

Trilogy Active

England & Wales · Charity number 1145613

Details

Other names	NORTHAMPTON LEISURE TRUST, UNITY LEISURE
Status	Registered
Legal form	Charitable company
Company number	07555631
Registered	2012-01-25
Register	View on the Charity Commission register

Contact

Address	78 Robert Street Northampton NN1 3BJ
Phone	01604837500
Email	fd@nltrust.org.uk
Website	www.trilogyleisure.co.uk

Activities

Objects: (1) TO PROMOTE FOR THE PUBLIC BENEFIT THE PROVISION OF FACILITIES FOR RECREATION OR OTHER LEISURE TIME OCCUPATION FOR INDIVIDUALS WHO HAVE NEED OF SUCH FACILITIES BY REASON OF THEIR YOUTH, AGE, INFIRMITY OR DISABLEMENT, FINANCIAL HARDSHIP OR SOCIAL AND ECONOMIC CIRCUMSTANCES OR FOR THE PUBLIC AT LARGE IN THE INTERESTS OF SOCIAL WELFARE AND WITH THE OBJECT OF IMPROVING THEIR CONDITIONS OF LIFE.(2) TO ADVANCE HEALTH FOR THE PUBLIC BENEFIT BY PROMOTING PARTICIPATION IN HEALTHY EXERCISE AND PHYSICAL ACTIVITY. (3) TO ADVANCE EDUCATION IN THE ARTS FOR THE PUBLIC BENEFIT IN PARTICULAR BUT NOT EXCLUSIVELY BY THE MAINTENANCE AND MANAGEMENT OF A CINEMA.(4) TO ADVANCE EDUCATION AND TO PROVIDE FACILITIES IN THE INTERESTS OF SOCIAL WELFARE FOR INDIVIDUALS WHO HAVE NEED OF SUCH FACILITIES BY REASON OF THEIR YOUTH, AGE, INFIRMITY OR DISABILITY, FINANCIAL HARDSHIP OR SOCIAL AND ECONOMIC CIRCUMSTANCES IN PARTICULAR BUT NOT EXCLUSIVELY BY THE MAINTENANCE AND MANAGEMENT OF A CHILDREN'S DAY-CARE NURSERY.

Activities: The charity primarily operates leisure centres for community use within Northampton. This involves the full range of leisure and health activities normall associated with these types of facilities. We provide swimming lessons for children as well as play and diversionary activities in the community We also

provide support to club and societies.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Amateur Sport, Recreation
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Northamptonshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£9,590,181	£9,536,150	£7,284,873	477
2024-03-31	£8,389,396	£8,304,998	£2,487,489	331
2023-03-31	£6,086,351	£5,827,636	£2,487,489	299
2022-03-31	£5,602,783	£5,223,182	£2,228,774	227
2021-03-31	£3,940,040	£4,704,573	£649,173	269

Trustees

Name	Role	Appointed
steven adams	Chair	2019-11-19
Ian Peter Taylor		2024-07-16
Kevin John McFadyen		2023-07-25
Professor Anne-Marie Kilday		2025-05-20
Rafez Noorullah		2024-04-16
Steven Scales		2022-01-25

Trilogy Active

England & Wales - Charity number 1145613

Accounts

Company registration number: 07555631

Charity registration number: 1145613

Trilogy Active Ltd

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2025

Trilogy Active Ltd
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Trilogy Active Ltd

Reference and Administrative Details

Trustees	S Adams
	R Noorullah
	K McFadyen
	I P Taylor
	S Scales
Secretary	R J Austin
Members	S Adams
	R Noorullah
	K McFadyen
	I P Taylor
	S Scales
Senior Management	J Fletcher, Managing Director
Charity registered number	1145613
Company registration number	07555631
Registered Office	Unity House 78 Robert Street Northampton NN1 3BJ
Auditor	Hawsons Chartered Accountants Jubilee House 32 Duncan Close Moulton Park Northampton NN3 6WL
Bankers	HSBC St Clair House 5 Old Bedford Road Northampton Northamptonshire NN4 7AA

Trustees' Report incorporating the Strategic Report for the Year Ended 31 March 2025

The Trustees present their Annual Report together with the audited financial statements of the charitable company and group for the period from 1 April 2024 to 31 March 2025. The Annual Report covers the purposes of a Trustees' report as well as the Strategic Report and the Directors' Report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

a. Policies and objectives

'Inspiring Active Lifestyles'

The Trust has set itself five priorities:

- To create and deliver initiatives for the improvement of health & wellbeing across the geographical area we serve.
- To improve on the social impact and value of our services.
- To continuously improve customer service and journey by delivering high quality services and facilities. To generate income and surpluses to allow us to invest, improve and increase our leisure offer.
- To enhance our skilled and motivated workforce.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Main activities undertaken to further the charitable company's purposes for the public benefit

The Trustees have referred to the Charity Commission's guidance on public benefit when deciding on the activities Trilogy Active Ltd provides. Trilogy Active Ltd provides public benefit in the following ways:

- To promote for the public benefit the provision of facilities for recreation or other leisure time occupation for individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving their conditions of life.
- To advance health for the public benefit by promoting participation in healthy exercise and physical activity.
- To advance education in the arts for the public benefit in particular but not exclusively by the maintenance and management of a cinema.

Achievements and performance

The Trust has performed well for the year in question. The year ending 31st March 2025 was one of our most successful trading years ever and means we have been able to build our reserves.

a. Key performance indicators

Before accounting adjustments for pensions and the negative goodwill credit relating to the trade and asset transfer from Belper Leisure Centre, the group delivered a surplus for the year of £54,031 (2024: £84,398). This was driven by the following;

- The turn around of Belper Leisure Centre from a position of insolvency.
- By focusing on our core income streams we were able to bring back our members much quicker than expected.
- Expanding our business through the purchase of a soft play company called Hickory Dickory's Limited.
- We kept a close eye on all expenditure, adopting an essential spend only policy.

Trilogy Active Ltd

Trustees' Report incorporating the Strategic Report for the Year Ended 31 March 2025 (continued)

Achievements and performance (continued)

b. Review of activities

We continue to develop and enhance our facilities to improve the customer experience. The year ending 31 March 2025 was primarily focused on growing the business to prepare and protect the company for the end of the Northampton contract.

Trilogy Active was set up by Northampton Borough Council to operate its leisure facilities on a 15 year agreement. In 2019 agreement was reached to extend the contract for a further 15 years. In 2020 covid prevented the execution of this agreement and then, following local government reorganisation, the new authority decided not to honour this agreement and instead put the contract out to tender. Trilogy, after considering all options, have decided not to formally bid for the contract albeit have advised West Northamptonshire Council that the agreement reached with Northampton Borough Council is still on the table.

On the 1st April 2025 we completed the transfer of Belper Leisure Centre Limited into the company and on 11th August 2025 we purchased The Play Hub in Atherstone to add to our portfolio of active play centres.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charitable company and group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The reserves policy for the Trust sets out the cash target level of reserves of £600,000. This figure is made up of two key components namely;

- £300,000 being the amount needed to manage fluctuations in cash flow.
- £300,000 being the amount needed to manage unforeseen expenditure or drops in income.

We currently do not set aside any amounts to meet future expenditure as this can all be funded by ongoing revenue. It is though part of our strategy to develop a new reserve of up to £400,000 so that we can take advantage of opportunities as they come about.

Structure, governance and management

a. Constitution

The Company is registered as a charitable company limited by guarantee (company number: 07555631), governed by Memorandum and Articles of Association and was set up by a Trust deed in 2012.

The company is constituted under a Trust deed and is a registered charity and holds the registration number 1145613.

The principal object of the company is to operate for public benefit, facilities and services for leisure and recreation and be sustainable.

b. Methods of appointment or election of Trustees

The management of the Company is the responsibility of the Trustees who are elected and co opted under the terms of the Trust deed.

Trilogy Active Ltd

Trustees' Report incorporating the Strategic Report for the Year Ended 31 March 2025 (continued)

Structure, governance and maintenance (continued)

c. Policies adopted for the induction and training of Trustees

Trustees are appointed and their conduct governed by the charitable company's Articles of Association and Code of Conduct. New Trustees are recruited through local advertisements and any appointment would be based on an assessment of the required abilities and, if appropriate, specialist skills required by the board. All current Trustees have received training to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making process, the Business Plan and financial monitoring of the charitable company's performance. Any new Trustee(s) will receive a commensurate level of training in accordance with the Trustee induction policy. None of the Trustees receive remuneration or other benefit from their work with the charitable company.

d. Pay policy for senior staff

The remuneration of the Managing Director and the Finance Director is considered by a Remuneration Committee. Other permanent staff are remunerated using an evaluation model promoted by the Joint Negotiating Council. Where this is not appropriate, market rates are applied. Remuneration is based on a combination of market rates, performance and the need to retain key members of staff.

e. Organisational structure and decision making

The Board of Trustees, which can contain up to 15 members, administers the charitable company. The board meets on a bi monthly basis and there are the following sub committees:

- Audit Committee.
- Remuneration Committee.

The Managing Director and the Finance Director are appointed by the Trustees to manage the day to day operations of the charitable company. To facilitate effective operations the Managing Director and the Finance Director have delegated authority, within the terms of delegation approved by the Trustees, for all operational and administrative functions including finance, HR and IT.

f. Risk management

The Trustees have a risk management strategy which comprises:

- An annual review of the risks the charitable company and group may face;
- The establishment of systems and procedures to mitigate those risks identified in the plan;
- Implementation of procedures designed to minimise any potential impact on the charitable company and group should those risks materialise.

This work has identified that financial sustainability is the major financial risk for the charitable company and group. Particular attention has focused on financial risk with regard to the FRS102 pension liability, assessing Trilogy Active Ltd's exposure to its facilities repair and maintenance costs, the monthly monitoring of trading performance together with an assessment of the key performance indicators and the implementation of a prudent reserves policy.

Non financial risk is also regularly assessed with regard to company operations and ensuring continued usage of facilities through capital investment strategy and operational activity reviews. In particular, work has been undertaken to identify and mitigate health and safety issues within operational areas. This approach to risk management has resulted in better emergency procedures and contingency plans and has given the impetus for better planning and service delivery.

Plans for future periods

Our strategy as a company and group is to work with all our partners in health and local government to improve the wellbeing for the people in the areas we work. To do this we recognise the need to train and develop our staff as well as developing the products and services we offer. A key part of our strategy is to ensure that everyone has access to activities and to remove any historic barriers that prevented their participation.

Trilogy Active Ltd

Trustees' Report incorporating the Strategic Report for the Year Ended 31 March 2025 (continued)

Structure, governance and maintenance (continued)

We are conscious that our main contract with West Northamptonshire Council expires on 31 March 2026 and as such a large part of our business will be lost. We are though proactively planning to ensure that we retain as many of our customers as we can within our other sites and are proactively looking for facilities in Northampton and near by from where we can continue to deliver services to our members.

Funds held as custodian

There are no funds held as Custodian.

Engagement with employees and employment of the disabled

Employees have been consulted on issues of concern to them by means of a regular consultative committee and of staff meetings and have been kept informed on specific matters directly by management. The Company carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The charitable company has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy.
- Volunteers' policy.
- Health & safety policy.

In accordance with the charitable company's equal opportunities policy, the charitable company has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the charitable company's offices.

Related Parties

The charity continues to operate under a formal Service Level Agreement with West Northamptonshire Council to provide leisure facilities within Northampton. West Northamptonshire Council is a member of the company.

The charity leases premises for the operation of sports centres from the following members: West Northamptonshire Council, Duston Parish Council and Northampton General Hospital.

A summary of the financial transactions occurring with these members is contained within the notes to the accounts.

The results of the following subsidiary undertakings are consolidated within the accounts: Hickory Dickory's Limited, Belper Leisure Centre Limited and Belper Sports Centre Services Limited. The registered address and principal activity of each subsidiary is disclosed within the notes to the accounts.

Statement as to Disclosure of Information to Auditors

The trustees of the company who held office at the date of approval of this annual report confirm that:

So far as they are aware, there is no relevant audit information, information needed by the company's auditors in connection with preparing their report, of which the company's auditors are unaware, and

They have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditor

During the year, Hawsons Chartered Accountants were appointed as auditors. A resolution to reappoint Hawsons Chartered Accountants as independent auditor will be proposed at the next Annual General Meeting.

Trilogy Active Ltd

**Trustees' Report incorporating the Strategic Report for the Year Ended 31 March 2025
(continued)**

This report incorporating the Strategic Report was approved by the trustee of the charitable company on 25 November 2025 and signed on its behalf by:

Sue Adams

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S Adams
Governor and trustee

Trilogy Active Ltd

Statement of Responsibilities

The trustee (who are also the directors of Trilogy Active Ltd for the purposes of company law) are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustee to prepare financial statements for each financial year. Under company law the trustee 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 parent charitable company and the group and of the incoming resources and application of resources, including its income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustee are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 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 parent charitable company will continue in business.

The trustee are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the parent charitable company and the group 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 parent charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustee are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Trilogy Active Ltd

Independent Auditor's Report to the Members of Trilogy Active Ltd

Opinion

We have audited the financial statements of Trilogy Active Ltd (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2025, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Consolidated 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent 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 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 trustee 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 group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustee 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 trustees 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 Auditor's Report to the Members of Trilogy Active Ltd (continued)

Opinion on other matter 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 Trustee's Report and for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustee's Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's 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:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustee

As explained more fully in the Statement of Trustees' Responsibilities set out on page 5 set out on page 7, the trustee (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 trustee 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 trustee either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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:

The charitable company is subject to laws and regulations that directly and indirectly affect the financial statements. Based on our understanding of the charitable company and the environment it operates within, we determined that the laws and regulations which were most significant included FRS 102, Companies Act 2006, Health and Safety regulations, the Charity SORP and the Charities Act 2011. We considered the extent to which non-compliance with these laws and regulations might have a material effect on the financial statements, including how fraud might occur. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to improve the company's result for the period, and management bias in key accounting estimates.

In addition to this, we have also identified the following principal risk areas:

- Income recognition - there are two components to this risk, being income completeness and cut-off;
- Trade and asset transfer - there is a risk that the transfer of trade and assets from the subsidiary charitable company at the balance sheet date has not been accounted for in accordance with the applicable financial reporting framework;
- Defined benefit pension asset valuation - there is a risk of the valuation of the pension asset being misstated as amounts disclosed are based on management's accounting estimate.

Audit procedures performed by the engagement team included:

Independent Auditor's Report to the Members of Trilogy Active Ltd (continued)

- Discussions with management and those responsible for legal compliance procedures within the charitable company to obtain an understanding of the legal and regulatory framework applicable to the charitable company and how the charitable company complies with that framework, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of Trustee meetings;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular with regards to the defined benefit pension scheme assets within the group;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations;
- Performing cut-off procedures on income around the balance sheet date in order to gain assurance that income has been recorded in the accounting period to which it relates;
- Verifying that the trade and asset transfer has been executed as stipulated within the trade and asset transfer agreement as well as reviewing the derecognition accounting entries;
- Reviewing management's assessment of the defined benefit pension asset and assessing it for reasonableness.

There are inherent limitations in the audit procedures described above and the more removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 parent company's trustee, 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 group's trustee 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 parent company and its trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Hawsons

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Will Amos (Senior Statutory Auditor)

For and on behalf of Hawsons Chartered Accountants, Statutory Auditor

Jubilee House
32 Duncan Close
Moulton Park
Northampton
NN3 6WL

01/12/2025

Date:.....

Trilogy Active Ltd

Consolidated Statement of Financial Activities for the Year Ended 31 March 2025

	Note	Unrestricted funds £	Total 2025 £	Total 2024 £
Incoming resources				
Charitable activities	2	9,469,938	9,469,938	7,843,870
Trading subsidiaries	3	18,683	18,683	505,737
Other income	4	101,560	101,560	39,789
Total Incoming resources		<u>9,590,181</u>	<u>9,590,181</u>	<u>8,389,396</u>
Resources expended				
Charitable activities	5	(9,465,642)	(9,465,642)	(8,000,992)
Trading subsidiaries	6	<u>(70,508)</u>	<u>(70,508)</u>	<u>(304,006)</u>
Total expenditure		<u>(9,536,150)</u>	<u>(9,536,150)</u>	<u>(8,304,998)</u>
Net incoming resources		54,031	54,031	84,398
Other recognised gains and losses				
Actuarial gains/(losses) on defined benefit pension schemes	18	-	-	(297,328)
Negative goodwill credit	21	<u>4,592,822</u>	<u>4,592,822</u>	<u>363,461</u>
Net movement in funds		4,646,853	4,646,853	150,531
Reconciliation of funds				
Total funds brought forward		<u>2,638,020</u>	<u>2,638,020</u>	<u>2,487,489</u>
Total funds carried forward	22	<u><u>7,284,873</u></u>	<u><u>7,284,873</u></u>	<u><u>2,638,020</u></u>

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2025 and 2024 is shown in note 22.

Trilogy Active Ltd

(Registration number: 07555631)
Consolidated Balance Sheet as at 31 March 2025

		31 March 2025		31 March 2024	
	Note	Group £	Company £	Group £	Company £
Fixed assets					
Intangible assets	10	791,987	243,456	683,165	71,342
Tangible assets	11	5,635,955	5,635,955	5,732,609	605,476
Investments	12	-	20	-	20
		<u>6,427,942</u>	<u>5,879,431</u>	<u>6,415,774</u>	<u>676,838</u>
Current assets					
Stocks	13	34,794	34,794	39,697	36,146
Debtors	14	229,446	242,065	289,665	207,646
Cash at bank and in hand	15	1,773,590	1,612,260	1,558,025	1,337,967
		<u>2,037,830</u>	<u>1,889,119</u>	<u>1,887,387</u>	<u>1,581,759</u>
Creditors: Amounts falling due within one year	16	<u>(1,545,467)</u>	<u>(1,396,776)</u>	<u>(2,017,720)</u>	<u>(879,513)</u>
Net current assets/(liabilities)		<u>492,363</u>	<u>492,343</u>	<u>(130,333)</u>	<u>702,246</u>
Total assets less current liabilities		6,920,305	6,371,774	6,285,441	1,379,084
Creditors: Amounts falling due after more than one year	17	<u>(188,432)</u>	<u>(188,432)</u>	<u>(4,200,421)</u>	<u>(152,790)</u>
Net assets excluding pension liability		6,731,873	6,183,342	2,085,020	1,226,294
Pension scheme asset	18	<u>553,000</u>	<u>553,000</u>	<u>553,000</u>	<u>422,000</u>
Net assets including pension liability		<u>7,284,873</u>	<u>6,736,342</u>	<u>2,638,020</u>	<u>1,648,294</u>
Charity funds:					
Unrestricted income funds					
Unrestricted funds		<u>7,284,873</u>	<u>6,736,342</u>	<u>2,638,020</u>	<u>1,648,294</u>
Total charity funds	22	<u>7,284,873</u>	<u>6,736,342</u>	<u>2,638,020</u>	<u>1,648,294</u>

The financial statements on pages 11 to 34 were approved by the trustee, and authorised for issue on 25 November 2025 and signed on their behalf by:

Sue Adams

.....
S Adams
Governor and trustee

Trilogy Active Ltd

Consolidated Statement of Cash Flows for the Year Ended 31 March 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net income for the year (as per Statement of Financial Activities)		4,646,853	150,531
Adjustments to cash flows from non-cash items			
Depreciation	11	407,762	272,317
Amortisation	10	77,611	32,135
Actuarial losses on defined benefit pension schemes		-	297,328
Adjustment of fixed assets held for the group's own use	11	51,325	-
Negative goodwill credit	21	(4,592,822)	(363,461)
		590,729	388,850
Working capital adjustments			
Decrease/(increase) in stocks	13	4,903	(9,444)
Decrease/(increase) in debtors	14	60,219	(3,484)
Increase in creditors	16	195,848	196,010
Net cash flows from operating activities		851,699	571,932
Cash flows from investing activities			
Purchase of intangible fixed assets	10	(186,433)	(29,586)
Purchase of tangible fixed assets	11	(138,682)	(147,324)
Acquisition of investments in subsidiary undertakings	12	-	(479,956)
Net cash flows from investing activities		(325,115)	(656,866)
Cash flows from financing activities			
Repayment of loans and borrowings	16	(223,632)	(70,069)
Repayment of capital element of finance leases and HP contracts	16	(87,387)	(33,851)
Net cash flows from financing activities		(311,019)	(103,920)
Net increase/(decrease) in cash and cash equivalents		215,565	(188,854)
Cash and cash equivalents at 1 April	15	1,558,025	1,746,879
Cash and cash equivalents at 31 March	15	1,773,590	1,558,025

All of the cash flows are derived from continuing operations during the above two periods.

Trilogy Active Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

1 Accounting policies

The following accounting policies have been used consistently in dealing with items which are considered material to the charitable company's affairs.

Statutory information

Trilogy Active Ltd is a private company limited by guarantee and registered in England and Wales. The address of its registered office is Unity House, 78 Robert Street, Northampton, NN1 3BJ.

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Trilogy Active Ltd 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 notes.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charitable company and its subsidiary undertakings drawn up to 31 March 2025.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charitable company generated a surplus for the financial year of £5,088,048 (2024 - deficit of £839,195). The surplus generated in the current year is as a result of a profit on disposal of £4,856,000 generated from the trade and asset transfer of a subsidiary undertaking at the balance sheet date. The deficit generated in the prior year is after an impairment charge of £871,671 in relation to a new subsidiary acquired in 2024; at the 2024 balance sheet date the trade and assets of this subsidiary were transferred to the parent charity. See note 12 for more details.

A subsidiary is an entity controlled by the charitable company. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill. When the aggregate fair value of the acquired assets exceeds the consideration paid for the business, the balancing excess amount is recorded as negative goodwill. In line with FRS102, negative goodwill is matched with the fair value of non-monetary assets purchased. The negative goodwill credit is then released to the Statement of Financial Activities over the period in which the assets are recovered through use (depreciation) or sale.

Inter-company transactions, balances and unrealised gains on transactions between the charitable company and its subsidiaries, which are related parties, are eliminated in full. Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

1 Accounting policies (continued)

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Cash flow exemption

The charitable company is exempt from preparing a Statement of Cash Flows under Section 7 of Financial Reporting Standard 102, as its included within the consolidation of a group where the parent company prepares publicly available financial statements.

Going concern

The trustees have not identified any material uncertainties that may cast significant doubt about the ability of the charitable company to continue as a going concern. The charitable company's business activities, together with the factors likely to affect its future development, performance and position, its cash flows and liquidity position have been assessed. The charitable company has sufficient financial resources together with long-term contracts for all of its trading centres. The Trustees understand that the transactions that are required to be placed in the financial statements in relation to the pension fund are prepared in accordance with assumptions set by FRS 102 and produce a materially different set of figures than those produced by the pensions fund actuary for the purposes of calculating the actual share of assets and liabilities as well as those used to assess contribution levels. The Trustees also understand that, in accordance with the laws and regulations surrounding the operation of the pension fund, the recovery of any difference between the assets and liabilities on the fund will be agreed and set at each triennial valuation and are based on a 20 year recovery period. As a consequence, the Trustees believe that the charitable company is well placed to manage its business risk successfully.

Based on these assessments and having regard to the resources available to the charitable company, the Trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

Income and endowments

Membership fees

Membership fees are amounts payable to Trilogy Active Ltd on a monthly basis for usage of the leisure facilities. Details of the various membership categories and the benefits they offer can be found on our website at www.trilogyleisure.co.uk.

Grants receivable

Grants are accounted for when conditions to entitlement have been met.

Centre fees

Centre fees are amounts payable to Trilogy Active Ltd on a visit-by-visit bases for usage of the leisure facilities. Details of opening times, activity tables and charges are all available on our website.

Management fees

Management fees are the fees paid by West Northamptonshire Council for the operation of the facilities and the provision of a Sport and Play Development service.

Investment income

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income

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

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

1 Accounting policies (continued)

Revenue from trading subsidiary

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Revenue is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

Expenditure

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

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

All expenditure is inclusive of irrecoverable VAT.

Goodwill

Goodwill is the difference between the fair value of consideration paid for an acquired entity and the aggregate of the entity's identifiable assets and liabilities. At each reporting date the Group assesses whether there is any indication that the goodwill may be impaired. If any such indication exists, the Group estimates the recoverable amount of the intangible asset and recognises an impairment loss for any shortfall below carrying amount.

Negative goodwill

Negative goodwill arising on the acquisition of an entity occurs as the aggregate fair value of the acquired assets exceeds the consideration paid for the business. The negative goodwill is matched with the fair value of the non-monetary assets purchased to create a negative goodwill credit. The credit is released to the Statement of Financial Activities over the period in which the assets are recovered through use or sale.

Intangible assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Computer software	5 years
Goodwill	10 years

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

1 Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Leasehold property improvements	5 - 25 years
Plant and machinery	5 - 10 years
Motor vehicles	5 years
Office equipment, fixtures and fittings	5 - 10 years
Computer equipment	5 - 8 years
Sports equipment	5 - 7 years

Business combinations

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the group. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Debtors

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

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and other short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Liabilities

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

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

1 Accounting policies (continued)

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

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

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

Hire purchase and finance leases

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Pensions and other post retirement obligations

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

The Group operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2025.

Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Critical accounting estimates and areas of judgement

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.

Critical accounting estimates and assumptions:

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

The present value of the defined benefit pension scheme 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 or income for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of the pension asset or liability.

Trilogy Active Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

2 Income from charitable activities

	Unrestricted fund £	Total 2025 £	Total 2024 £
Membership fees	4,500,263	4,500,263	4,145,306
Centre fees	2,611,099	2,611,099	1,577,828
Sales	907,474	907,474	552,241
Commission	5,016	5,016	4,823
Miscellaneous income	169,492	169,492	665,083
Swimming pool	224,951	224,951	140,834
Health & fitness suite	495,143	495,143	314,402
Other indoor and outdoor facilities	184,575	184,575	137,542
Non-specific income from AVBC	178,870	178,870	182,213
Non-specific income from members	188,070	188,070	92,096
Other funding	4,985	4,985	31,502
	<u>9,469,938</u>	<u>9,469,938</u>	<u>7,843,870</u>

3 Income from trading subsidiaries

	Unrestricted fund £	Total 2025 £	Total 2024 £
Revenue	-	-	485,642
Bar and cafe income	18,683	18,683	20,095
	<u>18,683</u>	<u>18,683</u>	<u>505,737</u>

4 Other income

	Unrestricted fund £	Total 2025 £	Total 2024 £
Grant income	101,560	101,560	39,789

Trilogy Active Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

5 Expenditure on charitable activities

	Unrestricted funds £	Total funds 2025 £	Total funds 2024 £
Operational staff costs	3,887,537	3,887,537	3,207,724
Purchases	2,605,054	2,605,054	2,539,502
Staff costs - HQ staff costs	1,195,118	1,195,118	927,257
Bank charges	49,038	49,038	42,961
Insurance	73,567	73,567	58,662
Irrecoverable VAT	212,661	212,661	210,496
Other costs	979,740	979,740	682,216
Governance costs	54,364	54,364	44,347
Premises costs	408,563	408,563	287,827
	<u>9,465,642</u>	<u>9,465,642</u>	<u>8,000,992</u>

6 Expenditure from trading subsidiaries

	Unrestricted fund £	Total funds 2025 £
Bar and cafe running costs	70,508	70,508
	<u>70,508</u>	<u>70,508</u>
Total for 2024	<u>304,006</u>	<u>304,006</u>

7 Auditors' remuneration

	2025 £	2024 £
Audit of the Company's annual accounts	15,225	15,450
All other non-audit services	1,575	1,500
	<u>16,800</u>	<u>16,950</u>

8 Staff costs

The aggregate payroll costs were as follows:

	2025 £	2024 £
Staff costs during the year were:		
Wages and salaries	4,789,737	3,867,632
Social security costs	257,126	236,081
Pension costs	39,407	31,268
	<u>5,086,270</u>	<u>4,134,981</u>

Trilogy Active Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

8 Staff costs (continued)

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

	2025 No	2024 No
Management and administration	19	19
Operational	458	312
	<u>477</u>	<u>331</u>

The total employee benefits of the key management personnel of the charitable company were £255,925 (2024 - £261,317). The key management personnel of the charity comprise the trustees and the Senior Management Team, which at the year end comprises the Managing Director, the Finance Director and the Director of Health an Wellbeing Development Operations.

The number of employees whose emoluments fell within the following bands was:

	2025 No	2024 No
£60,001 - £70,000	1	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
£100,001 - £110,000	<u>1</u>	<u>1</u>

9 Trustee remuneration and expenses

During the year, no trustee, nor any persons connected with them, have received any remuneration or benefits from the group.

During the year, the amount of expenses paid to trustee totalled £Nil (2024 - £Nil).

Trilogy Active Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

10 Intangible fixed assets

Group

	Goodwill £	Computer software £	Total £
Cost			
At 1 April 2024	632,920	113,048	745,968
Additions	-	186,433	186,433
At 31 March 2025	632,920	299,481	932,401
Amortisation			
At 1 April 2024	21,097	41,706	62,803
Charge for the year	63,292	14,319	77,611
At 31 March 2025	84,389	56,025	140,414
Net book value			
At 31 March 2025	548,531	243,456	791,987
At 31 March 2024	611,823	71,342	683,165

Charitable company

	Goodwill £	Computer software £	Total £
Cost			
At 1 April 2024	-	113,048	113,048
Additions	-	186,433	186,433
At 31 March 2025	-	299,481	299,481
Amortisation			
At 1 April 2024	-	41,706	41,706
Charge for the year	-	14,319	14,319
At 31 March 2025	-	56,025	56,025
Net book value			
At 31 March 2025	-	243,456	243,456
At 31 March 2024	-	71,342	71,342

Trilogy Active Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

11 Tangible fixed assets

Group

	Leasehold improvements £	Other fixed assets £	Leisure centre complex £	Freehold land £	Total £
Cost					
At 1 April 2024	1,475,272	3,369,754	4,875,000	1,350,000	11,070,026
Additions	76,690	285,743	-	-	362,433
Adjustments on transfer of trade and assets	-	(51,325)	-	-	(51,325)
At 31 March 2025	1,551,962	3,604,172	4,875,000	1,350,000	11,381,134
Depreciation					
At 1 April 2024	1,071,205	2,798,712	1,467,500	-	5,337,417
Charge for the year	162,574	147,688	97,500	-	407,762
At 31 March 2025	1,233,779	2,946,400	1,565,000	-	5,745,179
Net book value					
At 31 March 2025	318,183	657,772	3,310,000	1,350,000	5,635,955
At 31 March 2024	404,067	571,042	3,407,500	1,350,000	5,732,609

Leisure centre complex

A revaluation of the entire premises was undertaken during the year ended 31 March 2011. The valuation was undertaken by Chartex Limited, independent external valuers, in accordance with the Royal Institution of Chartered Surveyors Appraisal and Valuation Manual and Financial Reporting Standard 15 (IFRS 15). The centre is considered to be a "specialised property", therefore the valuation was carried out on a "depreciated replacement cost" basis.

