)

Transformation Fund

In 2020-21 the Trustees designated £30,000 towards implementing additional modules that will generate more efficiency for example Rostering, once we have embedded Recruitment and Selection.

TSA /Hadley Project Fund

In 2020-21 the Trustees designated £25,000 to develop an income-generating project at either TSA or Hadley

Partnership Fund

In 2020-21 the Trustees designated £10,000 to Professional fees for negotiations to investigate the potential of a partnership with the Albion Foundation to use Hadley in return for premier league investment on the site.

13 ANALYSIS OF NET ASSETS/(LIABILITIES) BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Tangible fixed assets	967,305	-	967,305	1,187,525
Stocks	20,273	-	20,273	27,647
Debtors	450,315	-	450,315	154,436
Cash at bank and in hand	3,675,825	32,685	3,708,690	4,064,269
Creditors due within one year	(1,768,230)	-	(1,768,230)	(1,485,166)
Defined benefit pension scheme liability	(19,365,000)	-	(19,365,000)	(8,847,000)
Net assets/(liabilities)	(16,019,512)	32,685	(15,986,647)	(4,898,289)
Prior year – 31 March 2020:	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Tangible fixed assets	1,187,525	-	1,187,525	1,230,220
Stocks	27,647	-	27,647	34,507
Debtors	154,436	-	154,436	196,492
Cash at bank and in hand	4,031,449	32,820	4,064,269	3,947,511
Creditors due within one year	(1,485,166)	-	(1,485,166)	(1,710,130)
Defined benefit pension scheme liability	(8,847,000)	-	(8,847,000)	(10,384,000)
Net assets/(liabilities)	(4,931,109)	32,820	(4,898,289)	(6,685,400)

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

14 COMMITMENTS UNDER OPERATING LEASES

	2021 £	2020 £
At 31 March 2021, the Charity had total future commitments under non-cancellable operating leases as follows:		
Plant and machinery:		
Amounts due within one year	39,197	44,704
Amounts due within one to five years	202	520
	39,399	45,223

15 TAXATION

The company, which is a registered Charity, is exempt from taxation on its charitable activities.

16 PENSION COSTS

Defined benefit scheme

The Trust participates in a pension scheme operated by the West Midlands Pension Fund. The West Midlands Pension Fund is a funded scheme, with the assets held in separate trustee administered funds.

There were outstanding contributions of £68,928 (2020: £75,454) at the year end, included within other creditors.

The Charity expects to make contributions in the year ended 31 March 2022 of £611,000 (2021: £686,000).

The following information is based upon a full actuarial valuation of the Fund at 31 March 2017 updated to 31 March 2021 by a qualified independent actuary.

	At 31 March 2021	At 31 March 2020
Rate of increase in salaries	3.8%	2.8%
Rate of increase in pensions in payment	2.8%	1.8%
Discount rate	2.05%	2.35%
Inflation assumption	2.8%	1.8%

The current mortality assumptions included sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	At 31 March 2021	At 31 March 2020
Retiring today:-		
Males	21.6	21.9
Females	23.9	24.1
Retiring in 20 years:-		
Males	23.4	23.8
Females	25.8	26.0

SANDWELL LEISURE TRUST
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16 PENSION COSTS (continued)

The fair value of the assets in the scheme was:

	2021 £000	2020 £000
Equities	17,095	13,705
Government Bonds	2,890	2,798
Other Bonds	1,114	1,006
Property	2,096	2,141
Cash	1,734	864
Other	4,087	3,561
	<u>29,016</u>	<u>24,075</u>
Total fair value of assets		

	2021 £000	2020 £000
Trust's estimated asset share	29,016	24,075
Present value of scheme liabilities	(48,381)	(32,922)
	<u>(19,365)</u>	<u>(8,847)</u>
Deficit in the scheme		

**ANALYSIS OF THE AMOUNT CHARGED TO STATEMENT
OF FINANCIAL ACTIVITIES**

	2021 £000	2020 £000
Employer contributions	609	650
Current service cost	(1,302)	(1,383)
Past service cost	(1)	(355)
Net interest cost	(201)	(247)
Administration expenses	(17)	(16)
	<u>(912)</u>	<u>(1,351)</u>

**Analysis of the amount charged to actuarial (losses)/gains
on defined benefit pension scheme**

	2021 £000	2020 £000
Remeasurements (assets)	4,099	(1,612)
Other actuarial gains on assets	-	344
Experience gains and losses on liabilities	339	(545)
Change in demographic assumptions	407	(818)
Changes in assumptions	(14,451)	5,519
	<u>(9,606)</u>	<u>2,888</u>
Actuarial (loss)/gain recognised in SOFA		

SANDWELL LEISURE TRUST
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16 PENSION COSTS (continued)

Cumulative actuarial losses recognised in the SOFA totalled £9,901,000 (2020: £295,000 loss).

	2021 £000	2020 £000
Movement in deficit during year		
Deficit in scheme at beginning of year	(8,847)	(10,384)
Movement in year:		
Current service cost		
Past service cost	(1,302)	(1,383)
Contributions	(1)	(355)
Net return on assets	609	650
Actuarial (loss)/gain	(201)	(247)
Administrative expenses	(9,606)	2,888
	(17)	(16)
Deficit in scheme at end of year	(19,365)	(8,847)
Asset and Liability reconciliation		
	2021 £000	2020 £000
Reconciliation of liabilities:		
Liabilities at start of year	32,922	34,702
Current service cost	1,302	1,383
Interest cost	770	848
Member contributions	236	265
Return on assets less interest	14,451	(5,519)
Change in demographic assumptions	(407)	818
Experience loss on defined benefit obligation	(339)	545
Benefits paid	(555)	(475)
Past service cost	1	355
Liabilities at the end of year	48,381	32,922
Reconciliation of assets:		
Assets at start of year	24,075	24,318
Interest on plan assets	569	601
Actuarial gains/(losses)	4,099	(1,612)
Administrative expenses	(17)	(16)
Employer contributions	609	650
Member contributions	236	265
Benefits paid	(555)	(475)
Other actuarial gains	-	344
Assets at the end of year	29,016	24,075

The actual return on scheme assets was £4,668,000 (2020: loss of £1,011,000).

Under the Management and Funding Agreement (MFA) with Sandwell MBC, the Council bears the risk of changes in the superannuation contribution rate for the establishment that transferred to the Trust on 1 April 2004 and the Trust's Management Fee is adjusted to reflect this. As a result, the Trust only bears the risk of any shortfall relating to additional superannuation costs it has incurred over and above the amounts funded by the Council. In FY2020/21 the level of management fee relating to superannuation covered the Trust's actual expenditure.

SANDWELL LEISURE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

17 COMPANY LIMITED BY GUARANTEE

The charitable company is limited by guarantee amounting to £1 for each member in the event of the charitable company being wound up.

18 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Income from:			
Charitable activities	10,409,387	6,933	10,416,320
Other trading activities	421,778	-	421,778
Investments	15,798	-	15,798
Total income	10,846,963	6,933	10,853,896
Expenditure on:			
Raising funds	140,204	-	140,204
Charitable activities	11,814,581	-	11,814,581
Total expenditure	11,954,785	-	11,954,785
Net income/(expenditure) for the year	(1,107,822)	6,933	(1,100,889)
Other recognised gains and losses			
Actuarial gains on defined benefit pension scheme	2,888,000	-	2,888,000
Net movement in funds	1,780,178	6,933	1,787,111
Funds at 1 April 2019	(6,711,287)	25,887	(6,685,400)
Funds at 31 March 2020	(4,931,109)	32,820	(4,898,289)