

LEGACY LEISURE LIMITED

England & Wales · Charity number 1152401

Details

Status	Registered
Legal form	Charitable company
Company number	08361324
Registered	2013-06-12
Register	View on the Charity Commission register

Contact

Address	Legacy Leisure Limited 105 High Street (Att:RMC) Worcester WR1 2HW
Phone	07920565149
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Website	www.legacyleisure.co.uk

Activities

Objects: TO PROVIDE OR ASSIST IN THE PROVISION OF FACILITIES IN THE INTERESTS OF SOCIAL WELFARE FOR RECREATION OR OTHER LEISURE TIME OCCUPATION OF THE PUBLIC AT LARGE OR FOR INDIVIDUALS WHO HAVE NEED OF SUCH FACILITIES BY REASON OF THEIR YOUTH, AGE INFIRMITY OR DISABILITY, FINANCIAL HARDSHIP OR SOCIAL CIRCUMSTANCES WITH THE OBJECT OF IMPROVING THEIR CONDITIONS OF LIFE.

Activities: The main activity of the charity is the management of leisure facilities with a view to promoting sport, recreation and leisure time activities in the interests of social welfare in local communities for the public at large and for individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances.

Classification

- **How:** Provides Services
- **What:** Amateur Sport, Recreation
- **Who:** The General Public/mankind

Geography

- Cardiff
- Derbyshire
- Gwynedd
- Leeds City
- Northamptonshire
- Oxfordshire
- Somerset
- Vale Of Glamorgan
- Wiltshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£37,071,544	£36,836,018	£467,362	560
2023-12-31	£33,069,813	£33,100,565	£231,836	514
2022-12-31	£29,644,640	£29,643,132	£262,588	526
2021-12-31	£20,874,217	£20,782,505	£261,080	604
2020-12-31	£25,536,977	£25,725,855	£169,368	824

Trustees

Name	Role	Appointed
EVA KATHLEEN HOLMES	Chair	2013-05-13
MARTIN NEIL JOHNSON		2013-05-13
Stuart Blount		2018-07-24

LEGACY LEISURE LIMITED

England & Wales - Charity number 1152401

Accounts

Charity registration number 1152401 (England and Wales)

Company registration number 08361324

LEGACY LEISURE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

LEGACY LEISURE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Chair	E Holmes
Other Trustees	M Johnson S Blount
Charity number	1152401
Company number	08361324
Principal address	3 De Salis Court Hampton Lovett Droitwich Spa Worcestershire WR9 0QE
Registered office	5 Deansway Worcester Worcestershire WR1 2JG
Auditor	Kendall Wadley LLP Granta Lodge 71 Graham Road Malvern Worcestershire WR14 2JS
Bankers	Santander UK plc 2 Triton Square Regent's Place London NW1 3AN
Solicitors	HCR Law 5 Deansway Worcester WR1 2JG

LEGACY LEISURE LIMITED

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LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees are pleased to present their report together with the financial statements of Legacy Leisure for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association dated 14th March 2013 which was subsequently amended on the 23rd June 2013, 20th September 2013 and 23rd September 2014, by Resolution dated 20th August 2014, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

1) Governance, Structure and Management

Legacy Leisure is a charitable company limited by guarantee, incorporated on 15th January 2013 and registered as a Charity on 12th June 2013. The Charity was established under a Memorandum of Association which established the objects and powers of the Charity and is governed under its Articles of Association. In the event of the Charity being wound up members are required to contribute an amount not exceeding £1.

The Directors of the company are also the Charity Trustees for the purposes of Charity law and under the Charity's Articles are known as members of the Management Committee, those who served during the year were:

Eva Holmes (Chair)
Martin Johnson (Trustee)
Stuart Blount (Trustee)

The Charity may by ordinary resolution appoint a person who is willing to act to be a Trustee. The minimum number of Trustees of the Charity is three. If the number of Trustees is less than the number fixed as the quorum, the continuing Trustees, or Trustee may act only for the purpose of filling vacancies or of calling a general meeting.

Two members of the Management Committee give their time voluntarily and receive no benefits from the Charity. The third member of the Management Committee Eva Holmes, receives a remuneration. Expenses are reclaimed from the Charity please refer to note 8 for details.

Key Management Personnel as detailed in note 9 include the Trustees and the Managing Director.

Directors Duties

The directors (Trustees for the purposes of Charity Law) of the charitable company, as those of all UK companies, must act in accordance with a set of general duties.

These duties are detailed in section 172 of the UK Companies Act 2006 which is summarised as follows:

A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long term,
- the interests of the company's employees,
- the need to foster the company's business relationships with suppliers, customers and others,
- the impact of the company's operations on the community and the environment,
- the desirability of the company maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the company.

Organisational Structure

Legacy Leisure has a Management Committee of a minimum of three members who meet on a quarterly basis and are responsible for the strategic direction and policy of the Charity. At present the Committee has three members.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Trustee Induction and Training

Potential Trustees are inducted by means of an induction programme that includes:

- Background to Legacy Leisure
- Purpose of the post, duties, liabilities and responsibilities
- The obligations of Management Committee members
- The main documents which set out the operational framework for the Charity including the Memorandum and Articles
- Resourcing and the current financial position as set out in the latest published accounts
- Future plans and objectives

Organisational Management and Decision Making Structure

The Board holds its quarterly meetings which are informed by the Legacy Leisure Governance Calendar and the meeting agenda includes:

- Health and Safety
- Charitable Objectives & Grant Funding
- Financial Performance, Compliance and Governance
- Human Resource and our People
- Training & Compliance
- New Business and Opportunities
- Sales and Marketing updates
- Operational Performance & Community Engagement
- Review of Legacy Directors' Business interests

A scheme of delegation is in place and day to day responsibility for the provision of services rests with the Managing Director of Legacy Leisure, Regional Directors and site Operational Managers. They are responsible for ensuring that Legacy Leisure delivers the services specified and that the key performance indicators are met. They are also responsible for the individual supervision of the staff teams and for ensuring that the team hold relevant qualifications and they continue to develop their skills and working practices in line with good practice.

Benefits and Rewards

Our Executive compensation includes a range of financial rewards and benefits designed to attract, motivate and retain senior management. The length of service of our senior team reflects this robust approach and is further enhanced by the entrepreneurial spirit harnessed within the business, which creates an environment where senior employees can flourish.

Risk Management

The Charity has established an ongoing process for identifying, evaluating and managing Legacy Leisure's key risks. This process includes the review of non-financial as well as financial risks. The primary concern of Legacy Leisure is to ensure the Health and Safety of the public and employees at its leisure centres. As part of the risk management process, policies and procedures have been established with the intention of managing risk appropriately and ensuring compliance with appropriate legislation. The Trustees take advice from experts where appropriate. A Risk Register is in place and reviewed annually by the Legacy Board.

Legacy Leisure is also concerned with financial risks, the Management Committee reviews and agrees policies for managing each of these risks and they are summarised below.

Price risk

Legacy Leisure consumes significant amounts of energy in the course of its operations due to heating of leisure centre swimming pools and saunas. Therefore, the Charity is exposed to price risk in the energy sector. Details of the management of this risk are included later in this Report.

Credit risk

Legacy Leisure has no significant concentrations of credit risk. The Charity has implemented policies that require appropriate credit checks on potential customers before sales commence.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

2) Objectives and Activities

Legacy Leisure's purpose, as set out in the objectives contained in Legacy Leisure's Memorandum of Association and detailed below, is to provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of the public at large, or for individuals who have need of such facilities by reason of their age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

The aim of our Charity is to promote sport and leisure activities in the local community, to improve the health and wellbeing of the public at large through the provision of leisure facilities that promote exercise and provide a social arena. No change in the nature of these activities occurred during the year.

The Focus of our Work

Our main objective for the year was the management of leisure facilities. Legacy Leisure undertakes this activity with a view to promoting sport and leisure in local communities. The strategies we used to meet this objective included:

Our Vision

It is the Vision of Legacy Leisure to inspire communities into active, healthy and fulfilling lifestyles that are culturally alert and ethically aware. This will be achieved through a varied programme that will include recreational activities, cultural events, educational schemes and competitive opportunities.

At the very core of our philosophy lies engagement and outreach. Engagement with the communities that we already serve and outreach to the wider community not yet accessed. Legacy Leisure will provide an open and accessible service to all, through effective programming and marketing of products with a diverse appeal, reflecting the wide demographic blend of our modern day communities.

Legacy Leisure will aspire to be the hub of the community, a trustworthy and dependable focal point for social, recreational and cultural enlightenment and fulfilment.

Our Objectives

- **Engage:** To connect with communities through outreach programmes, to offer a warm and genuine welcome to every participant and to ensure that customer care is at the heart of everything that we do, to support and motivate our patrons.
- **Inspire:** To provide pathways for personal sports development from entry level to elite sports performance where desirable.
- **Educate:** To educate communities in the extensive benefits of physical activity and healthier living to prolong lifetimes and minimise the impact of health related illness. To positively impact on the wellbeing of communities by providing educational courses on smoking cessation, diabetes, blood pressure, obesity and physical inactivity. To provide a range of arts and culture focussed activities that will inspire, stimulate and provoke new interest.
- **Participate:** To provide sporting opportunities for participation at every level, from beginners, intermediate, recreational through to elite and to ensure our facilities are inclusive & accessible to all.
- **Enhance Lifestyles:** To contribute towards a healthier nation with reduced child and adult obesity, where the community members are encouraged to lead more active and healthier lifestyles to improve health and well being, to create activity pathways for the over 50 population to minimise the impact of illness later in life. To encourage more active and healthier lifestyles that will lead to a better quality of life. To deliver programmes that not only increase active participation, but improve on social welfare by creating a network of support for participants.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

- **Supporting our local communities:** By making available grant funds for community groups, clubs and individuals on application, that will support local initiatives and personal sporting or physical activity goals which would otherwise not be possible through other means.

Our Ethos

- **Excellent customer care:** To ensure every customer is treated courteously with respect, attention and care. To provide clean, safe and appropriately maintained facilities.
- **Socially responsible:** To take a positive lead in ensuring people from different backgrounds respect and interact together. To lead by example by providing inspirational employment opportunities to all.
- **Ethically responsible:** To minimise our carbon footprint by being environmentally responsible, maintaining good housekeeping practices and caring for our environment.
- **Attracting hard to reach groups:** To develop a programme that specifically targets hard to reach and minority groups such as the disabled, ethnic or diverse backgrounds, over 50's, children and inactive people. To provide a range of initiatives that increase opportunities for participation in these demographics.
- **Awareness:** Raise awareness of the opportunities for sport, leisure and cultural interaction within local communities through effective marketing and PR strategies, targeted towards the local population.
- **Create Loyalty:** To ensure all Legacy Leisure products inspire customers to continue with positive lifestyle changes. To support maintained interest and commitment to these lifestyles by providing suitable and accessible facilities delivered to a high standard. To ensure facilities, activities and products are available during each visit, and to promote follow up visits. To consistently offer high quality services, diverse programmes and accessible facilities that the local community feels proud of and that keeps participants engaged over a sustained period of time.
- **Developing People:** To encourage and motivate our staff to be the best in the business. To offer career and personal development opportunities through comprehensive training and succession planning. To deliver volunteer and apprenticeship programmes to create employment opportunities in the local community through partnerships with local schools, colleges and other education centres.

Public Benefit

In order to meet our objectives, the Trustees have considered the Charity Commission's guidance on public benefit in deciding what activities Legacy Leisure should undertake.

All of Legacy Leisure's activities are focused on the delivery of promoting sport, leisure and health & wellbeing activities to the community local to each of our leisure facilities alongside promoting social interaction. The public benefits delivered below including possible outcomes:

- The provision of leisure facilities for the general public use i.e. sports halls, gyms, swimming pools etc.
- The advancement of amateur sports by classes, lessons, coaching and the availability of team sports at our leisure facilities and equipment for the purposes of keeping fit and recreational sport. This includes the running of and ability to participate in group activity/competitions.
- The promotion of health and well-being by strategies put in place to increase participation in community sports and links with other health promotion providers.
- Arrangements for members of societies with special needs, the elderly and people with disabilities to ensure inclusion for all.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Financial/Business Review

2024 was a positive year for Legacy Leisure as we continue to battle with the national wage increases, cost of living price increases, supplier cost increases and the ongoing high utility costs across the business. Customers are also still feeling the high cost of living and prioritising spending accordingly. Despite these challenges, the Charity generated revenues from charitable activities of £36.9 million (2023: £33.0 million), which represents an increase of £3.9 million.

Principal Risks and Uncertainties

The Autumn Budget 2024 saw the Government increase employer's National Insurance (NI) contributions from 13.8% to 15%, and lower the level at which businesses start paying NI contributions, from £9,100 to £5,000. These changes along with further increases to the National Minimum Wage will inevitably impact the business from April 2025. Work has already commenced in considering how to best adapt our workforces to meet the financial and operational challenges ahead, whilst ensuring compliance with legal obligations.

Utility costs continue to be volatile, with geo-political factors influencing market rates. We have continued to invest in innovative technology and have also been very successful in receiving Public Sector Decarbonisation Scheme funding, as well as grants from the Sport England Swimming Pool Support fund. The subsequent mechanical and electrical enhancements in technology will not only reduce our carbon emissions but also reduce our overall utility cost exposure.

Principal Funding Source

The Charity's principal source of income is from the provision of leisure facilities to the general public, through the operation of local authority leisure centres. The local authority leisure centres are used by the public for a variety of purposes including recreation, fitness and lessons. The facilities operated by the Charity comprise swimming pools, fitness gyms, sports halls, tennis courts and outdoor playing fields/pitches. This forms the Charity's Unrestricted Funds.

To enable the leisure facilities to provide a wider range of programmes, individual centres also look to acquire grant funding and subsidies from government schemes. This forms the Charity's Restricted Funds.

Reserves Policy

The Unrestricted funds as at 31st December 2024 stood at £467,362 (2023: £231,836). During 2024, as anticipated, these funds have started to reflect a positive position. This is helped by a strong management team, dedicated employees and by providing a mix of facilities & programmes to meet the local community needs.

The income and property of the Charity shall be applied solely towards the promotion of its object, the provision of leisure facilities. The Management Committee continually reviews the Charity's requirements for reserves. The risk to the Charity is the level of fixed costs and committed community funded grants. The Management Committee has retained reserves to meet its budgeted fixed costs plus committed community funded grants for the financial year following the latest approved annual financial statements and will aim to maintain them at this minimum level.

Plans for the Future/New Business

As a result of the strong and positive negotiations we conduct with our Local Authority partners we were well placed to explore future new business opportunities in 2024.

Open procurement has increased across 2024 and we did see an increase in UK public sector contracts coming to market at the end of 2024.

Our focus will clearly be on winning new business which we feel we are well positioned to explore but also to secure contract extension in facilities we already operate. We will continue to review and manage any changes as they happen and as soon as practically possible.

Legacy Leisure will also continue to look for new forms of funding and grants that will allow it to provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of the public at large or for individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

3) Strategic Report

The description under the headings "Achievements and Performance" and "Financial Review" meet the Charity law requirements for the Trustees to present a strategic report.

Achievements and Performance

Throughout 2024 Legacy Leisure Limited has operated leisure centres with a wide range of both wet and dry facilities along with some dual use sites linked to Schools, a golf facility and an outdoor activity centre.

Legacy Leisure has continued to operate 11 leisure contracts in 2024 together with a new contract commencing in December 2024 on behalf of Milton Keynes City Council: Woughton Leisure Centre and Windmill Hill Golf.

- **Vale of Glamorgan:** five leisure centres, including some dual use facilities linked to local schools in the area, the largest of which is Barry Leisure Centre.
- **Cherwell:** three leisure centres, including some dual use facilities linked to local schools in Cherwell, the largest of which is Spiceball Leisure Centre in Banbury.
- **Cherwell - Woodgreen:** one leisure centre in Woodgreen comprising Woodgreen Leisure Centre.
- **North Somerset:** three leisure centres in North Somerset. The largest centre in the North Somerset contract is Hutton Moor Leisure Centre in Weston-Super-Mare.
- **West Northants:** two leisure centres in West Northants. The largest centre in the West Northants contract is Towcester Centre for Leisure.
- **Cardiff:** one leisure facility, Cardiff International Pool.
- **Salisbury:** one leisure facility, Salisbury Health and Fitness Club.
- **Erewash:** three leisure facilities, West Park Leisure Centre, Victoria Park Leisure Centre and Rutland Sports Park.
- **DWP Quarry House:** one leisure centre.
- **Burnham Swim and Sports Academy:** one leisure centre.
- **Sports Wales:** one watersports and outdoor pursuits facility, Plas Menai.
- **Milton Keynes:** one leisure facility, Woughton Leisure Centre, and one golf facility Windmill Hill Golf.

There were 24 centres operated by Legacy Leisure in 2024 throughout which the LeisureCentre.com brand is operated and allows customers to utilise both the fitness gym, swimming pools and health suite where available, by way of monthly memberships or pay and play.

Health & Safety management remains a core focus. We continue to maintain our ISO45001 status throughout the business, this is the foremost ISO standard for management systems of occupational health and safety.

The facilities are used by the local communities, both by customers with memberships and by non-members. Legacy Leisure endeavours to ensure that customers are a key priority and feedback on cleanliness and services provided is encouraged to allow us to monitor that the high standards we set are being achieved, and allow us to make improvements where necessary.

