

1610 LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES AND

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Building 1063
Cornforth Drive
Kent Science Park
Sittingbourne
Kent
ME9 8PX

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

	Page
Reference and Administrative Details	1
Chairman's Report	2
Report of the Trustees	3 to 12
Report of the Independent Auditors	13 to 16
Statement of Financial Activities	17
Statement of Financial Position	18
Statement of Cash Flows	19
Notes to the Statement of Cash Flows	20
Notes to the Financial Statements	21 to 39

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2025

TRUSTEES	R Cardwell (resigned 30.10.25) P J Harvey (resigned 30.10.25) J S Kelly (resigned 30.10.25) A P Rustad (appointed 1.8.24) B J Hayward (resigned 31.7.24) M Winlow (resigned 31.7.24) D Talbut (appointed 30.10.25)
COMPANY SECRETARY	D Talbut
REGISTERED OFFICE	Trinity Sports & Leisure Chilton Street Bridgwater Somerset TA6 3JA
REGISTERED COMPANY NUMBER	06727055 (England and Wales)
REGISTERED CHARITY NUMBER	1130010
INDEPENDENT AUDITORS	McCabe Ford Williams Statutory Auditors and Chartered Accountants Building 1063 Cornforth Drive Kent Science Park Sittingbourne Kent ME9 8PX
SOLICITORS	Winckworth Sherwood Arbor 255 Blackfriars Road London SE1 9AX
CHIEF EXECUTIVE OFFICER	R Hayes

CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31 MARCH 2025

Welcome to the 1610 Ltd 2024/25 Trustee report.

The 2024/2025 year has seen some major changes to the governance and structure of 1610 Limited. The Trustees appointed a preferred bidder during the 2024/25 year following extensive work with consultants Strategic Leisure. The preferred bidder appointed was Wealden Leisure Limited. In August 2024, 1610 Limited became a wholly owned subsidiary of Wealden Leisure Limited. This provided 1610 with wider support and stability.

The business continued the trend from recent years and grew organically in key revenue lines. 1610 sites continued to experience organic growth in fitness memberships. In recent years swim memberships have grown organically but the trust found that this growth slowed in 2024/25 but remains an important revenue line for 1610 business. The management team has remained consistent throughout 2024/25, which has contributed to improved business continuity.

This evolution of the trust has come about to achieve the following aims and objectives:

- Protect the 1610 Limited legacy
- Maintain the 1610 brand and standards
- To protect the 1610 workforce
- To ensure continuity of community output

The restructure of the company has seen changes to board members and developing lines of reporting and supervision within the organisation.

While the current Senior Leadership team and senior managers have remained in place the scope for additional support from professionals and experts has become far more extensive.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

1610 Trust purposes are defined in the objects set out in the company's Memorandum of Association and can be summarised as follows:

- The advancement and support of education, cultural services, and other related provision through direct management of facilities or related activity programmes.
 - The delivery and management of leisure, recreation, and sports facilities particularly with a focus on provision for 'hard to reach' groups and key target groups that have barriers to participation.
 - The promotion and delivery of health and wellbeing programmes with an emphasis on sport and physical activity. . -
- The advancement of physical education and sport.
- Other charitable proposals that have public benefit which are consistent with the core objectives of the trust.

1610 Trust seeks to deliver high quality services to Somerset and wider Southwest communities. The core aims of our work is to develop 1610 facilities and programmes to improve health, sporting / leisure abilities and participation; contribute to raising the quality of life for the general community and supporting schools in their development of young people. Throughout this work, Trustees recognise that there is a need to ensure that the Trust observes Charity Commission guidance on public benefit to ensure alignment with activities and the core Trust aims and objectives.

This model often provides isolated or small rural communities with access to local sports, health, and learning facilities / programmes where there would be insufficient volumes of people to make dedicated leisure centres viable.

Through this network of centres, 1610 delivers a diverse programme, often being asked to target hard to reach groups, those that are financially or socially excluded, isolated communities or to work in areas with significant deprivation issues. 1610 works with groups and individuals creating many examples of life changing experiences. They are often achieved through using leisure / sport / health and fitness as a catalyst for altering the direction of a person's life or by providing new opportunities for a whole community.

Public benefit

The Trustees confirm that they complied with the duties in section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. Charity Commission general guidance on public benefit was used when reviewing objectives and when planning future activities. In particular the Trustees considered how planned activities will contribute to the strategic aims they set.

STRATEGIC REPORT

Achievements and performance

Charitable activities

In 2024/25 the Trust operated 3 leisure centres on behalf of local Councils in the Southwest UK. These facilities provide community access to sporting / leisure / fitness services ensuring local rural facilities are available to everyone and the promotion of a fit and healthy lifestyle. Complementing the leisure contracts is one 1610 leased facility that operate fitness, health, and wellbeing programmes.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRATEGIC REPORT

Achievements and performance

Managing delivery of our aims

Senior Managers and the Trustees review the Trust aims, objectives and delivery on an annual basis against the yearly business plan that includes contractual targets and the annual budgets. Each department of the Trust produces annual work stream plans to enable successful programme delivery and overall development of the Trust business.

Through the UK Growth Accelerator Programme, 1610 fully embedded the Vision Orbit (VO) strategic business tool to review and develop the organisations performance. The annual VO, Vital Few and Single Page Plan form the basis of business planning within the company. Staff members at every level of the organisation use this tool to align activities.

During the 2024/25 year the Trust managed a series of public sector service contracts in Southwest England:

- A ten-year contract with Futures for Somerset, to operate two dual use leisure facilities as part of the PFI Building Schools for the Future initiative in Bridgwater, Somerset. In 2020 the Futures for Somerset leisure contract was extended for a further five years to end in September 2025.
- A ten-year contract with Dorset Council to operate the 8.5m Dorchester Leisure Centre in Dorchester. Dorset Council extended this contract beyond October 2022 - to April 2024. A further contract variation was agreed during the 2023/24 year to extend this contract to April 2026.

The status of each contract is set out in the key activities section below. Each contract has a comprehensive performance framework that is monitored quarterly / annually by the Senior Leadership Team and the various Council contract commissioning bodies.

What sets 1610 apart from other fitness/leisure providers is the changing role of the Trust - it is much more than just management of leisure centres. Since 2012 the Trust has actively pursued a wider community role, by increasing the choice of activities - from healthy living initiatives, adult learning programmes to workforce development and training for the leisure industry. Health and wellbeing are however the platform and common denominator to the activities, and the reason 1610 has an enormous impact on people's lives.