In 2016 Belper Leisure Centre Limited decided to treat the 2011 valuation as the "deemed cost" of the Leisure Centre complex for that year and future years. This is permitted by Financial Reporting Standard 102 in the year that the company first adopts the standard. The freehold land and Leisure Centre complex would be shown at £nil in the accounts if shown at original cost. This is because these assets were given to Belper Leisure Centre Limited by the predecessor trust.

The centre also holds other items of equipment that belong to other groups or bodies (including Belper School) for their own use, which are not included in this valuation, and are also excluded from Belper Leisure Centre Limited's accounts.

The freehold land and leisure centre complex shown above with a carrying amount of £4,856,000 (2024: £4,856,000) were pledged as security for the loans from Handelsbanken Bank shown in the prior year consolidated notes 16 and 17. The loans were repaid in full during the year.

Trilogy Active Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

11 Tangible fixed assets (continued)

Charitable company

	Leasehold improvements £	Other fixed assets £	Leisure centre complex £	Freehold land £	Total £
Cost					
At 1 April 2024	1,475,272	2,197,148	-	-	3,672,420
Additions	76,690	285,743	-	-	362,433
Transferred from subsidiary	-	288,418	3,310,500	1,350,000	4,948,918
At 31 March 2025	1,551,962	2,771,309	3,310,500	1,350,000	8,983,771
Depreciation					
At 1 April 2024	1,071,205	1,995,739	-	-	3,066,944
Charge for the year	162,574	118,298	-	-	280,872
At 31 March 2025	1,233,779	2,114,037	-	-	3,347,816
Net book value					
At 31 March 2025	318,183	657,272	3,310,500	1,350,000	5,635,955
At 31 March 2024	404,067	201,409	-	-	605,476

On 31 March 2025 Belper Leisure Centre Limited and its trading subsidiary transferred its entire business to Trilogy Active Ltd. The fixed assets disclosed above have been transferred at their book value in line with the Asset Transfer Agreement in place upon transfer.

12 Investments

Charitable company

Shares in group undertakings and participating interests

	Subsidiary undertakings £
Cost	
At 1 April 2024	871,691
At 31 March 2025	871,691
Provision for impairment	
At 1 April 2024	871,671
At 31 March 2025	871,671
Net book value	
At 31 March 2025	20
At 31 March 2024	20

Trilogy Active Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

12 Investments (continued)

Details of undertakings

Details of the investments in which the charitable company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2025	2024
Subsidiary undertakings				
Hickory Dickory's Limited	UK	Ordinary	100%	100%

On 1 December 2023, Trilogy Active Ltd acquired the entire shareholding in Hickory Dickory's Limited for £871,691. The fair value of the net assets held by Hickory Dickory's Limited at this date were £238,771, resulting in goodwill arising on acquisition of £632,920. Management have elected to amortise goodwill arising on acquisition over a 10 year period.

On 31 March 2024, Hickory Dickory's Limited transferred its entire business to Trilogy Active Ltd.

The principal activity of Hickory Dickory's Limited was the operating of children's indoor adventure play and party centres. The company ceased trading on 31 March 2024 and there is an intention for it to be rendered dormant going forwards.

Pursuant to section 479A of the Companies Act 2006, the accounts for Hickory Dickory's Limited (Company number: 05129259) for the 2025 financial year, which are included in the consolidated financial statements of Trilogy Active Ltd, have not been audited. This is permitted on the basis that Trilogy Active Ltd guarantees all the outstanding liabilities to which Hickory Dickory's Limited is subject to as at the year end under section 479C.

Details of the entities over which the charitable company has control are as follows:

Undertaking	Country of incorporation	Details of undertaking
2024		
Subsidiary undertakings		
Belper Leisure Centre Limited	UK	Sole member of the company and control
Belper Sports Centre Services Limited	UK	Control via Belper Leisure Centre Limited shareholding

On 1 August 2023, the company acquired Belper Leisure Centre Limited. Belper Leisure Centre Limited is a charitable company limited by guarantee. Trilogy Active Ltd has control over the entity as it is the sole member of the company and has the power to govern its financial and operating policies so as to obtain benefits from its activities. As such, the results of Belper Leisure Centre Limited and its trading subsidiary, Belper Sports Centre Services Limited, have been included within these consolidated financial statements from 1 August 2023.

The company acquired Belper Leisure Centre Limited for consideration of £Nil. The fair value of the net assets held by Belper Leisure Centre Limited at this date was £5,669,283, resulting in negative goodwill arising on acquisition of £5,669,283. In accordance with FRS102, the negative goodwill was then matched with the fair value of non-monetary assets purchases. The negative goodwill credit was then being released to the Statement of Financial Activities over the period in which the assets are recovered through use (depreciation) or sale. See Note 21 for further detail.

Trilogy Active Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

12 Investments (continued)

On 31 March 2025 Belper Leisure Centre Limited and its trading subsidiary transferred their entire business to Trilogy Active Ltd. In line with guidance issued by the Charity SORP, the entire deferred negative goodwill credit has been released to the Statement of Financial Activities. See Note 21 for further detail.

The registered company number of Belper Leisure Centre Limited and Belper Sports Centre Services Limited is 06848040 and 03538305 respectively. The registered address of both companies is John O'Gaunts Way, Belper, Derbyshire, DE56 0DA. The principal activity of Belper Leisure Centre Limited and its trading subsidiary is the provision of facilities for swimming and other educational, sporting and recreational activities for schools and the local community.

Pursuant to section 479A of the Companies Act 2006, the accounts for Belper Sports Centre Services Limited (Company number: 03538305) for the 2025 financial year, which are included in the consolidated financial statements of Trilogy Active Ltd, have not been audited. This is permitted on the basis that Trilogy Active Ltd guarantees all the outstanding liabilities to which Belper Sports Centre Services Limited is subject to as at the year end under section 479C.

13 Stock

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Stocks	-	3,551	-	-
Finished goods and goods for resale	34,794	36,146	34,794	36,146
	<u>34,794</u>	<u>39,697</u>	<u>34,794</u>	<u>36,146</u>

14 Debtors

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Trade debtors	109,892	128,357	109,892	123,258
Other debtors	9,920	25,360	22,539	6,512
Prepayments and accrued income	109,634	135,948	109,634	77,876
	<u>229,446</u>	<u>289,665</u>	<u>242,065</u>	<u>207,646</u>

15 Cash and cash equivalents

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Cash at bank	488,893	329,730	327,563	109,672
Money market fund	1,284,697	1,228,295	1,284,697	1,228,295
	<u>1,773,590</u>	<u>1,558,025</u>	<u>1,612,260</u>	<u>1,337,967</u>

Trilogy Active Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

16 Creditors: amounts falling due within one year

		Group		Charity	
		2025	2024	2025	2024
		£	£	£	£
Bank loans		70,820	224,452	70,000	70,000
Trade creditors		380,095	406,686	322,700	278,745
Other taxation and social security		66,504	7,905	64,392	-
Hire purchase and finance leases		70,825	40,103	70,825	40,103
Due to group undertakings		-	-	2,877	57,775
Other creditors		250,138	158,907	165,867	6,593
Accruals and deferred income		707,085	634,476	700,115	426,297
Negative goodwill	21	-	545,191	-	-
		<u>1,545,467</u>	<u>2,017,720</u>	<u>1,396,776</u>	<u>879,513</u>

17 Creditors: amounts falling due after one year

		Group		Charity	
		2025	2024	2025	2024
		£	£	£	£
Bank loans		23,833	93,833	23,833	93,833
Hire purchase and finance leases		164,599	58,957	164,599	58,957
Negative goodwill	21	-	4,047,631	-	-
		<u>188,432</u>	<u>4,200,421</u>	<u>188,432</u>	<u>152,790</u>

Trilogy Active Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

18 Pension and other schemes

Defined benefit pension schemes

Trilogy Active Limited (the charitable company)

The charitable company operates a defined benefit pension scheme.

The charitable company operates a funded defined benefit scheme for the benefit of certain employees in conjunction with a local government defined benefit pension scheme. Entry to the scheme was granted through an Admission Agreement signed by the Pension Administrator, the Transferor (West Northamptonshire Council) and the Trust. Under the terms of this agreement the accrued benefits at the time of transfer (1 April 2011) would be treated as fully funded and the contribution rate calculated on this basis. These figures were calculated using the assumptions in place at the time of 31 March 2010 revaluation.

The figures in these accounts have been calculated in accordance with the provision of Financial Reporting Standard 102. This method of calculation uses a different set of assumptions than the actuarial method described above. As such any surplus or deficit from an accounting perspective would not necessarily reflect the actual funding position using the valuation method. For the year's accounts the Trust opted to use a set of bespoke assumptions which have been agreed with the Fund's Actuary; Hyman Robertson LLP. These assumptions reflect better the Trust's circumstances which are subtly different from the main employers in the fund. These assumptions are consistent with the requirements of FRS102.

The assets of the scheme are administered by trustees in a fund independent from those of the charitable company. Contributions are made by both the employer and employee and are based on a percentage of pensionable pay. In addition the Trust makes a fixed sum payment to pay back any funding deficit, This is based on a 20 year repayment time frame. In the year ended 31 March 2025 Trilogy Active Ltd paid an employers' contribution of £Nil (2024: £Nil) representing 0% (2024: 0%) of employee contributions into the Local Government Pension Scheme, which provides members with a defined benefits related to pay and service.

Pension costs are assessed in accordance with the advice of a qualified actuary using the projected method.

The most recent actuarial valuation of the scheme was at 31st March 2025, therefore the data disclosed in respect of the pension has remained the same as the prior year.

Principal actuarial assumptions

The principal actuarial assumptions at the statement of financial position date (expressed as weighted averages) are as follows:

	2025 %	2024 %
Discount rate	5.80	4.85
Expected return on scheme assets	5.80	4.85
Future salary increases	3.25	3.25
Future pension increases	<u>2.75</u>	<u>2.75</u>

Post retirement mortality assumptions

	2025 Years	2024 Years
For a male aged 65 now	22.00	22.00
At 65 for a male aged 45 now	24.00	24.00
For a female aged 65 now	22.00	22.00
At 65 for a female aged 45 now	<u>25.00</u>	<u>25.00</u>

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

18 Pension and other schemes (continued)

Analysis of assets

The Company's share of scheme assets are as follows:

	2025	2024
	£	£
	52	56
Equities	28	28
Corporate bonds	16	13
Property	4	3
	<u>100</u>	<u>100</u>

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the statement of financial position are as follows:

	2025	2024
	£	£
Unrecognised past service cost	<u>(128,000)</u>	<u>(159,000)</u>
Defined benefit pension scheme deficit	<u>(128,000)</u>	<u>(159,000)</u>

Defined benefit obligation

Changes in the defined benefit obligation are as follows:

	2025
	£
Present value at start of year	(8,849,000)
Current service cost	(128,000)
Interest cost	(427,000)
Actuarial gains and losses	1,664,000
Benefits paid	239,000
Contributions by scheme participants	<u>(46,000)</u>
Present value at end of year	<u>(7,547,000)</u>

Fair value of scheme assets

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

	2025
	£
Fair value at start of year	13,433,000
Interest income	646,000
Return on plan assets, excluding amounts included in interest income/(expense)	(412,000)
Contributions by scheme participants	46,000
Benefits paid	<u>(239,000)</u>
Fair value at end of year	<u>13,474,000</u>

The defined benefit scheme was in an overall net surplus position as at 31 March 2025. In accordance with FRS102, the asset recorded in the charitable company's Balance Sheet has been capped based on the asset ceiling, which has been determined by reference to the future economic benefits estimated to be available to the charitable company through reductions in future contributions to the plan.

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

18 Pension and other schemes (continued)

Belper Leisure Centre Limited (the subsidiary)

The charitable company's subsidiary undertaking, Belper Leisure Centre Limited, operates a defined benefit pension scheme.

Staff previously employed by Amber Valley Borough Council (AVBC), who were transferred to the Trust upon its formation and now to Belper Leisure Centre Limited under the Transfer of Undertakings (Protection of Employment) Regulations 1981, retained their existing pension rights and service under the Derbyshire County Council (DCC) administered pension fund. Belper Leisure Centre Limited makes contributions in respect of the staff contracted out of the SERPS scheme and into the DCC funded scheme.

The assets of the scheme are held separately from those of Belper Leisure Centre Limited in the separately administered scheme for DCC. The last actuarial valuation of the fund was at 31 March 2025.

Please refer to the financial statements of Belper Leisure Centre Limited for further detail. The financial statements are publicly available and the registered address of Belper Leisure Centre Limited is John O'Gaunts Way, Belper, Derbyshire, DE56 0DA. The registered company number of Belper Leisure Centre Limited is 06848040. The registered charity number of Belper Leisure Centre Limited is 1129019.

On 31 March 2025 the trade and assets of Belper Leisure Centre Limited were transferred to Trilogy Active Ltd. The defined benefit pension scheme was included in the transfer.

19 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Land and buildings				
Within one year	32,500	65,000	32,500	65,000
Between one and five years	-	32,500	-	32,500
	<u>32,500</u>	<u>97,500</u>	<u>32,500</u>	<u>97,500</u>

West Northamptonshire Council provided the land and leisure centres at Mount Baths and Danes Camp Centre for the use by the charity to operate sports centres, rent free, throughout the year and previous year.

The land and buildings of Lings Forum were provided by West Northamptonshire Council, rent free, under a service agreement.

The land and buildings of Duston Sports Centre were provided by Duston Parish Council, rent free, under an operating lease to 2027.

The land and buildings of Cripps Recreational Centre were provided by Northampton General Hospital, rent free, under an operating lease to 2025.

The leases of these premises are not capitalised as the charity does not have control over any of the premises due to various restrictions in the leases. Improvements to the sports centres are capitalised and depreciated over the period of the lease.

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

20 Related party transactions

Group

The company has taken advantage of exemptions available under Section 33.1A of FRS102 from disclosing transactions with other members of the group.

Charitable company

The charitable company has a funding agreement with West Northamptonshire Council to provide leisure facilities within Northampton. West Northamptonshire Council is a member of the company.

During the year the Trust made purchases from West Northamptonshire Council of £2,462 (2024: £2,403) in relation to various Council provided services. As at 31 March 2025, included within creditors is an amount of £Nil (2024: £728) owing to the Council. Sales were made to West Northamptonshire Council of £19,902 (2024: £Nil). As at 31 March 2025, included within debtors is an amount of £1,368 (2024: £Nil) owed by the Council.

During the year the Trust made sales to Northamptonshire Sport, a member of the Company, of £55,896 (2024: £81,378). As at 31 March 2025, included within debtors is an amount of £Nil (2024: £13,272) owed by Northamptonshire Sport. During the year the Trust made purchases from Northamptonshire Sport, a member of the Company, of £Nil (2024: £672). As at 31 March 2025, included within creditors is an amount of £Nil (2024: £Nil) owed by Northamptonshire Sport.

During the year the Trust made purchases from Northampton General Hospital, a member of the Company, of £162,936 (2024: £59,592). As at 31 March 2025, included within creditors is an amount of £162,936 (2024: £Nil) owed by Northampton General Hospital.

As detailed in note 18 the land and premises used by the charity in the operation of sports centres are provided by the charity by the following members: West Northamptonshire Council, Duston Parish Council and Northampton General Hospital, under operating leases at no charge to the charity.

21 Negative goodwill

The aggregate fair value of the acquired assets from the acquisition of Belper Leisure Centre Limited and its subsidiary on 1 August 2023 exceeded the consideration paid for the group, resulting in negative goodwill of £5,669,283 arising. In line with FRS102, the negative goodwill was being matched with the fair value of the non-monetary assets purchased. The negative goodwill credit was being released to the Statement of Financial Activities over the period in which the assets are recovered through use (depreciation) or sale.

The non-monetary assets acquired consisted of fixed assets.

Fixed assets

The fixed assets transferred included all fixed asset categories within the financial statements. The median value of the minimum and maximum bases used in each asset class' depreciation policy has therefore been considered a reasonable estimate to apply in regards to the recovery of the fixed assets.

Transfer

On 31 March 2025 Belper Leisure Centre Limited transferred its entire business to Trilogy Active Ltd. In line with the guidance issued by the Charity SORP, the transfer has been accounted for as an acquisition, rather than as a merger, as the conditions for a merger have not been met. On the basis that the trade and assets are now held directly by Trilogy Active Ltd, the entire deferred negative goodwill credit brought forward from the prior year of £4,592,822 has been released to the Statement of Financial Activities in the current year.

Trilogy Active Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

22 Funds

Group

	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 March 2025 £
Unrestricted funds					
Unrestricted fund	2,216,020	9,590,181	(9,536,150)	4,592,822	6,862,873
Pension reserve	422,000	-	-	-	422,000
Total funds	2,638,020	9,590,181	(9,536,150)	4,592,822	7,284,873
	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 March 2024 £
Unrestricted funds					
Unrestricted fund	1,768,161	8,389,396	(8,304,998)	363,461	2,216,020
Pension reserve	719,328	-	-	(297,328)	422,000
Total funds	2,487,489	8,389,396	(8,304,998)	66,133	2,638,020
Charity					
	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 March 2025 £
Unrestricted funds					
Unrestricted fund	1,226,294	8,294,904	(8,062,856)	4,856,000	6,314,342
Pension reserve	422,000	-	-	-	422,000
Total funds	1,648,294	8,294,904	(8,062,856)	4,856,000	6,736,342
	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 March 2024 £
Unrestricted funds					
Unrestricted fund	1,768,161	6,985,070	(7,526,937)	-	1,226,294
Pension reserve	719,328	-	-	(297,328)	422,000
Total funds	2,487,489	6,985,070	(7,526,937)	(297,328)	1,648,294

Trilogy Active Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

23 Analysis of net assets between funds

Group

	Unrestricted fund £	Total funds at 31 March 2025 £
Intangible fixed assets	791,987	791,987
Tangible fixed assets	5,635,955	5,635,955
Current assets	2,037,830	2,037,830
Current liabilities	(1,545,467)	(1,545,467)
Creditors over 1 year	(188,432)	(188,432)
Pension scheme asset	553,000	553,000
Total net assets	<u>7,284,873</u>	<u>7,284,873</u>
	Unrestricted fund £	Total funds at 31 March 2024 £
Intangible fixed assets	683,165	683,165
Tangible fixed assets	5,732,609	5,732,609
Current assets	1,887,387	1,887,387
Current liabilities	(2,017,720)	(2,017,720)
Creditors over 1 year	(4,200,421)	(4,200,421)
Pension scheme liability	553,000	553,000
Total net assets	<u>2,638,020</u>	<u>2,638,020</u>

Charity

	Unrestricted fund £	Total funds at 31 March 2025 £
Intangible fixed assets	243,456	243,456
Tangible fixed assets	5,635,955	5,635,955
Fixed asset investments	20	20
Current assets	1,889,119	1,889,119
Current liabilities	(1,396,776)	(1,396,776)
Creditors over 1 year	(188,432)	(188,432)
Pension scheme asset	553,000	553,000
Total net assets	<u>6,736,342</u>	<u>6,736,342</u>

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

23 Analysis of net assets between funds (continued)

	Unrestricted fund £	Total funds at 31 March 2024 £
Intangible fixed assets	71,342	71,342
Tangible fixed assets	605,476	605,476
Fixed asset investments	20	20
Current assets	1,581,759	1,581,759
Current liabilities	(879,513)	(879,513)
Creditors over 1 year	(152,790)	(152,790)
Pension scheme asset	422,000	422,000
Total net assets	<u>1,648,294</u>	<u>1,648,294</u>

24 Analysis of net debt

Group

	At 1 April 2024 £	Cash flows £	New finance leases £	At 31 March 2025 £
Net cash				
Cash at bank and in hand	1,558,025	215,565	-	1,773,590
	<u>1,558,025</u>	<u>215,565</u>	<u>-</u>	<u>1,773,590</u>
Net debt				
Finance leases	(99,060)	87,387	(223,751)	(235,424)
Bank loans	(318,285)	223,632	-	(94,653)
	<u>(417,345)</u>	<u>311,019</u>	<u>(223,751)</u>	<u>(330,077)</u>
	<u>1,140,680</u>	<u>526,584</u>	<u>(223,751)</u>	<u>1,443,513</u>

25 Post balance sheet events

New acquisition

On 11 August 2025, the charitable company acquired the business and certain assets of H & S Play Limited for a total consideration of £340,000. The acquisition took place after the reporting date and therefore is treated as a non-adjusting post balance sheet event in accordance with FRS 102 Section 32 - Events after the End of the Reporting Period.

Contract with West Northamptonshire Council

Subsequent to the year end, the charitable company remains conscious that its main contract with West Northamptonshire Council is due to expire on 31 March 2026, after which a significant part of its business will be lost. Management is, however, proactively planning to retain as many customers as possible within the charitable company's other sites and is actively seeking facilities in Northampton and nearby locations from which services can continue to be delivered to members.

It is not yet practicable to determine the full financial effect of either of the above.

Trilogy Active

England & Wales - Charity number 1145613

Accounts

Company registration number: 07555631

Charity registration number: 1145613

Trilogy Active Ltd

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2024

Trilogy Active Ltd

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Trilogy Active Ltd

Reference and Administrative Details

Trustees	S Adams R Collar R Noorullah K McFadyen A K Ellis I P Taylor S Scales
Secretary	R J Austin
Members	M T Sawyer Northamptonshire Chamber of Commerce Northampton General Hospital Northamptonshire Sport Voluntary Impact Northamptonshire Duston Parish Council Northamptonshire County Cricket Club University of Northampton West Northamptonshire Council Age UK Northamptonshire Connected Together CIC (formerly Healthwatch Northamptonshire CIC)
Senior Management	J Fletcher, Managing Director
Charity registered number	1145613
Company registration number	07555631
Registered Office	Unity House 78 Robert Street Northampton NN1 3BJ
Auditor	Hawsons Chartered Accountants Jubilee House 32 Duncan Close Moulton Park Northampton NN3 6WL
Bankers	HSBC St Clair House 5 Old Bedford Road Northampton Northamptonshire NN4 7AA

Trustees' Report for the Year Ended 31 March 2024

The Trustees present their annual report together with the audited financial statements of the charitable company and group for the period from 1 April 2023 to 31 March 2024. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the charitable company and group qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

'Inspiring Active Lifestyles'

The Trust has set itself five priorities:

- To create and deliver initiatives for the improvement of health & wellbeing across the geographical area we serve.
- To improve on the social impact and value of our services.
- To continuously improve customer service and journey by delivering high quality services and facilities. To generate income and surpluses to allow us to invest, improve and increase our leisure offer.
- To enhance our skilled and motivated workforce.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Achievements and performance

The Trust has performed well for the year in question. We have continued to recover our membership base following Covid and continue to maintain strict control over expenditure. As a result we have been able to deliver one of the best years in terms of financial surplus. We have now recovered all of the losses we incurred during Covid and our reserves are now greater than the £600,000 level as set out in our strategy.

c. Main activities undertaken to further the charitable company's purposes for the public benefit

The Trustees have referred to the Charity Commission's guidance on public benefit when deciding on the activities Trilogy Active Ltd provides. Trilogy Active Ltd provides public benefit in the following ways:

- To promote for the public benefit the provision of facilities for recreation or other leisure time occupation for individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving their conditions of life.
- To advance health for the public benefit by promoting participation in healthy exercise and physical activity.
- To advance education in the arts for the public benefit in particular but not exclusively by the maintenance and management of a cinema.

Achievements and performance

a. Key performance indicators

Before accounting adjustments for pensions, the group delivered a surplus for the year of £447,859. This was driven by the following;

- A detailed review of our cost base which resulted in us reducing our staffing costs by almost £1m from our pre-covid level without the need for any compulsory redundancies.
- By focusing on our core income streams we were able to bring back our members much quicker than expected.
- Expanding our business through the purchase of a soft play company called Hickory Dickory's Limited.
- We kept a close eye on all expenditure, adopting an essential spend only policy.

Trustees' Report for the Year Ended 31 March 2024 (continued)

Achievements and performance (continued)

b. Review of activities

We continue to develop and enhance our facilities to improve the customer experience. The year ending 31 March 2024 was primarily focused on getting the business back to pre-pandemic levels and expanding the number of facilities we operate. On the 1st December 2023 we completed the purchase of Hickory Dickory's Limited and on 31st March 2024 we transferred this business into Trilogy Active.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charitable company and group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The reserves policy for the Trust sets out the cash target level of reserves of £600,000. This figure is made up of two key components namely;

- £300,000 being the amount needed to manage fluctuations in cash flow.
- £300,000 being the amount needed to manage unforeseen expenditure or drops in income.

We currently do not set aside any amounts to meet future expenditure as this can all be funded by ongoing revenue. It is though part of our strategy to develop a new reserve of up to £400,000 so that we can take advantage of opportunities as they come about.

As at 31 March 2024 the value of cash reserves held was £1,558,025 (2023 - £1,746,879).

Structure, governance and management

a. Constitution

The Company is registered as a charitable company limited by guarantee (company number: 07555631), governed by Memorandum and Articles of Association and was set up by a Trust deed in 2012.

The company is constituted under a Trust deed and is a registered charity and holds the registration number 1145613.

The principal object of the company is to operate for public benefit, facilities and services for leisure and recreation and be sustainable.

The charitable company operates under the name 'Northampton Leisure Trust'.

b. Methods of appointment or election of Trustees

The management of the Company is the responsibility of the Trustees who are elected and co opted under the terms of the Trust deed.

c. Policies adopted for the induction and training of Trustees

Trustees are appointed and their conduct governed by the charitable company's Articles of Association and Code of Conduct. New Trustees are recruited through local advertisements and any appointment would be based on an assessment of the required abilities and, if appropriate, specialist skills required by the board. All current Trustees have received training to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making process, the Business Plan and financial monitoring of the charitable company's performance. Any new Trustee(s) will receive a commensurate level of training in accordance with the Trustee induction policy. None of the Trustees receive remuneration or other benefit from their work with the charitable company.

Trustees' Report for the Year Ended 31 March 2024 (continued)

Structure, governance and maintenance (continued)

d. Pay policy for senior staff

The remuneration of the Managing Director and the Finance Director is considered by a Remuneration Committee. Other permanent staff are remunerated using an evaluation model promoted by the Joint Negotiating Council. Where this is not appropriate, market rates are applied. Remuneration is based on a combination of market rates, performance and the need to retain key members of staff.

e. Organisational structure and decision making

The Board of Trustees, which can contain up to 15 members, administers the charitable company. The board meets on a bi monthly basis and there are the following sub committees:

- Audit Committee.
- Remuneration Committee.

The Managing Director and the Finance Director are appointed by the Trustees to manage the day to day operations of the charitable company. To facilitate effective operations the Managing Director and the Finance Director have delegated authority, within the terms of delegation approved by the Trustees, for all operational and administrative functions including finance, HR and IT.

f. Risk management

The Trustees have a risk management strategy which comprises:

- An annual review of the risks the charitable company and group may face;
- The establishment of systems and procedures to mitigate those risks identified in the plan;
- Implementation of procedures designed to minimise any potential impact on the charitable company and group should those risks materialise.

This work has identified that financial sustainability is the major financial risk for the charitable company and group. Particular attention has focused on financial risk with regard to the FRS102 pension liability, assessing Trilogy Active Ltd's exposure to its facilities repair and maintenance costs, the monthly monitoring of trading performance together with an assessment of the key performance indicators and the implementation of a prudent reserves policy.

Non financial risk is also regularly assessed with regard to company operations and ensuring continued usage of facilities through capital investment strategy and operational activity reviews. In particular, work has been undertaken to identify and mitigate health and safety issues within operational areas. This approach to risk management has resulted in better emergency procedures and contingency plans and has given the impetus for better planning and service delivery.

Plans for future periods

Our strategy as a company and group is to work with all our partners in health and local government to improve the wellbeing for the people in the areas we work. To do this we recognise the need to train and develop our staff as well as developing the products and services we offer. A key part of our strategy is to ensure that everyone has access to activities and to remove any historic barriers that prevented their participation.

We are conscious that our main contract with West Northamptonshire Council expires on 31 March 2026. West Northamptonshire Council have advised that they do not intend to honour the agreement reached with Northampton Borough Council to extend the contract until 31 March 2041. Instead they intend to go through a competitive tendering process. We will of course do all we can to retain the contract without taking on any undue financial risks. In order to ensure that the company remains financially viable in the event that we do not retain the Northampton contract, our strategy is to use the surpluses we have generated to grow the business through acquisitions and new facilities. We are in negotiation to purchase a soft play business that operate two separate sites as well as a deal that would see us take control of a single site charitable leisure company.

Funds held as custodian

There are no funds held as Custodian.

Trustees' Report for the Year Ended 31 March 2024 (continued)

Engagement with employees and employment of the disabled

Employees have been consulted on issues of concern to them by means of a regular consultative committee and of staff meetings and have been kept informed on specific matters directly by management. The Company carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The charitable company has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy.
- Volunteers' policy.
- Health & safety policy.