Community Grant Funding

During 2024, the Community Grant Fund had 14 Community Grant applications approved. Some of these included support for training qualification to deliver local community sports activities, training equipment for groups/organisations for young people and over 50's to increase participation and funding for activities for mother & baby.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Community and the Environment

The Charity aims to be sensitive to the local communities' cultural, social and economic needs, and seeks to ensure that its activities enhance the communities as places to work and live in. We aim to ensure that our operations do not have a negative impact on the environment. Apart from compliance with all environmental regulations, we endeavour to promote the effective management of natural resources (including renewables) and encourage energy efficiency as well as waste minimisation and recycling where economically viable means of doing so are available. Legacy Leisure seeks to be respectful custodians of the environment whilst carrying out our business activities, by reducing our negative impacts on the environment. Our commitment to maintaining an Environmental Management System (EMS) that meets the requirements of BS EN ISO 14001 aids our dedication to best practice and continual improvement and demonstrates to our employees, partners and other stakeholders our commitment to the environment by promoting environmentally responsible practices and incorporating sustainable principles into our work.

The principles of BS EN ISO 14001 and the fact we have adhered to these strong processes for over 10 years provide a strong foundation for the future utility cost and carbon reduction challenges ahead. The delivery of the internationally recognised standard ensures we evidence our commitment to mitigating our environmental impact by reducing carbon emissions, energy consumption, water usage, whilst at the same time minimising pollution, promoting sustainable raw material sourcing practices and adopting renewable energy sources. Furthermore, we look to our supply chain, through rigorous procurement principles, to equally promote environmental stewardship in an effort to minimise our ecological footprint across the entire value chain.

Ultimately we are striving to breed a culture amongst our workforce, customers, partners and stakeholders that drives innovation and is market leading in our approach to energy and environmental management. Our sustainability action plan captures performance measurement and sets tangible assessment and review to ensure continual improvement.

In 2024, we continued to invest in technology to improve our facilities efficiency and reduce carbon emissions, installing solar PV, upgrades to building management systems and installing variable speed drives. Together, our investment in energy efficiency schemes across the Charity is projected to save 78 tonnes of CO₂e annually moving forward.

Social Value, Health, Wellbeing and Active Communities

Legacy Leisure is committed to supporting and delivering place-based community physical activity services, recognising the key role that physical activity can play in supporting physical and mental health, educational attainment and social cohesion.

Our community-based work is framed by contract-specific healthy communities plans, setting out key target groups, partnerships, interventions and resourcing. Specific examples of delivery during 2024 include:

- Expansion of Musculoskeletal (MSK) Hubs across 12 facilities, in partnership with UK Active, Goodboost, Escape Pain and Arthritis Action, to include further women's health-focused initiatives and new products such as Bump Boost, supporting activity for pregnant women, and over 3,000 'caught short' kits providing free period products in our centres;
- Completion of accessibility audits across our whole estate and implementation of associated action plans to maximise access to our facilities and services, in association with Thomas Pocklington Trust and Sunflower Hidden Disabilities;
- Delivery of additional CPD to support community engagement and service delivery;
- Partnership with Bluecrest to deliver health checks in our centres, piloted at 3 locations initially.

We were delighted to receive the 2024 Health Impact Award from Swim England for our MSK Hubs work in England, alongside a similar Health Impact Award from Swim Wales for our Hubs across South Wales.

We continue to measure the social value of our services, in association with Sport England's Moving Communities platform, which enables contract-specific impact reporting. In addition, we continue to support key industry agencies including Sport England, Sport Wales, UK Sport and UK Active, as part of our ethos of supporting sector development and learning.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Relationships with other Groups, Charities and Individuals

Legacy Leisure works closely with Local Authorities, for which we run leisure centres, along with National Governing Bodies & Community Groups/Clubs to ensure that the community's needs for access to the leisure facilities are met & that the programming is all inclusive and accessible.

Related Parties

Legacy Leisure does not currently have any related parties other than its current members.

Disabled Persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort will be made to ensure that their employment within Legacy Leisure continues and that the appropriate support & training is provided. It is the policy of the Charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Management and Staff

Our people first culture is vital to our success and remains a business focus at Legacy Leisure. By nurturing our people we are committed to supporting our employees in their career adventures, providing new opportunities and a culture where people can achieve their goals. Achievement of our goals and ambitions depends on the professionalism, engagement and skilled contribution of all our staff.

In 2024, we continued to improve our cloud-based HR and Payroll solution, People XD, which replaced our outdated systems. Enhancements included:

- Development of "social hub" which is a platform that supports onboarding guidance for new starters and rehires, it provides important Charity information and resources, including tasks to be completed and custom content pages.
- Implemented manager dashboards that provide real-time insights into team performance, attendance, and other key metrics.
- Introduced the employee self-service portal, allowing employees to easily access and update their personal information, view pay slips, and request time off.
- Created user guides and online resources to support ongoing learning.

The transition to People XD is now fully integrated into daily operations and our focus has now shifted to enhancing the overall employee experience. Our future roadmap for People XD includes streamlining processes with digital forms and automated workflows, creating a more efficient and welcoming experience for employees. Deliverables will support an improved employee experience (monitored through feedback), the streamlining and simplification of people processes and the identification of clearer accountabilities.

We continue to work with the Royal Society for the Prevention of Accidents (RoSPA) and Chartered Institute for the Management of Sport and Physical Activity (CIMSPA). We have also extended the Coach Mentoring Programme for Managers, to help support our future Succession Plans.

Workforce Responsibility and Employee Engagement

The Charity is committed to providing a safe, welcoming work environment that fosters inclusive working practices. Furthermore, we aim to provide an employee experience that makes our people feel supported and promotes their engagement with the Charity's strategic aims and objectives.

Legacy Leisure is committed to employing a workforce that reflects the community it serves. We aim to implement an equality, diversity and inclusion strategy that harnesses an environment where colleagues feel valued and encourages them to proactively contribute to the business. We recognise human rights throughout the Charity's operations, and supply chain, and value commitment to fair and ethical business practice.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

The Board recognises the need to capture employee feedback and to ensure our business objectives and principles are being delivered and recognised by our workforce. Therefore employee engagement and seeking the views of our workforce are key strategic objectives. There are a number of ways that this is achieved. The principal mechanism for employee engagement in the Charity is the employee forums which are attended by Directors. The forums provide an opportunity for employees to be informed about strategic issues and their views, and ideas are actively sought by the Directors who attend. Topics of discussion include details of business strategy, economic factors affecting us as a Charity, financial performance and health and safety updates. Employees who attend gather feedback and issues from their local colleagues, to be raised at the forums, and there are open sessions for feedback and questions with the Directors. Updates and responses from questions raised to the Directors at the forum are subsequently circulated to each centre.

In 2024 we also conducted our Charity wide employee survey, with over a third of the workforce providing invaluable feedback. The headline results were:

- 90% of employees enjoy their job.
- 82% would welcome more updates about their site and the wider business.
- 91% consider their manager to be approachable and supportive with personal issues.
- 85% believe Health & Safety is a priority in their workplace.
- 90% say their workplace embraces diversity and inclusion.
- 85% believe the Charity offers training opportunities to keep skills up to date.

Such feedback helps inform our strategic planning and as a result of the survey a number of additional employee benefits have been introduced during the course of the year. These developments include:

- Employee Boards delivered to all sites to ensure every colleague knows who their representative is for H&S, Safeguarding and Employee Forums.
- A new Employee Benefits website launched, to allow every colleague to more easily access the library of national discounts available through partners and our own leisure estate.
- Improved health, wellbeing and nutrition support, including access to ARVRA (health, nutritional advice and workout videos) and 24 hour online GP support via our partners at Health Heroes.
- Long Service milestones introduced to celebrate 10 years (and longer) service.
- Payroll system developed to acknowledge key dates and awards (work anniversaries, Birthdays, Employee of the Month/Quarter)
- Provision of 'Mental Health First Aider' support for all colleagues.

The Charity recognises that the most successful organisations are those where staff feel engaged, empowered and valued. Engaged staff are happier in their jobs and this leads to better performance. Our employees are at the heart of everything that we do, so listening to their ideas and suggestions is important to us, to ensure continual improvement. Furthermore, we strive to be fair and ethical in our business practices, whilst also fostering inclusive and safe workplaces, protecting workers in the supply chain and promoting social welfare.

Business Ethics, Corporate Governance and Stakeholder Relationships

Legacy Leisure takes a robust approach to business ethics and is committed to ensuring a positive culture of health and safety management within the Charity - from top to bottom.

Our framework for ensuring consistently high standards of service delivery in a safe and ethical working environment is embedded within our integrated management system - The Oracle. This library of documents contains all our policies, procedures and files that help inform and train our staff in the appropriate practices/processes. The Oracle is reviewed periodically within agreed timeframes and updates are automatically communicated throughout the business. Our training regimes are based on the Oracle documents and reinforce our core principles. Key documents, such as our health & safety procedures are reviewed by independent third party specialists, ensuring they meet all statutory/regulatory obligations and adhere to best practice.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Environmental, Social and Governance (ESG) has been incorporated into our core plan and is now a reporting mainstay within Board meetings. As a Charity, we recognise that not only should there be a moral commitment to this part of business planning but there are clear commercial benefits of developing such an approach. These include:

- **Reduced risk:** Organisations with strong ESG practices are less likely to be exposed to environmental, social, and governance risks, thereby safeguarding the Charity from financial setbacks.
- **Improved financial performance:** Studies have shown that organisations with strong ESG practices tend to outperform organisations with weak ESG practices.
- **Positive impact on society:** ESG investing can help to promote environmental sustainability, social justice, and good corporate governance, which can benefit society as a whole.

By taking these steps, Legacy Leisure aims to create a positive impact on the environment, society and the economy. It can attract and retain top talent, improve employee morale and productivity, reduce risk of regulatory fines, increase brand value and customer loyalty and access capital from socially responsible investment.

All of our employees seek to be honest and fair in relationships with customers and suppliers. Every attempt is made to ensure that services are provided to the agreed standards and all reasonable steps are taken to ensure the safety and quality of those services.

The Charity understands its role in accountability and has adopted an Anti-bribery Policy and Procedure in order to identify and mitigate any risks that may arise from its dealings with current or prospective clients, contractors, suppliers or consultants that may act on behalf of the Charity.

Our message to colleagues is simple:

- We aim to provide a happy and healthy experience to our customers,
- We look to offer clear career pathways,
- We look to communicate effectively through interactive platforms,
- We want to offer safe facilities, supported through comprehensive health & safety training and guidance to all staff,
- We aim to be innovative and professional in the way we deliver services,
- We look to support the Charity in delivering excellent service in a friendly and welcoming environment.

Throughout 2024 our open book, transparent and collaborative approach in working with our partners has been well received and has further enhanced our already strong working relationships. We are also mindful of our regulatory requirements and to safeguard shareholder rights and interests, therefore our commitment to strong corporate governance remains steadfast.

The business ethics and corporate governance standards we set internally are also expected to be met by our supply chain. Therefore during 2024 we have introduced further robust metrics to ensure our procurement of suppliers not only captures commercial metrics but also their approach to broader environmental, safety and workforce principles. We recognise that by selecting suppliers that prioritise ethical labour practices, environmental sustainability and community engagement, that this can enhance our reputation and contribute to a more sustainable and equitable world. Furthermore, it ensures that the chosen vendors align with our values of sustainability, fairness and transparency.

Core Principles

We are an experienced business, who remain committed to providing bespoke services in the communities that we serve. We continue to not look to drive our corporate identity, instead, we market the facilities and the activities within the local communities that we operate in.

Our mission is to create strong, lasting partnerships, built on a foundation of efficient and effective delivery, to encourage happier and healthier lifestyles. Our collaborative approach is based on honesty and transparency, working closely with local authorities to deliver against their own corporate, commercial and social objectives.

Safe and welcoming environments are the foundation, but our interaction goes much further than facility operation, making a difference to the health and wellbeing of all of our communities.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

We can only achieve this through our team's collective dedication and passion. At Legacy Leisure, we foster a culture of collaboration, innovation, and continuous learning. Our team members are not just employees; they are partners in our collective success. A motivated and empowered team is the driving force behind our achievements.

These core principles remain at the heart of what we do and are the foundation by which we deliver the services on behalf of our partners.

Auditor

A resolution proposing that Kendall Wadley LLP be reappointed as auditor of the Charity will be put to the Members.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report, including the strategic report, was approved by the Board of Trustees.



E Holmes
Trustee

29 September 2025

LEGACY LEISURE LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LEGACY LEISURE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LEGACY LEISURE LIMITED

Opinion

We have audited the financial statements of Legacy Leisure Limited (the 'Charity') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

LEGACY LEISURE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF LEGACY LEISURE LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose 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 Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

- an understanding of the risk assessment process (including the assessment of the risk of fraud) adopted by the Board of Trustees is obtained and their attitude to risk ascertained.
- an understanding of the legal and regulatory framework as applicable to the charitable company is obtained together with knowledge of the procedures put in place by the charitable company in order to comply with the same.
- it is established if there have been any instances of non-compliance with applicable laws and regulations, where there are such breaches, a full understanding, including gathering of relevant documentation appertaining to the event is obtained and assessed
- an assessment of the susceptibility to material mis-statement of the financial statements as a result of management over-ride or fraud is made.

LEGACY LEISURE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF LEGACY LEISURE LIMITED

Audit response to risks identified

It is ensured that the engagement team have, collectively, the appropriate competence, capabilities and skills to be involved in the assignment, are fully briefed and understand the risks specific to the charitable company.

Processes to test the outcomes of our assessment include:

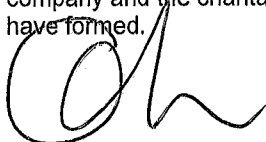
- a review of the Board of Trustee minutes.
- analytical review.
- assessing the relevance and accuracy of significant accounting estimates.
- substantive testing of significant transactions, including work to identify unusual or unexpected accounting entries including the testing of journal entries.
- information disclosed in the financial statements is agreed to supporting documentation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material mis-statement in the financial statements or non-compliance with regulation. It is acknowledged that material mis-statements that arise from fraud may involve deliberate concealment or collusion and are, therefore, by their very nature harder to detect than those arising from error. It should also be noted that Auditing Standards limit the procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence if any.

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

Use of our report

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



Elizabeth Needham ACA CTA (VAT) (Senior Statutory Auditor)

For and on behalf of Kendall Wadley LLP, Statutory Auditor

Chartered Accountants

Granta Lodge

71 Graham Road

Malvern

Worcestershire

WR14 2JS

29 September 2025

LEGACY LEISURE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
Income from:							
Charitable activities	3	36,874,100	27,232	36,901,332	33,018,433	16,011	33,034,444
Investments	4	170,212	-	170,212	35,369	-	35,369
Total		37,044,312	27,232	37,071,544	33,053,802	16,011	33,069,813
Expenditure on:							
Charitable activities	5	36,808,786	27,232	36,836,018	33,084,554	16,011	33,100,565
Total		36,808,786	27,232	36,836,018	33,084,554	16,011	33,100,565
Net income/(expenditure) and movement in funds		235,526	-	235,526	(30,752)	-	(30,752)
Reconciliation of funds:							
Fund balances at 1 January 2024		231,836	-	231,836	262,588	-	262,588
Fund balances at 31 December 2024		467,362	-	467,362	231,836	-	231,836

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LEGACY LEISURE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Current assets					
Stocks	12	308,056		224,491	
Debtors	13	3,911,238		3,099,051	
Cash at bank and in hand		2,742,086		1,948,776	
		<u>6,961,380</u>		<u>5,272,318</u>	
Creditors: amounts falling due within one year	14	6,494,018		5,040,482	
		<u>6,494,018</u>		<u>5,040,482</u>	
Total net assets			467,362		231,836
			<u>467,362</u>		<u>231,836</u>
Funds					
Unrestricted funds			467,362		231,836
			<u>467,362</u>		<u>231,836</u>

The financial statements were approved by the Trustees on 29 September 2025



E Holmes
Trustee

Company registration number 08361324 (England and Wales)

LEGACY LEISURE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	20		623,098		1,168,942
Investing activities					
Investment income received		170,212		35,369	
Net cash generated from investing activities			170,212		35,369
Net cash generated from financing activities			-		-
Net increase in cash and cash equivalents			793,310		1,204,311
Cash and cash equivalents at beginning of year			1,948,776		744,465
Cash and cash equivalents at end of year			2,742,086		1,948,776

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Charity information

Legacy Leisure Limited is a private company limited by guarantee incorporated in England and Wales and a charity registered in England and Wales. The registered office is 5 Deansway, Worcester, Worcestershire, WR1 2JG.

Activities are transacted through a number of leisure centres, details of which can be found on the website www.legacyleisure.org.uk.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity Act 2011 and the Charity's Memorandum of Association, the Companies Act 2006, "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) and FRS 102. The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources and that there are no material uncertainties about its ability to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in the furtherance of their charitable objectives.

Restricted funds are subject to the specific conditions imposed by donors as to how they may be expended. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Income

Grant income is recognised in the statement of financial activities when received in accordance with the SORP.

Other sources of income represent monies received in the pursuit of leisure activities or hire of facilities, net of VAT and is recognised in the statement of financial activities at the point at which the activity is undertaken.

Investment income is included in the statement of financial activities in the year in which it is receivable.

1.5 Resources expended

Liabilities are included in the financial statements as soon as recognised.

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

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, whereas other costs are apportioned on a basis of estimated usage.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price. Cost comprises direct materials and, where applicable, those overheads that have been incurred in bringing the stocks to their present location and condition.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.8 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.9 Employee benefits

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

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

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.10 Retirement benefits

The charitable company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the statement of financial activities in the year they are payable.