Key KPIs for the Trust are:

- Number of people attending our sites.
- Meeting fitness standards.
- Number of customer complaints, linked to customer satisfaction.
- Health & Wellbeing attendances.
- Number of effective community and club partnerships.
- Numbers of Children enrolled on Swim Programmes.
- Number of Trust fitness members.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRATEGIC REPORT

Financial review

Financial position

Full financial details are in the audited accounts.

The headline financial information for 2024/25:

- The company turnover increased from £3,227,370 in 2023/24 to £3,337,176 in 2024/2025.
- Generally, income trended ahead of expected projections for the year, with overall income almost 2% ahead of projections.
- Key income successes included sports pitch usage and pool block bookings usage
- The trust also performed well in fitness membership income - an important outcome as it accounts for a large percentage of overall turnover.
- The trust continues to encounter higher property costs due to the ageing condition of one of the key contracts in place.
- Expenditure controls have remained stringent throughout the year.
- The Trust began repayments on the COVID Bounce Back Loan in Dec 2021, the balance remaining as of March 2025 is £17,354
- While the trust's performance has improved in performance in many ways, increases in our cost base has resulted in the trust ending the year in a £210,264 deficit. Staff costs increased as a result of minimum wage and pay award impacts. Utilities costs were higher than the previous year due to tariff increases. Depreciation charges increased due to forthcoming contract expiry dates.
- Despite posting a deficit position cash in the bank as risen from £476,905 to £574,011 as of March 2025.

Investment policy and objectives

The majority of funds that the Trust generates on an annual basis is committed to annual operations. It is unlikely, in the short or medium term, that there will be significant funds generated for long term investment. The Board is keen to make provision for the development and growth of the reserve fund. However, it is important that the Trust uses its cash to develop business and support the agreed charitable outcomes. Cash in hand is held in a special interest-bearing account with NatWest. The bank offers a basic treasury service to maximise the investment of these funds whilst covering day to day operational business needs.

Reserves policy

The Trustees recognise the requirement to establish a reserves policy; in setting the reserves policy the Trustees have considered the need to manage resources for the benefit of the charity's aims and objectives and to maintain financial stability, considering the risks and potential impact in the current economic environment. The Trust Board review the reserve policy annually and has a policy of holding a minimum Reserve of £200,000. As income covers operational costs the need to maintain reserves is based on any unforeseen call on funds, and for future capital and operational expenditure. This has been determined based on the Trust Risk Register; identifying the fiscal impact of these risks being realised, and future of the Trust.

Reserves at the year end were £421,954 (2024 : £635,216), of this restricted funds were £1,302 (2024 : £1,302). Unrestricted funds were £420,652 (2024: £633,914). This level of reserves is acceptable as it meets the minimum reserves policy and allows the Trust to set aside resources to meet the requirements of the National Living Wage and for future investment projects.

The Reserves Policy is annually reviewed.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRATEGIC REPORT

Financial review

Going concern

After the balance sheet date it has been agreed that the trade and assets of the charity will be transferred to its parent Wealden Leisure Limited. This transfer will be achieved once Charity Commission approval has been sought. Once the transfer has happened it is the boards intention to dissolve the charitable company. Accordingly the financial statements are prepared on a basis other than going concern. It is anticipated that the trade will continue uninterrupted as it transfers to the parent, and accordingly there are no adjustments made to the carrying value of assets and liabilities as at 31 March 2025.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRATEGIC REPORT

Principal risks and uncertainties

A full review of the Business Risk Register takes place throughout the year; this is reviewed on a regular basis and the Board is presented with a Business Risk Improvement Plan at each Board meeting, together with any additional risks that are identified. The risk assessment covers all areas of the business including operational, financial, compliance, external and governance risks, particularly in the light of any new projects undertaken and changes to the political climate and local economies.

The current principal risks and uncertainties faced by the Trust are:

- " Impact of the increase in energy cost linked to global events and trends.
- " Recruitment and retention of staff.
- " Further extension of existing 1610 public sector contracts.
- " Reliance on low margin activities.
- " Major Plant failure at sites where 1610 has full repairing liabilities.
- " Growth of online leisure providers / Home fitness market / new outdoor leisure provision.
- " Loss of key management (Trustee/CEO/SLT).
- " Failure of Duty of Care (Health & Safety and safeguarding).
- " The remaining short timespan on the two remaining Council leisure services contracts.
- " Financial viability of a much smaller Trust operation particularly linked to inflation costs.

Systems and processes have been put in place to manage and mitigate the risks 1610 face.

- " For health and safety and safeguarding, both in-house and external consultants are used to assess operational performance, highlight risk management issues and actions needed and provide on-going training.
- " All staff undergo formal training and regular updates and courses to ensure they understand their responsibilities regarding safeguarding. Recruitment processes are robust ensuring everyone follows due process, and all staff are Disclosure and Barring Service (DBS) cleared before they can commence employment with the Trust.
- " The Trust uses QUEST, a national accredited quality assurance sports framework, to externally assess all aspects of operational performance - highlighting excellence and areas for improvements.
- " These external processes support periodic reviews at Board level prompting adjustment to operations as risks change or new challenges arise.
- " Mentor NatWest is available, on demand, for external HR support and advice.

Robust and rigorous financial processes are in place to ensure performance is regularly reviewed on a daily / weekly and monthly level and corrective action taken quickly.

Whilst significant reliance is placed on the CEO and SLT's skills; each has a dedicated team supporting them and no individual works in isolation, ensuring adequate cover can be put in place immediately, temporary cover could also be provided by recruiting external professionals, together with support from the Trustees.

At a more strategic level, legal and financial risks are identified and mitigated through our work with professional advisers and auditors.

1610 continually strives to improve their margins by developing their own branded products and reviewing work practices to ensure the Trust operates as efficiently as possible. 1610 remains flexible in its approach to ensure it can adapt to changes in legislation and contractual requests.

Pool plant failure will always remain a risk that is difficult for 1610 to mitigate against, however we collaborate closely with our contractual partners to ensure the plant is maintained appropriately where it is our direct contractual responsibility to do so.