In accordance with the charitable company's equal opportunities policy, the charitable company has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the charitable company's offices.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the charitable company 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. 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 Company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Trilogy Active Ltd

Trustees' Report for the Year Ended 31 March 2024 (continued)

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

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

Auditor

During the year, Hawsons Chartered Accountants were appointed as auditors. A resolution to reappoint Hawsons Chartered Accountants as independent auditor will be proposed at the next Annual General Meeting.

The strategic report was approved by the trustees of the charitable company on^{19/11/2024} and signed on its behalf by:



.....
S Adams
Trustee

Independent Auditor's Report to the Members of Trilogy Active Ltd

Opinion

We have audited the financial statements of Trilogy Active Ltd (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2024, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Consolidated 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent 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 group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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.

Opinion on other matter 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 Trustee's Report and for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustee's Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's 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:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 5, 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.

Independent Auditor's Report to the Members of Trilogy Active Ltd (continued)

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 responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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:

The charitable company is subject to laws and regulations that directly and indirectly affect the financial statements. Based on our understanding of the charitable company and the environment it operates within, we determined that the laws and regulations which were most significant included FRS 102, Companies Act 2006, Health and Safety regulations and the Charities Act 2011. We considered the extent to which non-compliance with these laws and regulations might have a material effect on the financial statements, including how fraud might occur. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to improve the company's result for the period, and management bias in key accounting estimates.

In addition to this, we have also identified the following principal risk areas:

- Income recognition - there are two components to this risk, being income completeness and cut-off;
- Allocation of funds - there is a risk that income and expenditure has not been used for its designated purpose;
- Going concern - there is a risk that management's use of the going concern assumption may not be appropriate;
- Defined benefit pension asset valuation - there is a risk of the valuation of the pension asset being misstated as amounts disclosed are based on management's accounting estimate;
- Opening balances - as this is the first year in which we have audited the group, there is a risk that opening balances are materially misstated.

Audit procedures performed by the engagement team included:

- Discussions with management and those responsible for legal compliance procedures within the charitable company to obtain an understanding of the legal and regulatory framework applicable to the charitable company and how the charitable company complies with that framework, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of Trustee meetings;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular with regards to the defined benefit pension scheme assets within the group;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations;
- Performing cut-off procedures on income around the balance sheet date in order to gain assurance that income has been recorded in the accounting period to which it relates;
- Robustly challenging management's assessment of going concern;
- Reviewing the prior year audit files of the previous auditors.

There are inherent limitations in the audit procedures described above and the more removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Trilogy Active Ltd

Independent Auditor's Report to the Members of Trilogy Active Ltd (continued)

Use of our report

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

Hawsons

.....
Will Amos (Senior Statutory Auditor)

For and on behalf of Hawsons Chartered Accountants, Statutory Auditor

Jubilee House
32 Duncan Close
Moulton Park
Northampton
NN3 6WL

19/11/2024
Date:.....

Trilogy Active Ltd

Consolidated Statement of Financial Activities for the Year Ended 31 March 2024

	Note	Unrestricted funds £	Total 2024 £	Total 2023 £
Incoming resources				
Charitable activities	2	7,843,870	7,843,870	5,991,507
Trading subsidiaries	3	505,737	505,737	-
Other income	4	39,789	39,789	94,844
Total Incoming resources		<u>8,389,396</u>	<u>8,389,396</u>	<u>6,086,351</u>
Resources expended				
Charitable activities	5	(8,000,992)	(8,000,992)	(5,973,964)
Trading subsidiaries	6	<u>(304,006)</u>	<u>(304,006)</u>	<u>-</u>
Total expenditure		<u>(8,304,998)</u>	<u>(8,304,998)</u>	<u>(5,973,964)</u>
Net incoming resources		84,398	84,398	112,387
Other recognised gains and losses				
Actuarial gains on defined benefit pension schemes	18	(297,328)	(297,328)	146,328
Negative goodwill credit	21	<u>363,461</u>	<u>363,461</u>	<u>-</u>
Net movement in funds		150,531	150,531	258,715
Reconciliation of funds				
Total funds brought forward		<u>2,487,489</u>	<u>2,487,489</u>	<u>2,228,774</u>
Total funds carried forward	22	<u><u>2,638,020</u></u>	<u><u>2,638,020</u></u>	<u><u>2,487,489</u></u>

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2023 is shown in note 22.

Trilogy Active Ltd

(Registration number: 07555631)
Consolidated Balance Sheet as at 31 March 2024

		31 March 2024	31 March 2023
	Note	Group £	Company £
Fixed assets			
Intangible assets	10	683,165	52,794
Tangible assets	11	5,732,609	679,071
Investments	12	-	-
		<u>6,415,774</u>	<u>731,865</u>
Current assets			
Stocks	13	39,697	26,319
Debtors	14	289,665	200,211
Cash at bank and in hand	15	1,558,025	1,746,879
		<u>1,887,387</u>	<u>1,973,409</u>
Creditors: Amounts falling due within one year	16	<u>(2,017,720)</u>	<u>(678,807)</u>
Net current (liabilities)/assets		<u>(130,333)</u>	<u>1,294,602</u>
Total assets less current liabilities		6,285,441	2,026,467
Creditors: Amounts falling due after more than one year	17	<u>(4,200,421)</u>	<u>(258,306)</u>
Net assets excluding pension liability		2,085,020	1,768,161
Pension scheme asset	18	<u>553,000</u>	<u>719,328</u>
Net assets including pension liability		<u>2,638,020</u>	<u>2,487,489</u>
Charity funds:			
Unrestricted income funds			
Unrestricted funds		<u>2,638,020</u>	<u>2,487,489</u>
Total charity funds	22	<u>2,638,020</u>	<u>2,487,489</u>

The financial statements on pages 10 to 31 were approved by the trustees, and authorised for issue on 19/11/2024 and signed on their behalf by:

S Adams
Trustee

Trilogy Active Ltd

Consolidated Statement of Cash Flows for the Year Ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net income for the year (as per Statement of Financial Activities)		150,531	112,387
Adjustments to cash flows from non-cash items			
Depreciation	6	272,317	236,445
Amortisation	6	32,135	-
Actuarial losses on defined benefit pension schemes		297,328	-
Gain on bargain purchase - amortisation	12	(363,461)	-
		<u>388,850</u>	<u>348,832</u>
Working capital adjustments			
(Increase)/decrease in stocks	13	(9,444)	3,609
Increase in debtors	14	(3,484)	(88,577)
Increase/(decrease) in creditors	16	196,010	(41,613)
Defined benefit pension scheme movements	18	-	180,000
Net cash flows from operating activities		<u>571,932</u>	<u>402,251</u>
Cash flows from investing activities			
Purchase of intangible fixed assets	10	(29,586)	(42,009)
Purchase of tangible fixed assets	11	(147,324)	(89,802)
Acquisition of investments in subsidiary undertakings	12	(479,956)	-
Net cash flows from investing activities		<u>(656,866)</u>	<u>(131,811)</u>
Cash flows from financing activities			
Repayment of loans and borrowings	16	(70,069)	-
Repayment of capital element of finance leases and HP contracts	19	(33,851)	-
Net cash flows from financing activities		<u>(103,920)</u>	<u>-</u>
Net (decrease)/increase in cash and cash equivalents		(188,854)	270,440
Cash and cash equivalents at 1 April		<u>1,746,879</u>	<u>1,476,439</u>
Cash and cash equivalents at 31 March		<u><u>1,558,025</u></u>	<u><u>1,746,879</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

Notes to the Financial Statements for the Year Ended 31 March 2024

1 Accounting policies

The following accounting policies have been used consistently in dealing with items which are considered material to the charitable company's affairs.

Statutory information

Trilogy Active Ltd is a private company limited by guarantee and registered in England and Wales. The address of its registered office is Unity House, 78 Robert Street, Northampton, NN1 3BJ.

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Trilogy Active Ltd 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 notes.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charitable company and its subsidiary undertakings drawn up to 31 March 2024.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charitable company generated a deficit for the financial year of £839,195 (2023 - surplus of £258,715). This result is after an impairment charge of £871,671 in relation to a new subsidiary acquired during the year; at the 2024 balance sheet date the trade and assets of this subsidiary were transferred to the parent charity. See note 12 for more details.

A subsidiary is an entity controlled by the charitable company. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill. When the aggregate fair value of the acquired assets exceeds the consideration paid for the business, the balancing excess amount is recorded as negative goodwill. In line with FRS102, negative goodwill is matched with the fair value of non-monetary assets purchased. The negative goodwill credit is then released to the Statement of Financial Activities over the period in which the assets are recovered through use (depreciation) or sale.

Inter-company transactions, balances and unrealised gains on transactions between the charitable company and its subsidiaries, which are related parties, are eliminated in full. Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Notes to the Financial Statements for the Year Ended 31 March 2024 (continued)

1 Accounting policies (continued)

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Cash flow exemption

The charitable company is exempt from preparing a Statement of Cash Flows under Section 7 of Financial Reporting Standard 102, as its included within the consolidation of a group where the parent company prepares publicly available financial statements.

Going concern

The trustees have not identified any material uncertainties that may cast significant doubt about the ability of the charitable company to continue as a going concern. The charitable company's business activities, together with the factors likely to affect its future development, performance and position, its cash flows and liquidity position have been assessed. The charitable company has sufficient financial resources together with long-term contracts for all of its trading centres. The Trustees understand that the transactions that are required to be placed in the financial statements in relation to the pension fund are prepared in accordance with assumptions set by FRS 102 and produce a materially different set of figures than those produced by the pensions fund actuary for the purposes of calculating the actual share of assets and liabilities as well as those used to assess contribution levels. The Trustees also understand that, in accordance with the laws and regulations surrounding the operation of the pension fund, the recovery of any difference between the assets and liabilities on the fund will be agreed and set at each triennial valuation and are based on a 20 year recovery period. As a consequence, the Trustees believe that the charitable company is well placed to manage its business risk successfully.

Based on these assessments and having regard to the resources available to the charitable company, the Trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

Income and endowments

Membership fees

Membership fees are amounts payable to Trilogy Active Ltd on a monthly basis for usage of the leisure facilities. Details of the various membership categories and the benefits they offer can be found on our website at www.trilogyleisure.co.uk.

Grants receivable

Grants are accounted for when conditions to entitlement have been met.

Centre fees

Centre fees are amounts payable to Trilogy Active Ltd on a visit-by-visit bases for usage of the leisure facilities. Details of opening times, activity tables and charges are all available on our website.

Management fees

Management fees are the fees paid by West Northamptonshire Council for the operation of the facilities and the provision of a Sport and Play Development service.

Investment income

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income

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

Notes to the Financial Statements for the Year Ended 31 March 2024 (continued)

1 Accounting policies (continued)

Revenue from trading subsidiary

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Revenue is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

Expenditure

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

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

All expenditure is inclusive of irrecoverable VAT.

Goodwill

Goodwill is the difference between the fair value of consideration paid for an acquired entity and the aggregate of the entity's identifiable assets and liabilities.

Negative goodwill

Negative goodwill arising on the acquisition of an entity occurs as the aggregate fair value of the acquired assets exceeds the consideration paid for the business. The negative goodwill is matched with the fair value of the non-monetary assets purchased to create a negative goodwill credit. The credit is released to the Statement of Financial Activities over the period in which the assets are recovered through use or sale.

Intangible assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Computer software	5 years
Goodwill	10 years

Tangible fixed assets

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Notes to the Financial Statements for the Year Ended 31 March 2024 (continued)

1 Accounting policies (continued)

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Leasehold property improvements	5 - 25 years
Plant and machinery	5 - 10 years
Motor vehicles	5 years
Office equipment, fixtures and fittings	5 - 10 years
Computer equipment	5 - 8 years
Sports equipment	5 - 7 years

Business combinations

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the group. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Debtors

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

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and other short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Liabilities

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

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Notes to the Financial Statements for the Year Ended 31 March 2024 (continued)

1 Accounting policies (continued)

Fund structure

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

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

Hire purchase and finance leases

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Pensions and other post retirement obligations

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

The Group operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2024.

Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Critical accounting estimates and areas of judgement

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.

Critical accounting estimates and assumptions:

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

The present value of the defined benefit pension scheme 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 or income for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of the pension asset or liability.

Notes to the Financial Statements for the Year Ended 31 March 2024 (continued)

2 Income from charitable activities

	Unrestricted fund £	Total 2024 £	Total 2023 £
Membership fees	4,145,306	4,145,306	3,843,179
Centre fees	1,577,828	1,577,828	1,486,424
Sales	552,241	552,241	513,441
Commission	4,823	4,823	4,347
Miscellaneous income	665,083	665,083	144,116
Swimming pool	140,834	140,834	-
Health & fitness suite	314,402	314,402	-
Other indoor and outdoor facilities	137,542	137,542	-
Non-specific income from AVBC	182,213	182,213	-
Non-specific income from members	92,096	92,096	-
Other funding	31,502	31,502	-
	<u>7,843,870</u>	<u>7,843,870</u>	<u>5,991,507</u>

3 Income from trading subsidiaries

	Unrestricted fund £	Total funds 2024 £	Total 2023 £
Revenue	485,642	485,642	-
Bar and cafe income	20,095	20,095	-
	<u>505,737</u>	<u>505,737</u>	<u>-</u>

4 Other income

	Unrestricted fund £	Total 2024 £	Total 2023 £
Kings Heath Active England project	-	-	1,125
Grant income	39,789	39,789	93,719
	<u>39,789</u>	<u>39,789</u>	<u>94,844</u>

Notes to the Financial Statements for the Year Ended 31 March 2024 (continued)

5 Expenditure on charitable activities

	Unrestricted funds	2024	2023
	£	£	£
Operational staff costs	3,207,724	3,207,724	2,880,064
Purchases	2,539,502	2,539,502	1,751,216
Staff costs - HQ staff costs	927,257	927,257	627,783
Bank charges	42,961	42,961	29,826
Insurance	58,662	58,662	56,608
Irrecoverable VAT	210,496	210,496	212,881
Other costs	682,216	682,216	395,949
Governance costs	44,347	44,347	19,637
Premises costs	287,827	287,827	-
	<u>8,000,992</u>	<u>8,000,992</u>	<u>5,973,964</u>

6 Expenditure from trading subsidiaries

	Unrestricted fund	Total 2024
	£	£
Other resources expended	219,144	219,144
Bar and cafe running costs	84,862	84,862
	<u>304,006</u>	<u>304,006</u>

7 Auditors' remuneration

	2024	2023
	£	£
Audit of the Company's annual accounts	15,450	17,250
All other non-audit services	1,500	2,500
	<u>16,950</u>	<u>19,750</u>

8 Staff costs

The aggregate payroll costs were as follows:

	2024	2023
	£	£
Staff costs during the year were:		
Wages and salaries	3,867,632	3,003,802
Social security costs	236,081	199,408
Pension costs	31,268	304,637
	<u>4,134,981</u>	<u>3,507,847</u>

Notes to the Financial Statements for the Year Ended 31 March 2024 (continued)

8 Staff costs (continued)

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

	2024	2023
	No	No
Management and administration	19	17
Operational	312	282
	<u>331</u>	<u>299</u>

The total employee benefits of the key management personnel of the charitable company were £261,317 (2023 - £279,782). The key management personnel of the charity comprise the trustees and the Senior Management Team, which at the year end comprises the Managing Director, the Finance Director, the Director of performance, Planning Development and Operations and the Director of Health an Wellbeing Development Operations.

The number of employees whose emoluments fell within the following bands was:

	2024	2023
	No	No
£60,001 - £70,000	1	1
£80,001 - £90,000	1	1
£100,001 - £110,000	<u>1</u>	<u>1</u>

9 Trustees remuneration and expenses

During the year, no trustees, nor any persons connected with them, have received any remuneration or benefits from the group.

During the year, the amount of expenses paid to trustees totalled £Nil (2023 - £Nil).

Notes to the Financial Statements for the Year Ended 31 March 2024 (continued)

10 Intangible fixed assets

Group

	Goodwill £	Computer software £	Total £
Cost			
At 1 April 2023	-	83,462	83,462
Additions	-	29,586	29,586
Arising on acquisitions	632,920	-	632,920
At 31 March 2024	632,920	113,048	745,968
Amortisation			
At 1 April 2023	-	30,668	30,668
Charge for the year	21,097	11,038	32,135
At 31 March 2024	21,097	41,706	62,803
Net book value			
At 31 March 2024	611,823	71,342	683,165
At 31 March 2023	-	52,794	52,794
Charitable company			
	Goodwill £	Computer software £	Total £
Cost			
At 1 April 2023	-	83,462	83,462
Additions	-	29,586	29,586
At 31 March 2024	-	113,048	113,048
Amortisation			
At 1 April 2023	-	30,668	30,668
Charge for the year	-	11,038	11,038
At 31 March 2024	-	41,706	41,706
Net book value			
At 31 March 2024	-	71,342	71,342
At 31 March 2023	-	52,794	52,794

Notes to the Financial Statements for the Year Ended 31 March 2024 (continued)

11 Tangible fixed assets

Group

	Leasehold improvements £	Other fixed assets £	Leisure centre complex £	Freehold land £	Total £
Cost					
At 1 April 2023	1,402,942	2,157,939	-	-	3,560,881
Additions	72,330	74,994	-	-	147,324
Inherited on acquisition of subsidiary	-	1,136,821	4,875,000	1,350,000	7,361,821
At 31 March 2024	1,475,272	3,369,754	4,875,000	1,350,000	11,070,026
Depreciation					
At 1 April 2023	957,477	1,924,333	-	-	2,881,810
Inherited on acquisition of subsidiary	-	780,790	1,402,500	-	2,183,290
Charge for the year	113,728	93,589	65,000	-	272,317
At 31 March 2024	1,071,205	2,798,712	1,467,500	-	5,337,417
Net book value					
At 31 March 2024	404,067	571,042	3,407,500	1,350,000	5,732,609
At 31 March 2023	445,465	233,606	-	-	679,071

Leisure centre complex

A revaluation of the entire premises was undertaken during the year ended 31 March 2011. The valuation was undertaken by Chartex Limited, independent external valuers, in accordance with the Royal Institution of Chartered Surveyors Appraisal and Valuation Manual and Financial Reporting Standard 15 (IFRS 15). The centre is considered to be a "specialised property", therefore the valuation was carried out on a "depreciated replacement cost" basis.

In 2016 Belper Leisure Centre Limited decided to treat the 2011 valuation as the "deemed cost" of the Leisure Centre complex for that year and future years. This is permitted by Financial Reporting Standard 102 in the year that the company first adopts the standard. The freehold land and Leisure Centre complex would be shown at £nil in the accounts if shown at original cost. This is because these assets were given to Belper Leisure Centre Limited by the predecessor trust.

The centre also holds other items of equipment that belong to other groups or bodies (including Belper School) for their own use, which are not included in this valuation, and are also excluded from Belper Leisure Centre Limited's accounts.

The freehold land and leisure centre complex shown above with a carrying amount of £4,856,000 (2023: £4,856,000) are pledged as security for the loans from Handelsbanken Bank shown in the consolidated notes 16 and 17.

Notes to the Financial Statements for the Year Ended 31 March 2024 (continued)

11 Tangible fixed assets (continued)

Charitable company

	Leasehold improvements £	Other fixed assets £	Leisure centre complex £	Freehold land £	Total £
Cost					
At 1 April 2023	1,402,942	2,157,939	-	-	3,560,881
Additions	72,330	39,209	-	-	111,539
At 31 March 2024	1,475,272	2,197,148	-	-	3,672,420
Depreciation					
At 1 April 2023	957,477	1,924,333	-	-	2,881,810
Charge for the year	113,728	71,406	-	-	185,134
At 31 March 2024	1,071,205	1,995,739	-	-	3,066,944
Net book value					
At 31 March 2024	404,067	201,409	-	-	605,476
At 31 March 2023	445,465	233,606	-	-	679,071

12 Investments

Charitable company

Shares in group undertakings and participating interests

	Subsidiary undertakings £
Cost	
Additions	871,691
At 31 March 2024	871,691
Provision for impairment	
Impairment charge	871,671
At 31 March 2024	871,671
Net book value	
At 31 March 2024	20

Notes to the Financial Statements for the Year Ended 31 March 2024 (continued)

12 Investments (continued)

Details of undertakings

Details of the investments in which the charitable company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2024	2023

Subsidiary undertakings

Hickory Dickory's Limited	UK	Ordinary	100%	0%
---------------------------	----	----------	------	----

On 1st December 2023 Trilogy Active Ltd acquired the entire shareholding in Hickory Dickory's Limited for £871,691. The fair value of the net assets held by Hickory Dickory's Limited at this date were £238,771, resulting in goodwill arising on acquisition of £632,920. Management have elected to amortise goodwill arising on acquisition over a 10 year period. 4 months of amortisation has been recognised within the Statement of Financial Activities in the current period.

On 31st March 2024 Hickory Dickory's Limited transferred its entire business to Trilogy Active Ltd.

The principal activity of Hickory Dickory's Limited was the operating of children's indoor adventure play and party centres. The company ceased trading on 31 March 2024 and will be rendered dormant going forwards.

Details of the entities over which the charitable company has control are as follows:

Undertaking	Country of incorporation	Details of undertaking
		2024

Subsidiary undertakings

Belper Leisure Centre Limited	UK	Sole member of the company and control
Belper Sports Centre Services Limited	UK	Control via Belper Leisure Centre Limited shareholding

On 1 August 2023, the company acquired Belper Leisure Centre Limited. Belper Leisure Centre Limited is a charitable company limited by guarantee. Trilogy Active Ltd has control over the entity as it is the sole member of the company and has the power to govern its financial and operating policies so as to obtain benefits from its activities. As such, the results of Belper Leisure Centre Limited and its trading subsidiary, Belper Sports Centre Services Limited, have been included within these consolidated financial statements from 1 August 2023.

The company acquired Belper Leisure Centre Limited for consideration of £Nil. The fair value of the net assets held by Belper Leisure Centre Limited at this date were £5,669,283, resulting in negative goodwill arising on acquisition of £5,669,283. In line with FRS102, the negative goodwill has been matched with the fair value of non-monetary assets purchases. The negative goodwill credit will then be released to the Statement of Financial Activities over the period in which the assets are recovered through use (depreciation) or sale. See Note 21 for further detail.

The registered company number of Belper Leisure Centre Limited and Belper Sports Centre Services Limited is 06848040 and 03538305 respectively. The registered address of both companies is John O'Gaunts Way, Belper, Derbyshire, DE56 0DA. The principal activity of Belper Leisure Centre Limited and its trading subsidiary is the provision of facilities for swimming and other educational, sporting and recreational activities for schools and the local community.

Notes to the Financial Statements for the Year Ended 31 March 2024 (continued)

13 Stock

	Group 2024 £	Charity 2024 £	2023 £
Stocks	3,551	-	-
Finished goods and goods for resale	36,146	36,146	26,319
	<u>39,697</u>	<u>36,146</u>	<u>26,319</u>

14 Debtors

	Group 2024 £	Charity 2024 £	2023 £
Trade debtors	128,357	123,258	55,550
Other debtors	25,360	6,512	16,687
Prepayments and accrued income	135,948	77,876	127,974
	<u>289,665</u>	<u>207,646</u>	<u>200,211</u>

15 Cash and cash equivalents

	Group 2024 £	Charity 2024 £	2023 £
Cash at bank	329,730	109,672	228,233
Money market fund	1,228,295	1,228,295	1,518,646
	<u>1,558,025</u>	<u>1,337,967</u>	<u>1,746,879</u>

16 Creditors: amounts falling due within one year

	Group 2024 £	Charity 2024 £	2023 £
Bank loans	224,452	70,000	70,000
Trade creditors	406,686	278,745	273,899
Other taxation and social security	7,905	-	53,085
Hire purchase and finance leases	40,103	40,103	38,438
Due to group undertakings	-	57,775	-
Other creditors	158,907	6,593	16,953
Accruals and deferred income	634,476	426,297	226,432
Negative goodwill	545,191	-	-
	<u>2,017,720</u>	<u>879,513</u>	<u>678,807</u>

17 Creditors: amounts falling due after one year

	Group 2024 £	Charity 2024 £	2023 £
Bank loans	93,833	93,833	163,833
Hire purchase and finance leases	58,957	58,957	94,473
Negative goodwill	4,047,631	-	-
	<u>4,200,421</u>	<u>152,790</u>	<u>258,306</u>

Notes to the Financial Statements for the Year Ended 31 March 2024 (continued)

18 Pension and other schemes

Defined benefit pension schemes

Trilogy Active Limited (the charitable company)

The charitable company operates a defined benefit pension scheme.

The charitable company operates a funded defined benefit scheme for the benefit of certain employees in conjunction with a local government defined benefit pension scheme. Entry to the scheme was granted through an Admission Agreement signed by the Pension Administrator, the Transferor (West Northamptonshire Council) and the Trust. Under the terms of this agreement the accrued benefits at the time of transfer (1 April 2011) would be treated as fully funded and the contribution rate calculated on this basis. These figures were calculated using the assumptions in place at the time of 31 March 2010 revaluation.

The figures in these accounts have been calculated in accordance with the provision of Financial Reporting Standard 102. This method of calculation uses a different set of assumptions than the actuarial method described above. As such any surplus or deficit from an accounting perspective would not necessarily reflect the actual funding position using the valuation method. For the year's accounts the Trust opted to use a set of bespoke assumptions which have been agreed with the Fund's Actuary; Hyman Robertson LLP. These assumptions reflect better the Trust's circumstances which are subtly different from the main employers in the fund. These assumptions are consistent with the requirements of FRS102.

The assets of the scheme are administered by trustees in a fund independent from those of the charitable company. Contributions are made by both the employer and employee and are based on a percentage of pensionable pay. In addition the Trust makes a fixed sum payment to pay back any funding deficit, This is based on a 20 year repayment time frame. In the year ended 31 March 2024 Trilogy Active Ltd paid an employers' contribution of £Nil (2023: £Nil) representing 0% (2023: 0%) of employee contributions into the Local Government Pension Scheme, which provides members with a defined benefits related to pay and service.

Pension costs are assessed in accordance with the advice of a qualified actuary using the projected method.

The most recent actuarial valuation of the scheme was at 31st March 2024.

Principal actuarial assumptions

The principal actuarial assumptions at the statement of financial position date (expressed as weighted averages) are as follows:

	2024 %	2023 %
Discount rate	4.85	4.75
Expected return on scheme assets	4.85	4.75
Future salary increases	3.25	3.45
Future pension increases	2.75	2.95

Post retirement mortality assumptions

	2024 Years	2023 Years
For a male aged 65 now	22.00	22.00
At 65 for a male aged 45 now	24.00	23.00
For a female aged 65 now	22.00	24.00
At 65 for a female aged 45 now	25.00	26.00

Notes to the Financial Statements for the Year Ended 31 March 2024 (continued)

18 Pension and other schemes (continued)

Analysis of assets

The Company's share of scheme assets are as follows:

	2024	2023
	%	%
	56	68
Equities	28	18
Corporate bonds	13	13
Property	3	1
	<u>100</u>	<u>100</u>

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the statement of financial position are as follows:

	2024	2023
	£	£
Current service cost	(159,000)	(280,000)
Other amounts recognised in the statement of financial position	-	82,000
Defined benefit pension scheme deficit	<u>(159,000)</u>	<u>(198,000)</u>

Defined benefit obligation

Changes in the defined benefit obligation are as follows:

	2024
	£
Present value at start of year	(8,453,000)
Current service cost	(159,000)
Interest cost	163,000
Actuarial gains and losses	395,000
Benefits paid	202,000
Contributions by scheme participants	<u>50,000</u>
Present value at end of year	<u>(7,802,000)</u>

Fair value of scheme assets

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

	2024
	£
Fair value at start of year	9,172,328
Actuarial gains and losses	673,000
Contributions by scheme participants	50,000
Benefits paid	<u>(202,000)</u>
Fair value at end of year	<u>9,693,328</u>

The defined benefit scheme was in an overall net surplus position as at 31 March 2024. In accordance with FRS102, the asset recorded in the charitable company's Balance Sheet has been capped based on the asset ceiling, which has been determined by reference to the future economic benefits estimated to be available to the charitable company through reductions in future contributions to the plan.

Notes to the Financial Statements for the Year Ended 31 March 2024 (continued)

18 Pension and other schemes (continued)

Belper Leisure Centre Limited (the subsidiary)

The charitable company's subsidiary undertaking, Belper Leisure Centre Limited, operates a defined benefit pension scheme.

Staff previously employed by Amber Valley Borough Council (AVBC), who were transferred to the Trust upon its formation and now to Belper Leisure Cehntre Limited under the Transfer of Undertakings (Protection of Employment) Regulations 1981, retained their existing pension rights and service under the Derbyshire County Council (DCC) administered pension fund. Belper Leisure Centre Limited makes contributions in respect of the staff contracted out of the SERPS scheme and into the DCC funded scheme.

The assets of the scheme are held separately from those of Belper Leisure Centre Limited in the separately administered scheme for DCC. The last actuarial valuation of the fund was at 31 March 2024.

Please refer to the financial statements of Belper Leisure Centre Limited for further detail. The financial statements are publicly available and the registered address of Belper Leisure Centre Limited is John O'Gaunts Way, Belper, Derbyshire, DE56 0DA. The registered company number of Belper Leisure Centre Limited is 06848040. The registered charity number of Belper Leisure Centre Limited is 1129019.

19 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Group 2024 £	Charity 2024 £	2023 £
Land and buildings			
Within one year	65,000	65,000	92,000
Between one and five years	32,500	32,500	198,750
	<u>97,500</u>	<u>97,500</u>	<u>290,750</u>

West Northamptonshire Council provided the land and leisure centres at Mount Baths and Danes Campy Centre for the use by the charity to operate sports centres, rent free, throughout the year and previous year.

The land and buildings of Lings Forum was provided by West Northamptonshire Council, rent free, under a service agreement.

The land and buildings of Duston Sports Centre was provided by Duston Parish Council, rent free, under an operating lease to 2027.

The land and buildings of Cripps Recreational Centre was provided by Northampton General Hospital, rent free, under an operating lease to 2025.

The leases of these premises are not capitalised as the charity does not have control over any of the premises due to various restrictions in the leases. Improvements to the sports centres are capitalised and depreciation over the period of the lease.