The charitable company also has a small number of employees who are members of defined benefit pension schemes. These schemes are multi-employer schemes and the charity is unable to identify its share of the underlying assets and liabilities in them on a consistent and reliable basis. As such the contributions are accounted for as if the schemes were defined contribution and contributions are charged as they become payable.

2 Critical accounting estimates and judgements

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

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

IBNR Provision

From 1 December 2021 the Company has adopted a policy of self-insuring certain losses up to £50,000. The balance of the IBNR provision as at the year end was £273,000 (2023: £216,000). During the year £127,000 was charged (2023: £35,000) and £70,000 was utilised (2023: £69,000) during the year.

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

3 Charitable activities

	Activities for generating funds	Grants and other restricted funds	Total 2024	Total 2023
	£	£	£	£
Swimming Pool and Memberships	5,255,861	-	5,255,861	5,327,663
Fitness Gym and Memberships	15,432,295	-	15,432,295	13,658,665
Tennis and Memberships	19,951	-	19,951	25,131
Wetside Courses incl. classes	7,508,585	-	7,508,585	7,098,767
Food and Beverage incl. Vending	1,295,492	-	1,295,492	1,160,889
Goods for Resale	481,917	-	481,917	484,647
Accommodation Income	219,479	-	219,479	151,658
Facilities Hire	483,187	-	483,187	508,334
Other Indoor Activities	967,526	-	967,526	937,325
Creche and Holiday Programme	30,704	-	30,704	42,589
Outdoor Activities	744,999	-	744,999	548,498
Other Income	3,802,050	-	3,802,050	646,620
Watersports Activities	346,168	-	346,168	390,684
Managed Business Fees	285,886	-	285,886	2,036,963
Performance Related Grants (see detail)	-	27,232	27,232	16,011
	<u>36,874,100</u>	<u>27,232</u>	<u>36,901,332</u>	<u>33,034,444</u>
Analysis by fund				
Unrestricted funds	36,874,100	-	36,874,100	
Restricted funds	-	27,232	27,232	
	<u>36,874,100</u>	<u>27,232</u>	<u>36,901,332</u>	
For the year ended 31 December 2023				
Unrestricted funds	33,018,433	-		33,018,433
Restricted funds	-	16,011		16,011
	<u>33,018,433</u>	<u>16,011</u>		<u>33,034,444</u>

Other income includes £3,225,000 relating to Covid Business Interruption insurance claims.

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

3 Charitable activities

(Continued)

	2024 £	2023 £
Performance related grants		
Health Promotion Officer	-	500
West Berkshire Council - Cancer rehab.	-	3,865
Swimming lessons - shark funding	-	5,833
Holiday Activity and Food programme	-	3,813
Swimming Pool Support Fund (SPSF)	27,232	-
Vale of Glamorgan Council - Table tennis equipment	-	2,000
	<u>27,232</u>	<u>16,011</u>

4 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	<u>170,212</u>	<u>35,369</u>

5 Expenditure on charitable activities

All costs are in connection with the running of the centres, including the operation of activities for which restricted funding has been received (note 15) and grants awarded (note 6).

6 Grants payable

	2024 £	2023 £
Grants to sports clubs	<u>5,320</u>	<u>5,215</u>

7 Support costs allocated to activities

	2024 £	2023 £
Audit fees	<u>9,900</u>	<u>10,800</u>
Allocated to:		
Charitable activities	<u>9,900</u>	<u>10,800</u>

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

8 Trustees

The Trustee E Holmes received remuneration amounting to £18,000 (2023: £18,000) as allowed under the governing documents of the charity for services other than being a trustee, together with pension contributions of £353 (2023: £353).

None of the other trustees (or any persons connected with them) received any remuneration during the year.

One Trustee was also reimbursed £904 (2023: one Trustee, £1,130) in connection with travelling, subsistence, accommodation and other expenses.

9 Employees

The average monthly number of full time equivalent employees during the year was: 560 (2023: 514). On a head count basis the average number is as follows:

	2024 Number	2023 Number
Administration and Management	246	240
Operations	1,141	1,215
Total	1,387	1,455

Employment costs	2024 £	2023 £
Wages and salaries	15,286,019	14,941,142
Social security costs	770,486	714,897
Other pension costs	423,049	451,490
	16,479,554	16,107,529

Included in the above costs for wages and salaries is £365 (2023: £3,776) in respect of redundancy costs.

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024 Number	2023 Number
£60,000 - £70,000	1	1
£80,000 - £90,000	-	1
£90,000 - £100,000	1	-

Pension contributions in respect of the higher paid staff amounted to £27,733 (2023 - £27,783).

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

9 Employees

(Continued)

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024 £	2023 £
Aggregate compensation	133,016	125,672

10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

11 Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund. The charge to income and expenditure in respect of defined contribution schemes was £199,057 (2023: £188,918).

Contributions to defined benefit schemes treated as defined contribution schemes (see accounting policies) were £223,992 (2023: £262,572).

12 Stocks

	2024 £	2023 £
Finished goods and goods for resale	308,056	224,491

13 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	820,484	578,022
Other debtors	229,258	134,559
Prepayments and accrued income	2,861,496	2,386,470
	3,911,238	3,099,051

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

14 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Trade creditors		4,019,944	1,872,180
Other taxation and social security		244,218	286,179
Deferred income		918,542	724,069
Other creditors		348,474	350,836
Accruals		962,840	1,807,218
		<u>6,494,018</u>	<u>5,040,482</u>

The deferred income shown above arises from membership fees and services invoiced in advance. The whole amount is released in full in the subsequent accounting period.

15 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2024	Income	Expenditure	At 31 December 2024
	£	£	£	£
Swimming Pool Support Fund (SPSF)	-	27,232	(27,232)	-
	<u>-</u>	<u>27,232</u>	<u>(27,232)</u>	<u>-</u>
Previous year:	At 1 January 2023	Income	Expenditure	At 31 December 2023
	£	£	£	£
Health Promotion Officer	-	500	(500)	-
Swimming lessons - shark funding	-	5,833	(5,833)	-
Holiday Activity and Food Programme	-	3,813	(3,813)	-
Vale of Glamorgan Council - Table tennis equipment	-	2,000	(2,000)	-
West Berkshire Council - Cancer rehab.	-	3,865	(3,865)	-
	<u>-</u>	<u>16,011</u>	<u>(16,011)</u>	<u>-</u>

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

15 Restricted funds

(Continued)

The Swimming Pool Support Fund is a government scheme to support facilities with swimming pools with increased cost pressures, leaving them most vulnerable to closure or significant service reduction.

Health Promotion Officer - Public Health England have provided funding to the Council for Weight Management Service for residents in West Berkshire. Legacy Leisure in partnership with Weight Watchers offer the provision of a Health Promotion Officer (Weight Management Coordinator & client instructor) and an The Activity for Health Coordinator.

Free swimming lessons under the shark scheme - (West Berkshire Borough Council) - To provide free swimming lessons for children who are identified as non swimmers in years 1, 2 and 3 (and down to foundation year). The sessions run on a 50 week continuous program.

Holiday Activity and Food Programme - funding received under the government initiative to assist in providing activity and food during school holidays to those children in receipt of benefits-related free school meals.

Vale of Glamorgan Council - funding received towards the provision of table tennis equipment.

Cancer Rehab (West Berkshire Borough Council) - To provide a cancer rehabilitation programme for people living with or recovering from cancer.

16 Contingent liabilities

The Charity is working with its advisors to resolve issues raised by HMRC in 2025 relating to the Charity's use of the VAT sporting exemption in its business. It is possible this may result in a material liability to the Charity, however at this stage the value of these payments cannot be quantified due to the range of outcomes that are still the subject of discussions with HMRC. The Trustees consider that it could therefore be misleading to assign a value to this potential liability.

17 Events after the reporting date

As a result of the Covid-19 pandemic and the enforced closures of facilities in both March 2020 and, according to tier and geographical location, in September and October 2020, a claim was made to the entity's insurers for restitution under business interruption clauses.

During the year a without prejudice interim payment was received for the March 2020 claim. Subsequent to the year end the model for the calculation of the quantum for October 2020 is in the process of being agreed between all parties and at this time the likely return is not capable of being quantified. Any income received will have an impact on Professional Services fees and Contract fees payable under such agreements in place at the time of the lock downs.

18 Related party transactions

There were no disclosable related party transactions during the year (2023 - none), other than those shown in note 8.

19 Analysis of changes in net funds

The Charity had no material debt during the year.

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

20	Cash generated from operations	2024	2023
		£	£
	Surplus/(deficit) for the year	235,526	(30,752)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(170,212)	(35,369)
	Movements in working capital:		
	(Increase) in stocks	(83,565)	(28,119)
	(Increase) in debtors	(812,187)	(111,213)
	Increase in creditors	1,259,063	1,256,138
	Increase in deferred income	194,473	118,257
	Cash generated from operations	623,098	1,168,942

LEGACY LEISURE LIMITED

England & Wales - Charity number 1152401

Accounts

Charity registration number 1152401

Company registration number 08361324 (England and Wales)

LEGACY LEISURE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

LEGACY LEISURE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Chair	E Holmes
Other Trustees	M Johnson S Blount
Charity number	1152401
Company number	08361324
Principal address	3 De Salis Court Hampton Lovett Droitwich Spa Worcestershire WR9 0QE
Registered office	5 Deansway Worcester Worcestershire WR1 2JG
Auditor	Kendall Wadley LLP Granta Lodge 71 Graham Road Malvern Worcestershire WR14 2JS
Bankers	Santander Corporate Banking 298 Deansgate Manchester M3 4HH
Solicitors	Harrison Clarke Rickerbys 5 Deansway Worcester WR1 2JG

LEGACY LEISURE LIMITED

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LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees are pleased to present their report together with the financial statements of Legacy Leisure for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association dated 14th March 2013 which was subsequently amended on the 23rd June 2013, 20th September 2013 and 23 September 2014, by Resolution dated 20th August 2014, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

1) Governance, Structure and Management

Legacy Leisure is a charitable company limited by guarantee, incorporated on 15th January 2013 and registered as a Charity on 12th June 2013. The charity was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The Directors of the company are also the Charity Trustees for the purposes of Charity law and under the company's Articles are known as members of the Management Committee, those who served during the year were:

Eva Holmes (Chair)
Martin Johnson (Trustee)
Stuart Blount (Trustee)

The Charity may by ordinary resolution appoint a person who is willing to act to be a director. The minimum number of directors of the Charity is three. If the number of directors is less than the number fixed as the quorum, the continuing directors, or director may act only for the purpose of filling vacancies or of calling a general meeting.

Two members of the Management Committee give their time voluntarily and receive no benefits from the Charity. The third member of the Management Committee Eva Holmes, receives a remuneration. Expenses are reclaimed from the Charity please refer to note 8 for details.

Key Management Personnel as detailed in note 9 include the Trustees, and the Managing Director.

Directors Duties

The directors (Trustees for the purposes of Charity Law) of the charitable company, as those of all UK companies, must act in accordance with a set of general duties.

These duties are detailed in section 172 of the UK Companies Act 2006 which is summarised as follows:

A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long term,
- the interests of the company's employees,
- the need to foster the company's business relationships with suppliers, customers and others,
- the impact of the company's operations on the community and the environment,
- the desirability of the company maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the company.

Organisational Structure

Legacy Leisure has a Management Committee of a minimum of three members who meet on a quarterly basis and are responsible for the strategic direction and policy of the Charity. At present the Committee has three members.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Organisational Management and Decision Making Structure

The Board holds its quarterly meetings which are informed by the Legacy Leisure Governance Calendar and the meeting agenda includes:

- Health and Safety
- Charitable Objectives & Grant Funding
- Financial Performance, Compliance and Governance
- Human Resource and our People
- Training & Compliance
- New Business and Opportunities
- Sales and Marketing updates
- Review of Legacy Directors' Business interests

A scheme of delegation is in place and day to day responsibility for the provision of services rest with the Managing Director of Legacy Leisure, Regional Directors and site Operational Managers. They are responsible for ensuring that Legacy Leisure delivers the services specified and that the key performance indicators are met. They are also responsible for the individual supervision of the staff teams and for ensuring that the team hold relevant qualifications and they continue to develop their skills and working practices in line with good practice.

Trustee induction and Training

Potential trustees are inducted by means of an induction programme that includes:

- Background to Legacy Leisure
- Purpose of the post, duties, liabilities and responsibilities
- The obligations of Management Committee members
- The main documents which set out the operational framework for the charity including the Memorandum and Articles
- Resourcing and the current financial position as set out in the latest published accounts
- Future plans and objectives

Risk Management

The charitable company has established an ongoing process for identifying, evaluating and managing Legacy Leisure's key risks. This process includes the review of non financial as well as financial risks. The primary concern of Legacy Leisure is to ensure the Health and Safety of the public and employees at its leisure centres. As part of the risk management process, policies and procedures have been established with the intention of managing risk appropriately and ensuring compliance with appropriate legislation. The trustees take advice from experts where appropriate. A Risk Register is in place and reviewed annually by the Legacy Board.

Legacy Leisure is also concerned with financial risks, the Management Committee reviews and agrees policies for managing each of these risks and they are summarised below.

Price risk

Legacy Leisure consumes significant amounts of energy in the course of its operations due to heating of leisure centre swimming pools and saunas. Therefore, the charitable company is exposed to price risk in the energy sector. Details of the management of this risk are included later in this Report.

Credit risk

Legacy Leisure has no significant concentrations of credit risk. The charitable company has implemented policies that require appropriate credit checks on potential customers before sales commence.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Relationships with other Groups, Charities and Individuals

Legacy Leisure works closely with Local Authorities, for which they run leisure centres, along with National Governing Bodies & Community Groups/Clubs to ensure that the community's needs for access to the leisure facilities are met & that the programming is all inclusive and accessible.

Business Relationships and Ethics

All employees seek to be honest and fair in relationships with customers and suppliers. Every attempt is made to ensure that services are provided to the agreed standards and all reasonable steps are taken to ensure the safety and quality of those services. The Company has adopted an Anti-bribery Policy and Procedure in order to identify and mitigate any risks that may arise from its dealings with current or prospective clients, contractors, suppliers or consultants that may act on behalf of the Company.

Related Parties

Legacy Leisure does not currently have any related parties other than its current members.

Disabled Persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort will be made to ensure that their employment within Legacy Leisure continues and that the appropriate support & training is provided. It is the policy of the Charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee Engagement

The Board recognises the significance of employee stakeholders and the views of the workforce are taken into account by the Charity when developing strategy. There are a number of ways that this is achieved as detailed below.

The implementation of an intranet platform and social media platform in the company has been useful in ensuring robust communications.

We aim to attract and retain the best people by investing in their development and success, an example of such investment is the provision of support for additional qualifications. We also use an apprenticeship scheme to attract the next generation of employees into our business. Our employee's contribution is rewarded through a competitive pay and benefits package; which includes free use of our facilities and a discounts and concierge programme.

Employee Forum: The principal mechanism for employee engagement in the company is the employee forums. Employee forums are held nationally and regionally during the course of the year and these are attended by Operational Directors. The forums provide an opportunity for employees to be informed about strategic issues and their views and ideas are actively sought by the Operational Directors and Managing Director of Legacy Leisure who attend. Topics of discussion include details of business strategy, economic factors affecting the company, financial performance and health and safety updates. Employees who attend gather feedback and issues from their local colleagues to be raised at the forums and there are open sessions for feedback and questions with the Operational Directors. Updates and responses from questions raised to the Directors at the forum are subsequently circulated to each centre.

Social Media: The implementation of a social media platform in the company has been a useful tool in engagement and an effective communication channel with employees. This is used on a daily basis to update the workforce on issues, to share news and views and get immediate feedback.

Employee Surveys: Employee surveys are used to measure employee engagement. Mental wellbeing surveys have been conducted extensively with the workforce and a review is currently taking place by the Health & Wellbeing team to further develop and improve these surveys. Results are shared with the Management Committee.

Employee of the Month & Quarter: To reward employees who go above and beyond in the duties at work, we now have an employee of the month & quarter awards in recognition of the hard work of our teams.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

2) Objectives and activities

Legacy Leisure's purpose, as set out in the objectives is contained in Legacy Leisure's Memorandum of Association and detailed below, is to provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of the public at large or for individuals who have need of such facilities by reason of their age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

The aim of our Charity is to promote sport and leisure activities in the local community, to improve the health and wellbeing of the public at large through the provision of leisure facilities that promote exercise and provide a social arena.

No change in the nature of these activities occurred during the year.

The Focus of our Work

Our main objective for the year was the management of leisure facilities. Legacy Leisure undertakes this activity with a view to promoting sport and leisure in local communities. The strategies we used to meet this objective included:

Our Vision

It is the Vision of Legacy Leisure to inspire communities into active, healthy and fulfilling lifestyles that are culturally alert and ethically aware. This will be achieved through a varied programme that will include recreational activities, cultural events, educational schemes and competitive opportunities.

At the very core of our philosophy lies engagement and outreach. Engagement with the communities that we already serve and outreach to the wider community not yet accessed. Legacy Leisure will provide an open and accessible service to all, through effective programming and marketing of products with a diverse appeal, reflecting the wide demographic blend of our modern day communities.

Legacy Leisure will aspire to be the hub of the community, a trustworthy and dependable focal point for social, recreational and cultural enlightenment and fulfilment.