Risk management is a standing item on the monthly Senior Leadership Team agenda and quarterly Board agenda.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRATEGIC REPORT

Financial and risk management objectives and policies

The Trustees are responsible for monitoring financial risk. Appropriate policies have been developed and implemented to identify, evaluate, and manage the key risks.

- a) Price risk - The charity is exposed to price risk as a result of its operations. Due to the economic climate and new leisure budget operator competition the charity must sell and provide services at competitive price to maintain membership levels.
- b) Credit risk - Due to the charity's activities, credit is very rarely given. Any credit extended to customers is subject to appropriate review and monitoring.
- c) Liquidity risk - Trustees are regularly updated on cash flow and financial risk. Support has been requested by the Trust from financial advisors and commercial lenders to help manage the Trust business.
- d) Cash flow risk - the CEO / Finance Team have provided the Board with quarterly updates on cashflow through the year. In addition to updates when significant changes have occurred. Cashflow can be tracked daily via the Xero finance system. This data is available to all Trustees and Senior staff daily.
- e) Economic risk - The charity's performance is directly impacted by the economic environment. To manage this risk, the charity strives to deliver competitively priced products and services. The charity is actively concentrating on improving efficiency and reducing costs.
- f) Credit Rating - the Trust is aware that it is essential to maintain a strong, positive financial profile. The Trust credit rating is reviewed periodically to monitor the health of the Trust finances.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRATEGIC REPORT

Future plans

Historically, the Trust prepares annual business plans and financial forecasts for the delivery of commissioned services and developmental work. In recent years the business plans have been simplified. This approach will largely remain the same.

The 2025/26 Trust Plan set out:

1. As a minimum success measure 1610 to achieve a surplus budget position by March 2026
2. To position 1610 as an environmentally conscious business and ensuring truly sustainable approaches are taken
3. Drive staff retention of colleagues who exhibit the 1610 DNA, values and team first approach.
4. Assess 1610's social value impact as a charity and identify key metrics that is reported to 1610 stakeholders to highlight the impact of its charitable work.
5. Review all front of house systems.
6. Implement new trust timeline planning tool to organise strategic and top end operational planning approaches.
7. Increase the Wellness membership base by a further 15% by March 2026
8. To rollout 1610 marketing strategy tailored to each facility to help deliver its financial outcomes as set out in the budgets.
9. To improve the quality of service and offer at every 1610 centre by setting out quality assurance metrics.

Financial viability remains paramount for the Trust. This will involve a continuation of building back, growing and sustaining the usual 1610 business income streams.

In addition to building back the business levels the trust will have to carefully navigate rapidly approaching contract horizons and work collaboratively with key partners and stakeholders to secure a future legacy for 1610 Limited.

The trust will continue to work in collaboration with its new parent company Wealden Leisure Limited in 2025/2026 to ensure that the charitable objectives are met.

Subsequent to the balance sheet date the Board has agreed that the trade and assets of the charitable company will be transferred to the parent once Charity Commission authorisation has been granted. The future plans for the leisure centres will be aligned with the parent company's strategic and charitable plans for the future. The plans for both organisations are already very much aligned towards improving lives through leisure and working with local authority partners to increase the number of local residents using the facilities and help them to be more active, more often.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

1610 Limited is a charitable company limited by guarantee, incorporated on 17 October 2008, and registered as a charity on 5 June 2009. The company was established under a Memorandum of Association which establishes the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Principal Activities

In 2024/25 the Trust operated 3 leisure centres on behalf of local Councils in the Southwest UK. These facilities provide community access to sporting / leisure / fitness services ensuring local rural facilities are available to everyone and the promotion of a fit and healthy lifestyle. Complementing the leisure contracts is one 1610 leased facility that operates fitness, health, and wellbeing programmes.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

Directors of the company are also charity Trustees for the purposes of charity law. They are elected to serve for 3 years retiring on the third anniversary of their appointment, after which they may be re-elected for a further 3 years. They must retire at the end of that period and may not be re-elected until the expiry of 1 year from their retirement unless the Trustees consider that it would be in the best interests of the Charity for a particular Trustee or Trustees to continue to serve beyond that period and that Trustee or those Trustees are reappointed in accordance with the company's articles of association. Potential new Trustees are identified through networking and recommendation; it is important to us that Trustees understand our ethos from the outset and are passionate about what we do.

In 2024-25 one new trustee was appointed to the board, as part of the changes in structure to the organisation and as part of Wealden Leisure Limited acquisition of 1610 as a wholly owned subsidiary. The board currently consists of 4 trustees.

Organisational structure

1610 is strategically managed by a Trust Board comprising of Trustee Directors. The Board traditionally meet four times per annum. Due to the strategic direction adopted by the board in 2024/25 the board met more regularly.

For part of the 24/25 year the Board was serviced by a part time Company Secretary, along with specialist advisers to 1610 e.g. Accountants / Legal / Consultants attend Board meetings to advise Trustees as required. Due to changes in structure in August 2024, further support was obtained via the new parent company for 1610, Wealden Leisure Limited.

The Board delegates responsibility for daily operations to the Chief Executive and General management team and later in the year to its newly chosen parent company, Wealden Leisure Limited. This team has responsibility for the delivery of contractual outcomes, service specifications and to agree on Key Performance Indicators. Further pathways of delegation are in place from the CEO / general management team through to the wider management Team to operate the Trust business units across multiple venues in the Southwest.

Operational standards are defined through nationally recognised quality leisure management systems/frameworks that comprehensively document activities and processes for staff at all levels.

Induction and training of new trustees

New Trustees are invited to meet the Senior Leadership Team and Board members and are given a short induction at Trinity Sport and Leisure centre HQ to advise them on the operations, activities, and key personnel within the Trust. These sessions are led by the Chief Executive and other key senior staff and include:

- A welcome pack: including materials related to the Trust operations and governance (including the financial accounts), legal status and guidance from the Charity Commission on the responsibilities, obligations, and liabilities of becoming a Trustee.
- Trustees are offered the chance to shadow a Trust Board meeting.
- New Trustees are given an opportunity to visit one of the main Trust leisure operations to familiarise themselves with the core work and to meet Trust staff.
- New Trustees are also encouraged to contact the Chair of the Trust, a fellow Trustee, or the Company Secretary to gain a further insight into the day- to- day business and ethos of the organisation.
- Trustees are regularly updated on training opportunities at Board sessions including key functions around safeguarding and health and safety.
- All Trustees are given an induction as part of the Trust health and safety policy. Core training on health/safety and safeguarding is delivered to the Board on an annual basis or as and when significant changes to policy or UK Law dictate the need for a refresh.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Key management remuneration

Remuneration for all job roles is evaluated according to the role and level of responsibility; and this applies to members of SLT (Senior Leadership Team), and the CEO. CEO remuneration is separately reviewed, set by the Trustees and agreed annually by the Board. SLT and the CEO have clear objectives both in their area and at a strategic level; this is incorporated into the Trust's Vision Orbit Business Plan. These objectives are reviewed on a regular basis both at SLT level and at regular "job chats," which are the equivalent to appraisals. The CEO reports to the Board on the objectives together with performance of those objectives.