Notes to the Financial Statements for the Year Ended 31 March 2024 (continued)

20 Related party transactions

Group

The company has taken advantage of exemptions available under Section 33.1A of FRS102 from disclosing transactions with other members of the group.

Charitable company

The charitable company has a funding agreement with West Northamptonshire Council to provide leisure facilities within Northampton. West Northamptonshire Council is a member of the company.

During the year the Trust made purchases from West Northamptonshire Council of £2,403 (2023: £2,610) in relation to various Council provided services. As at 31 March 2024 included within creditors is an amount of £728 (2023: £Nil) owing to the Council. Sales were made to West Northamptonshire Council of £Nil (2023: £25,000). As at 31 March 2024 included within debtors is an amount of £Nil (2023: £Nil) owed by the Council.

During the year the Trust made sales to Northamptonshire Sport, a member of the Company, of £81,378 (2023: £103,297). As at 31 March 2024 included within debtors is an amount of £13,272 (2023: £12,696) owed by Northamptonshire Sport. During the year the Trust made purchases from Northamptonshire Sport, a member of the Company, of £672 (2023: £Nil). As at 31 March 2024 included within creditors is an amount of £Nil (2023: £Nil) owed by Northamptonshire Sport.

During the year the Trust made purchases from Northampton General Hospital, a member of the Company, of £59,592 (2023: £Nil). As at 31 March 2024 included within creditors is an amount of £Nil (2023: £Nil) owed by Northampton General Hospital.

As detailed in note the land and premises used by the charity in the operation of sports centres are provided by the charity by the following members: West Northamptonshire Council, Duston Parish Council and Northampton General Hospital, under operating leases at no charge to the charity.

21 Negative goodwill

The aggregate fair value of the acquired assets from the acquisition of Belper Leisure Centre Limited and its subsidiary exceeded the consideration paid for the group resulting in negative goodwill of £5,669,283 arising. In line with FRS102, the negative goodwill has been matched with the fair value of the non-monetary assets purchased. The negative goodwill credit will then be released to the Statement of Financial Activities over the period in which the assets are recovered through use (depreciation) or sale.

The non-monetary assets acquired consisted of fixed assets.

Fixed assets

The fixed assets transferred included all fixed asset categories within the financial statements. The median value of the minimum and maximum bases used in each asset class' depreciation policy has therefore been considered a reasonable estimate to apply in regards to the recovery of the fixed assets. 8 months of the annual credit has been released in the current year as the entities were acquired on 1 August 2023. This has resulted in a credit of £363,461 being recognised in the Statement of Financial Activities.

Notes to the Financial Statements for the Year Ended 31 March 2024 (continued)

22 Funds

Group

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 March 2024 £
Unrestricted funds					
Unrestricted fund	1,768,161	8,389,396	(8,304,998)	363,461	2,216,020
Pension reserve	719,328	-	-	(297,328)	422,000
Total funds	<u>2,487,489</u>	<u>8,389,396</u>	<u>(8,304,998)</u>	<u>66,133</u>	<u>2,638,020</u>

Charity

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 March 2024 £
Unrestricted funds					
Unrestricted fund	1,768,161	6,985,070	(7,526,937)	-	1,226,294
Pension reserve	719,328	-	-	(297,328)	422,000
Total funds	<u>2,487,489</u>	<u>6,985,070</u>	<u>(7,526,937)</u>	<u>(297,328)</u>	<u>1,648,294</u>

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 March 2023 £
Unrestricted funds					
Unrestricted fund	1,475,774	6,086,351	(5,793,964)	-	1,768,161
Pension reserve	753,000	-	(180,000)	146,328	719,328
Total funds	<u>2,228,774</u>	<u>6,086,351</u>	<u>(5,973,964)</u>	<u>146,328</u>	<u>2,487,489</u>

23 Analysis of net assets between funds

Group

	Unrestricted fund £	Total funds at 31 March 2024 £
Intangible fixed assets	683,165	683,165
Tangible fixed assets	5,732,609	5,732,609
Current assets	1,887,387	1,887,387
Current liabilities	(2,017,720)	(2,017,720)
Creditors over 1 year	(4,200,421)	(4,200,421)
Pension scheme asset	553,000	553,000
Total net assets	<u>2,638,020</u>	<u>2,638,020</u>

Notes to the Financial Statements for the Year Ended 31 March 2024 (continued)

23 Analysis of net assets between funds (continued)

Charity

	Unrestricted fund £	Total funds at 31 March 2024 £
Intangible fixed assets	71,342	71,342
Tangible fixed assets	605,476	605,476
Fixed asset investments	20	20
Current assets	1,581,759	1,581,759
Current liabilities	(879,513)	(879,513)
Creditors over 1 year	(152,790)	(152,790)
Pension scheme asset	422,000	422,000
Total net assets	<u>1,648,294</u>	<u>1,648,294</u>
	Unrestricted fund £	Total funds at 31 March 2023 £
Intangible fixed assets	52,794	52,794
Tangible fixed assets	679,071	679,071
Current assets	1,973,409	1,973,409
Current liabilities	(678,807)	(678,807)
Creditors over 1 year	(258,306)	(258,306)
Pension scheme asset	719,328	719,328
Total net assets	<u>2,487,489</u>	<u>2,487,489</u>

24 Analysis of net debt

Group

	At 1 April 2023 £	Cash flows £	Acquisition of subsidiary £	At 31 March 2024 £
Net cash				
Cash at bank and in hand	1,746,879	(188,854)	-	1,558,025
	<u>1,746,879</u>	<u>(188,854)</u>	<u>-</u>	<u>1,558,025</u>
Net debt				
Finance leases	(132,911)	33,851	-	(99,060)
Bank loans	(233,833)	70,069	(154,521)	(318,285)
	<u>(366,744)</u>	<u>103,920</u>	<u>(154,521)</u>	<u>(417,345)</u>
	<u>1,380,135</u>	<u>(84,934)</u>	<u>(154,521)</u>	<u>1,140,680</u>

Trilogy Active

England & Wales - Charity number 1145613

Accounts

ANNUAL REPORT 2022/2023

TRILOGY

ACTIVE



“INSPIRING ACTIVE LIFESTYLES”

Welcome

Trilogy Active Ltd. is pleased to publish its annual report for April 2022 – March 2023.

Thank you to all our partners, board members, company members and the Trilogy team for making this another successful year for the organisation.

As a self-funded Social Enterprise and not-for-profit Charity, our aim, working with our partners is to provide opportunities for people to be more active, keep active and improve the Wellbeing and Social Value of our Community.

Our focus is to encourage Social Change, providing opportunities to the local population through programmes and pathways that directly support four of the key pillars of Wellbeing, **Physical, Mental, Financial and Social Wellbeing.**

As our vision outlines our objective to **‘develop commercial activity to maximise the social impact and social value of the community we serve’**. This approach ensures that we maximise our programmes to ‘Inspire Active Lifestyles’ get more people active, whilst keeping our activities and facilities accessible and affordable for all.

2022-23 saw Trilogy Active expand its portfolio of facilities with an agreement to manage the community use sports facilities at Thomas Becket school. This is a partnership approach ensuring the local community, sports clubs and Trilogy members benefit from the additional facilities at the school. This approach is defined by an agreement that is mutually beneficial to all parties.

This was a positive year for our Junior Active programme, with an expansion of afterschool, holiday, pre-school, soft-play activities, and the Trilogy Junior Academy programme. Trilogy Active was also proud to win the prestigious UK Active national award, Generation Active for the Junior Active programme.

The annual report highlights some of the key achievements for 2022-23 whilst recognising the challenges Trilogy has overcome. The report outlines the success of the organisation’s business recovery and the positive outcomes this has rendered for Social Value in the Community.



I would like to once again, thank all our Trilogy customers, Board Trustees and Company Members, our partners West Northamptonshire Council, Duston Parish Council, Northampton General Hospital, the Northampton GP Alliance, and the University of Northampton for their support.

A special thank you to the Trilogy Team for all the hard work during 2022-23.



John Fletcher - Managing Director



Steve Adams - Chairman

Focus on Trilogy Active

TRILOGY MISSION

‘Inspiring Active Lifestyles’

TRILOGY COMMITMENT

To maximise service and commercial activity to improve Social Value and Community Wellbeing.

TRILOGY AIM

To foster working partnerships that support and develop a holistic Wellbeing Service that encourages Social Change, improves Social Value, and increases participation, whilst positively encouraging Equality, Diversity & Inclusion.

TRILOGY VISION

To be an innovative Wellbeing organisation, developing commercial activity to maximise the social impact and social value of the organisation to provide a holistic approach to Wellbeing. A financially stable organisation with the ability to self-fund its charitable objectives, reinvest in its strategy, and leverage opportunities to enhance Wellbeing and Social Value. An organisation that celebrates and promotes Diversity.

Working with partners to offer facilities, health & wellbeing activities, and community outreach programmes accessible and affordable for all:

Mounts Baths LC, Lings Forum LC, Danes Camp LC, The Forum Cinema, Cripps Recreation Centre, Duston Sports Centre, Berzerk Soft Play Centre, Lazergeddon, Trilogy Peterborough, Thomas Becket School Sports Facilities, Northampton Parks Bookings, Belper LC and Trilogy Community Outreach Programme.

Trilogy Active National Recognition

UK ACTIVE, GENERATION ACTIVE AWARD WINNERS 2022

Trilogy Active was the proud winner of the UK Active National Award, Generation Active for its Junior Active Programme which comprises of the innovative Junior Active Membership and extensive community provision.

TRILOGY ACTIVE KEY NATIONAL POSITIONS

Trilogy Active was invited to be a member of the judging panel for the Healthy Community Award category in the national UK Active annual awards 2022 and was also invited to be an expert panel member at the national UK Active conference for the health policy workshop.

Trilogy Active currently holds the position of Chair for the Community Leisure UK Finance Group.

Trilogy Active is a member of the UK Active Member Council representing UK Trusts nationally.



NORTHAMPTONSHIRE BUSINESS AWARDS 2022

Trilogy Active was 2022 NBA Finalists for Charity of the Year and West Northamptonshire Business of the Year.

LOCAL GOVERNMENT ASSOCIATION 2022

A case study has been prepared about Trilogy's innovative approach to delivering better health outcomes for communities. The case study will form part of a briefing paper to support Councils to transform sports and leisure services.



'Inspiring Active Lifestyles' through Community Health & Wellbeing

Trilogy Active is on a mission to get more people active and influence healthy lifestyles change.

NORTHAMPTON GENERAL PRACTICE ALLIANCE (NGPA) PARTNERSHIP

In partnership with NGPA Trilogy established a network of Health and Wellbeing Coaches within Primary Care Networks. This unique partnership approach supports more patients being referred into Trilogy services and programmes and will help increase Wellbeing in the Community.

POPULATION HEALTH MANAGEMENT DEVELOPMENT PROGRAMME - GRAND UNION PRIMARY CARE NETWORK

Trilogy was part of a pilot programme with partners from Grand Union Primary Care Network, Northamptonshire Public Health, the Clinical Commissioning Group and Northamptonshire Sport, supporting systems to improve health outcomes for the local population.



ICAN GET UP & GO

Trilogy worked with Northamptonshire Sport delivering the first County Integrated Care Across Northamptonshire (iCAN) Get Up & Go programme, supporting the falls prevention programme.

WATER FOR WELLBEING PROJECT

Working with the Spring Social Prescribing Team helping people with long term health conditions, to manage their wellbeing, the programme is supported by the NHS and Northamptonshire Public Health.

PULMONARY REHABILITATION IN THE COMMUNITY

Trilogy worked with partners from Northampton General Hospital, Northamptonshire Carers, Northamptonshire Sport, and the Clinical Commissioning Group, to improve Pulmonary Rehab in the community. Trilogy subsequently developed a follow-on programme called 'Better Breathing' to further establish positive behaviours for those managing COPD.

ACTIVITY ON REFERRAL (AOR)

AOR continues to be one of our fastest growing membership types and the positive outcome from the physical activity programme has resulted in over 750 clients on the AoR membership keeping active following the programme.

SPORT ENGLAND - TOGETHER FUND

A successful funding application to the Together Fund enabled Trilogy to support additional Wellbeing activities, provide subsidised AoR places for patients from deprived areas, develop and host a targeted Wellbeing Event and upskill the fitness team around behaviour change.

TRILOGY WELLBEING WALKS

Trilogy coordinates the delivery of 15 'free to access' volunteer led regular walks throughout Northampton and a further 9 Wellbeing Walk leaders were trained by Trilogy Active.



HOLIDAY, ACTIVITY AND FOOD PROGRAMME (HAF)

Through all its facilities, Trilogy Active offered over 8000 free to access funded places on activities across the year, enabling young people to access positive holiday programmes.

WEIGHT LOSS PROGRAMME

Funded by Public Health, Trilogy Active delivered a comprehensive free 12-week Weight Loss programme. Participants learned about managing nutrition supported by physical activities, in a supportive group environment.

TEAM TRILOGY WELLBEING

Trilogy launched the Team Trilogy Wellbeing Strategy and internally recruited employees to take up roles as Wellbeing Champions to help deliver the Wellbeing plan and support the wider teams Physical, Mental, Social, and Financial Wellbeing.

Children and Young Adults

Building on its award-winning Junior Active programme, Trilogy is focussed on getting more children and young people active, to positively influence their long-term Wellbeing.

JUNIOR ACTIVITIES

Trilogy has continued to build its programme of Junior activities across all its facilities and within the community, developing programmes for children and young people to 0-16 years. This has seen an increase in attendance at all Trilogy academies, Learn to Swim Academy, Football Academy and Gymnastics Academy.

Junior Membership continues to develop and grow with over 5,000 Junior Members attending positive physical activity programmes with Trilogy every month in 2022.



NORTHAMPTON STREET SPORTS

This programme was delivered at 10 sites, offering 20 hours of free to access sports for young people aged 8-18 years in areas of deprivation. The sessions are delivered by a team of trained Activators, supported by local volunteers with the delivery taking place in the heart of the communities.

Trilogy leads on a partnership bid to the Ministry of Justice's Youth Justice Sport Fund to support programmes designed to steer young people into positive activities aimed at teaching teamwork, resilience, and discipline. Trilogy secured funding for a 12-week programme which built on the success of the Northampton Street Sports, working with a range of partners including Free2Talk, Northants Basketball Club and Youth Inspired.

MULTI SKILLS ACTIVATOR COURSE

Trilogy coordinated the delivery of 2 Multi Skills Activator courses upskilling 17 participants to deliver doorstep sport programmes. The first course was delivered off the back of our sports employability course and the second delivered for eligible participants from the recent Youth Justice Fund sessions.

SPORTS EMPLOYABILITY COURSE

Trilogy Active, in partnership with Prospects (Shaw Trust), delivered a 6-week sports employability course to 7 participants who are Not in Education, Employment or Training (NEET). Participants benefited from tuition relating to CV writing, communication skills, writing job applications and 'building on our strengths'. Each session included a physical activity element culminating in all participants taking part in a Multi Skills Activator course.

TRILOGY ACTIVE YOUTH CLUBS

In partnership with East Hunsbury Parish Council, Trilogy continued to deliver the EHPC funded Youth Club which is now at capacity each week and funding was secured to start a youth club for Duston Parish Council at Duston Sports Centre encouraging and supporting young people to participate in positive activities in the Community.

GETTING MORE CHILDREN ACTIVE WITH TRILOGY

Trilogy Active targeted getting more young children active with the launch of additional under 5's sessions at Berzerk, expanding its after school clubs and introducing new soft-play sessions at Duston Sports Centre.



Trilogy Active – Performance & Positive News in 2022 - 23

Trilogy Active focussed on business recovery and getting more people active in 2022 - 23

- With over 9,000 Health & Fitness members using Trilogy facilities each month
- Trilogy Active encouraged approximately 1 million visits in 2022 - 23
- Over 5,000 Junior Active Members participating in activities every month
- Approximately 4,000 students on the Trilogy Active learn to swim programme each month
- The Forum Cinema witnessed approximately 30,000 visitors
- Trilogy Active increased its Studio Fitness Class participation by over 16%
- Adult Swimming lessons increased by 53%
- Supported National Fitness Day with free activities, encouraging more people to get active

Trilogy Active 'Inspiring Active Lifestyles'

INTERNATIONAL DAY OF PEOPLE WITH DISABILITIES (IDPWD)

Trilogy supported West Northamptonshire Council in respect to the IDPWD offering people with disabilities a tour of Danes Camp Leisure Centre facilities and the opportunity to ask questions.

DUSTON SPORTS CENTRE OPEN DAY EVENT

Trilogy delivered a free open day in October 2022 to launch a new and reimagined Junior and Adult programme at Duston Sports Centre.

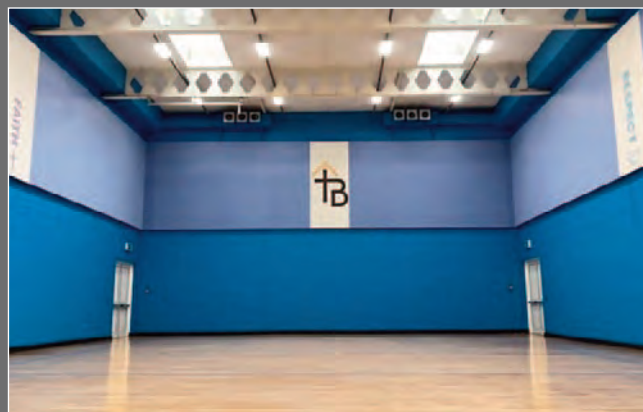
TRILOGY TALENTED ATHLETE SCHEME

Trilogy is committed to supporting local talented athletes competing at a county, regional, national, and international level to reach their full potential with free access to all facilities. Trilogy is currently supporting 12 talented athletes, ranging from international squash players, golfers and BMX racers to women's footballers, swimmers and triathletes and are proud to be working with the University of Northampton supporting students on its Elite Athlete Scholarship.



THOMAS BECKET SITE OPENING - OCTOBER 2023

Trilogy Active expanded its portfolio in 2023 with the opening of Thomas Becket School Sports facilities. Trilogy partnered with Thomas Becket Catholic School to operate the schools out of hours sports and leisure facilities. This expansion helps more people get active with additional facilities in the Community open for public use and supports the wider Trilogy package.



OUR PEOPLE – TEAM TRILOGY COMMUNICATIONS APP

As part of our digital transformation programme and our commitment to the Team, Trilogy launched a communications App in May 2022 to support two-way communication with our growing workforce.

CAPITAL INVESTMENT PROGRAMME

Working with West Northamptonshire Council, Trilogy Active delivered an upgrade of plant and machinery at Lings Forum, Danes Camp and Mounts Baths aiming to modernise plant, reduce energy consumption and support decarbonisation within its facilities.

TV ADVERTISING & REDUCED PRINT

Trilogy Active introduced new 55-inch advertising screens within all its facilities, with the aim of reducing its print and carbon footprint and promoting its programme and activities to its 1 million visitors per year.

Trilogy Team Values

Our Values ensure that we 'Inspire Active Lifestyles' and that the Trilogy Customer Experience is at the centre of everything we do

- **ONE TEAM TRILOGY** Working Together, Respect, Open, Honest, Positive Communication
- **DELIVER EXCELLENCE** Provide the Customer Experience you want to receive
- **EMBRACE DIVERSITY** Champion Equality, Diversity & Inclusion
- **ENCOURAGE CREATIVITY** Support Innovation, Try New Ideas, Adopt Change
- **PROMOTE WELLBEING** Self-Care, Support Others, Be Active, Work/Life Balance
- **BE CONSTRUCTIVE** Adopt a Positive, Can-Do Anything is possible

Focus on Marketing

CAMPAIGN HIGHLIGHTS

Continued with a managed marketing budget utilising social media, email marketing and internal advertising.

Main campaigns: Junior Retention, Student acquisition and January Gym campaign from January to March.

January campaign (Jan to Mar)

Gain & regain new customers. Featured two key messages that were both used and tested in our online advertising: One acknowledging the uncertain times we were living in and one highlighting Trilogy as a safe place away from the world. Both straplines were on three different creatives and were used Online and on Meta advertising, Bus Advertising, local magazines and door drops.

Student Campaign (Sep-Oct)

Worked in partnership with the University and Student Union at Freshers Fair supported with targeted online advertising and social media.

Junior Active (Jun-Aug)

Retention campaign to support Swimming Lessons & Junior Members.

Focus on the Forum Cinema

A positive start to the year with Sonic the Hedgehog 2, Minions the Rise of Gru.

Two big blockbusters films Black Panther: Wakanda Forever and Avatar.

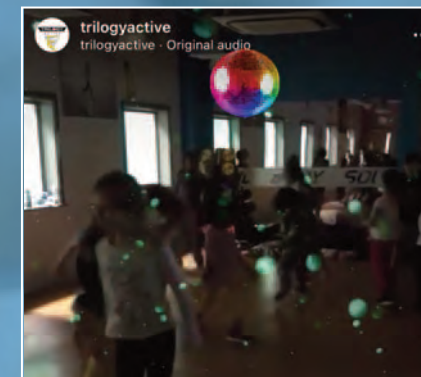
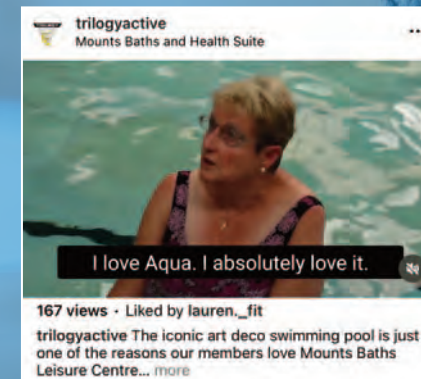
The end of the year saw good performances from Matilda the Musical, Mrs Harris Goes to Paris and Puss in Boots: The Last Wish.

The Forum Cinema also teamed up with the Northampton Film Festival Roadshow for the first time to host an evening of short films.

Average attendance increased on year by 20%, but with numbers still lower than pre 2020.



Social Media Highlights



Trilogy Key Strategy Priorities

**MAINTAIN &
DEVELOP A
FINANCIALLY
STABLE
ORGANISATION**



**DEVELOP
ACTIVITIES &
PROGRAMMES
THAT PROMOTE
WELLBEING**



**DEVELOP A
CUSTOMER
FOCUSSED
ORGANISATION**

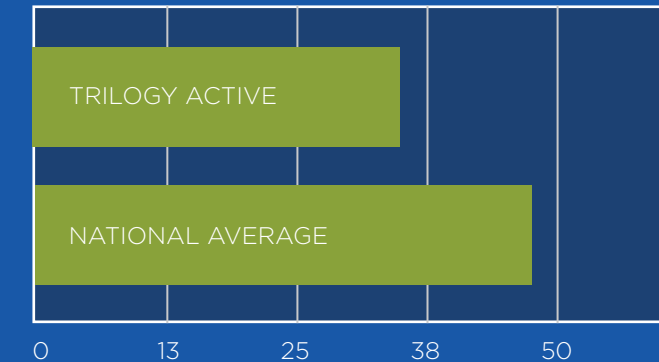


**DEVELOP A
SKILLED,
MOTIVATED
& DIVERSE
WORKFORCE**



Customer Experience

NPS National Average v Trilogy 22/23



"Denise is an incredible gymnastics instructor. She is incredible with the children and a fantastic teacher"

- Danes Camp

"It is always a delight to be welcomed by Duty Manager Julie, she is always on hand with a smile on her face and there to welcome the members with open arms and a caring nature"

- Duston Sports Centre

"How lovely it was to engage with a real person, Denise. She gave us time, answered our questions, and made us feel very welcome as a new member"

- Business Support Team

"Compliments to Denise for my welcome call as a new member, other gyms do not do this. Jane in the Contact Centre is also lovely and helpful"

- Business Support Team

"Compliments to the gym instructor Glen on my induction, he was great!"

- Mounts Baths Leisure Centre

"Compliments to the staff and manager who were walking around and chatting with members to make sure they were enjoying the facilities"

- Cripps Recreation Centre

Testimonials

"Everything was well-organised and everyone very accommodating. Charlie was amazing looking after us, as well as the rest of the team - we can't recommend enough!"

- Berzerk Soft Play

"Joe's skills managing and engaging a mixed group of ages and attention for dodgeball was impressive. He needs recognition for his patience and appropriate care to attendees"

- Lings Forum Leisure Centre

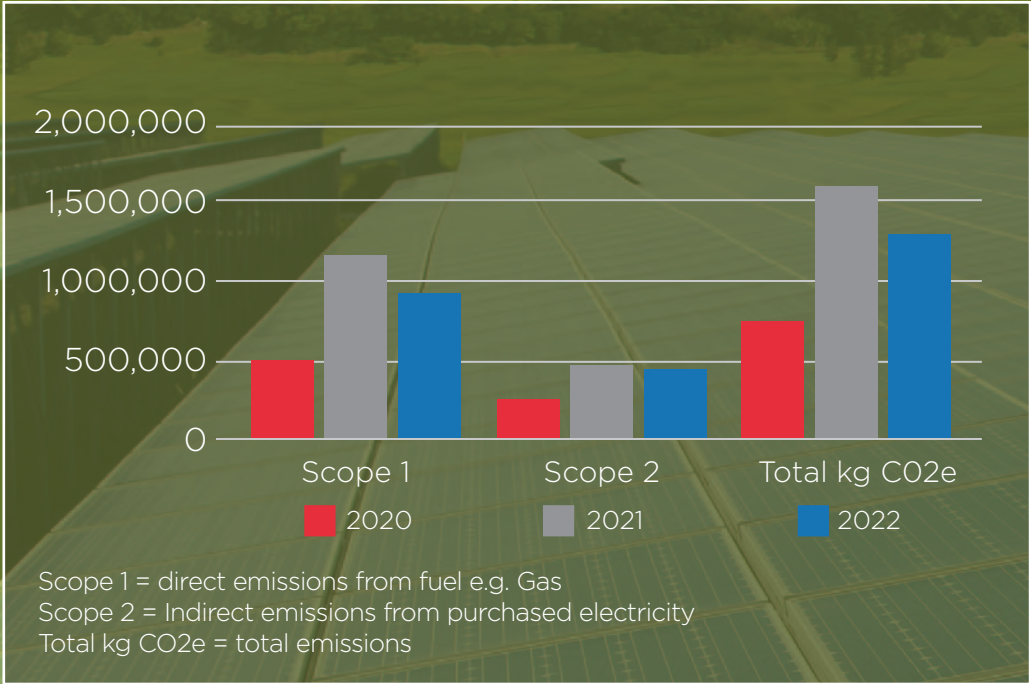
"Parent wanted to pass on her thanks to swim instructor Jenny. My child has ADHD and she is a great teacher"

- Danes Camp Leisure Centre

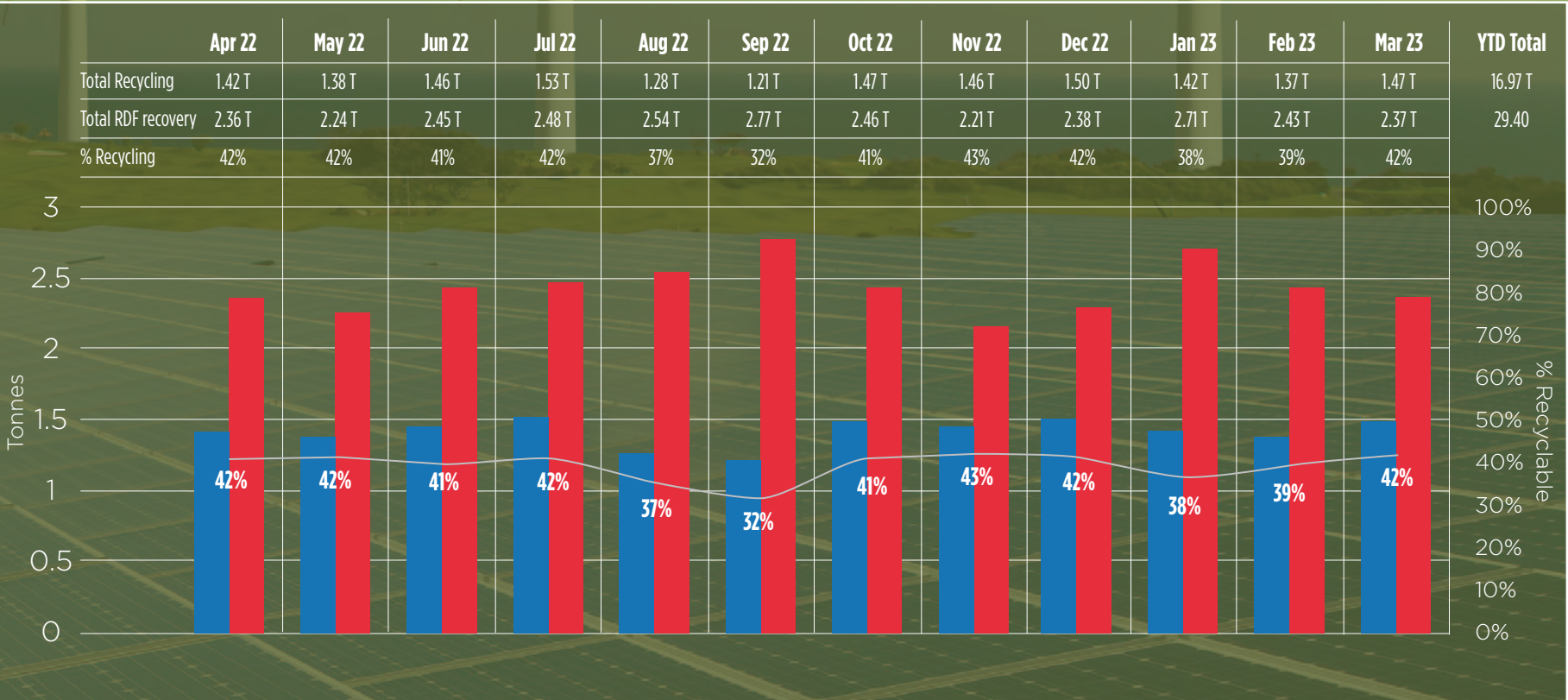
Energy & the Environment

Working with its partners, Trilogy Active is focussed on reducing its carbon footprint. Through a scheme of works Trilogy is gradually updating old plant and machinery with new energy efficient and sustainable equipment, reducing our carbon footprint and our utilities usage. We have created action plans to reduce utility consumption in all areas of the service and we actively continue to recycle our waste.