Our Objectives:

- **Engage:** To connect with communities through outreach programmes, to offer a warm and genuine welcome to every participant and to ensure that customer care is at the heart of everything that we do, to support and motivate our patrons.
- **Inspire:** To provide pathways for personal sports development from entry level to elite sports performance where desirable.
- **Educate:** To educate communities in the extensive benefits of physical activity and healthier living to prolong lifetimes and minimise the impact of health related illness. To positively impact on the wellbeing of communities by providing educational courses on smoking cessation, diabetes, blood pressure, obesity and physical inactivity. To provide a range of arts and culture focussed activities that will inspire, stimulate and provoke new interest.
- **Participate:** To provide sporting opportunities for participation at every level, from beginners, intermediate, recreational through to elite and to ensure our facilities are inclusive & accessible to all.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

- **Enhance Lifestyles:** To contribute towards a healthier nation with reduced child and adult obesity, where the community members are encouraged to lead more active and healthier lifestyles to improve health and well being, to create activity pathways for the over 50 population to minimise the impact of illness later in life. To encourage more active and healthier lifestyles that will lead to a better quality of life. To deliver programmes that not only increase active participation, but improve on social welfare by creating a network of support for participants.
- **Supporting our local communities:** By making available grant funds for community groups, clubs and individuals on application, that will support local initiatives and personal sporting or physical activity goals which would otherwise not be possible through other means.

Our Ethos:

- **Excellent customer care:** To ensure every customer is treated courteously with respect, attention and care. To provide clean, safe and appropriately maintained facilities.
- **Socially responsible:** To take a positive lead in ensuring people from different backgrounds respect and interact together. To lead by example by providing inspirational employment opportunities to all.
- **Ethically responsible:** To minimise our carbon footprint by being environmentally responsible, maintaining good housekeeping practices and caring for our environment.
- **Attracting hard to reach groups:** To develop a programme that specifically targets hard to reach and minority groups such as the disabled, ethnic or diverse backgrounds, over 50's, children and inactive people. To provide a range of initiatives that increase opportunities for participation in these demographics.
- **Awareness:** Raise awareness of the opportunities for sport, leisure and cultural interaction within local communities through effective marketing and PR strategies, targeted towards the local population.
- **Create Loyalty:** To ensure all Legacy Leisure products inspire customers to continue with positive lifestyle changes. To support maintained interest and commitment to these lifestyles by providing suitable and accessible facilities delivered to a high standard. To ensure facilities, activities and products are available during each visit, and to promote follow up visits. To consistently offer high quality services, diverse programmes and accessible facilities that the local community feels proud of and that keeps participants engaged over a sustained period of time.
- **Developing People:** To encourage and motivate our staff to be the best in the business. To offer career and personal development opportunities through comprehensive training and succession planning. To deliver volunteer and apprenticeship programmes to create employment opportunities in the local community through partnerships with local schools, colleges and other education centres.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Public Benefit

In order to meet our objectives, the Trustees have considered the Charity Commission's guidance on public benefit in deciding what activities Legacy Leisure should undertake.

All of Legacy Leisure's activities are focused on the delivery of promoting sport, leisure and health & wellbeing activities to the community local to each of our leisure facilities alongside promoting social interaction. The public benefits delivered below including possible outcomes:

- The provision of leisure facilities for the general public use i.e. sports halls, gyms, swimming pools etc.
- The advancement of amateur sports by classes, lessons, coaching and the availability of team sports at our leisure facilities and equipment for the purposes of keeping fit and recreational sport. This includes the running of and ability to participate in group activity/competitions.
- The promotion of health and well-being by strategies put in place to increase participation in community sports and links with other health promotion providers.
- Arrangements for members of societies with special needs, the elderly and people with disabilities to ensure inclusion for all.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

3) Strategic Report

The description under the headings "Achievements and Performance" and "Financial Review" meet the company law requirements for the Trustees to present a strategic report.

Achievements and Performance

Throughout 2023 Legacy Leisure Limited has operated leisure centres with a wide range of both wet and dry facilities along with some dual use sites linked to Schools.

Legacy Leisure has continued to operate 11 leisure contracts in 2023 together with a new contract commencing in January 2023 on behalf of Sport Wales, Plas Menai Outdoor Centre.

- **West Berkshire:** seven leisure centres, including some dual use facilities linked to local schools, the largest of which is Northcroft Leisure Centre.
- **Vale of Glamorgan:** five leisure centres, including some dual use facilities linked to local schools in the area, the largest of which is Barry Leisure Centre.
- **Cherwell:** three leisure centres, including some dual use facilities linked to local schools in Cherwell, the largest of which is Spiceball Leisure Centre in Banbury.
- **Cherwell - Woodgreen:** one leisure centre in Woodgreen comprising Woodgreen Leisure Centre.
- **North Somerset:** three leisure centres in North Somerset. The largest centre in the North Somerset contract is Hutton Moor Leisure Centre in Weston-super-Mare.
- **South Northamptonshire:** two leisure centres in South Northamptonshire. The largest centre in the South Northamptonshire contract is Towcester Centre for Leisure.
- **Cardiff:** one leisure facility, Cardiff International Pool.
- **Salisbury:** one leisure facility, Salisbury Health and Fitness Club.
- **Erewash:** four leisure facilities, West Park Leisure Centre, Victoria Park Leisure Centre, Rutland Sports Park including Pewit Golf Course, and Sandiacre Friesland Sports Centre.
- **Leeds Forum:** one leisure centre
- **Burnham Swim and Sports Academy:** one leisure centre
- **Sport Wales:** Plas Menai, one watersports and outdoor pursuits facility

In July 2023, our contract at West Berkshire came to an end.

In December 2023, our contract at Sandiacre Friesland Sports Centre came to an end.

There were thirty centres operated by Legacy Leisure in 2023 throughout which the LeisureCentre.com brand is operated and allows customers to utilise both the fitness gym, swimming pools and health suite where available, by way of monthly memberships or pay and play.

Health & Safety management remains a core focus. We continue to maintain our ISO45001 status throughout the business, this is the foremost ISO standard for management systems of occupational health and safety.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

The facilities are used by the local communities, both by customers with memberships and by non-members. Legacy Leisure endeavours to ensure that customers are a key priority and feedback on cleanliness and services provided is encouraged to allow us to monitor that the high standards we set are being achieved, and allow us to make improvements where necessary.

Community Fund Awards:

During 2023, the Community Grant Fund had 14 Community Grant applications approved. Some of these included support for training qualification to deliver local community sports activities, training equipment for groups/organisations for young people and over 50's to increase participation and swimming therapy for disabled swimmers.

Streamlined Energy and Carbon Report

Methodology

Energy data has been collected from supplier invoices agreed and paid within the reporting year. Any energy that has been re-billed to Legacy Leisure has been included as per the SECR guidance. F Gas data has been taken from F Gas approved contractor service reports, removing any recovered and destroyed gases. Transport data has been taken from a collection of supplier invoices, fuel cards and expense reports.

We have used the Government's greenhouse gas emission conversion factors for 2023 to calculate scope 1 and scope 2 emissions and to convert our diesel, petrol, gas oil, LPG and burning oil from litres to MWh. These are all referred to as 'other fuels' for the purpose of this report. Corresponding historic conversion factors have been used to calculate historic emissions.

It should be noted that 2020 and 2021 data from previous reports have been revised in-line with SECR guidance.

Intensity Metrics

Legacy Leisure portfolio has changed since 2019 and therefore to de-couple emission changes from business changes we have employed two energy intensity metrics:

- Kgs CO2e per m2 floor area
- Kgs CO2e per £ of business revenue generated (excluding management fees)

Our year on year targets are currently to improve upon the previous year's emissions, using the above energy intensity metrics to benchmark emissions against the previous year.

Energy Consumption

	Scope 1				Scope 2		
	Natural Gas (MWh)	Transport (MWh)	Other Fuels (MWh)	F Gases (MWh)	Electricity (MWh)	Transport (MWh)	Heat (MWh)
2023	22,123	0	136	N/A	8,204	0	937
2022	24,558	0	46	N/A	8,204	0	1,195
2021	27,729	0	67	N/A	8,084	0	874
2020	24,882	0	170	N/A	8,814	0	995
2019	49,090	0	68	N/A	11,732	0	2,229

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Scope 1 and 2 CO₂e Emissions

	Scope 1				Scope 2		
	Natural Gas (Tonnes) CO ₂ e	Scope 1 Transport (Tonnes)	Other Fuels (Tonnes)	F Gas (Tonnes) CO ₂ e	Electricity (Tonnes) CO ₂ e	Scope 2 Transport (Tonnes)	Heat (Tonnes) CO ₂ e
2023	4,039	0	35	6	1,532	0	171
2022	4,420	0	1	34	1,587	0	179
2021	5,079	0	2	0	1,717	0	149
2020	4,575	0	21	0	2,055	0	258
2019	9,025	0	2	0	2,999	0	669

Scope 1 and 2 CO₂e Emissions Against Intensity Metrics

	Scope 1					Scope 2				Total GHG		
	Energy MWh	F Gas (T CO2e)	CO2e (T)	kg CO2e per m2	kg CO2e per £Revenue	Energy MWh	CO2e (T)	kg CO2e per m2	kg CO2e per £Revenue	CO2e (T)	kg CO2e per m2	kg CO2e per £Revenue
2023	22,259	6	4,080	43.28	0.132	8,472	1,703	18.06	0.055	5,783	61.34	0.187
2022	24,604	34	4,455	41.37	0.157	9,399	1,766	16.40	0.062	6,221	57.77	0.220
2021	27,796	0	5,081	51.36	0.331	8,959	1,866	18.86	0.122	6,946	70.23	0.452
2020	25,053	0	4,597	39.56	0.321	9,808	2,313	19.91	0.161	6,910	59.46	0.482
2019	49,158	0	9,027	65.90	0.218	13,961	3,667	26.77	0.089	12,694	92.67	0.307

T=Tonnes

Energy Efficiency Action Taken

There was continued investment into the energy efficiency of buildings during 2023 - primarily the continued roll-out of LED lighting, installation of several destratification fan systems and improved mechanical controls and improved monitoring through the roll-out of water AMR. The largest impact on energy efficiency was through direct site engagement to improve consumption during out of hours periods at the centres and improved controls of large mechanical equipment such as pool circulation pumps, air handling units and heating pumps. There was also investment into the Energy and Sustainability team with the creation of a new role to assist with surveying and implementation of energy saving initiatives.

During 2023, the charity also actively engaged with local authority partners to further develop carbon reduction plans and apply for capital funding through the Public Sector Decarbonisation Scheme and Sport England Swimming Pool Relief fund to assist with the continuation of investment into energy efficient technologies in 2024 and beyond.

Capital spend in 2023 was focused on the below key technologies:

- Pipework lagging/ installation of jackets
- Building Management System optimisation
- Heating, ventilation and air-conditioning controls
- General repair
- Pool covers
- Lighting upgrades
- Solar PV installation
- Destratification fan technology
- Variable speed drive installation
- Water efficiency schemes

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Financial/Business Review

2023 was a positive year for Legacy Leisure as we continue to battle with the national wage increases, cost of living price increases, supplier cost increases and the ongoing high utility costs across the business. Customers are also still feeling the high cost of living and prioritising spending accordingly. The Company generated revenues from charitable activities of £33.0 million (2022: £29.6 million), which represents an increase of £3.4 million.

Principal Risks and Uncertainties

During 2023, our core revenue lines of Swimming Lessons, Swimming Memberships and Health & Fitness Memberships exceeded sector averages. By the end of the year swimming lessons were 12.6% above pre Covid-19 levels on a like-for-like basis. In Swimming Memberships we managed to exceed pre Covid-19 levels by 3.4%. Whilst Health & Fitness was always anticipated to take longer to re-establish, the year ended with 20.4% above pre-covid 19 recovery, largely well ahead of sector-wide reporting.

During the course of 2023 we continued to see increasing volatility in the utility markets, with supply concerns pushing prices to all-time highs and becoming even more challenging as a result of the invasion of Ukraine by Russia. However, whilst markets remained impossible to predict, the situation has improved over recent months.

It is clear that the significant increase in utility prices is not a short term issue given the current wholesale prices for 2023, 2024 and 2025. This impact will undoubtedly be a significant challenge for the whole UK public leisure market and will be a core priority for the team to manage going forward.

During the course of 2023, we continued to develop key areas of the business as workforce challenges continued throughout the year with recruitment in key areas of the business. As part of our strategy to improve the workforce and retention of our staff we continued to develop in some areas we felt improvements were needed. These include:

- Development of Mental Health support programmes, including the introduction of Mental Health Trainers.
- Enhancements to Terms & Conditions of employment, including wider discounts initiatives available to employees.
- Improvements to Digital Training Modules.
- Improvements to the Career Pathway Programme.
- Digital Recruitment platform.
- Digital onboard of new employees.
- Improved staff communications.

These measures and further developments will be crucial to ensure future challenges in the human workforce do not stifle our recovery and growth plans.

Principal Funding Source

The Charity's principal source of income is from the provision of leisure facilities to the general public, through the operation of local authority leisure centres. The local authority leisure centres are used by the public for a variety of purposes including recreation, fitness and lessons. The facilities operated by the Charity comprise swimming pools, fitness gyms, sports halls, tennis courts, outdoor playing fields/pitches and watersports facilities. This forms the Charity's Unrestricted Funds.

To enable the leisure facilities to provide a wider range of programmes, individual centres also look to acquire grant funding and subsidies from government schemes. This forms the Charity's Restricted Funds.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Reserves Policy

The Unrestricted funds as at 31st December 2023 stood at £231,836 (2022: £262,588), reflecting a stable position. Now we are back to some sort of normality albeit still a challenging time, all of our facilities are back to normal operating levels and customers are starting to return.

The income and property of the Charity shall be applied solely towards the promotion of its object, the provision of leisure facilities. The Management Committee continually reviews the Charity's requirements for reserves. The risk to the Charity is the level of fixed costs and committed community funded grants. The Management Committee has retained reserves to meet its budgeted fixed costs plus committed community funded grants for the financial year following the latest approved annual financial statements and will aim to maintain them at this minimum level.

Plans for the Future/New Business

As a result of the strong and positive negotiations we conduct with our Local Authority partners we were well placed to explore future new business opportunities in 2024.

Open procurement has increased across 2023 and we did see an increase in UK public sector contracts coming to market at the end of 2023.

Our focus will clearly be on winning new business which we feel we are well positioned to explore but also to secure contract extension in facilities we already operate.

We will continue to review and manage any changes as they happen and as soon as practically possible. Exercise will play a key role in the covid recovery and the current medical guidance is for people to get back to their previous level of activity as soon as possible, even aiming to be more active than before so we anticipate a positive response to removal of restrictions and customer confidence to be high.

Legacy Leisure will also continue to look for new forms of funding and grants that will allow it to provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of the public at large or for individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

Social Value

Legacy Leisure is committed to delivering services on behalf of our partners in accordance with the aims of *The Public Services (Social Value) Act 2012* through the delivery of health, economic, social and environmental benefits. We achieve this through well-operated, well-resourced facilities and highly capable central support services. We have a track record of providing targeted interventions and programmes for the local community and delivering increased participation in health & physical activity. We adapt and grow over the life of partnerships ensuring our offer remains relevant, bespoke, fresh and one that all our partners can be proud of. We are committed to payment of the living wage, employing locally, providing apprenticeships and training opportunities and using local suppliers. We are focused and fully committed to contributing to net zero carbon targets through investment and delivery of decarbonisation measures and reducing energy use.

Across the leisure industry, Moving Communities tracks participation at public leisure facilities and provides new evidence of the sector's performance, sustainability and social value. This platform was set up by Sport England and the Government who recognise the vital role that gyms and leisure centres play in helping people to be active. This data will assist local authorities, leisure providers and policymakers to support public gyms and leisure centres, taking informed decisions to keep our nation active. Unfortunately, we cannot track data from facilities we operate in Wales as they do not have access to the Moving Communities platform or have no platform available for use.

Understanding the impact we have and social value generated underpins all aspects of our business and shapes our programming and outreach. The assessment of participation data and customer demographics will be undertaken in order to demonstrate and inform our growth as we move forward into 2024 and beyond.

Auditor

A resolution proposing that Kendall Wadley LLP be reappointed as auditor of the charitable company will be put to the Members.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report, including the strategic report, was approved by the Board of Trustees.