The impact of Living wage remains a major annual financial pressure for the Trust. Maintaining pay differentials is a difficult balancing act given the need to compete within an increasingly price aggressive sector

1610 has faced significant pressure in pay due to the changes in the employment market and workers moving across sectors for higher paid employment. Given the current financial position of 1610 there is little opportunity to increase pay beyond statutory awards.

Employee information

1610 is dependent on the skill and enthusiasm of its employees to achieve its business and charitable objectives. The Trustees are therefore committed to effective employee communication and equal opportunities. The selection, training development and promotion policies ensure equal opportunities for all employees regardless of gender, marital status, race, age, or disability. Internal communications are designed to ensure that employees are well informed about the activities of the charity and staff attitudes are researched so that the Senior Leadership Team can respond positively to the ideas and needs of employees.

The Trust continued to 'buy-in' external support for HR matters through Mentor HR services until 1610 was acquired by Wealden Leisure Limited, from this point onwards, 1610 has reduced the use of this service and instead draws down on the experience and expertise from the parent company's in-house experts.

Recruitment and retention of staff continues to apply pressure to 1610 due to broader challenges within the employment market. This is made more difficult by key national themes being attributed specifically to the leisure industry where it is typically recognised there are national workforce shortages. Staffing levels have fluctuated throughout the year but remain lean with the total number of staff circa 160 subject to fluctuations.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of 1610 Limited for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those 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;
- 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 6 ~~NOVEMBER~~ 2025 and signed on the board's behalf by:



A P Rustad - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
1610 LIMITED

Opinion

We have audited the financial statements of 1610 Limited (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 the provisions available for small entities, in the circumstances set out in note 26 to the financial statements, 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

Emphasis of matter - financial statements prepared on a basis other than going concern

We draw attention to note 28 of the financial statements which explains that after the balance sheet date it has been agreed that the trade and assets of the charitable company will be transferred to the parent. It is the intention post transfer to dissolve the charitable company. Accordingly the financial statements have been prepared on a basis other than going concern as described in the going concern accounting policy. Our opinion is not modified in respect of this matter.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
1610 LIMITED

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 Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
1610 LIMITED

Our responsibilities for the audit of the financial statements

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

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and our experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including, but not limited to, the Companies Act 2006, the Charity Statement of Recommended Practice, and UK tax legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- reviewed management contracts where contract variations had arisen;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the relevant regulator where applicable.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
1610 LIMITED

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

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



Clair Rayner FCA DChA (Senior Statutory Auditor)
for and on behalf of McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Building 1063
Cornforth Drive
Kent Science Park
Sittingbourne
Kent
ME9 8PX

Date: 6/11/2025

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

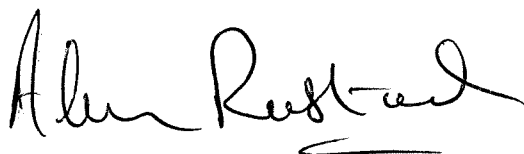
	Notes	Unrestricted funds £	Restricted fund £	31.3.25 Total funds £	31.3.24 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	15,231	-	15,231	14,835
Charitable activities	5				
Charitable activities		3,171,393	-	3,171,393	3,061,146
Other trading activities	3	142,534	-	142,534	145,641
Investment income	4	<u>8,018</u>	<u>-</u>	<u>8,018</u>	<u>5,748</u>
Total		<u>3,337,176</u>	<u>-</u>	<u>3,337,176</u>	<u>3,227,370</u>
EXPENDITURE ON					
Raising funds	6	74,701	-	74,701	76,427
Charitable activities	7				
Charitable activities		<u>3,475,737</u>	<u>-</u>	<u>3,475,737</u>	<u>3,149,078</u>
Total		<u>3,550,438</u>	<u>-</u>	<u>3,550,438</u>	<u>3,225,505</u>
NET INCOME/(EXPENDITURE)		(213,262)	-	(213,262)	1,865
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit schemes		<u>-</u>	<u>-</u>	<u>-</u>	<u>(18,000)</u>
Net movement in funds		(213,262)	-	(213,262)	(16,135)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>633,914</u>	<u>1,302</u>	<u>635,216</u>	<u>651,351</u>
TOTAL FUNDS CARRIED FORWARD		<u>420,652</u>	<u>1,302</u>	<u>421,954</u>	<u>635,216</u>

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
31 MARCH 2025

	Notes	Unrestricted funds £	Restricted fund £	31.3.25 Total funds £	31.3.24 Total funds £
FIXED ASSETS					
Tangible assets	13	270,858	-	270,858	509,460
Investments	14	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>
		270,859	-	270,859	509,461
CURRENT ASSETS					
Stocks	15	12,053	-	12,053	10,940
Debtors	16	109,284	-	109,284	135,150
Cash at bank		<u>572,709</u>	<u>1,302</u>	<u>574,011</u>	<u>476,905</u>
		694,046	1,302	695,348	622,995
CREDITORS					
Amounts falling due within one year	17	(537,231)	-	(537,231)	(482,883)
		<u>156,815</u>	<u>1,302</u>	<u>158,117</u>	<u>140,112</u>
NET CURRENT ASSETS					
		427,674	1,302	428,976	649,573
TOTAL ASSETS LESS CURRENT LIABILITIES					
CREDITORS					
Amounts falling due after more than one year	18	(7,022)	-	(7,022)	(17,357)
PENSION ASSET	23	-	-	-	3,000
		<u>420,652</u>	<u>1,302</u>	<u>421,954</u>	<u>635,216</u>
NET ASSETS					
FUNDS	22				
Unrestricted funds				420,652	633,914
Restricted funds				<u>1,302</u>	<u>1,302</u>
TOTAL FUNDS				<u>421,954</u>	<u>635,216</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 6 November 2025 and were signed on its behalf by:



A P Rustad - Trustee

The notes form part of these financial statements

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	31.3.25 £	31.3.24 £
Cash flows from operating activities			
Cash generated from operations	1	142,259	41,255
Interest paid		<u>(703)</u>	<u>-</u>
Net cash provided by operating activities		<u>141,556</u>	<u>41,255</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(14,350)	(10,544)
Interest received		<u>8,018</u>	<u>5,748</u>
Net cash used in investing activities		<u>(6,332)</u>	<u>(4,796)</u>
Cash flows from financing activities			
Loan repayments in year		(10,081)	(10,648)
Hire purchase new borrowing/(repayments)		<u>(28,037)</u>	<u>20,544</u>
Net cash (used in)/provided by financing activities		<u>(38,118)</u>	<u>9,896</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		97,106	46,355
Cash and cash equivalents at the beginning of the reporting period		<u>476,905</u>	<u>430,550</u>
Cash and cash equivalents at the end of the reporting period		<u>574,011</u>	<u>476,905</u>

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

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

	31.3.25 £	31.3.24 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(213,262)	1,865
Adjustments for:		
Depreciation charges	255,954	152,588
Interest received	(8,018)	(5,748)
Interest paid	703	-
Impairment of fixed assets	-	(54,190)
Interest paid	-	3,418
Increase in stocks	(1,113)	(3,651)
Decrease/(increase) in debtors	25,866	(40,427)
Increase/(decrease) in creditors	<u>82,129</u>	<u>(12,600)</u>
Net cash provided by operations	<u><u>142,259</u></u>	<u><u>41,255</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.24 £	Cash flow £	At 31.3.25 £
Net cash			
Cash at bank	<u>476,905</u>	<u>97,106</u>	<u>574,011</u>
	<u>476,905</u>	<u>97,106</u>	<u>574,011</u>
Debt			
Finance leases	(32,659)	28,037	(4,622)
Debts falling due within 1 year	(10,078)	(254)	(10,332)
Debts falling due after 1 year	<u>(17,357)</u>	<u>10,335</u>	<u>(7,022)</u>
	<u>(60,094)</u>	<u>38,118</u>	<u>(21,976)</u>
Total	<u><u>416,811</u></u>	<u><u>135,224</u></u>	<u><u>552,035</u></u>

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

General Information

1610 Limited carries out its objects as noted in the Trustees' annual report. The charitable company is a company limited by guarantee and is incorporated and domiciled in England. The address of the principal and registered office is Trinity Sports and Leisure, Chilton Street Bridgwater, Somerset, TA6 3JA. The charitable company also operates from a number of addresses being the leisure centres that it operates.

Presentation currency

The presentation currency is £ sterling.

Going Concern

The Trustees have considered the going concern requirement and are of the opinion that, following a decision after the year end to transfer all trade and assets to the parent, the accounts should be prepared on a basis other than going concern. It is anticipated that the activities will continue uninterrupted as they transfer to the parent, according there are no adjustments to be made to the carrying values of assets and liabilities as at 31 March 2025.

Summary of significant accounting policies

The principal accounting policies adopted, the critical accounting estimates, judgements and key sources of estimation uncertainty in the preparation of the financial statements are set out below. These policies have been applied consistently unless otherwise stated.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

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

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

(a) The company has an obligation to pay pensions benefits to certain employees. The cost of these benefits are the present value of the obligation depend on a number of factors., including: Life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimate these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. See note 23 for the disclosures relating to the defined benefit pension scheme.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

1. ACCOUNTING POLICIES - continued

Critical accounting judgements and key sources of estimation uncertainty

(b) Revenue from gym memberships is recognised over the period of the membership on a straight-line basis, reflecting the period over which the services are provided to the customer. Deferred income represents membership fees received in advance of the period to which they relate. The estimation uncertainty arises in determining the portion of membership income that relates to future periods at the reporting date. Management's key assumption is that the benefits of membership are consumed evenly over the membership period, and therefore revenue is recognised on a time-apportioned basis.

(c) Expenditure is recognised on an accruals basis to reflect goods and services received before the year-end that have not yet been invoiced or to reflect goods and services that have not yet been delivered at the year end but have been invoiced. The estimation of accrued or prepaid expenditure is based on one or more of the following:

Purchase orders raised for goods or services received but not yet invoiced at the reporting date.

Invoices received after the reporting date that relate to the reporting period.

Invoices received during the reporting period that relate to a future reporting period.

Apportionment of costs where services or contracts span the financial year-end, calculated on a pro-rata basis by reference to the service period covered.

Judgement is required to determine the completeness of accrued / prepaid liabilities and the appropriate level of accrual / prepayment for each category of expenditure.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the monetary value of the income can be measured with sufficient reliability and is not deferred.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Where the criteria for recognition are met in advance of grants actually being received then the income is recognised within the statement of financial activities and amount due included within accrued income in debtors.

Where income is received in advance, it is included within deferred income in creditors until the income recognition criteria are met.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure. All expenditure is accounted for on an accruals basis and has been classified under the headings that aggregate all costs related to the category. Expenditure includes any VAT which cannot be fully recovered and is reported as part of support costs.

Raising funds comprises all costs associated with raising additional funds for Charity through vending and other sales.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

1. ACCOUNTING POLICIES - continued

Expenditure

Charitable activities comprise all costs directly incurred in undertaking activities to fulfil the Charity's objects, together with any support costs allocated in accordance with the support cost accounting policy as described below.

Other expenditure represents those items not falling into any other heading.

Support costs include administration and head office costs not directly attributable to particular charitable activities are apportioned to charitable activities as detailed in note 8 to the financial statements. .

Tangible fixed assets

Tangible fixed assets costing over £500 are initially recorded at cost. Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life:

Leasehold Improvements		straight-line over the remaining lease term
Sports equipment:	Cardio equipment	straight-line over 10 years or over the remaining lease term.
	Resistance equipment	straight-line over 10 years or over the remaining lease term.
All other fixtures and equipment		straight-line over 10 years.
Computer software		straight -line over 10 years.

Stocks

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

Fund accounting

The unrestricted general fund represents the accumulation of the Charity's income and expenditure that has not been earmarked for a specific projects and is not considered by the Trustees to be for a restricted purpose. To the extent that the fund is represented by readily realisable assets it provides a means of financing the day-to-day operations.