Trilogy Active Carbon Footprint



Waste Management Recycling report



A Healthier future for our Community

Trilogy is focussed on enabling more people to engage in healthy lifestyles to become more active, and Trilogy will foster partnerships to improve the Wellbeing and Social Value within its community.

As a dedicated Social Enterprise, the key aims for the future will focus on Social Value, and improving Social Impact through:

The delivery of our Strategy, offering programmes that are affordable and accessible.

Expanding the Junior programme, 50+ activities and our community outreach programme.

Expand junior activities that help reduce obesity levels and increase the percentage of physically active children and young people.

Trilogy will develop its relationship with the GP Alliance and new Integrated Care System to support a growing programme of social prescribing.



We will continue to expand our portfolio of facilities to ensure both financial stability and to deliver our mission to 'Inspire Active Lifestyles' at more Trilogy facilities.

We intend to deliver the key aims and objectives of our strategy by expanding our facilities and developing programmes that promote Wellbeing.

We aim to develop a more customer focussed organisation, develop our workforce, and deliver our charitable objectives.

We are focussed on investing in our facilities and teams to work towards reducing our Carbon Footprint.

Trilogy will drive digital innovation to enhance the working environment, maximise commercial activity and improve the customer journey.

Trilogy will deliver its business plan, maximise its commercial interest to secure its long-term future and continuation of development, growth and re-investment.



We aim to expand our programmes that help tackle health issues within our Community through the expansion of our Activity on Referral Programme and associated Wellbeing programmes.

As a Community Anchor Organisation, Trilogy will develop its programmes to ensure it remains financially stable and meets its charitable objectives, working with our partners to improve the Wellbeing of our Community. We will ensure we balance our Commercial and Social objectives as a committed Social Enterprise.



John Fletcher - Managing Director

Facilities & locations



Trilogy Peterborough
Mallard Road
Peterborough
PE3 8YV
Tel: 07799 515556

Belper Leisure Centre
John O'Gaunts Way
Belper
DE56 ODA
Tel: 01773 825285

Mounts Baths
Upper Mounts
Northampton
NN1 3DN
Tel: 01604 838333

Thomas Becket School
Becket Way
Kettering Road
Northampton
NN3 6HT
Tel: 01604 838333

Berzerk Soft Play Centre & Lazergeddon
4 Clayfield Close
Moulton Park
Northampton
NN3 6QF
Tel: 01604 647213

Cripps Recreation Centre
Northampton General Hospital
Cliftonville Toad
Northampton
NN1 5DB
Tel: 01604 838333

Danes Camp
Clannell Road
East Hunsbury
Northampton
NN4 ORX
Tel: 01604 838333

Duston Sports Centre
Cotswold Avenue
Duston
Northampton
NN5 6EX
Tel: 01604 838333

Head Office
Unity House,
78 Robert Street,
Northampton
NN1 3BJ
Tel: 01604 838333

Lings Forum Leisure Centre & Forum Cinema
Billing Brook Road
Weston Favell
Northampton
NN3 8JR
Tel: 01604 838333



Company details

REGISTERED OFFICE

Trilogy Active Ltd
78 Robert Street
Northampton
NN1 3BJ
Company registration number: 07555631

CHARITIES REGISTRATION NUMBER

1145613

CONTACT DETAILS

Tel 01604 838333
www.trilogyactive.co.uk

COMPANY MEMBERS

Age UK Northamptonshire
West Northamptonshire Council
Northants County Cricket Club
Voluntary Impact Northamptonshire

Duston Parish Council
Northampton General Hospital
Connected Together CIC
Chris Holmes

Northamptonshire Sport
Northants Chamber of Commerce
University of Northampton
Martin Sawyer

BOARD OF TRUSTEES

Steve Adams - (Chair)
Andrew Ellis
Roger Weston

Chris Holmes
Martyn Sawyer
Kevin MacFayden

Prof William Pope
Steve Scales
Rachel Collar

TRUSTEES RETIRED

Nigel Hinch (retired)
Peter Jones (retired)

Kyriakoulla Jolley (retired)
Duncan Crowther (retired)

Mark Robinson (retired)

EXECUTIVE MANAGEMENT TEAM

John Fletcher
Managing Director

Rob Austin
Finance Director

Lawrence Kay
Director of Wellbeing & Enterprise



Statement of Financial Activities 2022/2023

	Unrestricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Income from:			
Charitable Activities	5,991,507	5,991,507	4,784,997
Other income	98,844	98,844	817,786
Total Income	6,086,351	6,086,351	5,602,783
Expenditure on:			
Charitable activities	5,973,964	5,973,964	5,223,182
Total Expenditure	5,973,964	5,973,964	5,223,182
Net movement in funds before other recognised gains	112,387	112,387	379,601
Other recognised gains:			
Actuarial gains on defined benefit pension schemes	146,328	146,328	1,200,000
Net movement in funds	258,715	258,715	1,579,601
Reconciliation of funds:			
Total funds brought forward	2,228,774	2,228,774	649,173
Net movement in funds	258,715	258,715	1,579,601
TOTAL FUNDS CARRIED FORWARD	2,487,489	2,487,489	2,228,774

Balance Sheet as of 31st March 2023

	£	2023 £	£	2022 £
Fixed assets				
Intangible assets		52,794		10,785
Tangible assets		679,071		825,714
		731,865		836,499
Current assets				
Stocks	26,319		29,928	
Debtors	200,211		111,634	
Cash at bank and in hand	1,746,879		1,476,439	
	1,973,409		1,618,001	
Creditors:				
amounts falling due within one year	(678,807)		(595,603)	
Net current assets		1,294,602		1,022,398
Total assets less current liabilities		2,026,467		1,858,897
Creditors:				
amounts falling due after more than one year		(258,306)		(383,123)
Net assets excluding pension scheme asset		1,768,161		1,475,774
Defined benefit pension scheme asset		719,328		753,000
Total net assets		2,487,489		2,228,774
Charity Funds				
Restricted funds		-		-
Unrestricted funds				
Unrestricted funds excluding pension liability	1,768,161		1,475,774	
Pension reserve	719,328		753,000	
Total unrestricted funds		2,487,489		2,228,774
Total Funds		2,487,489		2,228,774



“INSPIRING ACTIVE LIFESTYLES”

Belper Leisure Centre
Berzerk Soft Play Centre
Cripps Recreation Centre
Danes Camp Leisure Centre
Duston Sports Centre
Lazergeddon

Lings Forum Cinema
Lings Forum Leisure Centre
Mounts Baths
Thomas Becket School
Trilogy Peterborough

Strategic Partners



West
Northamptonshire
Council



Northampton **NHS**
General Hospital
NHS Trust



Public Health
Northamptonshire



GENERAL
PRACTICE
ALLIANCE



Registered number: 07555631
Charity number: 1145613

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023**

Trustees	C J Holmes M T Sawyer W Pope A K Ellis P Jones (resigned 7 October 2022) S Adams D Crowther (resigned 29 August 2023) S Scales N L Hinch (resigned 6 July 2023) K Jolley (appointed 10 June 2022, resigned 25 July 2023) K Mcfadyen (appointed 25 July 2023) R Collar (appointed 25 July 2023) M Robinson (appointed 25 July 2023, resigned 24 October 2023)
Company registered number	07555631
Charity registered number	1145613
Registered office	Unity House 78 Robert Street Northampton NN1 3BJ
Company secretary	R J Austin
Managing director	J Fletcher
Independent auditor	MHA Century House The Lakes Northampton NN4 7HD

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Bankers	HSBC Bank St Clair House 5 Old Bedford Road Northampton NN4 7AA
Members	C J Holmes M T Sawyer West Northamptonshire Council Connected Together CIC (formerly Healthwatch Northamptonshire CIC) University of Northampton Northamptonshire County Cricket Club Voluntary Impact Northamptonshire Northamptonshire Sport Duston Parish Council Northampton General Hospital Age UK Northamptonshire Northamptonshire Chamber of Commerce

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the audited financial statements of the Company for the 1 April 2022 to 31 March 2023. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

'Inspiring Active Lifestyles'
The Trust has set itself five priorities:

- To create and deliver initiatives for the improvement of health & wellbeing across the geographical area we serve.
- To improve on the social impact and value of our services.
- To continuously improve customer service and journey by delivering high quality services and facilities.
- To generate income and surpluses to allow us to invest, improve and increase our leisure offer.
- To enhance our skilled and motivated workforce.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Achievements and performance

The Trust has performed well for the year in question. We have continued to recover our membership base following Covid and continue to maintain strict control over expenditure. As a result we have been able to deliver one of the best years in terms of financial surplus. We have now recovered all of the losses we incurred during covid and our reserves are now greater than the £600,000 level as set out in our strategy.

c. Main activities undertaken to further the Company's purposes for the public benefit

The Trustees have referred to the Charity Commission's guidance on public benefit when deciding on the activities Trilogy Active Ltd provides. Trilogy Active Ltd provides public benefit in the following ways:

- To promote for the public benefit the provision of facilities for recreation or other leisure time occupation for individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving their conditions of life.
- To advance health for the public benefit by promoting participation in healthy exercise and physical activity.
- To advance education in the arts for the public benefit in particular but not exclusively by the maintenance and management of a cinema.

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance

a. Key performance indicators

Before accounting adjustments for pensions, we delivered a surplus for the year of £298,387. This was driven by the following;

- A detailed review of our cost base which resulted in us reducing our staffing costs by almost £1m from our pre-covid level without the need for any compulsory redundancies.
- By focusing on our core income streams we were able to bring back our members much quicker than expected.
- We kept a close eye on all expenditure, adopting an essential spend only policy.
- Ongoing support from central Government in the form of grants.

b. Review of activities

We continue to develop and enhance the our facilities to improve the customer experience. The year ending 31 March 2023 was primarily focussed on business recovery and getting the business back to pre-pandemic levels. We though now seeking to start to develop and expand the business and negotiations are ongoing regarding the purchase of a softplay business encompassing two site and the acquisition of a single site charitable leisure operator.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The reserves policy for the Trust sets out the cash target level of reserves of £600,000. This figure is made up of two key components namely;

- £300,000 being the amount needed to manage fluctuations in cash flow
- £300,000 being the amount needed to manage unforeseen expenditure or drops in income

We currently do not set aside any amounts to meet future expenditure as this can all be funded by ongoing revenue. It is though part of our strategy to develop a new reserve of up to £400,000 so that we can take advantage of opportunities as they come about.

As at 31 March 2023 the value of cash reserves held was £1,746,879 (2022 - £1,476,439).

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management

a. Constitution

The Company is registered as a charitable company limited by guarantee (company number: 07555631), governed by Memorandum and Articles of Association and was set up by a Trust deed in 2012.

The company is constituted under a Trust deed and is a registered charity and holds the registration number 1145613.

The principal object of the company is to operate for public benefit, facilities and services for leisure and recreation and be sustainable.

The charitable company operates under the name 'Northampton Leisure Trust'.

b. Methods of appointment or election of Trustees

The management of the Company is the responsibility of the Trustees who are elected and co opted under the terms of the Trust deed.

c. Policies adopted for the induction and training of Trustees

Trustees are appointed and their conduct governed by the charitable company's Articles of Association and Code of Conduct. New Trustees are recruited through local advertisements and any appointment would be based on an assessment of the required abilities and, if appropriate, specialist skills required by the board. All current Trustees have received training to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making process, the Business Plan and financial monitoring of the charitable company's performance. Any new Trustee(s) will receive a commensurate level of training in accordance with the Trustee induction policy. None of the Trustees receive remuneration or other benefit from their work with the charitable company.

d. Pay policy for senior staff

The remuneration of the Managing Director and the Finance Director is considered by a Remuneration Committee. Other permanent staff are remunerated using an evaluation model promoted by the Joint Negotiating Council. Where this is not appropriate, market rates are applied. Remuneration is based on a combination of market rates, performance and the need to retain key members of staff.

e. Organisational structure and decision making

The Board of Trustees, which can contain up to 15 members, administers the charitable company. The board meets on a bi monthly basis and there are the following sub committees:

- Audit Committee.
- Remuneration Committee.

The Managing Director and the Finance Director are appointed by the Trustees to manage the day to day operations of the charitable company. To facilitate effective operations the Managing Director and the Finance Director have delegated authority, within the terms of delegation approved by the Trustees, for all operational and administrative functions including finance, HR and IT.

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

f. Risk management

The Trustees have a risk management strategy which comprises:

- An annual review of the risks the charitable company may face;
- The establishment of systems and procedures to mitigate those risks identified in the plan;
- Implementation of procedures designed to minimise any potential impact on the charitable company should those risks materialise.

This work has identified that financial sustainability is the major financial risk for the charitable company. Particular attention has focused on financial risk with regard to the FRS102 pension liability, assessing Trilogy Active Ltd's exposure to its facilities repair and maintenance costs, the monthly monitoring of trading performance together with an assessment of the key performance indicators and the implementation of a prudent reserves policy.

Non financial risk is also regularly assessed with regard to company operations and ensuring continued usage of facilities through capital investment strategy and operational activity reviews. In particular, work has been undertaken to identify and mitigate health and safety issues within operational areas. This approach to risk management has resulted in better emergency procedures and contingency plans and has given the impetus for better planning and service delivery.

Plans for future periods

Our strategy as a company is to work with all our partners in health and local government to improve the wellbeing for the people in the areas we work. To do this we recognise the need to train and develop our staff as well as developing the products and services we offer. A key part of our strategy is to ensure that everyone has access to activities and to remove any historic barriers that prevented their participation.

We are conscious that our main contract with West Northamptonshire Council expires on 31 March 2026. West Northamptonshire Council have advised that they do not intend to honour the agreement reached with Northampton Borough Council to extend the contract until 31 March 2041. Instead they intend to go through a competitive tendering process. We will of course do all we can to retain the contract without taking on any undue financial risks. In order to ensure that the company remains financially viable in the event that we do not retain the Northampton contact, our strategy is to use the surpluses we have generated to grow the business through acquisitions and new facilities. We are in negotiation to purchase a soft play business that operate two separate sites as well as a deal that would see us take control of a single site charitable leisure company.

Funds held as custodian

There are no funds held as Custodian.

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Engagement with employees and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Company carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Company has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy.
- Volunteers' policy.
- Health & safety policy.

In accordance with the Company's equal opportunities policy, the Company has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Company's offices.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company 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. 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 Company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

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

Auditor

Following a rebranding exercise on 15 May 2023 the trading name of the company's independent auditor changed from MHA Macintyre Hudson to MHA. A resolution to reappoint MHA as independent auditor will be proposed at the next Annual General Meeting.

Approved by order of the members of the board of Trustees and signed on their behalf by:



S Adams
Chairman

Date: 2nd November 2023

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)

Opinion

We have audited the financial statements of Trilogy Active Ltd (formerly Unity Leisure) (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE) (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE) (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

- Obtaining and understanding of the legal and regulatory frameworks that the Charity operates in, focusing on those laws and regulations that have a direct effect on the financial statements;
- Enquiring of management and Trustees around known or suspected instances of non compliance of laws and regulations and fraud;
- Discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work in relation to the risk of management override, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias.

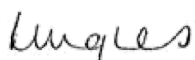
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE) (CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Rebecca Hughes BSc (Hons) FCCA (Senior Statutory Auditor)

for and on behalf of

MHA

Statutory Auditor
Northampton

Date: 21 November 2023

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313).

MHA are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Charitable activities	4	5,991,507	5,991,507	4,784,997
Other income	5	94,844	94,844	817,786
Total income		6,086,351	6,086,351	5,602,783
Expenditure on:				
Charitable activities	6	5,973,964	5,973,964	5,223,182
Total expenditure		5,973,964	5,973,964	5,223,182
Net movement in funds before other recognised gains		112,387	112,387	379,601
Other recognised gains:				
Actuarial gains on defined benefit pension schemes	22	146,328	146,328	1,200,000
Net movement in funds		258,715	258,715	1,579,601
Reconciliation of funds:				
Total funds brought forward		2,228,774	2,228,774	649,173
Net movement in funds		258,715	258,715	1,579,601
Total funds carried forward		2,487,489	2,487,489	2,228,774

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 17 to 35 form part of these financial statements.

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07555631

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	10	52,794	10,785
Tangible assets	11	679,071	825,714
		<u>731,865</u>	<u>836,499</u>
Current assets			
Stocks	12	26,319	29,928
Debtors	13	200,211	111,634
Cash at bank and in hand	20	1,746,879	1,476,439
		<u>1,973,409</u>	<u>1,618,001</u>
Creditors: amounts falling due within one year	14	(678,807)	(595,603)
Net current assets		<u>1,294,602</u>	<u>1,022,398</u>
Total assets less current liabilities		<u>2,026,467</u>	<u>1,858,897</u>
Creditors: amounts falling due after more than one year	15	(258,306)	(383,123)
Net assets excluding pension asset		<u>1,768,161</u>	<u>1,475,774</u>
Defined benefit pension scheme asset	22	719,328	753,000
Total net assets		<u><u>2,487,489</u></u>	<u><u>2,228,774</u></u>
Charity funds			
Restricted funds	16	-	-
Unrestricted funds			
Unrestricted funds excluding pension liability	16	1,768,161	1,475,774
Pension reserve	16	719,328	753,000
Total unrestricted funds	16	<u>2,487,489</u>	<u>2,228,774</u>
Total funds		<u><u>2,487,489</u></u>	<u><u>2,228,774</u></u>

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07555631

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

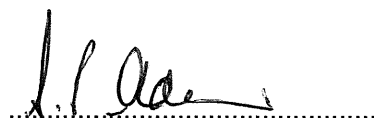
The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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

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

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



S Adams
Chairman

Date: 28th November 2023

The notes on pages 17 to 35 form part of these financial statements.

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	19	402,251	1,044,371
Cash flows from investing activities			
Proceeds from the sale of intangible assets		-	3,884
Proceeds from the sale of tangible fixed assets		-	11,019
Purchase of intangible assets		(42,009)	-
Purchase of tangible fixed assets		(89,802)	(10,348)
Net cash (used in)/provided by investing activities		(131,811)	4,555
Cash flows from financing activities			
Repayments of finance leases		-	(189,087)
Net cash provided by/(used in) financing activities		-	(189,087)
Change in cash and cash equivalents in the year		270,440	859,839
Cash and cash equivalents at the beginning of the year		1,476,439	616,600
Cash and cash equivalents at the end of the year	20	1,746,879	1,476,439

The notes on pages 17 to 35 form part of these financial statements

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

1. General information

Trilogy Active Ltd (formerly known as Unity Leisure) is a private limited company limited by guarantee and registered in England and Wales. Registered company number 07555631 and charity number 1145613.

The registered office and principal trading address is Unity House, 78 Robert Street, Northampton, Northamptonshire, NN1 3BJ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Trilogy Active Ltd (formerly Unity Leisure) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Trustees have not identified any material uncertainties that may cast significant doubt about the ability of the charitable company to continue as a going concern. The charitable company's business activities, together with the factors likely to affect its future development, performance and position, its cash flows and liquidity position have been assessed. The charitable company has sufficient financial resources together with long term contracts for all of its six trading centres. The Trustees understand that the transactions that are required to be placed in our financial statements in relation to our pension fund are prepared in accordance with assumptions set by FRS 102 and produce a materially different set of figures than those produced by the pensions fund actuary for the purpose of calculating our actual share of assets and liabilities as well as those used to assess contribution levels. The Trustees also understand that, in accordance with the laws and regulations surrounding the operation of the pension fund, the recovery of any difference between the assets and liabilities on the fund will be agreed and set at each triennial valuation, and are based on a 20 year recovery period. As a consequence, the Trustees believe that the charitable company is well placed to manage its business risk successfully.

Based on these assessments and having regard to the resources available to the charitable company, the Trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

2. Accounting policies (continued)

2.3 Income

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

Membership fees

Membership fees are amounts payable to Trilogy Active Ltd on a monthly basis for usage of the leisure facilities. Details of the various membership categories and the benefits they offer can be found on our website at www.trilogyleisure.co.uk.

Centre fees

Centre fees are amounts payable to Trilogy Active Ltd on a visit-by-visit basis for usage of the leisure facilities. Details of opening times, activity tables and charges are all available on our website.

Management fees

Management fees are the fees paid by West Northamptonshire Council for the operation of the facilities and the provision of a Sport and Play Development service.

Grants receivable

Grants are accounted for when conditions to entitlement have been met.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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

2.4 Expenditure

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

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

All expenditure is inclusive of irrecoverable VAT.

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

2. Accounting policies (continued)

2.5 Intangible assets and amortisation

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

The estimated useful lives are as follows:

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

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Depreciation is provided on the following bases:

Leasehold property improvements	- 5 - 25 years
Plant and machinery	- 5 - 10 years
Motor vehicles	- 5 years
Office equipment, fixtures and fittings	- 5 - 10 years
Computer equipment	- 5 - 8 years
Sports equipment	- 5 - 7 years

2.7 Stocks

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

2.8 Debtors

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

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

2. Accounting policies (continued)

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities

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

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.11 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Company. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.13 Pensions

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

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

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

2. Accounting policies (continued)

2.14 Fund accounting

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

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

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the defined benefit pension scheme 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension asset or liability.

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

4. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Membership fees	3,843,179	3,843,179	3,017,210
Centre fees	1,486,424	1,486,424	1,115,214
Sales	513,441	513,441	415,648
Commission	4,347	4,347	3,587
Miscellaneous income	144,116	144,116	233,338
Total 2023	5,991,507	5,991,507	4,784,997
Total 2022	4,784,997	4,784,997	

5. Other incoming resources

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Kings Heath Active England project	-	1,125	1,125	6,250
Street football project	-	-	-	2,900
Cinema	-	-	-	29,082
Play and sport development	-	-	-	35,437
Grant income	-	93,719	93,719	570,816
Job retention scheme	-	-	-	173,301
	-	94,844	94,844	817,786
Total 2022	2,900	814,886	817,786	

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

6. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total 2023 £	Total 2022 £
Operational staff costs	-	2,880,064	2,880,064	2,596,753
Purchases	-	1,751,216	1,751,216	1,509,321
Staff costs - HQ staff costs	-	627,783	627,783	597,063
Bank charges	-	29,826	29,826	24,414
Insurance	-	56,608	56,608	76,019
Irrecoverable VAT	-	212,881	212,881	147,152
Other costs	-	395,949	395,949	261,618
Governance costs	-	19,637	19,637	10,842
Total 2023	-	5,973,964	5,973,964	5,223,182
Total 2022	2,900	5,220,282	5,223,182	

7. Auditor's remuneration

	2023 £	2022 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	17,250	15,500
Fees payable to the Company's auditor in respect of: All non-audit services not included above	2,500	2,500

8. Staff costs

	2023 £	2022 £
Wages and salaries	3,003,802	2,698,660
Social security costs	199,408	170,881
Contribution to defined contribution pension schemes	304,637	317,275
	3,507,847	3,186,816

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

8. Staff costs (continued)

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

	2023	2022
	No.	No.
Management and administration	17	18
Operational	282	209
	<u>299</u>	<u>227</u>

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	1	1
In the band £100,001 - £110,000	1	-

The key management personnel comprise the Managing Director, the Finance Director, the Director of Performance, Planning Development and Operations and the Director of Health and Wellbeing Development Operations. The total employee benefits of key management personnel of the Charity were £279,782 (2022 - £229,784).

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year, no Trustee expenses have been incurred (2022 - £NIL).

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

10. Intangible assets

	Computer software £
Cost	
At 1 April 2022	41,453
Additions	42,009
At 31 March 2023	83,462
Amortisation	
At 1 April 2022	30,668
At 31 March 2023	30,668
Net book value	
At 31 March 2023	52,794
At 31 March 2022	10,785

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

11. Tangible fixed assets

	Leasehold improvements £	Other fixed assets £	Total £
Cost			
At 1 April 2022	1,388,866	2,082,213	3,471,079
Additions	14,076	75,726	89,802
At 31 March 2023	<u>1,402,942</u>	<u>2,157,939</u>	<u>3,560,881</u>
Depreciation			
At 1 April 2022	836,820	1,808,545	2,645,365
Charge for the year	120,657	115,788	236,445
At 31 March 2023	<u>957,477</u>	<u>1,924,333</u>	<u>2,881,810</u>
Net book value			
At 31 March 2023	<u>445,465</u>	<u>233,606</u>	<u>679,071</u>
At 31 March 2022	<u>552,046</u>	<u>273,668</u>	<u>825,714</u>

12. Stocks

	2023 £	2022 £
Finished goods and goods for resale	<u>26,319</u>	<u>29,928</u>

13. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	55,550	30,113
Other debtors	16,687	-
Prepayments and accrued income	127,974	81,521
	<u>200,211</u>	<u>111,634</u>

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

14. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Bank loans	70,000	70,000
Trade creditors	273,899	8,276
Other taxation and social security	53,085	74,470
Obligations under finance lease and hire purchase contracts	38,438	71,787
Other creditors	16,953	10,155
Accruals and deferred income	226,432	360,915
	678,807	595,603

15. Creditors: Amounts falling due after more than one year

	2023	2022
	£	£
Bank loans	163,833	233,833
Net obligations under finance lease and hire purchase contracts	94,473	149,290
	258,306	383,123

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds					
General Funds - all funds	1,475,774	6,086,351	(5,793,964)	-	1,768,161
Pension reserve	753,000	-	(180,000)	146,328	719,328
	<u>2,228,774</u>	<u>6,086,351</u>	<u>(5,973,964)</u>	<u>146,328</u>	<u>2,487,489</u>
Restricted funds					
Restricted Funds - all funds	-	-	-	-	-
Total of funds	<u>2,228,774</u>	<u>6,086,351</u>	<u>(5,973,964)</u>	<u>146,328</u>	<u>2,487,489</u>

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds					
General Funds - all funds	817,173	5,599,883	(4,941,282)	-	1,475,774
Pension reserve	(168,000)	-	(279,000)	1,200,000	753,000
	<u>649,173</u>	<u>5,599,883</u>	<u>(5,220,282)</u>	<u>1,200,000</u>	<u>2,228,774</u>
Restricted funds					
Restricted Funds - all funds	-	2,900	(2,900)	-	-
	<u>-</u>	<u>2,900</u>	<u>(2,900)</u>	<u>-</u>	<u>-</u>
Total of funds	<u>649,173</u>	<u>5,602,783</u>	<u>(5,223,182)</u>	<u>1,200,000</u>	<u>2,228,774</u>

17. Summary of funds

Summary of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
General funds	<u>2,228,774</u>	<u>6,086,351</u>	<u>(5,973,964)</u>	<u>146,328</u>	<u>2,487,489</u>

Summary of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
General funds	649,173	5,599,883	(5,220,282)	1,200,000	2,228,774
Restricted funds	-	2,900	(2,900)	-	-
	<u>649,173</u>	<u>5,602,783</u>	<u>(5,223,182)</u>	<u>1,200,000</u>	<u>2,228,774</u>

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	679,071	679,071
Intangible fixed assets	52,794	52,794
Current assets	1,973,409	1,973,409
Creditors due within one year	(678,807)	(678,807)
Creditors due in more than one year	(258,306)	(258,306)
Provisions for liabilities and charges	719,328	719,328
Total	2,487,489	2,487,489

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	825,714	825,714
Intangible fixed assets	10,785	10,785
Current assets	1,618,001	1,618,001
Creditors due within one year	(595,603)	(595,603)
Creditors due in more than one year	(383,123)	(383,123)
Provisions for liabilities and charges	753,000	753,000
Total	2,228,774	2,228,774

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net income for the year (as per Statement of Financial Activities)	112,387	379,601
Adjustments for:		
Depreciation charges	236,445	285,283
Amortisation charges	-	1,337
Decrease/(increase) in stocks	3,609	(4,072)
Decrease/(increase) in debtors	(88,577)	272,215
Decrease in creditors	(41,613)	(168,993)
Defined benefit pension scheme movements	180,000	279,000
Net cash provided by operating activities	402,251	1,044,371

20. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	228,233	1,476,439
Money market fund	1,518,646	-
Total cash and cash equivalents	1,746,879	1,476,439

21. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	1,476,439	270,440	1,746,879
Debt due within 1 year	(70,000)	-	(70,000)
Debt due after 1 year	(233,833)	70,000	(163,833)
Finance leases	(221,077)	88,166	(132,911)
	951,529	428,606	1,380,135

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

22. Pension commitments

The Company operates a defined benefit pension scheme.

The charitable company operates a funded defined benefit scheme for the benefit of certain employees in conjunction with a local government defined benefit pension scheme. Entry to the scheme was granted through an Admission Agreement signed by the Pension Administrator, the Transferor (West Northamptonshire Council) and the Trust. Under the terms of this agreements the accrued benefits at the time of transfer (1 April 2011) would be treated as fully funded and the contribution rate calculated on this basis. These figures were calculated using the assumptions in place at the time of 31 March 2010 revaluation.

The figures in these accounts have been calculated in accordance with the provision of Financial Reporting Standard 102. This method of calculation uses a different set of assumptions than the actuarial method described above. As such any surplus or deficit from an accounting perspective would not necessarily reflect the actual funding position using the valuation method. For this year's accounts the Trust opted to use a set of bespoke assumptions which have been agreed with the Fund's Actuary; Hyman Robertson LLP. These assumptions reflect better the Trust's circumstances which are subtly different from the main employers in the fund. These assumptions are consistent with the requirements of FRS 102.

The assets of the scheme are administered by trustees in a fund independent from those of the charitable company. Contributions are made both by the employer and employee and are based on a percentage of pensionable pay. In addition the Trust makes a fixed sum payment to pay back any funding deficit. This is based on a 20 year repayment timeframe. In the year ended 31 March 2023 Trilogy Active Ltd paid an employers' contribution of £Nil (2022: £Nil) representing 0% (2022: 0%) of employee contributions into the Local Government Pension Scheme, which provides members with defined benefits related to pay and service.