E Holmes
Trustee

15 April 2024

LEGACY LEISURE LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

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

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LEGACY LEISURE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LEGACY LEISURE LIMITED

Opinion

We have audited the financial statements of Legacy Leisure Limited (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

LEGACY LEISURE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF LEGACY LEISURE LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

- an understanding of the risk assessment process (including the assessment of the risk of fraud) adopted by the Board of Trustees is obtained and their attitude to risk ascertained
 - an understanding of the legal and regulatory framework as applicable to the charitable company is obtained together with knowledge of the procedures put in place by the charitable company in order to comply with the same
 - it is established if there have been any instances of non-compliance with applicable laws and regulations, where there are such breaches, a full understanding, including gathering of relevant documentation appertaining to the event is obtained and assessed
 - an assessment of the susceptibility to material mis-statement of the financial statements as a result of management over-ride or fraud is made
-

LEGACY LEISURE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF LEGACY LEISURE LIMITED

Audit response to risks identified

It is ensured that the engagement team have, collectively, the appropriate competence, capabilities and skills to be involved in the assignment, are fully briefed and understand the risks specific to the charitable company

Processes to test the outcomes of our assessment include:

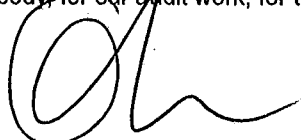
- a review of the Board of Trustee minutes
- analytical review
- assessing the relevance and accuracy of significant accounting estimates
- substantive testing of significant transactions, including work to identify unusual or unexpected accounting entries including the testing of journal entries
- information disclosed in the financial statements is agreed supporting documentation

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material mis-statement in the financial statements or non-compliance with regulation. It is acknowledged that material mis-statements that arise from fraud may involve deliberate concealment or collusion and are, therefore, by their very nature harder to detect than those arising from error. It should also be noted that Auditing Standards limit the procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence if any.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Elizabeth Needham ACA CTA (VAT) (Senior Statutory Auditor)
for and on behalf of Kendall Wadley LLP

15 April 2024

Chartered Accountants
Statutory Auditor

Granta Lodge
71 Graham Road
Malvern
Worcestershire
WR14 2JS

LEGACY LEISURE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:							
Charitable activities	3	33,018,433	16,011	33,034,444	29,516,481	126,890	29,643,371
Investments	4	35,369	-	35,369	1,269	-	1,269
Total income		33,053,802	16,011	33,069,813	29,517,750	126,890	29,644,640
Expenditure on:	5						
Charitable activities		33,084,554	16,011	33,100,565	29,516,242	126,890	29,643,132
Net (expenditure)/income for the year/ Net movement in funds		(30,752)	-	(30,752)	1,508	-	1,508
Fund balances at 1 January 2023		262,588	-	262,588	261,080	-	261,080
Fund balances at 31 December 2023		231,836	-	231,836	262,588	-	262,588

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LEGACY LEISURE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Current assets					
Stocks	12	224,491		196,372	
Debtors	13	3,099,051		2,987,838	
Cash at bank and in hand		1,948,776		744,465	
		<u>5,272,318</u>		<u>3,928,675</u>	
Creditors: amounts falling due within one year	14	<u>5,040,482</u>		<u>3,666,087</u>	
Net current assets			<u>231,836</u>		<u>262,588</u>
Income funds					
Unrestricted funds			<u>231,836</u>		<u>262,588</u>
			<u>231,836</u>		<u>262,588</u>

The financial statements were approved by the Trustees on 15 April 2024


E Holmes
Trustee

Company registration number 08361324 (England and Wales)

LEGACY LEISURE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	18		1,168,942		(1,731,139)
Investing activities					
Investment income received		35,369		1,269	
Net cash generated from investing activities			35,369		1,269
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			1,204,311		(1,729,870)
Cash and cash equivalents at beginning of year			744,465		2,474,335
Cash and cash equivalents at end of year			<u>1,948,776</u>		<u>744,465</u>

LEGACY LEISURE LIMITED

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

1 Accounting policies

Charity information

Legacy Leisure Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 5 Deansway, Worcester, Worcestershire, WR1 2JG.

Activities are transacted through a number of leisure centres, details of which can be found on the website www.legacyleisure.org.uk.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in the furtherance of their charitable objectives.

Restricted funds are subject to the specific conditions imposed by donors as to how they may be expended. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Income

Grant income is recognised in the statement of financial activities when received in accordance with the SORP.

Other sources of income represent monies received in the pursuit of leisure activities or hire of facilities, net of VAT and is recognised in the statement of financial activities at the point in which the activity is undertaken.

Investment income is included in the statement of financial activities in the year in which it is receivable.

1.5 Resources expended

Liabilities are included in the financial statements as soon as recognised.

Costs of generating funds comprise those costs associated with attracting voluntary income and the cost of providing the leisure facilities.

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

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, whereas other costs are apportioned on a basis of estimated usage.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price. Cost comprises direct materials and, where applicable, those overheads that have been incurred in bringing the stocks to their present location and condition.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.9 Employee benefits

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

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

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.10 Retirement benefits

The charitable company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the statement of financial activities in the year they are payable.

The charitable company also has a small number of employees who are members of defined benefit pension schemes. These schemes are multi-employer schemes and the charity is unable to identify its share of the underlying assets and liabilities in them on a consistent and reliable basis. As such the contributions are accounted for as if the schemes were defined contribution and contributions are charged as they become payable.

2 Critical accounting estimates and judgements

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

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

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

3 Charitable activities

	Activities for generating funds	Grants and other restricted funds	Total 2023	Total 2022
	£	£	£	£
Swimming Pool and Memberships	5,327,663	-	5,327,663	5,317,397
Fitness Gym and Memberships	13,658,665	-	13,658,665	12,231,594
Tennis and Memberships	25,131	-	25,131	18,198
Wetside Courses incl. classes	7,098,767	-	7,098,767	6,745,148
Food and Beverage incl. Vending	1,160,889	-	1,160,889	966,612
Goods for Resale	484,647	-	484,647	457,439
Accommodation Income	151,658	-	151,658	-
Facilities Hire	508,334	-	508,334	508,054
Other Indoor Activities	937,325	-	937,325	941,990
Creche and Holiday Programme	42,589	-	42,589	60,183
Outdoor Activities	548,498	-	548,498	420,713
Other Income	646,620	-	646,620	532,977
Watersports Activities	390,684	-	390,684	-
Managed Business Fees	2,036,963	-	2,036,963	1,316,176
Performance Related Grants (see below)	-	16,011	16,011	126,890
	<u>33,018,433</u>	<u>16,011</u>	<u>33,034,444</u>	<u>29,643,371</u>
Analysis by fund				
Unrestricted funds	33,018,433	-	33,018,433	
Restricted funds	-	16,011	16,011	
	<u>33,018,433</u>	<u>16,011</u>	<u>33,034,444</u>	
For the year ended 31 December 2022				
Unrestricted funds	29,516,481	-		29,516,481
Restricted funds	-	126,890		126,890
	<u>29,516,481</u>	<u>126,890</u>		<u>29,643,371</u>

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

3 Charitable activities

(Continued)

	2023 £	2022 £
Performance related grants		
Health Promotion Officer	500	50,900
West Berkshire Council - Cancer rehab.	3,865	11,042
Swimming lessons - shark funding	5,833	16,667
Holiday Activity and Food programme	3,813	41,748
Vale of Glamorgan Council - Table tennis equipment	2,000	-
North Northamptonshire Council - Weight Management	-	6,533
	<u>16,011</u>	<u>126,890</u>

4 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	<u>35,369</u>	<u>1,269</u>

5 Expenditure on charitable activities

All costs are in connection with the running of the centres, including the operation of activities for which restricted funding has been received (note 15) and grants awarded (note 6).

6 Grants payable

	2023 £	2023 £
Grants to sports clubs	<u>5,215</u>	<u>8,874</u>

7 Support costs allocated to activities

	2023 £	2022 £
Audit fees	<u>10,800</u>	<u>9,000</u>
Allocated to:		
Charitable activities	<u>10,800</u>	<u>9,000</u>

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

8 Trustees

E Holmes received remuneration amounting to £18,000 (2022: £18,000) as allowed under the governing documents of the charity for services other than being a trustee, together with pension contributions of £353 (2022: £353).

None of the other trustees (or any persons connected with them) received any remuneration during the year.

One Trustee was also reimbursed £1,130 (2022 - one, £828) in connection with travelling and other expenses.

9 Employees

The average monthly number of full time employees during the year was: 514 (2022: 526). On a head count basis the average number is as follows:

	2023 Number	2022 Number
Administration and Management	240	262
Operations	1,215	1,078
Total	1,455	1,340

Employment costs	2023 £	2022 £
Wages and salaries	14,941,142	13,264,276
Social security costs	714,897	691,143
Other pension costs	451,490	259,356
	16,107,529	14,214,775

Included in the above costs for wages and salaries is £3,776 (2022 - £6,360) in respect of redundancy costs.

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023 Number	2022 Number
£60,000 - £70,000	1	1
£80,000 - £90,000	1	1

Pension contributions in respect of the higher paid staff amounted to £27,783 (2022 - £26,758).

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

9 Employees (Continued)

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	125,672	121,425

10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

11 Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund. The charge to income and expenditure in respect of defined contribution schemes was £188,918 (2022 - £163,586).

Contributions to defined benefit schemes treated as defined contribution schemes (see accounting policies) were £262,572 (2022 - £95,770).

12 Stocks

	2023 £	2022 £
Finished goods and goods for resale	224,491	196,372

13 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	578,022	484,181
Other debtors	134,559	60,989
Prepayments and accrued income	2,386,470	2,442,668
	3,099,051	2,987,838

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

14 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Other taxation and social security		286,179	71,245
Deferred income		724,069	605,812
Trade creditors		1,872,180	1,209,069
Other creditors		350,836	375,104
Accruals		1,807,218	1,404,857
		<u>5,040,482</u>	<u>3,666,087</u>

The deferred income shown above arises from membership fees and services invoiced in advance. The whole amount is released in full in the subsequent accounting period.

15 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2023 £	Incoming resources £	Resources expended £	At 31 December 2023 £
Health Promotion Officer	-	500	(500)	-
Swimming lessons - shark funding	-	5,833	(5,833)	-
Holiday Activity and Food Programme	-	3,813	(3,813)	-
Vale of Glamorgan Council - Table tennis equipment	-	2,000	(2,000)	-
West Berkshire Council - Cancer rehab.	-	3,865	(3,865)	-
	<u>-</u>	<u>16,011</u>	<u>(16,011)</u>	<u>-</u>

Previous year:	At 1 January 2022 £	Incoming resources £	Resources expended £	At 31 December 2022 £
	-	-	-	-
Health Promotion Officer	-	50,900	(50,900)	-
Swimming lessons: shark funding	-	16,667	(16,667)	-
Holiday Activity and Food Programme	-	41,748	(41,748)	-
Weight Management Fund	-	6,533	(6,533)	-
West Berkshire Council - Cancer rehab	-	11,042	(11,042)	-
	<u>-</u>	<u>126,890</u>	<u>(126,890)</u>	<u>-</u>

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

15 Restricted funds

(Continued)

Health Promotion Officer - Public Health England have provided funding to the Council for Weight Management Service for residents in West Berkshire. Legacy Leisure in partnership with Weight Watchers offer the provision of a Health Promotion Officer (Weight Management Coordinator & client instructor) and an The Activity for Health Coordinator.

Free swimming lessons under the shark scheme - (West Berkshire Borough Council) - To provide free swimming lessons for children who are identified as non swimmers in years 1, 2 and 3 (and down to foundation year). The sessions run on a 50 week continuous program.

Holiday Activity and Food Programme - funding received under the government initiative to assist in providing activity and food during school holidays to those children in receipt of benefits-related free school meals.

Vale of Glamorgan Council - funding received towards the provision of table tennis equipment.

Weight Management Fund (North Northamptonshire Council) - funding received to deliver an enhanced weight management programme to target groups who do not usually engage with existing local services.

Cancer Rehab (West Berkshire Borough Council) - To provide a cancer rehabilitation programme for people living with or recovering from cancer.

16 Events after the reporting date

As a result of the Covid-19 pandemic and the enforced closures of facilities in both March 2020 and, according to tier and geographical location, in September and October 2020, a claim was made to the entity's insurers for restitution under business interruption clauses.

During the year a without prejudice interim payment was received. Subsequent to the year end the appointed loss adjuster has confirmed that claims may proceed. The model for the calculation of the quantum of the claim is in the process of being agreed between all parties and at this time the likely return is not capable of being quantified. Any income received will have an impact on Professional Services fees and Contract fees payable under such agreements in place at the time of the lock downs.

17 Related party transactions

There were no disclosable related party transactions during the year (2022 - none), other than those shown in note 8.

18 Cash generated from operations

	2023 £	2022 £
(Deficit)/surplus for the year	(30,752)	1,508
Adjustments for:		
Investment income recognised in statement of financial activities	(35,369)	(1,269)
Movements in working capital:		
(Increase) in stocks	(28,119)	(15,466)
(Increase) in debtors	(111,213)	(1,181,729)
Increase/(decrease) in creditors	1,256,138	(631,469)
Increase in deferred income	118,257	97,286
Cash generated from/(absorbed by) operations	1,168,942	(1,731,139)

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) ***FOR THE YEAR ENDED 31 DECEMBER 2023***

19 Analysis of changes in net funds

The charity had no material debt during the year.

LEGACY LEISURE LIMITED

England & Wales - Charity number 1152401

Accounts

Charity registration number 1152401

Company registration number 08361324 (England and Wales)

LEGACY LEISURE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

LEGACY LEISURE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Chair	E Holmes
Other Trustees	M Johnson S Blount
Charity number	1152401
Company number	08361324
Principal address	3 De Salis Court Hampton Lovett Droitwich Spa Worcestershire WR9 0QE
Registered office	5 Deansway Worcester Worcestershire WR1 2JG
Auditor	Kendall Wadley LLP Granta Lodge 71 Graham Road Malvern Worcestershire WR14 2JS
Bankers	Santander Corporate Banking 298 Deansgate Manchester M3 4HH
Solicitors	Harrison Clarke Rickerbys 5 Deansway Worcester WR1 2JG

LEGACY LEISURE LIMITED

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LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees are pleased to present their report together with the financial statements of Legacy Leisure for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association dated 14th March 2013 which was subsequently amended on the 23rd June 2013, 20th September 2013 and 23 September 2014, by Resolution dated 20th August 2014, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

1) Governance, Structure and Management

Legacy Leisure is a charitable company limited by guarantee, incorporated on 15th January 2013 and registered as a Charity on 12th June 2013. The charity was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The Directors of the company are also the Charity Trustees for the purposes of Charity law and under the company's Articles are known as members of the Management Committee, those who served during the year were:

Eva Holmes (Chair)
Martin Johnson (Trustee)
Stuart Blount (Trustee)

The Charity may by ordinary resolution appoint a person who is willing to act to be a director. The minimum number of directors of the Charity is three. If the number of directors is less than the number fixed as the quorum, the continuing directors, or director may act only for the purpose of filling vacancies or of calling a general meeting.

Two members of the Management Committee give their time voluntarily and receive no benefits from the Charity. The third member of the Management Committee Eva Holmes, receives a remuneration. Expenses are reclaimed from the Charity please refer to note 8 for details.

Key Management Personnel as detailed in note 19 include the Trustees, and the Managing Director.

Directors Duties

The directors (Trustees for the purposes of Charity Law) of the charitable company, as those of all UK companies, must act in accordance with a set of general duties.

These duties are detailed in section 172 of the UK Companies Act 2006 which is summarised as follows:

A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long term,
- the interests of the company's employees,
- the need to foster the company's business relationships with suppliers, customers and others,
- the impact of the company's operations on the community and the environment,
- the desirability of the company maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the company.

Organisational Structure

Legacy Leisure has a Management Committee of a minimum of three members who meet on a quarterly basis and are responsible for the strategic direction and policy of the Charity. At present the Committee has three members.

A scheme of delegation is in place and day to day responsibility for the provision of services rest with the Managing Director of Legacy Leisure, Regional Directors and site Operational Managers. They are responsible for ensuring that Legacy Leisure delivers the services specified and that the key performance indicators are met. They are also responsible for the individual supervision of the staff teams and for ensuring that the team hold relevant qualifications and they continue to develop their skills and working practices in line with good practice.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

Trustee induction and Training

Potential trustees are inducted by means of an induction programme that includes:

- Background to Legacy Leisure
- Purpose of the post, duties, liabilities and responsibilities
- The obligations of Management Committee members
- The main documents which set out the operational framework for the charity including the Memorandum and Articles
- Resourcing and the current financial position as set out in the latest published accounts
- Future plans and objectives

Risk Management

The charitable company has established an ongoing process for identifying, evaluating and managing Legacy Leisure's key risks. This process includes the review of non financial as well as financial risks. The primary concern of Legacy Leisure is to ensure the Health and Safety of the public and employees at its leisure centres. As part of the risk management process, policies and procedures have been established with the intention of managing risk appropriately and ensuring compliance with appropriate legislation. The trustees take advice from experts where appropriate. A Risk Register is in place and reviewed annually by the Legacy Board.

Legacy Leisure is also concerned with financial risks, the Management Committee reviews and agrees policies for managing each of these risks and they are summarised below.

Price risk

Legacy Leisure consumes significant amounts of energy in the course of its operations due to heating of leisure centre swimming pools and saunas. Therefore, the charitable company is exposed to price risk in the energy sector. Details of the management of this risk are included later in this report.

Credit risk

Legacy Leisure has no significant concentrations of credit risk. The charitable company has implemented policies that require appropriate credit checks on potential customers before sales commence.

Relationships with other Groups, Charities and Individuals

Legacy Leisure works closely with Local Authorities, for which they run leisure centres, along with National Governing Bodies & Community Groups/Clubs to ensure that the community's needs for access to the leisure facilities are met & that the programming is all inclusive and accessible.

Business Relationships and Ethics

All employees seek to be honest and fair in relationships with customers and suppliers. Every attempt is made to ensure that services are provided to the agreed standards and all reasonable steps are taken to ensure the safety and quality of those services. The Company has adopted an Anti-bribery Policy and Procedure in order to identify and mitigate any risks that may arise from its dealings with current or prospective clients, contractors, suppliers or consultants that may act on behalf of the Company.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

Related Parties

Legacy Leisure does not currently have any related parties other than its current members.

Disabled Persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort will be made to ensure that their employment within Legacy Leisure continues and that the appropriate support & training is provided. It is the policy of the Charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee Engagement

The Board recognises the significance of employee stakeholders and the views of the workforce are taken into account by the Charity when developing strategy. There are a number of ways that this is achieved as detailed below.

The implementation of an intranet platform and social media platform in the company has been useful in ensuring robust communications.