Designated funds represent amounts set aside by the Trustees for a particular purpose.

Restricted funds represent the funds received by the Charity for particular purposes as directed by the donors.

Pension costs and other post-retirement benefits

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions to a separate entity. Once the contributions have been paid the company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Defined benefit pension plan

The company operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The asset/liability recognised in the balance sheet in respect of the defined benefit plan is the shortfall/excess of the present value of the defined benefit obligation at the end of the reporting date less the fair value of the plan assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of future payments (discount rate).

The fair value of plan assets is measured in accordance with FRS102 fair value hierarchy and in accordance with the company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the statement of financial activities. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as "Remeasurement of net defined benefit liability".

The cost of the defined benefit plan, recognised in the profit or loss as employee costs, except where included in the cost of an asset, comprises:

- i) The increase in pension benefit liability arising from employee service during the period: and
- ii) The cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The cost is recognised in the statement of financial activities as a finance expense.

Investments in Subsidiary Undertakings

Investments in subsidiary undertakings are measured at cost and reviewed annually for impairment. On the basis that the subsidiary is not material to the group, consolidated accounts have not been prepared.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits and other short term highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

Provisions

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

1. ACCOUNTING POLICIES - continued

Provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

Basic financial assets, including trade and other debtors, cash and bank balances and investments in term deposits are initially recognised at transaction price. Such assets are subsequently carried at amortised cost.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. Any impairment losses are recognised in profit or loss.

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price. Trade and other creditors are measured at amortised cost using the effective interest method. Debt instruments are subsequently carried at amortised cost, using the effective interest method.

Hire purchase and leasing commitments

Assets obtained under hire purchasing contracts or finance leases are capitalised on the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

2. DONATIONS AND LEGACIES

	31.3.25	31.3.24
	£	£
Donations	<u>15,231</u>	<u>14,835</u>

3. OTHER TRADING ACTIVITIES

	31.3.25	31.3.24
	£	£
Vending & bar sales.	<u>142,534</u>	<u>145,641</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

4. INVESTMENT INCOME

	31.3.25	31.3.24
	£	£
Deposit account interest	<u>8,018</u>	<u>5,748</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	31.3.25	31.3.24
	£	£
Leisure centre income	1,556,105	1,505,109
Management fee income	355,817	344,350
Membership income	1,249,445	1,198,712
Other income	<u>10,026</u>	<u>12,975</u>
	<u>3,171,393</u>	<u>3,061,146</u>

6. RAISING FUNDS**Other trading activities**

	31.3.25	31.3.24
	£	£
Opening stock	10,940	7,289
Purchases	74,702	80,079
Closing stock	<u>(10,941)</u>	<u>(10,941)</u>
	<u>74,701</u>	<u>76,427</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Charitable activities	<u>2,739,168</u>	<u>736,569</u>	<u>3,475,737</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

8. SUPPORT COSTS

	Management	Finance	Other 3	Governance costs	Totals
	£	£	£	£	£
Charitable activities	<u>656,546</u>	<u>2,474</u>	<u>3,000</u>	<u>74,549</u>	<u>736,569</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.25	31.3.24
	£	£
Auditors' remuneration	20,004	14,550
Taxation advisory services	4,158	28,605
Auditors remuneration for accountancy services	-	6,925
Depreciation - owned assets	224,916	121,547
Depreciation - assets on hire purchase contracts and finance leases	<u>28,036</u>	<u>31,041</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2025 nor for the year ended 31 March 2024.

Trustees' expenses

During the year ended 31 March 2025, one Trustee was reimbursed expenses of £270 (2024:£Nil) for travel and stationery expenses.

11. STAFF COSTS

	31.3.25	31.3.24
	£	£
Wages and salaries	1,643,487	1,519,098
Social security costs	95,635	85,035
Other pension costs	<u>39,073</u>	<u>38,107</u>
	<u>1,778,195</u>	<u>1,642,240</u>

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

	31.3.25	31.3.24
BSF Contract	68	66
Dorset Contract	73	66
Activities	18	19
Head Office Admin Support	<u>8</u>	<u>7</u>
	<u>167</u>	<u>158</u>

No employees received emoluments in excess of £60,000.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

11. STAFF COSTS - continued

Some employees are members of a defined benefit pension scheme, details of which are provided in note 23.

Key management personnel remuneration is disclosed in note 25.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	14,835	-	14,835
Charitable activities			
Charitable activities	3,061,146	-	3,061,146
Other trading activities	145,641	-	145,641
Investment income	<u>5,748</u>	<u>-</u>	<u>5,748</u>
Total	<u>3,227,370</u>	<u>-</u>	<u>3,227,370</u>
 EXPENDITURE ON			
Raising funds	76,427	-	76,427
Charitable activities			
Charitable activities	<u>3,149,078</u>	<u>-</u>	<u>3,149,078</u>
Total	<u>3,225,505</u>	<u>-</u>	<u>3,225,505</u>
 NET INCOME	1,865	-	1,865
Other recognised gains/(losses)			
Actuarial gains/(losses) on defined benefit schemes	<u>(18,000)</u>	<u>-</u>	<u>(18,000)</u>
Net movement in funds	(16,135)	-	(16,135)
 RECONCILIATION OF FUNDS			
Total funds brought forward	<u>650,049</u>	<u>1,302</u>	<u>651,351</u>
 TOTAL FUNDS CARRIED FORWARD	<u><u>633,914</u></u>	<u><u>1,302</u></u>	<u><u>635,216</u></u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

13. TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 April 2024	922,128	1,272,484	126,793	2,321,405
Additions	-	14,350	-	14,350
At 31 March 2025	922,128	1,286,834	126,793	2,335,755
DEPRECIATION				
At 1 April 2024	682,386	1,074,863	54,696	1,811,945
Charge for year	86,596	153,222	13,134	252,952
At 31 March 2025	768,982	1,228,085	67,830	2,064,897
NET BOOK VALUE				
At 31 March 2025	153,146	58,749	58,963	270,858
At 31 March 2024	239,742	197,621	72,097	509,460

Included within fixed assets are assets with a net book value of £4,622 (2024: £32,658) relating to assets held under finance lease agreements. The depreciation charged in the period in respect of assets held under finance lease agreements amounted to £28,036 (2024: £31,041).