Pension costs are assessed in accordance with the advice of a qualified actuary using the projected method. The most recent actuarial valuation of the scheme was at 31 March 2023.

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

	At 31 March 2023	At 31 March 2022
	%	%
Discount rate	4.75	2.85
Expected return on scheme assets	4.75	2.85
Future salary increases	3.45	1.1
Future pension increases	2.95	3.05

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

22. Pension commitments (continued)

	At 31 March 2023 Years	At 31 March 2022 Years
Mortality rates (in years)		
- for a male aged 65 now	22.2	21.5
- at 65 for a male aged 45 now	22.5	22.3
- for a female aged 65 now	23.9	23.7
- at 65 for a female aged 45 now	25.7	25.1

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

	At 31 March 2023 £	At 31 March 2022 £
Equities	8,136,200	8,734,600
Corporate bonds	2,153,700	2,312,100
Property	1,555,450	1,669,850
Cash and other liquid assets	119,650	128,450
Total fair value of assets	11,965,000	12,845,000

The actual return on scheme assets was £(479,000) (2022 - £851,000).

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

	2023 £	2022 £
Current service cost	(280,000)	(291,000)
Interest income	-	259,000
Interest cost	-	(266,000)
Employer contributions	82,000	19,000
Total amount recognised in the Statement of Financial Activities	(198,000)	(279,000)

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

22. Pension commitments (continued)

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

	2023 £
Opening defined benefit obligation	12,092,000
Interest cost	-
Contributions by scheme participants	53,000
Actuarial gains	(3,783,000)
Benefits paid	(171,000)
Interest cost	(18,000)
Current service cost	280,000
Closing defined benefit obligation	8,453,000

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

	2023 £
Opening fair value of scheme assets	12,845,000
Expected return on assets	-
Actuarial (losses)/gains	(844,000)
Contributions by employer	82,000
Contributions by scheme participants	53,000
Benefits paid	(171,000)
Derecognition of pension surplus	(2,792,672)
Closing fair value of scheme assets	9,172,328

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

23. Operating lease commitments

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

	2023 £	2022 £
Not later than 1 year	92,000	92,000
Later than 1 year and not later than 5 years	198,750	290,750
	<u>290,750</u>	<u>382,750</u>

West Northamptonshire Council provided the land and leisure centres at Mounts Baths and Danes Camp Centre for the use by the charity to operate sports centres, rent free, throughout the year and previous year.

The land and buildings of Lings Forum was provided by West Northamptonshire Council, rent free, under a service agreement.

The land and buildings of Duston Sports Centre was provided by Duston Parish Council, rent free, under an operating lease to 2027.

The land and buildings of Cripps Recreational Centre was provided by Northampton General Hospital, rent free, under an operating lease to 2025.

The leases of these premises are not capitalised as the charity does not have control over any of the premises due to various restrictions in the leases. Improvements to the sports centres are capitalised and depreciated over the period of the lease.

24. Related party transactions

The charitable company has a funding agreement with West Northamptonshire Council to provide leisure facilities within Northampton. West Northamptonshire Council is a member of the company.

During the year the Trust made purchases from West Northamptonshire Council of £2,610 (2022: £740) in relation to various Council provided services. As at 31 March 2023 included within creditors is an amount of £Nil (2022: £Nil) owing to the Council. Sales were made to West Northamptonshire Council of £25,000 (2022: £23,407). As at 31 March 2023 included within debtors is an amount of £Nil (2022: £2,500) owed by the Council.

During the year the Trust made sales to Northamptonshire Sport, a member of the Company, of £103,297 (2022: £151,634). As at 31 March 2023 included within debtors is an amount of £12,696 (2022: £12,696) owed by Northamptonshire Sport.

As detailed in note 23 the land and premises used by the charity in the operation of sports centres are provided to the charity by the following members; West Northamptonshire Council, Duston Parish Council and Northampton General Hospital, under operating leases at no charge to the charity.

Registered number: 07555631

Charity number: 1145613

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023**

Trustees	C J Holmes M T Sawyer W Pope A K Ellis P Jones (resigned 7 October 2022) S Adams D Crowther (resigned 29 August 2023) S Scales N L Hinch (resigned 6 July 2023) K Jolley (appointed 10 June 2022, resigned 25 July 2023) K Mcfadyen (appointed 25 July 2023) R Collar (appointed 25 July 2023) M Robinson (appointed 25 July 2023, resigned 24 October 2023)
Company registered number	07555631
Charity registered number	1145613
Registered office	Unity House 78 Robert Street Northampton NN1 3BJ
Company secretary	R J Austin
Managing director	J Fletcher
Independent auditor	MHA Century House The Lakes Northampton NN4 7HD

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Bankers	HSBC Bank St Clair House 5 Old Bedford Road Northampton NN4 7AA
Members	C J Holmes M T Sawyer West Northamptonshire Council Connected Together CIC (formerly Healthwatch Northamptonshire CIC) University of Northampton Northamptonshire County Cricket Club Voluntary Impact Northamptonshire Northamptonshire Sport Duston Parish Council Northampton General Hospital Age UK Northamptonshire Northamptonshire Chamber of Commerce

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the audited financial statements of the Company for the 1 April 2022 to 31 March 2023. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

'Inspiring Active Lifestyles'
The Trust has set itself five priorities:

- To create and deliver initiatives for the improvement of health & wellbeing across the geographical area we serve.
- To improve on the social impact and value of our services.
- To continuously improve customer service and journey by delivering high quality services and facilities.
- To generate income and surpluses to allow us to invest, improve and increase our leisure offer.
- To enhance our skilled and motivated workforce.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Achievements and performance

The Trust has performed well for the year in question. We have continued to recover our membership base following Covid and continue to maintain strict control over expenditure. As a result we have been able to deliver one of the best years in terms of financial surplus. We have now recovered all of the losses we incurred during covid and our reserves are now greater than the £600,000 level as set out in our strategy.

c. Main activities undertaken to further the Company's purposes for the public benefit

The Trustees have referred to the Charity Commission's guidance on public benefit when deciding on the activities Trilogy Active Ltd provides. Trilogy Active Ltd provides public benefit in the following ways:

- To promote for the public benefit the provision of facilities for recreation or other leisure time occupation for individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving their conditions of life.
- To advance health for the public benefit by promoting participation in healthy exercise and physical activity.
- To advance education in the arts for the public benefit in particular but not exclusively by the maintenance and management of a cinema.

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance

a. Key performance indicators

Before accounting adjustments for pensions, we delivered a surplus for the year of £298,387. This was driven by the following;

- A detailed review of our cost base which resulted in us reducing our staffing costs by almost £1m from our pre-covid level without the need for any compulsory redundancies.
- By focusing on our core income streams we were able to bring back our members much quicker than expected.
- We kept a close eye on all expenditure, adopting an essential spend only policy.
- Ongoing support from central Government in the form of grants.

b. Review of activities

We continue to develop and enhance the our facilities to improve the customer experience. The year ending 31 March 2023 was primarily focussed on business recovery and getting the business back to pre-pandemic levels. We though now seeking to start to develop and expand the business and negotiations are ongoing regarding the purchase of a softplay business encompassing two site and the acquisition of a single site charitable leisure operator.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The reserves policy for the Trust sets out the cash target level of reserves of £600,000. This figure is made up of two key components namely;

- £300,000 being the amount needed to manage fluctuations in cash flow
- £300,000 being the amount needed to manage unforeseen expenditure or drops in income

We currently do not set aside any amounts to meet future expenditure as this can all be funded by ongoing revenue. It is though part of our strategy to develop a new reserve of up to £400,000 so that we can take advantage of opportunities as they come about.

As at 31 March 2023 the value of cash reserves held was £1,746,879 (2022 - £1,476,439).

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management

a. Constitution

The Company is registered as a charitable company limited by guarantee (company number: 07555631), governed by Memorandum and Articles of Association and was set up by a Trust deed in 2012.

The company is constituted under a Trust deed and is a registered charity and holds the registration number 1145613.

The principal object of the company is to operate for public benefit, facilities and services for leisure and recreation and be sustainable.

The charitable company operates under the name 'Northampton Leisure Trust'.

b. Methods of appointment or election of Trustees

The management of the Company is the responsibility of the Trustees who are elected and co opted under the terms of the Trust deed.

c. Policies adopted for the induction and training of Trustees

Trustees are appointed and their conduct governed by the charitable company's Articles of Association and Code of Conduct. New Trustees are recruited through local advertisements and any appointment would be based on an assessment of the required abilities and, if appropriate, specialist skills required by the board. All current Trustees have received training to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making process, the Business Plan and financial monitoring of the charitable company's performance. Any new Trustee(s) will receive a commensurate level of training in accordance with the Trustee induction policy. None of the Trustees receive remuneration or other benefit from their work with the charitable company.

d. Pay policy for senior staff

The remuneration of the Managing Director and the Finance Director is considered by a Remuneration Committee. Other permanent staff are remunerated using an evaluation model promoted by the Joint Negotiating Council. Where this is not appropriate, market rates are applied. Remuneration is based on a combination of market rates, performance and the need to retain key members of staff.

e. Organisational structure and decision making

The Board of Trustees, which can contain up to 15 members, administers the charitable company. The board meets on a bi monthly basis and there are the following sub committees:

- Audit Committee.
- Remuneration Committee.

The Managing Director and the Finance Director are appointed by the Trustees to manage the day to day operations of the charitable company. To facilitate effective operations the Managing Director and the Finance Director have delegated authority, within the terms of delegation approved by the Trustees, for all operational and administrative functions including finance, HR and IT.

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

f. Risk management

The Trustees have a risk management strategy which comprises:

- An annual review of the risks the charitable company may face;
- The establishment of systems and procedures to mitigate those risks identified in the plan;
- Implementation of procedures designed to minimise any potential impact on the charitable company should those risks materialise.

This work has identified that financial sustainability is the major financial risk for the charitable company. Particular attention has focused on financial risk with regard to the FRS102 pension liability, assessing Trilogy Active Ltd's exposure to its facilities repair and maintenance costs, the monthly monitoring of trading performance together with an assessment of the key performance indicators and the implementation of a prudent reserves policy.

Non financial risk is also regularly assessed with regard to company operations and ensuring continued usage of facilities through capital investment strategy and operational activity reviews. In particular, work has been undertaken to identify and mitigate health and safety issues within operational areas. This approach to risk management has resulted in better emergency procedures and contingency plans and has given the impetus for better planning and service delivery.

Plans for future periods

Our strategy as a company is to work with all our partners in health and local government to improve the wellbeing for the people in the areas we work. To do this we recognise the need to train and develop our staff as well as developing the products and services we offer. A key part of our strategy is to ensure that everyone has access to activities and to remove any historic barriers that prevented their participation.

We are conscious that our main contract with West Northamptonshire Council expires on 31 March 2026. West Northamptonshire Council have advised that they do not intend to honour the agreement reached with Northampton Borough Council to extend the contract until 31 March 2041. Instead they intend to go through a competitive tendering process. We will of course do all we can to retain the contract without taking on any undue financial risks. In order to ensure that the company remains financially viable in the event that we do not retain the Northampton contact, our strategy is to use the surpluses we have generated to grow the business through acquisitions and new facilities. We are in negotiation to purchase a soft play business that operate two separate sites as well as a deal that would see us take control of a single site charitable leisure company.

Funds held as custodian

There are no funds held as Custodian.

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Engagement with employees and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Company carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Company has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy.
- Volunteers' policy.
- Health & safety policy.

In accordance with the Company's equal opportunities policy, the Company has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Company's offices.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company 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. 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 Company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

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

Auditor

Following a rebranding exercise on 15 May 2023 the trading name of the company's independent auditor changed from MHA Macintyre Hudson to MHA. A resolution to reappoint MHA as independent auditor will be proposed at the next Annual General Meeting.

Approved by order of the members of the board of Trustees and signed on their behalf by:



S Adams
Chairman

Date: 2nd November 2023

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)

Opinion

We have audited the financial statements of Trilogy Active Ltd (formerly Unity Leisure) (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE) (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE) (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

- Obtaining and understanding of the legal and regulatory frameworks that the Charity operates in, focusing on those laws and regulations that have a direct effect on the financial statements;
- Enquiring of management and Trustees around known or suspected instances of non compliance of laws and regulations and fraud;
- Discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work in relation to the risk of management override, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias.

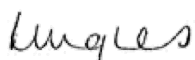
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE) (CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Rebecca Hughes BSc (Hons) FCCA (Senior Statutory Auditor)

for and on behalf of

MHA

Statutory Auditor
Northampton

Date: 21 November 2023

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313).

MHA are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Charitable activities	4	5,991,507	5,991,507	4,784,997
Other income	5	94,844	94,844	817,786
Total income		6,086,351	6,086,351	5,602,783
Expenditure on:				
Charitable activities	6	5,973,964	5,973,964	5,223,182
Total expenditure		5,973,964	5,973,964	5,223,182
Net movement in funds before other recognised gains		112,387	112,387	379,601
Other recognised gains:				
Actuarial gains on defined benefit pension schemes	22	146,328	146,328	1,200,000
Net movement in funds		258,715	258,715	1,579,601
Reconciliation of funds:				
Total funds brought forward		2,228,774	2,228,774	649,173
Net movement in funds		258,715	258,715	1,579,601
Total funds carried forward		2,487,489	2,487,489	2,228,774

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 17 to 35 form part of these financial statements.

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07555631

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	10	52,794	10,785
Tangible assets	11	679,071	825,714
		<u>731,865</u>	<u>836,499</u>
Current assets			
Stocks	12	26,319	29,928
Debtors	13	200,211	111,634
Cash at bank and in hand	20	1,746,879	1,476,439
		<u>1,973,409</u>	<u>1,618,001</u>
Creditors: amounts falling due within one year	14	(678,807)	(595,603)
Net current assets		<u>1,294,602</u>	<u>1,022,398</u>
Total assets less current liabilities		<u>2,026,467</u>	<u>1,858,897</u>
Creditors: amounts falling due after more than one year	15	(258,306)	(383,123)
Net assets excluding pension asset		<u>1,768,161</u>	<u>1,475,774</u>
Defined benefit pension scheme asset	22	719,328	753,000
Total net assets		<u><u>2,487,489</u></u>	<u><u>2,228,774</u></u>
Charity funds			
Restricted funds	16	-	-
Unrestricted funds			
Unrestricted funds excluding pension liability	16	1,768,161	1,475,774
Pension reserve	16	719,328	753,000
Total unrestricted funds	16	<u>2,487,489</u>	<u>2,228,774</u>
Total funds		<u><u>2,487,489</u></u>	<u><u>2,228,774</u></u>

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07555631

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

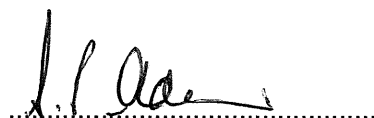
The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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

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

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



S Adams
Chairman

Date: 28th November 2023

The notes on pages 17 to 35 form part of these financial statements.

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	19	402,251	1,044,371
Cash flows from investing activities			
Proceeds from the sale of intangible assets		-	3,884
Proceeds from the sale of tangible fixed assets		-	11,019
Purchase of intangible assets		(42,009)	-
Purchase of tangible fixed assets		(89,802)	(10,348)
Net cash (used in)/provided by investing activities		(131,811)	4,555
Cash flows from financing activities			
Repayments of finance leases		-	(189,087)
Net cash provided by/(used in) financing activities		-	(189,087)
Change in cash and cash equivalents in the year		270,440	859,839
Cash and cash equivalents at the beginning of the year		1,476,439	616,600
Cash and cash equivalents at the end of the year	20	1,746,879	1,476,439

The notes on pages 17 to 35 form part of these financial statements

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

1. General information

Trilogy Active Ltd (formerly known as Unity Leisure) is a private limited company limited by guarantee and registered in England and Wales. Registered company number 07555631 and charity number 1145613.

The registered office and principal trading address is Unity House, 78 Robert Street, Northampton, Northamptonshire, NN1 3BJ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Trilogy Active Ltd (formerly Unity Leisure) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Trustees have not identified any material uncertainties that may cast significant doubt about the ability of the charitable company to continue as a going concern. The charitable company's business activities, together with the factors likely to affect its future development, performance and position, its cash flows and liquidity position have been assessed. The charitable company has sufficient financial resources together with long term contracts for all of its six trading centres. The Trustees understand that the transactions that are required to be placed in our financial statements in relation to our pension fund are prepared in accordance with assumptions set by FRS 102 and produce a materially different set of figures than those produced by the pensions fund actuary for the purpose of calculating our actual share of assets and liabilities as well as those used to assess contribution levels. The Trustees also understand that, in accordance with the laws and regulations surrounding the operation of the pension fund, the recovery of any difference between the assets and liabilities on the fund will be agreed and set at each triennial valuation, and are based on a 20 year recovery period. As a consequence, the Trustees believe that the charitable company is well placed to manage its business risk successfully.

Based on these assessments and having regard to the resources available to the charitable company, the Trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

2. Accounting policies (continued)

2.3 Income

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

Membership fees

Membership fees are amounts payable to Trilogy Active Ltd on a monthly basis for usage of the leisure facilities. Details of the various membership categories and the benefits they offer can be found on our website at www.trilogyleisure.co.uk.

Centre fees

Centre fees are amounts payable to Trilogy Active Ltd on a visit-by-visit basis for usage of the leisure facilities. Details of opening times, activity tables and charges are all available on our website.

Management fees

Management fees are the fees paid by West Northamptonshire Council for the operation of the facilities and the provision of a Sport and Play Development service.

Grants receivable

Grants are accounted for when conditions to entitlement have been met.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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

2.4 Expenditure

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

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

All expenditure is inclusive of irrecoverable VAT.

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

2. Accounting policies (continued)

2.5 Intangible assets and amortisation

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

The estimated useful lives are as follows:

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

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Depreciation is provided on the following bases:

Leasehold property improvements	- 5 - 25 years
Plant and machinery	- 5 - 10 years
Motor vehicles	- 5 years
Office equipment, fixtures and fittings	- 5 - 10 years
Computer equipment	- 5 - 8 years
Sports equipment	- 5 - 7 years

2.7 Stocks

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

2.8 Debtors

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

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

2. Accounting policies (continued)

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities

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

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.11 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Company. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.13 Pensions

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

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

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

2. Accounting policies (continued)

2.14 Fund accounting

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

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

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the defined benefit pension scheme 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension asset or liability.

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

4. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Membership fees	3,843,179	3,843,179	3,017,210
Centre fees	1,486,424	1,486,424	1,115,214
Sales	513,441	513,441	415,648
Commission	4,347	4,347	3,587
Miscellaneous income	144,116	144,116	233,338
Total 2023	5,991,507	5,991,507	4,784,997
Total 2022	4,784,997	4,784,997	

5. Other incoming resources

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Kings Heath Active England project	-	1,125	1,125	6,250
Street football project	-	-	-	2,900
Cinema	-	-	-	29,082
Play and sport development	-	-	-	35,437
Grant income	-	93,719	93,719	570,816
Job retention scheme	-	-	-	173,301
	-	94,844	94,844	817,786
Total 2022	2,900	814,886	817,786	

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

6. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total 2023 £	Total 2022 £
Operational staff costs	-	2,880,064	2,880,064	2,596,753
Purchases	-	1,751,216	1,751,216	1,509,321
Staff costs - HQ staff costs	-	627,783	627,783	597,063
Bank charges	-	29,826	29,826	24,414
Insurance	-	56,608	56,608	76,019
Irrecoverable VAT	-	212,881	212,881	147,152
Other costs	-	395,949	395,949	261,618
Governance costs	-	19,637	19,637	10,842
Total 2023	-	5,973,964	5,973,964	5,223,182
Total 2022	2,900	5,220,282	5,223,182	

7. Auditor's remuneration

	2023 £	2022 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	17,250	15,500
Fees payable to the Company's auditor in respect of: All non-audit services not included above	2,500	2,500

8. Staff costs

	2023 £	2022 £
Wages and salaries	3,003,802	2,698,660
Social security costs	199,408	170,881
Contribution to defined contribution pension schemes	304,637	317,275
	3,507,847	3,186,816

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

8. Staff costs (continued)

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

	2023	2022
	No.	No.
Management and administration	17	18
Operational	282	209
	<u>299</u>	<u>227</u>

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	1	1
In the band £100,001 - £110,000	1	-

The key management personnel comprise the Managing Director, the Finance Director, the Director of Performance, Planning Development and Operations and the Director of Health and Wellbeing Development Operations. The total employee benefits of key management personnel of the Charity were £279,782 (2022 - £229,784).

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year, no Trustee expenses have been incurred (2022 - £NIL).

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

10. Intangible assets

	Computer software £
Cost	
At 1 April 2022	41,453
Additions	42,009
At 31 March 2023	83,462
Amortisation	
At 1 April 2022	30,668
At 31 March 2023	30,668
Net book value	
At 31 March 2023	52,794
At 31 March 2022	10,785

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

11. Tangible fixed assets

	Leasehold improvements £	Other fixed assets £	Total £
Cost			
At 1 April 2022	1,388,866	2,082,213	3,471,079
Additions	14,076	75,726	89,802
At 31 March 2023	<u>1,402,942</u>	<u>2,157,939</u>	<u>3,560,881</u>
Depreciation			
At 1 April 2022	836,820	1,808,545	2,645,365
Charge for the year	120,657	115,788	236,445
At 31 March 2023	<u>957,477</u>	<u>1,924,333</u>	<u>2,881,810</u>
Net book value			
At 31 March 2023	<u>445,465</u>	<u>233,606</u>	<u>679,071</u>
At 31 March 2022	<u>552,046</u>	<u>273,668</u>	<u>825,714</u>

12. Stocks

	2023 £	2022 £
Finished goods and goods for resale	<u>26,319</u>	<u>29,928</u>

13. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	55,550	30,113
Other debtors	16,687	-
Prepayments and accrued income	127,974	81,521
	<u>200,211</u>	<u>111,634</u>

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

14. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Bank loans	70,000	70,000
Trade creditors	273,899	8,276
Other taxation and social security	53,085	74,470
Obligations under finance lease and hire purchase contracts	38,438	71,787
Other creditors	16,953	10,155
Accruals and deferred income	226,432	360,915
	678,807	595,603

15. Creditors: Amounts falling due after more than one year

	2023	2022
	£	£
Bank loans	163,833	233,833
Net obligations under finance lease and hire purchase contracts	94,473	149,290
	258,306	383,123

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds					
General Funds - all funds	1,475,774	6,086,351	(5,793,964)	-	1,768,161
Pension reserve	753,000	-	(180,000)	146,328	719,328
	<u>2,228,774</u>	<u>6,086,351</u>	<u>(5,973,964)</u>	<u>146,328</u>	<u>2,487,489</u>
Restricted funds					
Restricted Funds - all funds	-	-	-	-	-
Total of funds	<u>2,228,774</u>	<u>6,086,351</u>	<u>(5,973,964)</u>	<u>146,328</u>	<u>2,487,489</u>

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds					
General Funds - all funds	817,173	5,599,883	(4,941,282)	-	1,475,774
Pension reserve	(168,000)	-	(279,000)	1,200,000	753,000
	<u>649,173</u>	<u>5,599,883</u>	<u>(5,220,282)</u>	<u>1,200,000</u>	<u>2,228,774</u>
Restricted funds					
Restricted Funds - all funds	-	2,900	(2,900)	-	-
	<u>-</u>	<u>2,900</u>	<u>(2,900)</u>	<u>-</u>	<u>-</u>
Total of funds	<u>649,173</u>	<u>5,602,783</u>	<u>(5,223,182)</u>	<u>1,200,000</u>	<u>2,228,774</u>

17. Summary of funds

Summary of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
General funds	<u>2,228,774</u>	<u>6,086,351</u>	<u>(5,973,964)</u>	<u>146,328</u>	<u>2,487,489</u>

Summary of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
General funds	649,173	5,599,883	(5,220,282)	1,200,000	2,228,774
Restricted funds	-	2,900	(2,900)	-	-
	<u>649,173</u>	<u>5,602,783</u>	<u>(5,223,182)</u>	<u>1,200,000</u>	<u>2,228,774</u>

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	679,071	679,071
Intangible fixed assets	52,794	52,794
Current assets	1,973,409	1,973,409
Creditors due within one year	(678,807)	(678,807)
Creditors due in more than one year	(258,306)	(258,306)
Provisions for liabilities and charges	719,328	719,328
Total	2,487,489	2,487,489

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	825,714	825,714
Intangible fixed assets	10,785	10,785
Current assets	1,618,001	1,618,001
Creditors due within one year	(595,603)	(595,603)
Creditors due in more than one year	(383,123)	(383,123)
Provisions for liabilities and charges	753,000	753,000
Total	2,228,774	2,228,774

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net income for the year (as per Statement of Financial Activities)	112,387	379,601
Adjustments for:		
Depreciation charges	236,445	285,283
Amortisation charges	-	1,337
Decrease/(increase) in stocks	3,609	(4,072)
Decrease/(increase) in debtors	(88,577)	272,215
Decrease in creditors	(41,613)	(168,993)
Defined benefit pension scheme movements	180,000	279,000
Net cash provided by operating activities	402,251	1,044,371

20. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	228,233	1,476,439
Money market fund	1,518,646	-
Total cash and cash equivalents	1,746,879	1,476,439

21. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	1,476,439	270,440	1,746,879
Debt due within 1 year	(70,000)	-	(70,000)
Debt due after 1 year	(233,833)	70,000	(163,833)
Finance leases	(221,077)	88,166	(132,911)
	951,529	428,606	1,380,135

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

22. Pension commitments

The Company operates a defined benefit pension scheme.

The charitable company operates a funded defined benefit scheme for the benefit of certain employees in conjunction with a local government defined benefit pension scheme. Entry to the scheme was granted through an Admission Agreement signed by the Pension Administrator, the Transferor (West Northamptonshire Council) and the Trust. Under the terms of this agreements the accrued benefits at the time of transfer (1 April 2011) would be treated as fully funded and the contribution rate calculated on this basis. These figures were calculated using the assumptions in place at the time of 31 March 2010 revaluation.

The figures in these accounts have been calculated in accordance with the provision of Financial Reporting Standard 102. This method of calculation uses a different set of assumptions than the actuarial method described above. As such any surplus or deficit from an accounting perspective would not necessarily reflect the actual funding position using the valuation method. For this year's accounts the Trust opted to use a set of bespoke assumptions which have been agreed with the Fund's Actuary; Hyman Robertson LLP. These assumptions reflect better the Trust's circumstances which are subtly different from the main employers in the fund. These assumptions are consistent with the requirements of FRS 102.

The assets of the scheme are administered by trustees in a fund independent from those of the charitable company. Contributions are made both by the employer and employee and are based on a percentage of pensionable pay. In addition the Trust makes a fixed sum payment to pay back any funding deficit. This is based on a 20 year repayment timeframe. In the year ended 31 March 2023 Trilogy Active Ltd paid an employers' contribution of £Nil (2022: £Nil) representing 0% (2022: 0%) of employee contributions into the Local Government Pension Scheme, which provides members with defined benefits related to pay and service.

Pension costs are assessed in accordance with the advice of a qualified actuary using the projected method. The most recent actuarial valuation of the scheme was at 31 March 2023.

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

	At 31 March 2023	At 31 March 2022
	%	%
Discount rate	4.75	2.85
Expected return on scheme assets	4.75	2.85
Future salary increases	3.45	1.1
Future pension increases	2.95	3.05

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

22. Pension commitments (continued)

	At 31 March 2023 Years	At 31 March 2022 Years
Mortality rates (in years)		
- for a male aged 65 now	22.2	21.5
- at 65 for a male aged 45 now	22.5	22.3
- for a female aged 65 now	23.9	23.7
- at 65 for a female aged 45 now	25.7	25.1

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

	At 31 March 2023 £	At 31 March 2022 £
Equities	8,136,200	8,734,600
Corporate bonds	2,153,700	2,312,100
Property	1,555,450	1,669,850
Cash and other liquid assets	119,650	128,450
Total fair value of assets	11,965,000	12,845,000

The actual return on scheme assets was £(479,000) (2022 - £851,000).

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

	2023 £	2022 £
Current service cost	(280,000)	(291,000)
Interest income	-	259,000
Interest cost	-	(266,000)
Employer contributions	82,000	19,000
Total amount recognised in the Statement of Financial Activities	(198,000)	(279,000)

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

22. Pension commitments (continued)

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

	2023 £
Opening defined benefit obligation	12,092,000
Interest cost	-
Contributions by scheme participants	53,000
Actuarial gains	(3,783,000)
Benefits paid	(171,000)
Interest cost	(18,000)
Current service cost	280,000
Closing defined benefit obligation	8,453,000

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

	2023 £
Opening fair value of scheme assets	12,845,000
Expected return on assets	-
Actuarial (losses)/gains	(844,000)
Contributions by employer	82,000
Contributions by scheme participants	53,000
Benefits paid	(171,000)
Derecognition of pension surplus	(2,792,672)
Closing fair value of scheme assets	9,172,328

TRILOGY ACTIVE LTD (FORMERLY UNITY LEISURE)
(A Company Limited by Guarantee)

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

23. Operating lease commitments

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

	2023 £	2022 £
Not later than 1 year	92,000	92,000
Later than 1 year and not later than 5 years	198,750	290,750
	<u>290,750</u>	<u>382,750</u>

West Northamptonshire Council provided the land and leisure centres at Mounts Baths and Danes Camp Centre for the use by the charity to operate sports centres, rent free, throughout the year and previous year.

The land and buildings of Lings Forum was provided by West Northamptonshire Council, rent free, under a service agreement.

The land and buildings of Duston Sports Centre was provided by Duston Parish Council, rent free, under an operating lease to 2027.

The land and buildings of Cripps Recreational Centre was provided by Northampton General Hospital, rent free, under an operating lease to 2025.

The leases of these premises are not capitalised as the charity does not have control over any of the premises due to various restrictions in the leases. Improvements to the sports centres are capitalised and depreciated over the period of the lease.