We aim to attract and retain the best people by investing in their development and success, an example of such investment is the provision of support for additional qualifications. We also use an apprenticeship scheme to attract the next generation of employees into our business. Our employee's contribution is rewarded through a competitive pay and benefits package; which includes free use of our facilities and a discounts and concierge programme.

Employee Forum: The principal mechanism for employee engagement in the company is the employee forums. Employee forums are held nationally and regionally during the course of the year and these are attended by Operational Directors. The forums provide an opportunity for employees to be informed about strategic issues and their views and ideas are actively sought by the Operational Directors and Managing Director of Legacy Leisure who attend. Topics of discussion include details of business strategy, economic factors affecting the company, financial performance and health and safety updates. Employees who attend gather feedback and issues from their local colleagues to be raised at the forums and there are open sessions for feedback and questions with the Operational Directors. Updates and responses from questions raised to the Directors at the forum are subsequently circulated to each centre.

Social Media: The implementation of a social media platform in the company has been a useful new tool in engagement and an effective communication channel with employees. This is used on a daily basis to update the workforce on issues, to share news and views and get immediate feedback.

Employee Surveys: Employee surveys are used to measure employee engagement. Mental wellbeing surveys have been conducted extensively with the workforce. Results have been shared and future improvements are being developed accordingly, including mental wellbeing training and one-to-one drop in sessions.

Employee of the Month & Quarter: To reward employees who go above and beyond in the duties at work, we now have an employee of the month & quarter awards in recognition of the hard work of our teams.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

2) Objectives and activities

Legacy Leisure's purpose, as set out in the objectives is contained in Legacy Leisure's Memorandum of Association and detailed below, is to provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of the public at large or for individuals who have need of such facilities by reason of their age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

The aim of our Charity is to promote sport and leisure activities in the local community, to improve the health and wellbeing of the public at large through the provision of leisure facilities that promote exercise and provide a social arena.

No change in the nature of these activities occurred during the year.

The Focus of our Work

Our main objective for the year was the management of leisure facilities. Legacy Leisure undertakes this activity with a view to promoting sport and leisure in local communities. The strategies we used to meet this objective included:

Our Vision

It is the Vision of Legacy Leisure to inspire communities into active, healthy and fulfilling lifestyles that are culturally alert and ethically aware. This will be achieved through a varied programme that will include recreational activities, cultural events, educational schemes and competitive opportunities.

At the very core of our philosophy lies engagement and outreach. Engagement with the communities that we already serve and outreach to the wider community not yet accessed. Legacy Leisure will provide an open and accessible service to all, through effective programming and marketing of products with a diverse appeal, reflecting the wide demographic blend of our modern day communities.

Legacy Leisure will aspire to be the hub of the community, a trustworthy and dependable focal point for social, recreational and cultural enlightenment and fulfilment.

Our Objectives:

- **Engage:** To connect with communities through outreach programmes, to offer a warm and genuine welcome to every participant and to ensure that customer care is at the heart of everything that we do, to support and motivate our patrons.
- **Inspire:** To provide pathways for personal sports development from entry level to elite sports performance where desirable.
- **Educate:** To educate communities in the extensive benefits of physical activity and healthier living to prolong lifetimes and minimise the impact of health related illness. To positively impact on the wellbeing of communities by providing educational courses on smoking cessation, diabetes, blood pressure, obesity and physical inactivity. To provide a range of arts and culture focussed activities that will inspire, stimulate and provoke new interest.
- **Participate:** To provide sporting opportunities for participation at every level, from beginners, intermediate, recreational through to elite and to ensure our facilities are inclusive & accessible to all.
- **Enhance Lifestyles:** To contribute towards a healthier nation with reduced child and adult obesity, where the community members are encouraged to lead more active and healthier lifestyles to improve health and well being, to create activity pathways for the over 50 population to minimise the impact of illness later in life. To encourage more active and healthier lifestyles that will lead to a better quality of life. To deliver programmes that not only increase active participation, but improve on social welfare by creating a network of support for participants.
- **Supporting our local communities:** By making available grant funds for community groups, clubs and individuals on application, that will support local initiatives and personal sporting or physical activity goals which would otherwise not be possible through other means.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

Our Ethos:

- **Excellent customer care:** To ensure every customer is treated courteously with respect, attention and care. To provide clean, safe and appropriately maintained facilities.
- **Socially responsible:** To take a positive lead in ensuring people from different backgrounds respect and interact together. To lead by example by providing inspirational employment opportunities to all.
- **Ethically responsible:** To minimise our carbon footprint by being environmentally responsible, maintaining good housekeeping practices and caring for our environment.
- **Attracting hard to reach groups:** To develop a programme that specifically targets hard to reach and minority groups such as the disabled, ethnic or diverse backgrounds, over 50's, children and inactive people. To provide a range of initiatives that increase opportunities for participation in these demographics.
- **Awareness:** Raise awareness of the opportunities for sport, leisure and cultural interaction within local communities through effective marketing and PR strategies, targeted towards the local population.
- **Create Loyalty:** To ensure all Legacy Leisure products inspire customers to continue with positive lifestyle changes. To support maintained interest and commitment to these lifestyles by providing suitable and accessible facilities delivered to a high standard. To ensure facilities, activities and products are available during each visit, and to promote follow up visits. To consistently offer high quality services, diverse programmes and accessible facilities that the local community feels proud of and that keeps participants engaged over a sustained period of time.
- **Developing People:** To encourage and motivate our staff to be the best in the business. To offer career and personal development opportunities through comprehensive training and succession planning. To deliver volunteer and apprenticeship programmes to create employment opportunities in the local community through partnerships with local schools, colleges and other education centres.

Public Benefit

In order to meet our objectives, the Trustees have considered the Charity Commission's guidance on public benefit in deciding what activities Legacy Leisure should undertake.

All of Legacy Leisure's activities are focused on the delivery of promoting sport, leisure and health & wellbeing activities to the community local to each of our leisure facilities alongside promoting social interaction. The public benefits delivered below including possible outcomes:

- The provision of leisure facilities for the general public use i.e. sports halls, gyms, swimming pools etc.
- The advancement of amateur sports by classes, lessons, coaching and the availability of team sports at our leisure facilities and equipment for the purposes of keeping fit and recreational sport. This includes the running of and ability to participate in group activity/competitions.
- The promotion of health and well-being by strategies put in place to increase participation in community sports and links with other health promotion providers.
- Arrangements for members of societies with special needs, the elderly and people with disabilities to ensure inclusion for all.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

3) Strategic Report

The description under the headings "Achievements and Performance" and "Financial Review" meet the company law requirements for the Trustees to present a strategic report.

Achievements and Performance

Throughout 2022 Legacy Leisure Limited has operated leisure centres with a wide range of both wet and dry facilities along with some dual use sites linked to Schools.

Legacy Leisure has continued to operate 11 leisure contracts in 2022.

- **West Berkshire:** seven leisure centres, including some dual use facilities linked to local schools, the largest of which is Northcroft Leisure Centre.
- **Vale of Glamorgan:** five leisure centres, including some dual use facilities linked to local schools in the area, the largest of which is Barry Leisure Centre.
- **Cherwell:** three leisure centres, including some dual use facilities linked to local schools in Cherwell, the largest of which is Spiceball Leisure Centre in Banbury.
- **Cherwell - Woodgreen:** one leisure centre in Woodgreen comprising Woodgreen Leisure Centre.
- **North Somerset:** three leisure centres in North Somerset. The largest centre in the North Somerset contract is Hutton Moor Leisure Centre in Weston-super-Mare.
- **South Northamptonshire:** two leisure centres in South Northamptonshire. The largest centre in the South Northamptonshire contract is Towcester Centre for Leisure.
- **Cardiff:** one leisure facility, Cardiff International Pool.
- **Salisbury:** one leisure facility, Salisbury Health and Fitness Club.
- **Erewash:** four leisure facilities, West Park Leisure Centre, Victoria Park Leisure Centre, Rutland Sports Park including Pewit Golf Course, and Sandiacre Friesland Sports Centre.
- **Leeds Forum:** one leisure centre
- **Burnham Swim and Sports Academy:** one leisure centre

In September 2022 our contracts with Kettering & Cherwell Pavilions ended. There were four leisure centres within the Kettering contract, the largest of which was Kettering Swimming Pool. Cherwell Pavilions was a smaller contract at Whiteland Farm Sports Ground.

In June 2023, our contract at West Berkshire also came to an end.

In January 2023, Legacy Leisure commenced operations at a new contract on behalf of Sport Wales, one facility Plas Menai Outdoor Centre.

There were thirty-four centres operated by Legacy Leisure in 2022 throughout which the LeisureCentre.com brand is operated and allows customers to utilise both the fitness gym, swimming pools and health suite where available, by way of monthly memberships or pay and play.

Health & Safety management remains a core focus. Whilst Covid-19 has forced us to develop new working systems and practices, our Management team has been central in supporting UKactive as sector leaders in developing best practice. We continue to maintain our ISO45001 status throughout the business, this is the foremost ISO standard for management systems of occupational health and safety.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

The facilities are used by the local communities, both by customers with memberships and by non-members. Legacy Leisure endeavours to ensure that customers are a key priority and feedback on cleanliness and services provided is encouraged to allow us to monitor that the high standards we set are being achieved, and allow us to make improvements where necessary.

Community Fund Awards:

During 2022, the Community Grant Fund was relaunched following Covid 19 and 19 Community Grant applications were approved. These included support for Training Qualification to deliver local community sports activities such as gymnastics, tennis, FA coaching and instructor training for disability groups along with support for equipment for local clubs both new and existing.

Streamlined Energy and Carbon Report

Methodology

Energy data has been collected from supplier invoices agreed and paid within the reporting year. Any energy that has been re-billed to Legacy Leisure has been included as per the SECR guidance. F Gas data has been taken from F Gas approved contractor service reports, removing any recovered and destroyed gases. Transport data has been taken from a collection of supplier invoices, fuel cards and expense reports.

We have used the Government's greenhouse gas emission conversion factors for 2022 to calculate scope 1 and scope 2 emissions and to convert our diesel, petrol, gas oil, LPG and burning oil from litres to MWh. These are all referred to as 'other fuels' for the purpose of this report. Corresponding historic conversion factors have been used to calculate historic emissions.

It should be noted that 2020 and 2021 data from previous reports have been revised in-line with SECR guidance.

Intensity Metrics

Legacy Leisure portfolio has changed since 2019 and therefore to de-couple emission changes from business changes we have employed two energy intensity metrics:

- Kgs CO2e per m2 floor area
- Kgs CO2e per £ of business revenue generated (excluding management fees)

Our year on year targets are currently to improve upon the previous year's emissions, using the above energy intensity metrics to benchmark emissions against the previous year.

Energy Consumption

	Scope 1					Scope 2		
	Natural (MWh)	Gas	Transport (MWh)	Other Fuels (MWh)	F Gases (MWh)	Electricity (MWh)	Transport (MWh)	Heat (MWh)
2022	24,558		0	46	N/A	8,204	0	1,195
2021	27,729		0	67	N/A	8,084	0	874
2020	24,882		0	170	N/A	8,814	0	995
2019	49,090		0	68	N/A	11,732	0	2,229

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

Scope 1 and 2 CO₂e Emissions

	Scope 1				Scope 2					
	Natural Gas (Tonnes)	CO ₂ e	Scope 1 Transport (Tonnes)	Other Fuels (Tonnes)	F Gas (Tonnes)	CO ₂ e	Electricity (Tonnes)	CO ₂ e	Scope 2 Heat (Tonnes)	CO ₂ e
2022	4,420		0	1	34		1,587		0	179
2021	5,079		0	2	0		1,717		0	149
2020	4,575		0	21	0		2,055		0	258
2019	9,025		0	2	0		2,999		0	669

Scope 1 and 2 CO₂e Emissions Against Intensity Metrics

	Scope 1					Scope 2				Total GHG		
	Energy MWh	F Gas (T CO ₂ e)	CO ₂ e (T)	kg CO ₂ e per m ²	kg CO ₂ e per Revenue	Energy MWh	CO ₂ e (T)	kg CO ₂ e per m ²	kg CO ₂ e per Revenue	CO ₂ e (T)	kg CO ₂ e per m ²	kg CO ₂ e per Revenue
2022	24,604	34	4,455	41.37	0.157	9,399	1,766	16.40	0.062	6,221	57.77	0.220
2021	27,796	0	5,081	51.36	0.331	8,959	1,866	18.86	0.122	6,946	70.23	0.452
2020	25,053	0	4,597	39.56	0.321	9,808	2,313	19.91	0.161	6,910	59.46	0.482
2019	49,158	0	9,027	65.90	0.218	13,961	3,667	26.77	0.089	12,694	92.67	0.307

T=Tonnes

Energy Efficiency Action Taken

2022 saw high turnover of the individuals responsible for managing and monitoring energy and carbon emissions from the wider portfolio. Despite this, there was investment into the energy efficiency of buildings- primarily the continued roll-out of LED lighting and improved monitoring through the roll-out of gas AMR. The largest impact on energy efficiency was through direct site engagement to improve consumption during out of hours periods at the centres and improved controls of large mechanical equipment such as pool circulation pumps, air handling units and heating pumps.

In October 2022, Legacy Leisure developed its energy strategy which highlights how the business will continue to improve on energy consumption and carbon emissions through identification and prioritisation of projects through:

- Surveys completed across priority sites. These will be raised ad-hoc when it is deemed appropriate.
- Service reports generated from pre-planned maintenance.
- Audits completed by the energy team.
- Projects or opportunities have been raised in the open log and deemed suitable for investigation by the energy team.

The outputs from this will be used to make decisions on capital spend in 2023 and beyond, focusing on the below key technologies:

- Pipework lagging/ installation of jackets
- Building Management System optimisation
- Heating, ventilation and air-conditioning controls
- General repair
- Pool covers
- Lighting upgrades
- Solar PV installation
- Destratification fan technology
- Variable speed drive installation
- Water efficiency schemes

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

Financial Review

2022 continued to be a challenging year for Legacy leisure with consumer confidence still not back to pre covid levels in some areas, cost of living price increases and the ongoing high utility costs impacting our customers. The Company generated revenues from charitable activities of £29.6 million (2021: £17.6 million), which represents an increase of £12.0 million.

Principal Risks and Uncertainties

The recovery from Covid-19 progressed positively during 2022, with our core revenue lines of Swimming Lessons, Swimming Memberships and Health & Fitness Memberships exceeding sector averages. By the end of the year swimming lessons were 19% above pre Covid-19 levels on a like-for-like basis. In Swimming Memberships we managed to exceed pre Covid-19 levels by 45% and Swimming Lessons increased by 63%. Whilst Health & Fitness was always anticipated to take longer to re-establish, the year ended with 97% recovery, largely well ahead of sector-wide reporting.

During the course of 2022 we continued to see increasing volatility in the utility markets, with Brexit, a Global pandemic and supply concerns pushing prices to all-time highs. It was already felt by the Board of Directors that until the covid pandemic had settled and post Brexit concerns were resolved, prices would not retreat. However, whilst markets remained impossible to predict, the situation has subsequently worsened and become even more challenging as a result of the invasion of Ukraine by Russia.

It is clear that the significant increase in utility prices is not a short term issue given the current wholesale prices for 2022, 2023 and 2024. This impact will undoubtedly be a significant challenge for the whole UK public leisure market and will be a core priority for the team to manage going forward.

During the course of 2022, we continued to develop key areas of the business as workforce challenges continued throughout the year with us struggling to recruit in key areas of the business. As part of our strategy to improve the workforce and retention of our staff we continued to develop in some areas we felt improvements were needed. These include:

- Development of Mental Health support programmes, including the introduction of Mental Health Trainers.
- Enhancements to Terms & Conditions of employment, including wider discounts initiatives available to employees.
- Improvements to Digital Training Modules.
- Improvements to the Career Pathway Programme.
- Digital Recruitment platform.
- Digital onboard of new employees.
- Improved staff communications.

These measures and further developments will be crucial to ensure future challenges in the human workforce do not stifle our recovery and growth plans.

Principal Funding Source

The Charity's principal source of income is from the provision of leisure facilities to the general public, through the operation of local authority leisure centres. The local authority leisure centres are used by the public for a variety of purposes including recreation, fitness and lessons. The facilities operated by the Charity comprise swimming pools, fitness gyms, sports halls, tennis courts and outdoor playing fields/pitches. This forms the Charity's Unrestricted Funds.

To enable the leisure facilities to provide a wider range of programmes, individual centres also look to acquire grant funding and subsidies from government schemes. This forms the Charity's Restricted Funds.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

Reserves Policy

The Unrestricted funds as at 31st December 2022 stood at £262,588 (2021: £261,080). During 2022, as anticipated, these funds have started to improve. Now we are back to some sort of normality albeit still a challenging time, all of our facilities are back to normal operating levels and customers are starting to return.

The income and property of the Charity shall be applied solely towards the promotion of its object, the provision of leisure facilities. The Management Committee continually reviews the Charity's requirements for reserves. The risk to the Charity is the level of fixed costs and committed community funded grants. The Management Committee has retained reserves to meet its budgeted fixed costs plus committed community funded grants for the financial year following the latest approved annual financial statements and will aim to maintain them at this minimum level.

Plans for the Future

As a result of the strong and positive negotiations we conduct with our Local Authority partners we were well placed to explore future new business opportunities in 2022.

Open procurement has increased across 2022 and we did see an increase in UK public sector contracts coming to market at the end of 2022. 1 contract was secured in the first quarter of 2022 at Burnham-on-Sea.

Our focus will clearly be on winning new business which we feel we are well positioned to explore but also to secure contract extension in facilities we already operate.