During the year on renewal of finance leases, the net realisable value of the relating assets was reviewed. In the prior year assets were upwardly remeasured by £54,190 to the remaining lease value.

Fixed assets, included in the above, which are held under finance leases are as follows:

	Fixtures and fittings £
COST	
At 1 April 2024 and 31 March 2025	201,983
DEPRECIATION	
At 1 April 2024	169,325
Charge for year	28,036
At 31 March 2025	197,361
NET BOOK VALUE	
At 31 March 2025	4,622
At 31 March 2024	32,658

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

14. FIXED ASSET INVESTMENTS

Shares in
group
undertakings
£

MARKET VALUE

At 1 April 2024 and 31 March 2025

1**NET BOOK VALUE**

At 31 March 2025

1

At 31 March 2024

1

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Incedo Limited

Registered office: Trinity Sports Centre, Chilton Street, Bridgwater, Somerset, United Kingdom, TA6 3JA

Nature of business: Operation of sports facilities

	%		
Class of share:	holding		
Ordinary	100		
		31.3.25	30.6.24
		£	£
Aggregate capital and reserves		-	(2,040)
Profit/(loss) for the year		<u>2,040</u>	<u>(1,232)</u>

15. STOCKS

	31.3.25	31.3.24
	£	£
Stocks	<u>12,053</u>	<u>10,940</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.25	31.3.24
	£	£
Trade debtors	22,531	60,202
Amounts owed by group undertakings	1,202	1,202
Other debtors	24,006	24,926
Prepayments and accrued income	<u>61,545</u>	<u>48,820</u>
	<u>109,284</u>	<u>135,150</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.25	31.3.24
	£	£
Other loans (see note 19)	10,332	10,078
Finance leases (see note 20)	4,622	32,659
Trade creditors	101,601	118,819
Social security and other taxes	39,725	33,757
Other creditors	5,745	5,021
Accruals and deferred income	<u>375,206</u>	<u>282,549</u>
	<u>537,231</u>	<u>482,883</u>

Included within accruals and deferred income is deferred income of £93,493 (2024: £64,748). Deferred income is in respect of membership fees that have been paid for in advance of the service delivery.

	31.3.25	31.3.24
	£	£
Deferred income brought Forward	64,748	58,677
Released in the year	(64,748)	(58,677)
Provided in the year	<u>93,493</u>	<u>64,748</u>
Deferred income carried forward	<u>93,493</u>	<u>64,748</u>

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

	31.3.25	31.3.24
	£	£
Other loans (see note 19)	<u>7,022</u>	<u>17,357</u>

19. LOANS

An analysis of the maturity of loans is given below:

	31.3.25	31.3.24
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>10,332</u>	<u>10,078</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>7,022</u>	<u>10,332</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>-</u>	<u>7,025</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

20. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Finance leases	
	31.3.25	31.3.24
	£	£
Net obligations repayable:		
Within one year	<u>4,622</u>	<u>32,659</u>
	Non-cancellable operating leases	
	31.3.25	31.3.24
	£	£
Within one year	<u>2,028</u>	<u>719</u>

21. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.25	31.3.24
	£	£
Other loans	17,354	27,435
Finance leases	<u>4,622</u>	<u>32,659</u>
	<u>21,976</u>	<u>60,094</u>

The finance leases are secured on the related leased assets.

The bank loans are secured by a fixed charge over all plant and machinery and goodwill, owned now or in the future and a floating charge over all other property assets and rights of the company. The loan was drawn down in November 2020 under the provisions of the Coronavirus Business Interruption Loan Scheme (CBILS). The loan carries interest at the rate of 2.5% and will be fully repaid by November 2026.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

22. MOVEMENT IN FUNDS

	At 1.4.24 £	Net movement in funds £	At 31.3.25 £
Unrestricted funds			
Unrestricted funds	606,908	(210,262)	396,646
Trinity sinking fund	24,006	-	24,006
Pension reserve	<u>3,000</u>	<u>(3,000)</u>	<u>-</u>
	633,914	(213,262)	420,652
Restricted funds			
GAP funding	<u>1,302</u>	<u>-</u>	<u>1,302</u>
TOTAL FUNDS	<u>635,216</u>	<u>(213,262)</u>	<u>421,954</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted funds	3,337,176	(3,547,438)	(210,262)
Pension reserve	<u>-</u>	<u>(3,000)</u>	<u>(3,000)</u>
	<u>3,337,176</u>	<u>(3,550,438)</u>	<u>(213,262)</u>
TOTAL FUNDS	<u>3,337,176</u>	<u>(3,550,438)</u>	<u>(213,262)</u>

Comparatives for movement in funds

	At 1.4.23 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
Unrestricted funds	605,043	1,865	606,908
Trinity sinking fund	24,006	-	24,006
Pension reserve	<u>21,000</u>	<u>(18,000)</u>	<u>3,000</u>
	650,049	(16,135)	633,914
Restricted funds			
GAP funding	<u>1,302</u>	<u>-</u>	<u>1,302</u>
TOTAL FUNDS	<u>651,351</u>	<u>(16,135)</u>	<u>635,216</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

22. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted funds	3,227,370	(3,225,505)	-	1,865
Pension reserve	-	-	(18,000)	(18,000)
	<u>3,227,370</u>	<u>(3,225,505)</u>	<u>(18,000)</u>	<u>(16,135)</u>
TOTAL FUNDS	<u>3,227,370</u>	<u>(3,225,505)</u>	<u>(18,000)</u>	<u>(16,135)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.23 £	Net movement in funds £	At 31.3.25 £
Unrestricted funds			
Unrestricted funds	605,043	(208,397)	396,646
Trinity sinking fund	24,006	-	24,006
Pension reserve	<u>21,000</u>	<u>(21,000)</u>	-
	650,049	(229,397)	420,652
Restricted funds			
GAP funding	<u>1,302</u>	-	<u>1,302</u>
TOTAL FUNDS	<u>651,351</u>	<u>(229,397)</u>	<u>421,954</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted funds	6,564,546	(6,772,943)	-	(208,397)
Pension reserve	-	(3,000)	(18,000)	(21,000)
	<u>6,564,546</u>	<u>(6,775,943)</u>	<u>(18,000)</u>	<u>(229,397)</u>
TOTAL FUNDS	<u>6,564,546</u>	<u>(6,775,943)</u>	<u>(18,000)</u>	<u>(229,397)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

23. EMPLOYEE BENEFIT OBLIGATIONS

West Dorset District Council Scheme

During the year ended 31 March 2013, 1610 Limited agreed a contract to provide leisure services for West Dorset District Council. Part of this contract included the transfer of employees and their associated pension benefit obligations. As part of the transfer agreement the defined pension obligations in respect of transferred employees became the responsibility of 1610 Limited from 1 October 2012. These pension scheme obligations at the balance sheet date showed a surplus of £Nil (2024: surplus of £3,000).