24. Related party transactions

The charitable company has a funding agreement with West Northamptonshire Council to provide leisure facilities within Northampton. West Northamptonshire Council is a member of the company.

During the year the Trust made purchases from West Northamptonshire Council of £2,610 (2022: £740) in relation to various Council provided services. As at 31 March 2023 included within creditors is an amount of £Nil (2022: £Nil) owing to the Council. Sales were made to West Northamptonshire Council of £25,000 (2022: £23,407). As at 31 March 2023 included within debtors is an amount of £Nil (2022: £2,500) owed by the Council.

During the year the Trust made sales to Northamptonshire Sport, a member of the Company, of £103,297 (2022: £151,634). As at 31 March 2023 included within debtors is an amount of £12,696 (2022: £12,696) owed by Northamptonshire Sport.

As detailed in note 23 the land and premises used by the charity in the operation of sports centres are provided to the charity by the following members; West Northamptonshire Council, Duston Parish Council and Northampton General Hospital, under operating leases at no charge to the charity.

Trilogy Active

England & Wales - Charity number 1145613

Accounts

UNITY LEISURE
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

UNITY LEISURE
(A Company Limited by Guarantee)

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UNITY LEISURE
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

Trustees	C J Holmes M T Sawyer W Pope A K Ellis A D Riley (resigned 30 November 2021) R J Aveling (resigned 30 November 2021) P Jones S Adams D Crowther H Barrett (appointed 29 July 2021, resigned 21 March 2022) S Scales (appointed 25 January 2022) N L Hinch (appointed 28 March 2022) A S King (resigned 29 July 2021) Z Smith (resigned 29 July 2021) K Jolley (appointed 10 June 2022)
Company registered number	07555631
Charity registered number	1145613
Registered office	78 Robert Street Northampton Northamptonshire NN1 3BJ
Company secretary	R J Austin
Managing director	J Fletcher
Independent auditor	MHA MacIntyre Hudson Peterbridge House The Lakes Northampton NN4 7HB

UNITY LEISURE

(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Bankers

HSBC Bank
St Clair House
5 Old Bedford Road
Northampton
NN4 7AA

Members

C J Holmes
M J Sawyer
West Northamptonshire Council
Health Watch Northamptonshire
University of Northampton
Northamptonshire County Cricket Club
Voluntary Impact Northampton
Northamptonshire Sport
Duston Parish Council
Northampton General Hospital
Age UK Northamptonshire
Northamptonshire Chamber of Commerce

UNITY LEISURE

(A Company Limited by Guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report together with the audited financial statements of the Company for the 1 April 2021 to 31 March 2022. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

'Inspiring Active Lifestyles'

The Trust has set itself four key priorities:

- To develop activities and programmes that promote Wellbeing
- To develop a customer focussed organisation
- To develop a skilled, motivated and diverse workforce
- To maintain and develop a financially stable organisation

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Achievements and performance

The Trust has performed well above expectations for the year in question. Our members have come back far quicker than expected, especially our juniors. We also used the period of forced closure to review our cost base and without any compulsory redundancies we managed to reduce our staff costs by almost £1m. These factors, along with the continuing support of the Government, has meant we have been able to not only return a surplus for the year but managed to build up healthy cash reserves.

c. Main activities undertaken to further the Company's purposes for the public benefit

The Trustees have referred to the Charity Commission's guidance on public benefit when deciding on the activities Unity Leisure provides. Unity Leisure provides public benefit in the following ways:

- To promote for the public benefit the provision of facilities for recreation or other leisure time occupation for individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving their conditions of life.
- To advance health for the public benefit by promoting participation in healthy exercise and physical activity.
- To advance education in the arts for the public benefit in particular but not exclusively by the maintenance and management of a cinema.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

a. Key performance indicators

Before accounting adjustments for pensions, we delivered a surplus for the year of £658,601. This was driven by the following;

- A detailed review of our cost base which resulted in us reducing our staffing costs by almost £1m from our pre-covid level without the need for any compulsory redundancies.
- By focusing on our core income streams we were able to bring back our members much quicker than expected.
- We kept a close eye on all expenditure, adopting an essential spend only policy.
- Ongoing support from central Government in the form of grants.

b. Review of activities

To ensure that our customers felt as comfortable as they could we changed the way our facilities were laid out to provide better social distancing between our customers. Extensive work and costs went into ensuring that the risk of transmitting Covid was reduced as much as reasonably possible.

We continued to engage closely with all members, through all of our active social media channels, we set up a filming studio and delivered online live classes and activities and set up a page for members to support our charity through a just giving page.

We actively sourced all possible grants and funding opportunities to keep the business financially stable and afloat and we over communicated with the team whilst they were on furlough.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The reserves policy for the Trust sets out the cash target level of reserves of £600,000. This figure is made up of two key components namely;

- £300,000 being the amount needed to manage fluctuations in cash flow
- £300,000 being the amount needed to manage unforeseen expenditure or drops in income

We currently do not set aside any amounts to meet future expenditure as this can all be funded by ongoing revenue. It is though part of our strategy to develop a new reserve of up to £400,000 so that we can take advantage of opportunities as they come about.

As at 31 March 2022 the value of cash reserves held was £1,476,439

UNITY LEISURE

(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management

a. Constitution

The Company is registered as a charitable company limited by guarantee (company number: 07555631), governed by Memorandum and Articles of Association and was set up by a Trust deed in 2011.

The company is constituted under a Trust deed and is a registered charity and holds the registration number 1145613.

The principal object of the company is to operate for public benefit, facilities and services for leisure and recreation and be sustainable.

The charitable company operates under the name 'Northampton Leisure Trust'.

b. Methods of appointment or election of Trustees

The management of the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

c. Policies adopted for the induction and training of Trustees

Trustees are appointed and their conduct governed by the charitable company's Articles of Association and Code of Conduct. New Trustees are recruited through local advertisements and any appointment would be based on an assessment of the required abilities and, if appropriate, specialist skills required by the board. All current Trustees have received training to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making process, the Business Plan and financial monitoring of the charitable company's performance. Any new Trustee(s) will receive a commensurate level of training in accordance with the Trustee induction policy. None of the Trustees receive remuneration or other benefit from their work with the charitable company.

d. Pay policy for senior staff

The remuneration of the Managing Director and the Finance Director is considered by a Remuneration Committee. Other permanent staff are remunerated using an evaluation model. Where this is not appropriate, market rates are applied. Remuneration is based on a combination of market rates, performance and the need to retain key members of staff.

e. Organisational structure and decision making

The Board of Trustees, which can contain up to 15 members, administers the charitable company. The board meets on a bi-monthly basis and there are the following sub-committees:

- Audit Committee.
- Remuneration Committee.

The Managing Director and the Finance Director are appointed by the Trustees to manage the day to day operations of the charitable company. To facilitate effective operations the Managing Director and the Finance Director have delegated authority, within the terms of delegation approved by the Trustees, for all operational and administrative functions including finance, HR and IT.

UNITY LEISURE

(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management (continued)

f. Risk management

The Trustees have a risk management strategy which comprises:

- An annual review of the risks the charitable company may face;
- The establishment of systems and procedures to mitigate those risks identified in the plan;
- Implementation of procedures designed to minimise any potential impact on the charitable company should those risks materialise.

This work has identified that financial sustainability is the major financial risk for the charitable company. Particular attention has focused on financial risk with regard to the FRS102 pension liability, assessing Unity Leisure's exposure to its facilities repair and maintenance costs, the monthly monitoring of trading performance together with an assessment of the key performance indicators and the implementation of a prudent reserves policy.

Non-financial risk is also regularly assessed with regard to company operations and ensuring continued usage of facilities through capital investment strategy and operational activity reviews. In particular, work has been undertaken to identify and mitigate health and safety issues within operational areas. This approach to risk management has resulted in better emergency procedures and contingency plans and has given the impetus for better planning and service delivery.

Plans for future periods

Our strategy as a company is to work with all our partners in health and local government to improve the wellbeing for the people in the areas we work. To do this we recognise the need to train and develop our staff as well as developing the products and services we offer. A key part of our strategy is to ensure that everyone has access to activities and to remove any historic barriers that prevented their participation.

We are conscious that our main contract with West Northamptonshire Council expires on 31st March 2026. Whilst we are hopeful that it will be extended, we are also working hard to develop additional relationships and new facilities which will ensure that we can continue to operate successfully.

Funds held as custodian

There are no funds held as Custodian.

UNITY LEISURE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Engagement with employees and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Company carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Company has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy.
- Volunteers' policy.
- Health & safety policy.

In accordance with the Company's equal opportunities policy, the Company has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Company's offices.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company 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 . 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 Company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

UNITY LEISURE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Disclosure of information to auditor

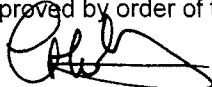
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

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

Auditor

The auditor, MHA MacIntyre Hudson, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:


C J Holmes
Trustee

Date: 28-09-2022

UNITY LEISURE

(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITY LEISURE

Opinion

We have audited the financial statements of Unity Leisure (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

UNITY LEISURE

(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITY LEISURE (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

UNITY LEISURE

(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITY LEISURE (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

- Obtaining and understanding of the legal and regulatory frameworks that the Charity operates in, focusing on those laws and regulations that have a direct effect on the financial statements;
- Enquiring of management and Trustees around known or suspected instances of non compliance of laws and regulations and fraud;
- Discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work in relation to the risk of management override, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias.

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

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Rebecca Hughes BSc (Hons) FCCA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Statutory Auditors

Northampton, United Kingdom

Date: 18 October 2022

UNITY LEISURE
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Charitable activities	4	-	4,784,997	4,784,997	1,699,877
Investments		-	-	-	11,000
Other income	5	2,900	814,886	817,786	2,229,163
Total income		2,900	5,599,883	5,602,783	3,940,040
Expenditure on:					
Charitable activities	6	2,900	5,220,282	5,223,182	4,704,573
Total expenditure		2,900	5,220,282	5,223,182	4,704,573
Net movement in funds before other recognised gains/(losses)		-	379,601	379,601	(764,533)
Other recognised gains/(losses):					
Actuarial gains/(losses) on defined benefit pension schemes	22	-	1,200,000	1,200,000	(518,000)
Net movement in funds		-	1,579,601	1,579,601	(1,282,533)
Reconciliation of funds:					
Total funds brought forward		-	649,173	649,173	1,931,706
Net movement in funds		-	1,579,601	1,579,601	(1,282,533)
Total funds carried forward		-	2,228,774	2,228,774	649,173

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 35 form part of these financial statements.

UNITY LEISURE**(A Company Limited by Guarantee)****REGISTERED NUMBER: 07555631**

**BALANCE SHEET
AS AT 31 MARCH 2022**

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	10	10,785	16,006
Tangible assets	11	825,714	1,111,668
		<u>836,499</u>	<u>1,127,674</u>
Current assets			
Stocks	12	29,928	25,856
Debtors	13	111,634	383,849
Cash at bank and in hand		1,476,439	616,600
		<u>1,618,001</u>	<u>1,026,305</u>
Creditors: amounts falling due within one year	14	(595,603)	(792,303)
Net current assets		<u>1,022,398</u>	<u>234,002</u>
Total assets less current liabilities		<u>1,858,897</u>	<u>1,361,676</u>
Creditors: amounts falling due after more than one year	15	(383,123)	(544,503)
Net assets excluding pension asset / liability		<u>1,475,774</u>	<u>817,173</u>
Defined benefit pension scheme asset / liability	22	753,000	(168,000)
Total net assets		<u><u>2,228,774</u></u>	<u><u>649,173</u></u>
Charity funds			
Restricted funds	16	-	-
Unrestricted funds			
Unrestricted funds excluding pension liability / asset	16	1,475,774	817,173
Pension reserve	16	753,000	(168,000)
Total unrestricted funds	16	<u>2,228,774</u>	<u>649,173</u>
Total funds		<u><u>2,228,774</u></u>	<u><u>649,173</u></u>

UNITY LEISURE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07555631

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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

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

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



C J Holmes
Trustee

Date: 28-09-2022

The notes on pages 16 to 35 form part of these financial statements.

UNITY LEISURE
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	1,038,210	(33,585)
Cash flows from investing activities		
Proceeds from the sale of intangible assets	3,884	-
Proceeds from the sale of tangible fixed assets	11,019	-
Purchase of intangible assets	-	(4,370)
Purchase of tangible fixed assets	(10,348)	(3,595)
Net cash provided by/(used in) investing activities	4,555	(7,965)
Cash flows from financing activities		
Cash inflows from new borrowing	-	350,000
Repayments of finance leases	(182,926)	(169,982)
Net cash (used in)/provided by financing activities	(182,926)	180,018
Change in cash and cash equivalents in the year	859,839	138,468
Cash and cash equivalents at the beginning of the year	616,600	478,132
Cash and cash equivalents at the end of the year	1,476,439	616,600

UNITY LEISURE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. General information

Unity Leisure is a private limited company limited by guarantee and registered in England and Wales. Registered company number 07555631 and charity number 1145613.

The registered office and principal trading address is Unity House, 78 Robert Street, Northampton, Northamptonshire, NN1 3BJ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

2.2 Going concern

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The COVID-19 pandemic and the ensuing economic shutdown has had a significant impact on the charitable company's operations. In response to the COVID-19 pandemic, the Trustees have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

The Trustees have not identified any further material uncertainties that may cast significant doubt about the ability of the charitable company to continue as a going concern. The charitable company's business activities, together with the factors likely to affect its future development, performance and position, its cash flows and liquidity position have been assessed. The charitable company has sufficient financial resources together with long term contracts for all of its six trading centres. The Trustees understand that the transactions that are required to be placed in our financial statements in relation to our pension fund are prepared in accordance with assumptions set by FRS 102 and produce a materially different set of figures than those produced by the pensions fund actuary for the purpose of calculating our actual share of assets and liabilities as well as those used to assess contribution levels. The Trustees also understand that, in accordance with the laws and regulations surrounding the operation of the pension fund, the recovery of any difference between the assets and liabilities on the fund will be agreed and set at each triennial valuation and are based on a 20 year recovery period. As a consequence, the Trustees believe that the charitable company is well placed to manage its business risk successfully.

Based on these assessments and having regard to the resources available to the charitable company, the Trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.3 Income

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

Membership fees

Membership fees are amounts payable to Unity Leisure on a monthly basis for usage of the leisure facilities. Details of the various membership categories and the benefits they offer can be found on our website at www.trilogyleisure.co.uk.

Centre fees

Centre fees are amounts payable to Unity Leisure on a visit-by-visit basis for usage of the leisure facilities. Details of opening times, activity tables and charges are all available on our website.

Management fees

Management fees are the fees paid by West Northamptonshire Council for the operation of the facilities and the provision of a Sport and Play Development service.

Grants receivable

Grants are accounted for when conditions to entitlement have been met.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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

2.4 Expenditure

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

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

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Job retention scheme grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.6 Intangible assets and amortisation

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

The estimated useful lives are as follows:

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

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Depreciation is provided on the following bases:

Leasehold property	- 5 - 25 years
improvements	
Plant and machinery	- 5 - 10 years
Motor vehicles	- 5 years
Office equipment, fixtures and fittings	- 5 - 10 years
Computer equipment	- 5 - 8 years
Sports equipment	- 5 - 7 years

2.8 Stocks

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

2.9 Debtors

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 Liabilities

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

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.12 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Company. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.14 Pensions

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

The Company operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2022.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.15 Fund accounting

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

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

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the defined benefit pension scheme 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension asset or liability.

UNITY LEISURE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

4. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Membership fees	3,017,210	3,017,210	1,286,275
Centre fees	1,115,214	1,115,214	223,805
Sales	415,648	415,648	22,331
Commission	3,587	3,587	-
Miscellaneous income	233,338	233,338	167,466
Total 2022	4,784,997	4,784,997	1,699,877
Total 2021	1,699,877	1,699,877	

5. Other incoming resources

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Kings Heath Active England project	-	6,250	6,250	1,500
Street football project	2,900	-	2,900	55,469
Cinema	-	29,082	29,082	24,952
Play and sport development	-	35,437	35,437	6,281
Inspired coaching	-	-	-	230
Grant income	-	570,816	570,816	447,652
Peterborough gym	-	17,244	17,244	3,000
Job retention scheme	-	156,057	156,057	1,690,079
Total 2022	2,900	814,886	817,786	2,229,163
Total 2021	55,469	2,173,694	2,229,163	

UNITY LEISURE**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

6. Analysis of expenditure on charitable activities**Summary by fund type**

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total 2022 £	Total 2021 £
Operational staff costs	2,900	2,593,853	2,596,753	2,728,024
Purchases	-	1,509,321	1,509,321	855,440
Staff costs - HQ staff costs	-	597,063	597,063	566,722
Bank charges	-	24,414	24,414	12,891
Insurance	-	76,019	76,019	49,250
Irrecoverable VAT	-	147,152	147,152	102,425
Other costs	-	261,618	261,618	380,715
Governance costs	-	10,842	10,842	9,106
Total 2022	<u>2,900</u>	<u>5,220,282</u>	<u>5,223,182</u>	<u>4,704,573</u>
Total 2021	<u>55,469</u>	<u>4,649,104</u>	<u>4,704,573</u>	

7. Auditor's remuneration

	2022 £	2021 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	15,500	9,000
Fees payable to the Company's auditor in respect of: All non-audit services not included above	<u>2,500</u>	<u>1,700</u>

8. Staff costs

	2022 £	2021 £
Wages and salaries	2,698,660	2,897,889
Social security costs	170,881	165,018
Contribution to defined contribution pension schemes	317,275	231,839
	<u>3,186,816</u>	<u>3,294,746</u>

UNITY LEISURE**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Staff costs (continued)

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

	2022 No.	2021 No.
Management and administration	18	19
Operational	209	250
	227	269

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

	2022 No.	2021 No.
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	1	1

The key management personnel comprise the Managing Director, the Finance Director, and the Director of Health and Wellbeing Development Operations. The total employee benefits of key management personnel of the Charity were £229,784 (2021 - £236,705).

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

UNITY LEISURE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

10. Intangible assets

	Computer software £
Cost	
At 1 April 2021	67,471
Disposals	(26,018)
At 31 March 2022	41,453
Amortisation	
At 1 April 2021	51,465
Charge for the year	1,337
On disposals	(22,134)
At 31 March 2022	30,668
Net book value	
At 31 March 2022	10,785
At 31 March 2021	16,006

UNITY LEISURE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11. Tangible fixed assets

	Leasehold property improvements £	Other fixed assets £	Total £
Cost			
At 1 April 2021	1,394,166	2,128,962	3,523,128
Additions	10,348	-	10,348
Disposals	(15,648)	(46,749)	(62,397)
At 31 March 2022	1,388,866	2,082,213	3,471,079
Depreciation			
At 1 April 2021	704,786	1,706,674	2,411,460
Charge for the year	139,304	145,979	285,283
On disposals	(7,270)	(44,108)	(51,378)
At 31 March 2022	836,820	1,808,545	2,645,365
Net book value			
At 31 March 2022	552,046	273,668	825,714
At 31 March 2021	689,380	422,288	1,111,668

12. Stocks

	2022 £	2021 £
Finished goods and goods for resale	29,928	25,856

UNITY LEISURE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	30,113	185,661
Other debtors	-	6,435
Prepayments and accrued income	81,521	191,753
	<u>111,634</u>	<u>383,849</u>

14. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank loan	70,000	52,500
Other loan	-	30,000
Trade creditors	8,276	1,446
Other taxation and social security	74,470	50,120
Obligations under finance lease and hire purchase contracts	71,787	80,833
Other creditors	10,155	4,689
Accruals and deferred income	360,915	572,715
	<u>595,603</u>	<u>792,303</u>

15. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Bank loans	233,833	297,500
Obligations under finance lease and hire purchase contracts	149,290	247,003
	<u>383,123</u>	<u>544,503</u>

UNITY LEISURE**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

16. Statement of funds**Statement of funds - current year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds					
General Funds - all funds	817,173	5,599,883	(4,941,282)	-	1,475,774
Pension reserve	(168,000)	-	(279,000)	1,200,000	753,000
	<u>649,173</u>	<u>5,599,883</u>	<u>(5,220,282)</u>	<u>1,200,000</u>	<u>2,228,774</u>
Restricted funds					
Restricted Funds - all funds	-	2,900	(2,900)	-	-
	<u>-</u>	<u>2,900</u>	<u>(2,900)</u>	<u>-</u>	<u>-</u>
Total of funds	<u>649,173</u>	<u>5,602,783</u>	<u>(5,223,182)</u>	<u>1,200,000</u>	<u>2,228,774</u>

UNITY LEISURE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2021 £
Unrestricted funds					
General Funds - all funds	1,382,706	3,873,571	(4,439,104)	-	817,173
Pension reserve	549,000	11,000	(210,000)	(518,000)	(168,000)
	<u>1,931,706</u>	<u>3,884,571</u>	<u>(4,649,104)</u>	<u>(518,000)</u>	<u>649,173</u>
Restricted funds					
Restricted Funds - all funds	-	55,469	(55,469)	-	-
	<u>-</u>	<u>55,469</u>	<u>(55,469)</u>	<u>-</u>	<u>-</u>
Total of funds	<u>1,931,706</u>	<u>3,940,040</u>	<u>(4,704,573)</u>	<u>(518,000)</u>	<u>649,173</u>

17. Summary of funds

Summary of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
General funds	649,173	5,599,883	(5,220,282)	1,200,000	2,228,774
Restricted funds	-	2,900	(2,900)	-	-
	<u>649,173</u>	<u>5,602,783</u>	<u>(5,223,182)</u>	<u>1,200,000</u>	<u>2,228,774</u>

UNITY LEISURE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

17. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2021 £
General funds	1,931,706	3,884,571	(4,649,104)	(518,000)	649,173
Restricted funds	-	55,469	(55,469)	-	-
	<u>1,931,706</u>	<u>3,940,040</u>	<u>(4,704,573)</u>	<u>(518,000)</u>	<u>649,173</u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	825,714	825,714
Intangible fixed assets	10,785	10,785
Current assets	1,618,001	1,618,001
Creditors due within one year	(595,603)	(595,603)
Creditors due in more than one year	(383,123)	(383,123)
Provisions for liabilities and charges	753,000	753,000
Total	<u>2,228,774</u>	<u>2,228,774</u>

UNITY LEISURE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	1,111,668	1,111,668
Intangible fixed assets	16,006	16,006
Current assets	1,026,305	1,026,305
Creditors due within one year	(792,303)	(792,303)
Creditors due in more than one year	(544,503)	(544,503)
Provisions for liabilities and charges	(168,000)	(168,000)
Total	649,173	649,173

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	379,601	(764,533)
Adjustments for:		
Depreciation charges	285,283	423,861
Amortisation charges	1,337	3,443
Decrease/(increase) in stocks	(4,072)	13,168
Decrease/(increase) in debtors	272,215	(107,556)
Increase/(decrease) in creditors	(168,993)	199,032
Defined benefit pension scheme movements	279,000	199,000
Net cash provided by/(used in) operating activities	1,044,371	(33,585)

20. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	1,476,439	616,600

UNITY LEISURE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

21. Analysis of changes in net debt

	At 1 April 2021	Cash flows	At 31 March 2022
	£	£	£
Cash at bank and in hand	616,600	859,839	1,476,439
Debt due within 1 year	(82,500)	12,500	(70,000)
Debt due after 1 year	(297,500)	63,667	(233,833)
Finance leases	(327,836)	106,759	(221,077)
	<u>(91,236)</u>	<u>1,042,765</u>	<u>951,529</u>

22. Pension commitments

The Company operates a defined benefit pension scheme.

The charitable company operates a funded defined benefit scheme for the benefit of certain employees in conjunction with a local government defined benefit pension scheme. Entry to the scheme was granted through an Admission Agreement signed by the Pension Administrator, the Transferor (West Northamptonshire Council) and the Trust. Under the terms of this agreements the accrued benefits at the time of transfer (1 April 2011) would be treated as fully funded and the contribution rate calculated on this basis. These figures were calculated using the assumptions in place at the time of 31 March 2010 revaluation.

The figures in these accounts have been calculated in accordance with the provision of Financial Reporting Standard 102. This method of calculation uses a different set of assumptions than the actuarial method described above. As such any surplus or deficit from an accounting perspective would not necessarily reflect the actual funding position using the valuation method. For this year's accounts the Trust opted to use a set of bespoke assumptions which have been agreed with the Fund's Actuary; Hyman Robertson LLP. These assumptions reflect better the Trust's circumstances which are subtly different from the main employers in the fund. These assumptions are consistent with the requirements of FRS 102.

The assets of the scheme are administered by trustees in a fund independent from those of the charitable company. Contributions are made both by the employer and employee and are based on a percentage of pensionable pay. In addition the Trust makes a fixed sum payment to pay back any funding deficit. This is based on a 20 year repayment timeframe. In the year ended 31 March 2022 Unity Leisure paid an employers' contribution of £Nil (2021: £Nil) representing 0% (2021: 0%) of employee contributions into the Local Government Pension Scheme, which provides members with defined benefits related to pay and service.

Pension costs are assessed in accordance with the advice of a qualified actuary using the projected method. The most recent actuarial valuation of the scheme was at 31 March 2022.

UNITY LEISURE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

22. Pension commitments (continued)

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

	At 31 March 2022 %	At 31 March 2021 %
Discount rate	2.85	2.15
Expected return on scheme assets	2.85	2.15
Future salary increases	1.10	0.90
Future pension increases	3.05	2.55

	At 31 March 2022 Years	At 31 March 2021 Years
Mortality rates (in years)		
- for a male aged 65 now	21.5	21.5
- at 65 for a male aged 45 now	22.3	22.3
- for a female aged 65 now	23.7	23.7
- at 65 for a female aged 45 now	25.1	25.1

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

	At 31 March 2022 £	At 31 March 2021 £
Equities	8,734,600	8,481,200
Corporate bonds	2,312,100	2,059,720
Property	1,669,850	1,453,920
Cash and other liquid assets	128,450	121,160
Total fair value of assets	12,845,000	12,116,000

The actual return on scheme assets was £851,000 (2021 - £2,534,000).

UNITY LEISURE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

22. Pension commitments (continued)

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

	2022	2021
	£	£
Current service cost	(291,000)	(210,000)
Interest income	259,000	241,000
Interest cost	(266,000)	(230,000)
Employer contributions	19,000	-
Total amount recognised in the Statement of Financial Activities	(279,000)	(199,000)

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

	2022
	£
Opening defined benefit obligation	12,284,000
Interest cost	266,000
Contributions by scheme participants	51,000
Actuarial (gains)/losses	(608,000)
Benefits paid	(192,000)
Current service cost	291,000
Closing defined benefit obligation	12,092,000

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

	2022
	£
Opening fair value of scheme assets	12,116,000
Expected return on assets	259,000
Actuarial gains	592,000
Contributions by employer	19,000
Contributions by scheme participants	51,000
Benefits paid	(192,000)
Closing fair value of scheme assets	12,845,000

UNITY LEISURE**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

23. Operating lease commitments

At 31 March 2022 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022	2021
	£	£
Not later than 1 year	92,000	92,000
Later than 1 year and not later than 5 years	290,750	335,500
Later than 5 years	-	47,250
	382,750	474,750

West Northamptonshire Council provided the land and leisure centres at Mounts Baths and Danes Camp Centre for the use by the charity to operate sports centres, rent free, throughout the year and previous year. The land and buildings were provided under operating leases to 2041 respectively.

The land and buildings of Lings Forum was provided by West Northamptonshire Council, rent free, under a service agreement.

The land and buildings of Duston Sports Centre was provided by Duston Parish Council, rent free, under an operating lease to 2027.

The land and buildings of Cripps Recreational Centre was provided by Northampton General Hospital, rent free, under an operating lease to 2025.

The leases of these premises are not capitalised as the charity does not have control over any of the premises due to various restrictions in the leases. Improvements to the sports centres are capitalised and depreciated over the period of the lease.

UNITY LEISURE

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

24. Related party transactions

The charitable company has a funding agreement with West Northamptonshire Council to provide leisure facilities within Northampton. West Northamptonshire Council is a member of the company.

During the year the Trust made purchases from West Northamptonshire Council of £740 (2021: £29,953) in relation to various Council provided services. As at 31 March 2022 included within creditors is an amount of £Nil (2021: £Nil) owing to the Council. Sales were made to West Northamptonshire Council of £23,407 (2021: £35,875). As at 31 March 2022 included within debtors is an amount of £2,500 (2021: £1,107) owed by the Council.

During the year the Trust made sales to Northamptonshire Sport, a member of the Company, of £151,634 (2021: £10,024). As at 31 March 2022 included within debtors is an amount of £12,696 (2021: £2,567) owed by Northamptonshire Sport.

As detailed in note 24 the land and premises used by the charity in the operation of sports centres are provided to the charity by the following members; West Northamptonshire Council, Duston Parish Council and Northampton General Hospital, under operating leases at no charge to the charity.

During the year purchases of £4,400 (2021: £7,450) were made from a company which A Riley is a Director. The appointment of this company was made after ensuring the charges levied represented good value for money. An amount of £Nil (2021: £Nil) was owed at the year end.