We will continue to review and manage any changes as they happen and as soon as practically possible. Exercise will play a key role in the covid recovery and the current medical guidance is for people to get back to their previous level of activity as soon as possible, even aiming to be more active than before so we anticipate a positive response to removal of restrictions and customer confidence to be high.

Legacy Leisure will also continue to look for new forms of funding and grants that will allow it to provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of the public at large or for individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

Social Value

Legacy Leisure is committed to delivering services on behalf of our partners in accordance with the aims of *The Public Services (Social Value) Act 2012* through the delivery of health, economic, social and environmental benefits. We achieve this through well-operated, well-resourced facilities and highly capable central support services. We have a track record of providing targeted interventions and programmes for the local community and delivering increased participation in health & physical activity. We adapt and grow over the life of partnerships ensuring our offer remains relevant, bespoke, fresh and one that all our partners can be proud of. We are committed to payment of the living wage, employing locally, providing apprenticeships and training opportunities and using local suppliers. We are focused and fully committed to contributing to net zero carbon targets through investment and delivery of decarbonisation measures and reducing energy use.

Across the leisure industry, a new platform is now adopted across England called "Moving Communities". Moving Communities tracks participation at public leisure facilities and provides new evidence of the sector's performance, sustainability and social value. This platform was set up by Sport England and the Government who recognise the vital role that gyms and leisure centres play in helping people to be active. This data will assist local authorities, leisure providers and policymakers to support the recovery of public gyms and leisure centres, taking informed decisions to keep our nation active. Unfortunately we cannot track data from facilities we operate in Wales as they do not have access to the Moving Communities platform or have a platform available for use.

Understanding the impact we have and social value generated underpins all aspects of our business and shapes our programming and outreach. The assessment of participation data and customer demographics will be undertaken in order to demonstrate and inform our growth as we move forward into 2023 and beyond.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

Auditor

In accordance with the company's articles, a resolution proposing that Kendall Wadley LLP be reappointed as auditor of the charitable company will be put to the Annual General Meeting.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report, including the strategic report, was approved by the Board of Trustees.

E Holmes

Trustee

Dated: 25 July 2023



LEGACY LEISURE LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

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

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LEGACY LEISURE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LEGACY LEISURE LIMITED

Opinion

We have audited the financial statements of Legacy Leisure Limited (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

LEGACY LEISURE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF LEGACY LEISURE LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

- an understanding of the risk assessment process (including the assessment of the risk of fraud) adopted by the Board of Trustees is obtained and their attitude to risk ascertained
 - an understanding of the legal and regulatory framework as applicable to the charitable company is obtained together with knowledge of the procedures put in place by the charitable company in order to comply with the same
 - it is established if there have been any instances of non-compliance with applicable laws and regulations, where there are such breaches, a full understanding, including gathering of relevant documentation appertaining to the event is obtained and assessed
 - an assessment of the susceptibility to material mis-statement of the financial statements as a result of management over-ride or fraud is made
-

LEGACY LEISURE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF LEGACY LEISURE LIMITED

Audit response to risks identified

It is ensured that the engagement team have, collectively, the appropriate competence, capabilities and skills to be involved in the assignment, are fully briefed and understand the risks specific to the charitable company

Processes to test the outcomes of our assessment include:

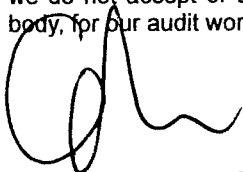
- a review of the Board of Trustee minutes
- analytical review
- assessing the relevance and accuracy of significant accounting estimates
- substantive testing of significant transactions, including work to identify unusual or unexpected accounting entries including the testing of journal entries
- information disclosed in the financial statements is agreed supporting documentation

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material mis-statement in the financial statements or non-compliance with regulation. It is acknowledged that material mis-statements that arise from fraud may involve deliberate concealment or collusion and are, therefore, by their very nature harder to detect than those arising from error. It should also be noted that Auditing Standards limit the procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence if any.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Elizabeth Needham ACA CTA (VAT) (Senior Statutory Auditor)
for and on behalf of Kendall Wadley LLP

25 July 2023

Chartered Accountants
Statutory Auditor

Granta Lodge
71 Graham Road
Malvern
Worcestershire
WR14 2JS

LEGACY LEISURE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Donations and legacies	3	-	-	-	3,272,519	-	3,272,519
Charitable activities	4	29,516,481	126,890	29,643,371	17,436,121	164,600	17,600,721
Investments	5	1,269	-	1,269	977	-	977
Total income		29,517,750	126,890	29,644,640	20,709,617	164,600	20,874,217
Expenditure on:							
Charitable activities	6	29,516,242	126,890	29,643,132	20,612,414	170,091	20,782,505
Net incoming resources before transfers		1,508	-	1,508	97,203	(5,491)	91,712
Gross transfers between funds	12	-	-	-	(5,491)	5,491	-
Net income for the year/ Net movement in funds		1,508	-	1,508	91,712	-	91,712
Fund balances at 1 January 2022		261,080	-	261,080	169,368	-	169,368
Fund balances at 31 December 2022		262,588	-	262,588	261,080	-	261,080

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LEGACY LEISURE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Current assets					
Stocks	14	196,372		180,906	
Debtors	15	2,987,838		1,806,109	
Cash at bank and in hand		744,465		2,474,335	
		<u>3,928,675</u>		<u>4,461,350</u>	
Creditors: amounts falling due within one year	16	<u>(3,666,087)</u>		<u>(4,200,270)</u>	
Net current assets			262,588		261,080
Income funds					
Unrestricted funds			262,588		261,080
			<u>262,588</u>		<u>261,080</u>

The financial statements were approved by the Trustees on 25 July 2023

E Holmes
Trustee



Company registration number 08361324

LEGACY LEISURE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	20		(1,731,139)		1,835,792
Investing activities					
Investment income received		1,269		977	
Net cash generated from investing activities			1,269		977
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(1,729,870)		1,836,769
Cash and cash equivalents at beginning of year			2,474,335		637,566
Cash and cash equivalents at end of year			744,465		2,474,335

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Legacy Leisure Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 5 Deansway, Worcester, Worcestershire, WR1 2JG.

Activities are transacted through a number of leisure centres, details of which can be found on the website www.legacyleisure.org.uk.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in the furtherance of their charitable objectives.

Restricted funds are subject to the specific conditions imposed by donors as to how they may be expended. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Grant income is recognised in the statement of financial activities when received in accordance with the SORP.

Other sources of income represent monies received in the pursuit of leisure activities or hire of facilities, net of VAT and is recognised in the statement of financial activities at the point in which the activity is undertaken.

Investment income is included in the statement of financial activities in the year in which it is receivable.

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

1.5 Resources expended

Liabilities are included in the financial statements as soon as recognised.

Costs of generating funds comprise those costs associated with attracting voluntary income and the cost of providing the leisure facilities.

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

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, whereas other costs are apportioned on a basis of estimated usage.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price. Cost comprises direct materials and, where applicable, those overheads that have been incurred in bringing the stocks to their present location and condition.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.9 Employee benefits

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

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

1.10 Retirement benefits

The charitable company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the statement of financial activities in the year they are payable.

The charitable company also has a small number of employees who are members of defined benefit pension schemes. These schemes are multi-employer schemes and the charity is unable to identify its share of the underlying assets and liabilities in them on a consistent and reliable basis. As such the contributions are accounted for as if the schemes were defined contribution and contributions are charged as they become payable.

2 Critical accounting estimates and judgements

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

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

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

3 Donations and legacies

	Total	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	-	1,000
Government Grants	-	3,271,519
	-	3,272,519
Grants receivable for core activities		
Covid Business Support grants	-	1,032,146
Job Retention Scheme, Furlough Grants Claimed	-	2,239,373
	-	3,271,519

The charity has taken advantage of funding available from the Government and local councils to secure monies to mitigate costs incurred through enforced periods of closure occasioned by the Covid-19 pandemic.

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4 Charitable activities

	Activities for generating funds	Grants and other restricted funds	Total 2022	Total 2021
	£	£	£	£
Swimming Pool and Memberships	5,317,397	-	5,317,397	2,756,437
Fitness Gym and Memberships	12,231,594	-	12,231,594	6,704,050
Tennis and Memberships	18,198	-	18,198	6,399
Wetside Courses incl. classes	6,745,148	-	6,745,148	3,564,156
Food and Beverage incl. Vending	966,612	-	966,612	260,170
Goods for Resale	457,439	-	457,439	228,874
Facilities Hire	508,054	-	508,054	698,885
Other Indoor Activities	941,990	-	941,990	447,802
Creche and Holiday Programme	60,183	-	60,183	6,216
Outdoor Activities	420,713	-	420,713	323,714
Other Income	532,977	-	532,977	236,640
Managed Business Fees	1,316,176	-	1,316,176	2,202,778
Performance Related Grants (see below)	-	126,890	126,890	164,600
	<u>29,516,481</u>	<u>126,890</u>	<u>29,643,371</u>	<u>17,600,721</u>
Analysis by fund				
Unrestricted funds	29,516,481	-	29,516,481	
Restricted funds	-	126,890	126,890	
	<u>29,516,481</u>	<u>126,890</u>	<u>29,643,371</u>	
For the year ended 31 December 2021				
Unrestricted funds	17,436,121	-		17,436,121
Restricted funds	-	164,600		164,600
	<u>17,436,121</u>	<u>164,600</u>		<u>17,600,721</u>

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4	Charitable activities	(Continued)	
		2022	2021
		£	£
	Performance related grants		
	Health Promotion Officer	50,900	(5,491)
	Cardiff Bay, Economic Resilience Fund	-	122,000
	Cancer Rehabilitation	11,042	1,302
	Sharks Swimming	16,667	8,937
	Holiday Activity and Food programme	41,748	37,392
	Golden Fund	-	460
	Weight Management (North Northamptonshire Council)	6,533	-
		<u>126,890</u>	<u>164,600</u>

5	Investments	Unrestricted funds	Unrestricted funds
		2022	2021
		£	£
	Interest receivable	<u>1,269</u>	<u>977</u>

6 Expenditure on charitable activities

All costs are in connection with the running of the centres, including the operation of activities for which restricted funding has been received (note18) and grants awarded (note7).

7 Grants payable

	2022	2021
	£	£
Grants to sports clubs	<u>8,874</u>	<u>-</u>
	<u>8,874</u>	<u>-</u>

8 Trustees

E Holmes received remuneration amounting to £18,000 (2021: £18,000) as allowed under the governing documents of the charity for services other than being a trustee, together with pension contributions of £353 (2021: £353).

None of the other trustees (or any persons connected with them) received any remuneration during the year.

One Trustee was also reimbursed £828 (2021 - one, £535) in connection with travelling and other expenses.

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Support costs

	Support costs £	Governance costs £	2022 Support costs £	Governance costs £	2021 £
Audit fees	-	9,000	9,000	-	9,000
	-	9,000	9,000	-	9,000
Analysed between Charitable activities	-	9,000	9,000	-	9,000

10 Employees

Number of employees

The average monthly number of full time employees during the year was: 526 (2021: 604). On a head count basis the average number is as follows:

	2022 Number	2021 Number
Administration and Management	177	262
Operations	1,078	907
	1,255	1,169

Employment costs

	2022 £	2021 £
Wages and salaries	13,264,276	10,786,437
Social security costs	691,143	475,735
Other pension costs	259,356	320,493
	14,214,775	11,582,665

Included in the above costs for wages and salaries is £6,360 (2021 - £157,346) in respect of redundancy costs.

The number of employees whose annual remuneration was £60,000 or more were:

	2022 Number	2021 Number
£60,000 - £70,000	1	1
£80,000 - £90,000	1	1

Pension contributions in respect of the higher paid staff amounted to £26,758 (2021 - £24,461).

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12 Transfers

In 2021, a transfer was made from the unrestricted fund to restricted fund to cover grant funding repaid.

13 Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes was £163,584 (2021 - £123,491).

Contributions to defined benefit schemes treated as defined contribution schemes (see accounting policies) were £95,770 (2021 - £197,002).

14 Stocks	2022 £	2021 £
Goods for resale and equipment maintenance	196,372	180,906

15 Debtors	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	484,181	388,182
Other debtors	60,989	10,288
Prepayments and accrued income	2,442,668	1,407,639
	<u>2,987,838</u>	<u>1,806,109</u>

16 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Other taxation and social security		71,245	62,261
Deferred income	17	605,812	508,526
Trade creditors		1,209,069	1,362,002
Other creditors		375,104	421,642
Accruals		1,404,857	1,845,839
		<u>3,666,087</u>	<u>4,200,270</u>

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

17 Deferred income

	2022	2021
	£	£
Arising from Membership fees and invoices in advance	605,812	508,526
	<u>605,812</u>	<u>508,526</u>
Current liabilities	605,812	508,526
	<u>605,812</u>	<u>508,526</u>

The above deferred income is released in full in the subsequent accounting period.

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds		
	Income	Expenditure	Transfers	Balance at 1 January 2022	Income	Expenditure	Balance at 31 December 2022
	£	£	£	£	£	£	£
Health Promotion Officer	(5,491)	-	5,491	-	50,900	(50,900)	-
Swimming lessons: shark funding	8,937	(8,937)	-	-	16,667	(16,667)	-
Holiday Activity and Food Programme	37,392	(37,392)	-	-	41,748	(41,748)	-
Golden Fund	460	(460)	-	-	-	-	-
Economic Resilience Fund - Cardiff	122,000	(122,000)	-	-	-	-	-
Weight Management Fund	-	-	-	-	6,533	(6,533)	-
West Berkshire Council - Cancer rehab	1,302	(1,302)	-	-	11,042	(11,042)	-
	<u>164,600</u>	<u>(170,091)</u>	<u>5,491</u>	<u>-</u>	<u>126,890</u>	<u>(126,890)</u>	<u>-</u>

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

18 Restricted funds

(Continued)

Health Promotion Officer - Public Health England have provided funding to the Council for Weight Management Service for residents in West Berkshire. Legacy Leisure in partnership with Weight Watchers offer the provision of a Health Promotion Officer (Weight Management Coordinator & client instructor) and an The Activity for Health Coordinator.

Free swimming lessons under the shark scheme - (West Berkshire Borough Council) - To provide free swimming lessons for children who are identified as non swimmers in years 1,2 and 3 (and down to foundation year). The sessions run on a 50 week continuous program.

Holiday Activity and Food Programme - funding received under the government initiative to assist in providing activity and food during school holidays to those children in receipt of benefits-related free school meals.

Golden Fund - a grant offered by the Vale of Glamorgan Council to run sessions for the over 60's.

Economic Resilience Fund (Cardiff) - A Welsh Government Grant to support businesses affected by the COVID-19 pandemic in safeguarding jobs. This grant was to safeguard 41 Full-Time Equivalent jobs for the 12 months of 2021 by covering fixed costs during lockdown periods.

Weight Management Fund (North Northamptonshire Council) - funding received to deliver an enhanced weight management programme to target groups who do not usually engage with existing local services.

Cancer Rehab (West Berkshire Borough Council) - To provide a cancer rehabilitation programme for people living with or recovering from cancer.

19 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	121,425	118,765
20 Cash (absorbed by)/generated from operations	2022 £	2021 £
Surplus for the year	1,508	91,712
Adjustments for:		
Investment income recognised in statement of financial activities	(1,269)	(977)
Movements in working capital:		
(Increase)/decrease in stocks	(15,466)	50,737
(Increase)/decrease in debtors	(1,181,729)	231,379
(Decrease)/increase in creditors	(631,469)	1,236,059
Increase in deferred income	97,286	226,882
Cash (absorbed by)/generated from operations	(1,731,139)	1,835,792

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2022*

21 Analysis of changes in net funds

The charity had no debt during the year.

LEGACY LEISURE LIMITED

England & Wales - Charity number 1152401

Accounts

Charity registration number 1152401

Company registration number 08361324 (England and Wales)

LEGACY LEISURE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

LEGACY LEISURE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Chair	E Holmes
Other Trustees	M Johnson S Blount
Charity number	1152401
Company number	08361324
Principal address	3 De Salis Court Hampton Lovett Droitwich Spa Worcestershire WR9 0QE
Registered office	5 Deansway Worcester Worcestershire WR1 2JG
Auditor	Kendall Wadley LLP Granta Lodge 71 Graham Road Malvern Worcestershire WR14 2JS
Bankers	Santander Corporate Banking 298 Deansgate Manchester M3 4HH
Solicitors	Harrison Clarke Rickerbys 5 Deansway Worcester WR1 2JG

LEGACY LEISURE LIMITED

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LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees are pleased to present their report together with the financial statement of Legacy Leisure for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association dated 14th March 2013 which was subsequently amended on the 23rd June 2013, 20th September 2013 and 23 September 2014, by Resolution dated 20th August 2014, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

1) Governance, Structure and Management

Legacy Leisure is a charitable company limited by guarantee, incorporated on 15th January 2013 and registered as a Charity on 12th June 2013. The charity was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The Directors of the company are also the Charity Trustees for the purposes of Charity law and under the company's Articles are known as members of the Management Committee, those who served during the year were:

Eva Holmes (Chair)
Martin Johnson (Trustee)
Stuart Blount (Trustee)

The Charity may by ordinary resolution appoint a person who is willing to act to be a director. The minimum number of directors of the Charity is three. If the number of directors is less than the number fixed as the quorum, the continuing directors, or director may act only for the purpose of filling vacancies or of calling a general meeting.

Two members of the Management Committee give their time voluntarily and receive no benefits from the Charity. The third member of the Management Committee Eva Holmes, receives a remuneration. Expenses are reclaimed from the Charity please refer to note 8 for details.