Within the year under review, as part of the merger negotiations it was agreed that any asset or liability held in the pension scheme would become the responsibility of West Dorset District Council after the final member of the scheme left.

The employer contributions expected to be paid to WDCC scheme during the period ending 31 March 2026 are Nil (2025: £4,000).

The assets of this defined benefit scheme were held separately from those of the company and comprised segregated funds of the Dorset County Council Pension Fund in respect of pension benefits provided by the Local Government Pension Scheme (LGPS) to employees of 1610 Limited. The LGPS is a defined benefit statutory scheme administered in accordance with Local Government Pension Scheme Regulations 2014. It is contracted out of the State Second Pension and currently provides benefits based on career average revalued salary and length of service on retirement. The scheme is now closed to new members.

The amounts recognised in the Statement of Financial Position are as follows:

	Defined benefit pension plans	
	31.3.25	31.3.24
	£	£
Present value of funded obligations	-	(696,000)
Fair value of plan assets	-	797,000
	-	101,000
Present value of unfunded obligations	-	-
Asset ceiling	-	(98,000)
Surplus	-	3,000
Net asset	-	3,000

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

23. EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in the Statement of Financial Activities are as follows:

	Defined benefit pension plans	
	31.3.25	31.3.24
	£	£
Current service cost	-	5,000
Net interest from net defined benefit asset/liability	-	(1,000)
Past service cost	-	-
Admin costs	-	1,000
	<u>-</u>	<u>5,000</u>
Actual return on plan assets	<u>-</u>	<u>34,000</u>

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

	Defined benefit pension plans	
	31.3.25	31.3.24
	£	£
Opening defined benefit obligation	696,000	695,000
Current service cost	-	5,000
Contributions by scheme participants	-	1,000
Interest cost	-	33,000
Benefits paid	-	(7,000)
Transfer to local authority	(696,000)	-
Oblig other remeasurement	-	(31,000)
	<u>-</u>	<u>696,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

23. EMPLOYEE BENEFIT OBLIGATIONS - continued

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

	Defined benefit pension plans	
	31.3.25	31.3.24
	£	£
Opening fair value of scheme assets	797,000	716,000
Contributions by employer	-	3,000
Contributions by scheme participants	-	1,000
Assets no descr	-	(1,000)
Expected return	-	34,000
Benefits paid	-	(7,000)
Transfer to local authority	(797,000)	-
Return on plan assets (excluding interest income)	-	51,000
	<u>-</u>	<u>51,000</u>
	<u>-</u>	<u>797,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	31.3.25	31.3.24
	£	£
Oblig other remeasurement	-	31,000
Return on plan assets (excluding interest income)	-	51,000
	<u>-</u>	<u>51,000</u>
	<u>-</u>	<u>82,000</u>

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	31.3.25	31.3.24
	£	£
Equities	-	499,000
Other bonds	-	52,000
Diversified Growth Fund	-	53,000
Infrastructure	-	59,000
Multi asset credit	-	55,000
Property	-	62,000
Cash	-	17,000
	<u>-</u>	<u>797,000</u>
	<u>-</u>	<u>797,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

23. EMPLOYEE BENEFIT OBLIGATIONS - continued

Principal actuarial assumptions at the Statement of Financial Position date (expressed as weighted averages):

	31.3.25	31.3.24
Discount rate	-	4.95%
Future salary increases	-	2.90%
Future pension increases	-	2.90%
Consumer Price Index price increase	-	2.90%

Mortality

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience. The post retirement mortality tables adopted are the S3PA tables with a multiplier of 90% for males and 100% for females. These base tables are then projected using the CMI 2020 Model, with an allowance for future longevity improvement of 1.25% per annum, smoothing parameter of 7.5%, an initial addition parameter of 0.5% and a 2020 weighting of 25%. The 2020 weight parameter reflects the exceptional mortality due to the coronavirus pandemic. The effect on assumed life expectancies is demonstrated in the table below.

The average life expectancy in years for a member from the age of 65 are:

		2025 (years)	2024 (years)
Retiring today:	Males	-	21.8
	Females	-	23.9
Retiring in 20 years:	Males	-	23.1
	Females	-	25.4%

Demographic/statistical assumptions:

A set of demographic assumptions that are consistent with those used for the most recent fund valuation as at March 2024 were adopted.

24. CONTINGENT LIABILITIES

The Charity had guaranteed its payment obligations under a contract for the management of leisure facilities by arranging performance bonds for £115,744 and £90,528 which expired in January 2025 and £29,000 and £100,000 which expired in October 2024.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

25. RELATED PARTY DISCLOSURES

During the year the company paid for goods and services on behalf of Incedo Limited, a wholly owned subsidiary to the value of £nil (2024: £1,219). A balance of £1,202 (2024: £1,202) was owing from Incedo Limited at the balance sheet date.

The key management of the charity comprises the Chief Executive Officer. The total employee benefits of the key management personnel were for the year £60,432 (2024: £55,976).

26. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

27. ULTIMATE CONTROLLING PARTY

On 1 August 2024 Wealden Leisure Limited, a Co-operative and Community Benefit Society, registration number IP29336R became the sole member of the charitable company. All decisions are taken by the Board of Directors who are Trustees of the charitable company. Wealden Leisure Limited has representation on the Board of Directors. The objects of Wealden Leisure Limited are closely aligned to those of the charitable company. Consolidated accounts can be obtained from The Paddock, 1 - 6 Carriers Way, East Hoathly, East Sussex, BN8 6AG. Wealden Leisure Limited has charitable tax status with HMRC reference XR74015.

28. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and has no authorised or issued share capital. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

29. SUBSEQUENT EVENTS

Subsequent to the balance sheet date the Board has agreed that the trade and assets of the charitable company will be transferred to the parent once Charity Commission authorisation has been granted.