Trilogy Active

England & Wales - Charity number 1145613

Accounts

Registered number: 07555631
Charity number: 1145613

UNITY LEISURE
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

UNITY LEISURE
(A Company Limited by Guarantee)

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UNITY LEISURE**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021**

Trustees	C J Holmes M J Sawyer W Pope A K Ellis A D Riley D S Iles (resigned 28 July 2020) R J Aveling A S King (resigned 29 July 2021) P Jones Z Smith (resigned 29 July 2021) S Adams D Crowther H Barrett (appointed 29 July 2021)
Company registered number	07555631
Charity registered number	1145613
Registered office	78 Robert Street Northampton Northamptonshire NN1 3BJ
Company secretary	R J Austin
Managing director	J Fletcher
Independent auditor	MHA MacIntyre Hudson Peterbridge House The Lakes Northampton NN4 7HB

UNITY LEISURE

(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Bankers	HSBC Bank St Clair House 5 Old Bedford Road Northampton NN4 7AA
Members	C J Holmes M J Sawyer West Northamptonshire Borough Council Health Watch Northamptonshire University of Northampton Northamptonshire County Cricket Club Voluntary Impact Northampton Northamptonshire Sport Duston Parish Council Northampton General Hospital Age UK Northamptonshire

UNITY LEISURE

(A Company Limited by Guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report together with the audited financial statements of the Company for the year 1 April 2020 to 31 March 2021. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

'Inspiring Active Lifestyles'

The Trust has set itself five priorities:

- To create and deliver initiatives for the improvement of Health & Wellbeing across the geographical area we serve.
- To improve on the Social Impact and value of our services.
- To continuously improve customer service and journey by delivering high quality services and facilities.
- To generate income and surpluses to allow us to invest, improve and increase our leisure offer.
- To enhance our skilled and motivated workforce.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Achievements and performance

The Trusts facilities have been closed for most of the financial year because of Covid-19 restrictions. We have assisted where we have been able to with the national effort to combat Covid by offering our centre at Danes Camp for use as a mass testing centre. To be able to remain solvent and viable has been down to the hard work and effort of our whole team and the main achievement for the year.

c. Main activities undertaken to further the Company's purposes for the public benefit

The Trustees have referred to the Charity Commission's guidance on public benefit when deciding on the activities Unity Leisure provides. Unity Leisure provides public benefit in the following ways:

- To promote for the public benefit the provision of facilities for recreation or other leisure time occupation for individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving their conditions of life.
- To advance health for the public benefit by promoting participation in healthy exercise and physical activity.
- To advance education in the arts for the public benefit in particular but not exclusively by the maintenance and management of a cinema.

UNITY LEISURE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance

a. Key performance indicators

The shadow of Covid 19 hangs heavy over the Trust and will have a massive impact on our financial performance. We have seen our turnover reduce by over 60% (excluding Job Retention Scheme grants) and we have lost £570,000 during the 2020/21 financial year. We have taken out a CBILS loan of £350,000 to help manage our cashflows and ensure that we could continue to trade solvently. We have relied heavily on both the job retention scheme and business interruption grants to continue trading and our medium term future has been secured by the award of a leisure specific government grant of £530,000 to cover 2020/21 and 2021/22 financial years.

For 2021/22 we are expecting to make a small surplus but this is down to grants and assistance that it unlikely to be received beyond the current financial year. It is likely that it will take until September 2022 before we reach a breakeven position and this is dependent on no further restrictions being put in place.

b. Review of activities

During 2020/21 the majority of our facilities were closed for 7 months. During the 5 months we were allowed to open we were severely restricted on what we were allowed to do.

To ensure that our customers felt as comfortable as they could we changed the way our facilities were laid out to provide better social distancing between our customers. Extensive work and costs went into ensuring that the risk of transmitting Covid was reduced as much as reasonably possible.

We continued to engage closely with all members, through all of our active social media channels, we set up a filming studio and delivered online live classes and activities and set up a page for members to support our charity through a just giving page.

We actively sourced all possible grants and funding opportunities to keep the business financially stable and afloat and we over communicated with the team whilst they were on furlough.

Our facility at Danes Camp was used as a mass testing centre. Not only did this provide welcome employment for our staff but much needed revenue for the business.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

UNITY LEISURE

(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

b. Reserves policy

The reserves policy for the Trust sets out the cash target level of reserves of £600,000. This figure is made up of two key components namely;

- £300,000 being the amount needed to manage fluctuations in cash flow
- £300,000 being the amount needed to manage unforeseen expenditure or drops in income

We currently do not set aside any amounts to meet future expenditure as this can all be funded by ongoing revenue. It is though part of our strategy to develop a new reserve of up to £400,000 so that we can take advantage of opportunities as they come about.

As at 31 March 2021 the value of cash reserves held was £616,600.

It is though anticipated that the impact of Covid 19 will fully deplete all reserves of the Trust.

Structure, governance and management

a. Constitution

The Company is registered as a charitable company limited by guarantee (company number: 07555631), governed by Memorandum and Articles of Association and was set up by a Trust deed in 2012.

The company is constituted under a Trust deed and is a registered charity and holds the registration number 1145613.

The principal object of the company is to operate for public benefit, facilities and services for leisure and recreation and be sustainable.

The charitable company operates under the name 'Northampton Leisure Trust'.

b. Methods of appointment or election of Trustees

The management of the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

c. Policies adopted for the induction and training of Trustees

Trustees are appointed and their conduct governed by the charitable company's Articles of Association and Code of Conduct. New Trustees are recruited through local advertisements and any appointment would be based on an assessment of the required abilities and, if appropriate, specialist skills required by the board. All current Trustees have received training to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making process, the Business Plan and financial monitoring of the charitable company's performance. Any new Trustee(s) will receive a commensurate level of training in accordance with the Trustee induction policy. None of the Trustees receive remuneration or other benefit from their work with the charitable company.

UNITY LEISURE

(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

d. Pay policy for senior staff

The remuneration of the Managing Director and the Finance Director is considered by a Remuneration Committee. Other permanent staff are remunerated using an evaluation model promoted by the Joint Negotiating Council. Where this is not appropriate, market rates are applied. Remuneration is based on a combination of market rates, performance and the need to retain key members of staff.

e. Organisational structure and decision making

The Board of Trustees, which can contain up to 15 members, administers the charitable company. The board meets on a bi-monthly basis and there are the following sub-committees:

- Audit Committee.
- Remuneration Committee.

The Managing Director and the Finance Director are appointed by the Trustees to manage the day to day operations of the charitable company. To facilitate effective operations the Managing Director and the Finance Director have delegated authority, within the terms of delegation approved by the Trustees, for all operational and administrative functions including finance, HR and IT.

f. Risk management

The Trustees have a risk management strategy which comprises:

- An annual review of the risks the charitable company may face;
- The establishment of systems and procedures to mitigate those risks identified in the plan;
- Implementation of procedures designed to minimise any potential impact on the charitable company should those risks materialise.

This work has identified that financial sustainability is the major financial risk for the charitable company. Particular attention has focused on financial risk with regard to the FRS102 pension liability, assessing Unity Leisure's exposure to its facilities repair and maintenance costs, the monthly monitoring of trading performance together with an assessment of the key performance indicators and the implementation of a prudent reserves policy.

Non-financial risk is also regularly assessed with regard to company operations and ensuring continued usage of facilities through capital investment strategy and operational activity reviews. In particular, work has been undertaken to identify and mitigate health and safety issues within operational areas. This approach to risk management has resulted in better emergency procedures and contingency plans and has given the impetus for better planning and service delivery.

Plans for future periods

In September 2018 the Trust launched its strategy for the next five years where the Trust would be "Inspiring Active Lifestyles". The strategy is clear in that we are moving from just helping people keep fit but we are playing a key role in improving the health and wellbeing of the communities we serve. Inactivity is the biggest killer in this country and by giving the people of Northampton varied and high quality opportunities to get active we are not only improving their lives but will, in turn, be reducing the burden on other public services. To achieve our ambition, a key outcome is to improve and expand the range of facilities and activities on offer. Full details of our Strategy is available at <http://www.trilogleisure.co.uk/about>.

UNITY LEISURE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Funds held as custodian

There are no funds held as Custodian.

Engagement with employees and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Company carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Company has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy.
- Volunteers' policy.
- Health & safety policy.

In accordance with the Company's equal opportunities policy, the Company has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Company's offices.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company 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. 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 Company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

UNITY LEISURE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

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

Auditor

The auditor, MHA MacIntyre Hudson, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



C J Holmes
Trustee

Date: 28-09-21

UNITY LEISURE

(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITY LEISURE

Opinion

We have audited the financial statements of Unity Leisure (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 the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITY LEISURE (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

UNITY LEISURE

(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITY LEISURE (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

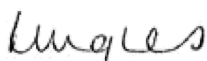
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting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

- Obtaining and understanding of the legal and regulatory frameworks that the Charity operates in, focusing on those laws and regulations that have a direct effect on the financial statements;
- Enquiring of management and Trustees around known or suspected instances of non-compliance of laws and regulations and fraud;
- Discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work in relation to the risk of management override, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias.

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

Use of our report

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



Rebecca Hughes BSc (Hons) FCCA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Statutory Auditors

Peterbridge House

The Lakes

Northampton

NN4 7HB

Date: 25 November 2021

UNITY LEISURE
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Charitable activities	4	-	1,699,877	1,699,877	6,684,523
Other trading activities	5	-	-	-	21
Investments		-	11,000	11,000	-
Other income	6	55,469	2,173,694	2,229,163	123,895
Total income		55,469	3,884,571	3,940,040	6,808,439
Expenditure on:					
Charitable activities	7	55,469	4,649,104	4,704,573	6,938,592
Total expenditure		55,469	4,649,104	4,704,573	6,938,592
Net movement in funds before other recognised gains/(losses)		-	(764,533)	(764,533)	(130,153)
Other recognised gains/(losses):					
Actuarial (losses)/gains on defined benefit pension schemes	23	-	(518,000)	(518,000)	1,031,000
Net movement in funds		-	(1,282,533)	(1,282,533)	900,847
Reconciliation of funds:					
Total funds brought forward		-	1,931,706	1,931,706	1,030,859
Net movement in funds		-	(1,282,533)	(1,282,533)	900,847
Total funds carried forward	18	-	649,173	649,173	1,931,706

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 37 form part of these financial statements.

UNITY LEISURE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07555631

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	11	16,006	15,079
Tangible assets	12	1,111,668	1,531,934
		<u>1,127,674</u>	<u>1,547,013</u>
Current assets			
Stocks	13	25,856	39,024
Debtors	14	383,849	276,293
Cash at bank and in hand		616,600	478,132
		<u>1,026,305</u>	<u>793,449</u>
Creditors: amounts falling due within one year	15	(792,303)	(611,331)
Net current assets		<u>234,002</u>	<u>182,118</u>
Total assets less current liabilities		<u>1,361,676</u>	<u>1,729,131</u>
Creditors: amounts falling due after more than one year	16	(544,503)	(346,425)
Net assets excluding pension liability / asset		<u>817,173</u>	<u>1,382,706</u>
Defined benefit pension scheme liability / asset	23	(168,000)	549,000
Total net assets		<u><u>649,173</u></u>	<u><u>1,931,706</u></u>
Charity funds			
Restricted funds	17	-	-
Unrestricted funds			
Unrestricted funds excluding pension asset / liability	17	817,173	1,382,706
Pension reserve	17	(168,000)	549,000
Total unrestricted funds	17	<u>649,173</u>	<u>1,931,706</u>
Total funds		<u><u>649,173</u></u>	<u><u>1,931,706</u></u>

UNITY LEISURE

(A Company Limited by Guarantee)
REGISTERED NUMBER: 07555631

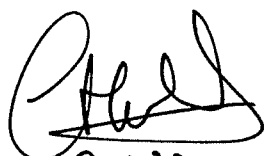
**BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021**

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

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

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

C J Holmes
Trustee



Date:

28th Sept '21

The notes on pages 16 to 37 form part of these financial statements.

UNITY LEISURE
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	(33,585)	565,344
Cash flows from investing activities		
Purchase of intangible assets	(4,370)	-
Purchase of tangible fixed assets	(3,595)	(207,164)
Net cash used in investing activities	(7,965)	(207,164)
Cash flows from financing activities		
Cash inflows from new borrowing	350,000	-
Repayments of borrowing	-	(60,000)
Repayments of finance leases	(169,982)	(95,710)
Net cash provided by/(used in) financing activities	180,018	(155,710)
Change in cash and cash equivalents in the year	138,468	202,470
Cash and cash equivalents at the beginning of the year	478,132	275,662
Cash and cash equivalents at the end of the year	616,600	478,132

UNITY LEISURE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. General information

Unity Leisure is a private limited company limited by guarantee and registered in England and Wales. Registered company number 07555631 and charity number 1145613.

The registered office and principal trading address is Unity House, 78 Robert Street, Northampton, Northamptonshire, NN1 3BJ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

2.2 Going concern

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The COVID-19 pandemic and the ensuing economic shutdown has had a significant impact on the charitable company's operations. In response to the COVID-19 pandemic, the Trustees have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

The Trustees have not identified any further material uncertainties that may cast significant doubt about the ability of the charitable company to continue as a going concern. The charitable company's business activities, together with the factors likely to affect its future development, performance and position, its cash flows and liquidity position have been assessed. The charitable company has sufficient financial resources together with long term contracts for all of its six trading centres. The Trustees understand that the transactions that are required to be placed in our financial statements in relation to our pension fund are prepared in accordance with assumptions set by FRS 102 and produce a materially different set of figures than those produced by the pensions fund actuary for the purpose of calculating our actual share of assets and liabilities as well as those used to assess contribution levels. The Trustees also understand that, in accordance with the laws and regulations surrounding the operation of the pension fund, the recovery of any difference between the assets and liabilities on the fund will be agreed and set at each triennial valuation, and are based on a 20 year recovery period. As a consequence, the Trustees believe that the charitable company is well placed to manage its business risk successfully.

Based on these assessments and having regard to the resources available to the charitable company, the Trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

UNITY LEISURE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.3 Income

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

Membership fees

Membership fees are amounts payable to Unity Leisure on a monthly basis for usage of the leisure facilities. Details of the various membership categories and the benefits they offer can be found on our website at www.trilogyleisure.co.uk.

Centre fees

Centre fees are amounts payable to Unity Leisure on a visit-by-visit basis for usage of the leisure facilities. Details of opening times, activity tables and charges are all available on our website.

Management fees

Management fees are the fees paid by West Northamptonshire Borough Council for the operation of the facilities and the provision of a Sport and Play Development service.

Grants receivable

Grants are accounted for when conditions to entitlement have been met.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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

2.4 Expenditure

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

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

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Job retention scheme grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.6 Intangible assets and amortisation

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

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

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Depreciation is provided on the following bases:

Leasehold property improvements	- 5 - 25 years
Plant and machinery	- 5 - 10 years
Motor vehicles	- 5 years
Office equipment, fixtures and fittings	- 5 - 10 years
Computer equipment	- 5 - 8 years
Sports equipment	- 5 - 7 years

2.8 Stocks

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.9 Debtors

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

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 Liabilities

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

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.12 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Company. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.14 Pensions

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

The Company operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2021.

UNITY LEISURE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.15 Fund accounting

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

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

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the defined benefit pension scheme 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension asset or liability.

4. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £
Membership fees	1,286,275	1,286,275
Centre fees	223,805	223,805
Sales	22,331	22,331
Miscellaneous income	167,466	167,466
Total 2021	1,699,877	1,699,877

UNITY LEISURE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

4. Income from charitable activities (continued)

	Unrestricted funds 2020 £	Total funds 2020 £
Membership fees	4,459,899	4,459,899
Centre fees	1,573,569	1,573,569
Sales	594,513	594,513
Commission	4,477	4,477
Miscellaneous income	52,065	52,065
Total 2020	<u>6,684,523</u>	<u>6,684,523</u>

5. Income from other trading activities

Income from fundraising events

	Total funds 2021 £
Fundraising	<u>-</u>

	Unrestricted funds 2020 £	Total funds 2020 £
Fundraising	<u>21</u>	<u>21</u>

UNITY LEISURE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

6. Other incoming resources

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Kings Heath active England project	-	1,500	1,500
Street football project	55,469	-	55,469
Cinema	-	24,952	24,952
Play and sport development	-	6,281	6,281
Inspired coaching	-	230	230
Grant income	-	447,652	447,652
Peterborough gym	-	3,000	3,000
Job retention scheme	-	1,690,079	1,690,079
Total 2021	55,469	2,173,694	2,229,163

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Kings Heath active England project	-	5,311	5,311
Street football project	88,014	-	88,014
Cinema	-	1,054	1,054
Play and sport development	-	11,321	11,321
Inspired coaching	-	18,195	18,195
Total 2020	88,014	35,881	123,895

UNITY LEISURE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

7. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Operational staff costs	55,469	2,672,555	2,728,024
Purchases	-	855,440	855,440
Staff costs - HQ staff costs	-	566,722	566,722
Bank charges	-	12,891	12,891
Insurance	-	49,250	49,250
Irrecoverable VAT	-	102,425	102,425
Other costs	-	380,715	380,715
Governance costs	-	9,106	9,106
Total 2021	55,469	4,649,104	4,704,573

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Operational staff costs	82,479	3,220,602	3,303,081
Purchases	5,535	1,835,458	1,840,993
Staff costs - HQ staff costs	-	849,020	849,020
Bank charges	-	17,816	17,816
Insurance	-	70,868	70,868
Irrecoverable VAT	-	191,510	191,510
Other costs	-	655,297	655,297
Governance costs	-	10,007	10,007
Total 2020	88,014	6,850,578	6,938,592

UNITY LEISURE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

8. Auditor's remuneration

	2021 £	2020 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	9,000	8,500
Fees payable to the Company's auditor in respect of: All non-audit services not included above	1,700	1,600

9. Staff costs

	2021 £	2020 £
Wages and salaries	2,897,889	3,548,788
Social security costs	165,018	209,553
Contribution to defined contribution pension schemes	231,839	383,760
	<u>3,294,746</u>	<u>4,142,101</u>

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

	2021 No.	2020 No.
Management and administration	19	29
Operational	250	294
	<u>269</u>	<u>323</u>

UNITY LEISURE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

9. Staff costs (continued)

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	-	1
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	1	-
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	-	2

The key management personnel comprise the Managing Director, the Finance Director, the Director of Performance, Planning Development and Operations and the Director of Health and Wellbeing Development Operations. The total employee benefits of key management personnel of the Charity were £236,705 (2020 - £378,978).

10. Trustees' remuneration and expenses

During the year ended 31 March 2021, no Trustees received any remuneration or other benefits (2020 - £Nil).

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £Nil).

UNITY LEISURE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

11. Intangible assets

	Computer software £
Cost	
At 1 April 2020	63,101
Additions	4,370
At 31 March 2021	67,471
Amortisation	
At 1 April 2020	48,022
Charge for the year	3,443
At 31 March 2021	51,465
Net book value	
At 31 March 2021	16,006
At 31 March 2020	15,079

UNITY LEISURE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

12. Tangible fixed assets

	Leasehold property improvements £	Other fixed assets £	Total £
Cost			
At 1 April 2020	1,394,166	2,125,367	3,519,533
Additions	-	3,595	3,595
At 31 March 2021	1,394,166	2,128,962	3,523,128
Depreciation			
At 1 April 2020	551,775	1,435,824	1,987,599
Charge for the year	153,011	270,850	423,861
At 31 March 2021	704,786	1,706,674	2,411,460
Net book value			
At 31 March 2021	689,380	422,288	1,111,668
At 31 March 2020	842,391	689,543	1,531,934

13. Stocks

	2021 £	2020 £
Finished goods and goods for resale	25,856	39,024

UNITY LEISURE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

14. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	185,661	47,546
Other debtors	6,435	-
Prepayments and accrued income	191,753	228,747
	<u>383,849</u>	<u>276,293</u>

15. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loan	52,500	-
Other loan	30,000	30,000
Trade creditors	1,446	19,604
Other taxation and social security	50,120	75,652
Obligations under finance lease and hire purchase contracts	80,833	151,393
Other creditors	4,689	24,941
Accruals and deferred income	572,715	309,741
	<u>792,303</u>	<u>611,331</u>

16. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans	297,500	-
Obligations under finance lease and hire purchase contracts	247,003	346,425
	<u>544,503</u>	<u>346,425</u>

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FOR THE YEAR ENDED 31 MARCH 2021

17. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2021 £
Unrestricted funds					
General Funds - all funds	1,382,706	3,873,571	(4,439,104)	-	817,173
Pension reserve	549,000	11,000	(210,000)	(518,000)	(168,000)
	<u>1,931,706</u>	<u>3,884,571</u>	<u>(4,649,104)</u>	<u>(518,000)</u>	<u>649,173</u>
Restricted funds					
Restricted Funds - all funds	-	55,469	(55,469)	-	-
	<u>-</u>	<u>55,469</u>	<u>(55,469)</u>	<u>-</u>	<u>-</u>
Total of funds	<u>1,931,706</u>	<u>3,940,040</u>	<u>(4,704,573)</u>	<u>(518,000)</u>	<u>649,173</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2020 £
Unrestricted funds					
General Funds - all funds	1,325,859	6,720,425	(6,663,578)	-	1,382,706
Pension reserve	(295,000)	-	(187,000)	1,031,000	549,000
	<u>1,030,859</u>	<u>6,720,425</u>	<u>(6,850,578)</u>	<u>1,031,000</u>	<u>1,931,706</u>
Restricted funds					
Restricted Funds - all funds	-	88,014	(88,014)	-	-
	<u>-</u>	<u>88,014</u>	<u>(88,014)</u>	<u>-</u>	<u>-</u>
Total of funds	<u>1,030,859</u>	<u>6,808,439</u>	<u>(6,938,592)</u>	<u>1,031,000</u>	<u>1,931,706</u>

18. Summary of funds

Summary of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2021 £
General funds	1,931,706	3,884,571	(4,649,104)	(518,000)	649,173
Restricted funds	-	55,469	(55,469)	-	-
	<u>1,931,706</u>	<u>3,940,040</u>	<u>(4,704,573)</u>	<u>(518,000)</u>	<u>649,173</u>

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18. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2020 £
General funds	1,030,859	6,720,425	(6,850,578)	1,031,000	1,931,706
Restricted funds	-	88,014	(88,014)	-	-
	<u>1,030,859</u>	<u>6,808,439</u>	<u>(6,938,592)</u>	<u>1,031,000</u>	<u>1,931,706</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	1,111,668	1,111,668
Intangible fixed assets	16,006	16,006
Current assets	1,026,305	1,026,305
Creditors due within one year	(792,303)	(792,303)
Creditors due in more than one year	(544,503)	(544,503)
Provisions for liabilities and charges	(168,000)	(168,000)
Total	<u>649,173</u>	<u>649,173</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	1,531,934	1,531,934
Intangible fixed assets	15,079	15,079
Current assets	793,449	793,449
Creditors due within one year	(611,331)	(611,331)
Creditors due in more than one year	(346,425)	(346,425)
Provisions for liabilities and charges	549,000	549,000
Total	1,931,706	1,931,706

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net expenditure for the year (as per Statement of Financial Activities)	(764,533)	(130,153)
Adjustments for:		
Depreciation charges	423,861	438,533
Amortisation charges	3,443	3,923
Decrease in stocks	13,168	1,768
Decrease/(increase) in debtors	(107,556)	44,765
Increase in creditors	199,032	19,508
Defined benefit pension scheme movements	199,000	187,000
Net cash provided by/(used in) operating activities	(33,585)	565,344

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	616,600	478,132
Total cash and cash equivalents	616,600	478,132

22. Analysis of changes in net debt

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	478,132	138,468	616,600
Debt due within 1 year	(30,000)	(52,500)	(82,500)
Debt due after 1 year	-	(297,500)	(297,500)
Finance leases	(497,818)	169,982	(327,836)
	(49,686)	(41,550)	(91,236)

23. Pension commitments

The Company operates a defined benefit pension scheme.

The charitable company operates a funded defined benefit scheme for the benefit of certain employees in conjunction with a local government defined benefit pension scheme. Entry to the scheme was granted through an Admission Agreement signed by the Pension Administrator, the Transferor (West Northamptonshire Borough Council) and the Trust. Under the terms of this agreements the accrued benefits at the time of transfer (1 April 2011) would be treated as fully funded and the contribution rate calculated on this basis. These figures were calculated using the assumptions in place at the time of 31 March 2010 revaluation.

The figures in these accounts have been calculated in accordance with the provision of Financial Reporting Standard 102. This method of calculation uses a different set of assumptions than the actuarial method described above. As such any surplus or deficit from an accounting perspective would not necessarily reflect the actual funding position using the valuation method. For this year's accounts the Trust opted to use a set of bespoke assumptions which have been agreed with the Fund's Actuary; Hyman Robertson LLP. These assumptions reflect better the Trust's circumstances which are subtly different from the main employers in the fund. These assumptions are consistent with the requirements of FRS 102.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

23. Pension commitments (continued)

The assets of the scheme are administered by trustees in a fund independent from those of the charitable company. Contributions are made both by the employer and employee and are based on a percentage of pensionable pay. In addition the Trust makes a fixed sum payment to pay back any funding deficit. This is based on a 20 year repayment timeframe. In the year ended 31 March 2021 Unity Leisure paid an employers' contribution of £Nil (2020: £180,000) representing 0% (2020: 276.92%) of employee contributions into the Local Government Pension Scheme, which provides members with defined benefits related to pay and service.

Pension costs are assessed in accordance with the advice of a qualified actuary using the projected method. The most recent actuarial valuation of the scheme was at 31 March 2021.

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

	At 31 March 2021 %	At 31 March 2020 %
Discount rate	2.15	2.5
Expected return on scheme assets	2.15	2.5
Future salary increases	0.9	0.9
Future pension increases	2.55	1.6

	At 31 March 2021 Years	At 31 March 2020 Years
Mortality rates (in years)		
- for a male aged 65 now	21.5	21.5
- at 65 for a male aged 45 now	22.3	22.3
- for a female aged 65 now	23.7	23.7
- at 65 for a female aged 45 now	25.1	25.1

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

	At 31 March 2021 £	At 31 March 2020 £
Equities	8,481,200	6,415,860
Corporate bonds	2,059,720	1,749,780
Property	1,453,920	1,360,940
Cash and other liquid assets	121,160	194,420
Total fair value of assets	12,116,000	9,721,000

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

23. Pension commitments (continued)

The actual return on scheme assets was £2,534,000 (2020 - £-663,000).

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

	2021 £	2020 £
Current service cost	(210,000)	(357,000)
Interest income	241,000	275,000
Interest cost	(230,000)	(285,000)
Total amount recognised in the Statement of Financial Activities	(199,000)	(367,000)

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

	2021 £
Opening defined benefit obligation	9,172,000
Interest cost	230,000
Contributions by scheme participants	53,000
Actuarial losses/(gains)	2,811,000
Benefits paid	(192,000)
Current service cost	210,000
Closing defined benefit obligation	12,284,000

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

	2021 £
Opening fair value of scheme assets	9,721,000
Expected return on assets	241,000
Actuarial gains/(losses)	2,293,000
Contributions by employer	-
Contributions by scheme participants	53,000
Benefits paid	(192,000)
Closing fair value of scheme assets	12,116,000

The Company expects to contribute £20,000 to its defined benefit pension scheme in the year ended 31 March 2022.

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24. Operating lease commitments

At 31 March 2021 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Not later than 1 year	92,000	92,000
Later than 1 year and not later than 5 years	335,500	368,000
Later than 5 years	47,250	106,750
	<u>474,750</u>	<u>566,750</u>

West Northamptonshire Borough Council provided the land and leisure centres at Mounts Baths and Danes Camp Centre for the use by the charity to operate sports centres, rent free, throughout the year and previous year. The land and buildings were provided under operating leases to 2041 respectively.

The land and buildings of Lings Forum was provided by West Northamptonshire Borough Council, rent free, under a service agreement.

The land and buildings of Duston Sports Centre was provided by Duston Parish Council, rent free, under an operating lease to 2027.

The land and buildings of Cripps Recreational Centre was provided by Northampton General Hospital, rent free, under an operating lease to 2025.

The leases of these premises are not capitalised as the charity does not have control over any of the premises due to various restrictions in the leases. Improvements to the sports centres are capitalised and depreciated over the period of the lease.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

25. Related party transactions

The charitable company has a funding agreement with West Northamptonshire Borough Council to provide leisure facilities within Northampton. West Northamptonshire Borough Council is a member of the company.

During the year the Trust made purchases from West Northamptonshire Borough Council of £29,953 (2020: £7,879) in relation to various Council provided services. As at 31 March 2021 included within creditors is an amount of £Nil (2020: £Nil) owing to the Council. Sales were made to West Northamptonshire Borough Council of £35,875 (2020: £59,222). As at 31 March 2021 included within debtors is an amount of £1,107 (2020: £1,107) owed by the Council.

In 2015/16, Unity Leisure borrowed £300,000 from West Northamptonshire Borough Council. The amount is repayable within 5 years. The Trust repaid £Nil (2020: £60,000) in the year leaving £30,000 (2020: £30,000) to be repaid. This amount has been included within creditors falling due within one year.

During the year the Trust made purchases from Northampton General Hospital, a member of the Company, of £Nil (2020: £42,369) in relation to utility recharges in respect of the Cripps Recreational Centre. As at 31 March 2021 included within creditors is an amount of £Nil (2020: £Nil) owing to Northampton General Hospital. Sales were made to Northampton General Hospital of £Nil (2020: £710). As at 31 March 2021 included within debtors is an amount of £Nil (2020: £Nil) owed by Northampton General Hospital.

During the year the Trust made sales to Age UK Northamptonshire, a member of the Company, of £Nil (2020: £3,910). As at 31 March 2021 included within debtors is an amount of £Nil (2020: £329) owed by Age UK Northamptonshire.

During the year the Trust made purchases and sales with University of Northampton, a member of the Company, of £Nil (2020: £1,482) and £Nil (2020: £8,288) respectively. As at 31 March 2021 included within debtors is an amount of £-144 (2020: £Nil) owed to University of Northampton.

During the year the Trust made sales to Northamptonshire Sport, a member of the Company, of £10,024 (2020: £1,517). As at 31 March 2021 included within debtors is an amount of £2,567 (2020: £-27) owed to Northamptonshire Sport.

As detailed in note 24 the land and premises used by the charity in the operation of sports centres are provided to the charity by the following members; West Northamptonshire Borough Council, Duston Parish Council and Northampton General Hospital, under operating leases at no charge to the charity.

During the year purchases of £Nil (2020: £1,513) were made from a company in which D Iles is a Director. The appointment of this company was made after ensuring the charges levied represented good value for money. An amount of £Nil (2020: £Nil) was owed at the year end.

During the year purchases of £7,450 (2020: £7,900) were made from a company in which A Riley is a Director. The appointment of this company was made after ensuring the charges levied represented good value for money. An amount of £Nil (2020: £Nil) was owed at the year end.