Key Management Personnel as detailed in note 17 include the Trustees, and the Managing Director.

Directors Duties

The directors (Trustees for the purposes of Charity Law) of the charitable company, as those of all UK companies, must act in accordance with a set of general duties.

These duties are detailed in section 172 of the UK Companies Act 2006 which is summarised as follows:

A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long term,
- the interests of the company's employees,
- the need to foster the company's business relationships with suppliers, customers and others,
- the impact of the company's operations on the community and the environment,
- the desirability of the company maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the company.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

Organisational Structure

Legacy Leisure has a Management Committee of a minimum of three members who meet on a quarterly basis and are responsible for the strategic direction and policy of the Charity. At present the Committee has three members.

A scheme of delegation is in place and day to day responsibility for the provision of services rest with the Managing Director of Legacy Leisure, Regional Directors and site Operational Managers. They are responsible for ensuring that Legacy Leisure delivers the services specified and that the key performance indicators are met. They are also responsible for the individual supervision of the staff teams and for ensuring that the team hold relevant qualifications and they continue to develop their skills and working practices in line with good practice.

Trustee induction and Training

Potential trustees are inducted by means of an induction programme that includes:

- Background to Legacy Leisure
- Purpose of the post, duties, liabilities and responsibilities
- The obligations of Management Committee members
- The main documents which set out the operational framework for the charity including the Memorandum and Articles
- Resourcing and the current financial position as set out in the latest published accounts
- Future plans and objectives

Risk Management

The charitable company has established an ongoing process for identifying, evaluating and managing Legacy Leisure's key risks. This process includes the review of non financial as well as financial risks. The primary concern of Legacy Leisure is to ensure the Health and Safety of the public and employees at its leisure centres. As part of the risk management process, policies and procedures have been established with the intention of managing risk appropriately and ensuring compliance with appropriate legislation. The trustees take advice from experts where appropriate.

Legacy Leisure is also concerned with financial risks, the Management Committee reviews and agrees policies for managing each of these risks and they are summarised below.

Price risk

Legacy Leisure consumes significant amounts of energy in the course of its operations due to heating of leisure centre swimming pools and saunas. Therefore, Legacy Leisure is exposed to price risk in the energy sector. Details of the management of this risk are included in the strategic report.

Credit risk

Legacy Leisure has no significant concentrations of credit risk. The charitable company has implemented policies that require appropriate credit checks on potential customers before sales commence.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

Relationships with other Groups, Charities and Individuals

Legacy Leisure works closely with Local Authorities, for which they run leisure centres, along with National Governing Bodies & Community Groups/Clubs to ensure that the community's needs for access to the leisure facilities are met & that the programming is all inclusive and accessible.

Business relationships and ethics

All employees seek to be honest and fair in relationships with customers and suppliers. Every attempt is made to ensure that services are provided to the agreed standards and all reasonable steps are taken to ensure the safety and quality of those services. The Company has adopted an Anti-bribery Policy and Procedure in order to identify and mitigate any risks that may arise from its dealings with current or prospective clients, contractors, suppliers or consultants that may act on behalf of the Company.

Related Parties

Legacy Leisure does not currently have any related parties other than its current members.

Disabled Persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort will be made to ensure that their employment within Legacy Leisure continues and that the appropriate support & training is provided. It is the policy of the Charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee Engagement

The Board recognises the significance of employee stakeholders and the views of the workforce are taken into account by the Board when developing strategy. There are a number of ways that this is achieved as detailed below.

The implementation of an intranet platform and social media platform in the company has been useful in ensuring robust communications during this unprecedented period.

We aim to attract and retain the best people by investing in their development and success, an example of such investment is the provision of support for additional qualifications. We also use an apprenticeship scheme to attract the next generation of employees into our business. Our employee's contribution is rewarded through a competitive pay and benefits package; which includes free use of our facilities and a discounts and concierge programme.

Legacy Leisure recognises the significance of employee stakeholders and the views of the workforce are taken into account by the Charity when developing strategy. There are a number of ways that this is achieved.

Employee Forum: The principal mechanism for employee engagement in the company is the employee forums. Employee forums are held nationally and regionally during the course of the year and these are attended by Operational Directors. The forums provide an opportunity for employees to be informed about strategic issues and their views and ideas are actively sought by the Operational Directors and Managing Director of Legacy Leisure who attend. Topics of discussion include details of business strategy, economic factors affecting the company, financial performance and health and safety updates. Employees who attend gather feedback and issues from their local colleagues to be raised at the forums and there are open sessions for feedback and questions with the Operational Directors. Updates and responses from questions raised to the Directors at the forum are subsequently circulated to each centre.

Social Media: The implementation of a social media platform in the company has been a useful new tool in engagement and an effective communication channel with employees. This is used on a daily basis to update the workforce on issues, to share news and views and get immediate feedback.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

Employee Surveys: Employee surveys are used to measure employee engagement. Mental wellbeing surveys have been conducted extensively with both furloughed and maintained workforce. Results have been shared and future improvements are being developed accordingly, including mental wellbeing training and one:to:one drop in sessions.

We aim to attract and retain the best people by investing in their development and success, an example of such investment is the provision of support for additional qualifications. We also use an apprenticeship scheme to attract the next generation of employees into our business. Our employee's contribution is rewarded through a competitive pay and benefits package; which includes free use of our facilities and a discounts and concierge programme.

2) Objectives and activities

Legacy Leisure's purpose, as set out in the objectives is contained in Legacy Leisure's Memorandum of Association and detailed below, is to provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of the public at large or for individuals who have need of such facilities by reason of their age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

The aim of our Charity is to promote sport and leisure activities in the local community, to improve the health and wellbeing of the public at large through the provision of leisure facilities that promote exercise and provide a social arena.

No change in the nature of these activities occurred during the year.

The Focus of our Work

Our main objective for the year was the management of leisure facilities. Legacy Leisure undertakes this activity with a view to promoting sport and leisure in local communities. The strategies we used to meet this objective included:

Our Vision

It is the Vision of Legacy Leisure to inspire communities into active, healthy and fulfilling lifestyles that are culturally alert and ethically aware. This will be achieved through a varied programme that will include recreational activities, cultural events, educational schemes and competitive opportunities.

At the very core of our philosophy lies engagement and outreach. Engagement with the communities that we already serve and outreach to the wider community not yet accessed. Legacy Leisure will provide an open and accessible service to all, through effective programming and marketing of products with a diverse appeal, reflecting the wide demographic blend of our modern day communities.

Legacy Leisure will aspire to be the hub of the community, a trustworthy and dependable focal point for social, recreational and cultural enlightenment and fulfilment.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

Our Objectives:

- **Engage:** To connect with communities through outreach programmes, to offer a warm and genuine welcome to every participant and to ensure that customer care is at the heart of everything that we do, to support and motivate our patrons.
- **Inspire:** To provide pathways for personal sports development from entry level to elite sports performance where desirable.
- **Educate** To educate communities in the extensive benefits of physical activity and healthier living to prolong lifetimes and minimise the impact of health related illness. To positively impact on the wellbeing of communities by providing educational courses on smoking cessation, diabetes, blood pressure, obesity and physical inactivity. To provide a range of arts and culture focussed activities that will inspire, stimulate and provoke new interest.
- **Participate:** To provide sporting opportunities for participation at every level, from beginners, intermediate, recreational through to elite and to ensure our facilities are inclusive & accessible to all.
- **Enhance Lifestyles:** To contribute towards a healthier nation with reduced child and adult obesity, where the community members are encouraged to lead more active and healthier lifestyles to improve health and well being, to create activity pathways for the over 50 population to minimise the impact of illness later in life. To encourage more active and healthier lifestyles that will lead to a better quality of life. To deliver programmes that not only increase active participation, but improve on social welfare by creating a network of support for participants.
- **Supporting our local communities:** By making available grant funds for community groups, clubs and individuals on application, that will support local initiatives and personal sporting or physical activity goals which would otherwise not be possible through other means.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

Our Ethos:

- **Excellent customer care:** To ensure every customer is treated courteously with respect, attention and care. To provide clean, safe and appropriately maintained facilities.
- **Socially responsible:** To take a positive lead in ensuring people from different backgrounds respect and interact together. To lead by example by providing inspirational employment opportunities to all.
- **Ethically responsible:** To minimise our carbon footprint by being environmentally responsible, maintaining good housekeeping practices and caring for our environment.
- **Attracting hard to reach groups:** To develop a programme that specifically targets hard to reach and minority groups such as the disabled, ethnic or diverse backgrounds, over 50's, children and inactive people. To provide a range of initiatives that increase opportunities for participation in these demographics.
- **Awareness:** Raise awareness of the opportunities for sport, leisure and cultural interaction within local communities through effective marketing and PR strategies, targeted towards the local population.
- **Create Loyalty:** To ensure all Legacy Leisure products inspire customers to continue with positive lifestyle changes. To support maintained interest and commitment to these lifestyles by providing suitable and accessible facilities delivered to a high standard. To ensure facilities, activities and products are available during each visit, and to promote follow up visits. To consistently offer high quality services, diverse programmes and accessible facilities that the local community feels proud of and that keeps participants engaged over a sustained period of time.
- **Developing People** To encourage and motivate our staff to be the best in the business. To offer career and personal development opportunities through comprehensive training and succession planning. To deliver volunteer and apprenticeship programmes to create employment opportunities in the local community through partnerships with local schools, colleges and other education centres.

Public Benefit

In order to meet our objectives, the Trustees have considered the Charity Commission's guidance on public benefit in deciding what activities Legacy Leisure should undertake.

All of Legacy Leisure's activities are focused on the delivery of promoting sport, leisure and health & wellbeing activities to the community local to each of our leisure facilities alongside promoting social interaction. The public benefits delivered below including possible outcomes:

- The provision of leisure facilities for the general public use i.e. sports halls, gyms, swimming pools etc.
- The advancement of amateur sports by classes, lessons, coaching and the availability of team sports at our leisure facilities and equipment for the purposes of keeping fit and recreational sport. This includes the running of and ability to participate in group activity/competitions.
- The promotion of health and well-being by strategies put in place to increase participation in community sports and links with other health promotion providers.
- Arrangements for members of societies with special needs, the elderly and people with disabilities to ensure inclusion for all.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

3) Strategic Report

The description under the headings "Achievements and Performance" and "Financial Review" meet the company law requirements for the Trustees to present a strategic report.

Achievements and Performance

Throughout 2021 Legacy Leisure Limited has operated leisure centres with a wide range of both wet and dry facilities along with some dual use sites linked to Schools.

Legacy Leisure has continued to operate 13 leisure contracts in 2021.

- **West Berkshire:** seven leisure centres, including some dual use facilities linked to local schools, the largest of which is Northcroft Leisure Centre.
- **Vale of Glamorgan:** five leisure centres, including some dual use facilities linked to local schools in the area, the largest of which is Barry Leisure Centre.
- **Cherwell:** three leisure centres, including some dual use facilities linked to local schools in Cherwell, the largest of which is Spiceball Leisure Centre in Banbury.
- **Kettering:** four leisure centres in Kettering, the largest of which is Kettering Swimming Pool.
- **Cherwell - Woodgreen:** one leisure centre in Woodgreen comprising Woodgreen Leisure Centre.
- **North Somerset:** three leisure centres in North Somerset. The largest centre in the North Somerset contract is Hutton Moor Leisure Centre in Weston-super-Mare.
- **South Northamptonshire:** two leisure centres in South Northamptonshire. The largest centre in the South Northamptonshire contract is Towcester Centre for Leisure.
- **Cherwell Pavilions:** one leisure facility in Cherwell Pavilions, Whiteland Farm Sports Ground.
- **Cardiff:** one leisure facility, Cardiff International Pool.
- **Salisbury:** one leisure facility, Salisbury Health and Fitness Club.
- **Erewash:** four leisure facilities, West Park Leisure Centre, Victoria Park Leisure Centre, Rutland Sports Park including Pewit Golf Course, and Sandiacre Friesland Sports Centre.
- **Leeds Forum:** one leisure centre

In December 2021, Legacy Leisure commenced operations at a new contract Burnham Swim and Sports Academy.

In June 2021, our small contract at Stratfield Brake, Kidlington came to an end.

There were thirty-four centres operated by Legacy Leisure in 2021 throughout which the LeisureCentre.com brand is operated and allows customers to utilise both the fitness gym, swimming pools and health suite where available, by way of monthly memberships or pay and play.

Health & Safety management remains a core focus. Whilst Covid-19 has forced us to develop new working systems and practices, our Management team has been central in supporting UKactive as sector leaders in developing best practice. We continue to maintain our ISO45001 status throughout the business, this is the foremost ISO standard for management systems of occupational health and safety.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

The facilities are used by the local communities, both by customers with memberships and by non-members. Legacy Leisure endeavours to ensure that customers are a key priority and feedback on cleanliness and services provided is encouraged to allow us to monitor that the high standards we set are being achieved, and allow us to make improvements where necessary.

Community Fund Awards:

During 2021, the Community Grant Fund was put on hold due to the on-going periods of lockdown and Covid 19. This was re-launched in January 2022.

Streamlined energy and carbon report

2021		
Emission Scope	Total Annual Uk Energy Use	Associated Greenhouse Gas Emissions
	(kWh)	(tCO2e)
Scope 1 <i>Emissions from activities for which the company own or control</i>	29,493,745	5,408
Scope 2 <i>Emissions from purchase of electricity and heat for own use</i>	9,217,494	1,921
Scope 3 <i>Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel</i>	43,190	11
Total	38,754,429	7,340

Intensity Ratio

tCO2e per m2 of usable internal floor area	0.076
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LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

2020		
Emission Scope	Total Annual UK Energy Use	Associated Greenhouse Gas Emissions
	(kWh)	(tCO2e)
Scope 1 <i>Emissions from activities for which the company own or control</i>	25,676,963	4,725
Scope 2 <i>Emissions from purchase of electricity and heat for own use</i>	10,203,333	2,173
Scope 3 <i>Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel</i>	42,566	10
Total	35,922,862	6,908

Intensity Ratio

tCO2e per m2 of usable internal floor area 0.052

Methodology

Total energy use covers gas, LPG, heating oil, burning oil, electricity purchased, transport mileage, and heat purchased across Legacy Leisure.

Associated Greenhouse gases have been calculated using GHG protocol methodology (including the Corporate Standard, GHG protocol upstream leased assets document) and Environmental Reporting Guidelines.

Energy use has been measured using the operational control approach.

Conversion factors from the UK Government 2021 GHG Conversion Factors for Company Reporting as published by the Department for Business, Energy & Industrial Strategy (BEIS) and the Department for Environment, Food & Rural Affairs (DEFRA) have been used to calculate GHG emissions. The 2020 data was produced using the 2020 conversion factors.

Energy Efficiency Action Taken

In the period covered by the report the Company has installed LED lighting, efficient smart ventilation systems, insulation, more efficient heat exchangers, more efficient pumps, boiler replacements and smart optimised building controls. The charitable company has also installed gas smart meters to improve access to utility data for better ongoing energy monitoring and management, this project will be completed in 2022.

The Company has amended the maintenance strategy to ensure that all replacement equipment is upgraded to the most efficient version upon replacement. An energy training programme was delivered to all managers in the Company during the period covered by the report.

As we are starting to see increasing volatility in the utility markets, a working Group, including a number of key personnel has been established to introduce new operational measures. The key priorities are:

- The introduction of Gas & Electricity electronic loggers across the core estate to ensure daily digital monitoring of consumption.
- A fundamental review by third party partners to survey all sites to establish if mechanical & electrical systems are operational and fully optimised.
- Third party surveys to ascertain any new investment opportunities.
- Enhanced training to be provided across the estate, initially aimed at Managers but also extended to the wider workforce.
- Establish a comprehensive table of energy investment initiatives, highlighting detailed return on investment.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

Financial Review

The pandemic continued to have a significant impact on the performance of Legacy Leisure in 2021. As the year started we were again plunged into lockdown on 6th January, with the vast majority of our workforce again placed on furlough. Despite a large number of our facilities not reopening until 12th April, we were able to work in partnership with all our Local Authority partners to not only receive direct financial support but also to successfully apply and ultimately receive invaluable National Leisure Recovery Funding. This funding allowed losses to be largely curtailed, resulting in a profit before tax of £91,712 (2020: loss before tax of £188,878). The Company generated revenues from charitable activities of £17.6 million (2020: £18.6 million), which represents a decrease of £1.0 million.

Inevitably there have been impacts on cash balances due to reduced revenue, whilst costs (although greatly reduced) continued to be incurred. We managed to partially offset these negative effects on cash by taking advantage of Government initiatives aimed at supporting businesses, including claiming Job Retention Scheme support and taking advantage of business rate reductions on property. We also proactively managed cash by reducing our cost base, deferring VAT payments, and sensitively managing supply chain payments.

The way in which we worked collaboratively, on an open book basis to seek direct financial support from our Local Authority partners has been a real highlight in an undoubtedly challenging period. Not only has this strengthened relationships but it has also facilitated the opportunity to carry out fundamental reviews of facilities, products and services. In many ways these reviews have resulted in improvements that will undoubtedly help drive greater recovery and future participation in our facilities, not only helping nurture improved physical and mental health & wellbeing in the local communities we serve but also allowing for more sustainable programming.

Principal Risks and Uncertainties

The unprecedented impact of Covid-19 had a profound impact on customer participation and inevitably revenue. During the period, Legacy Leisure vigorously implemented changes within its facilities and other activities including repurposing areas to allow users to workout in a socially distanced way. We also maintained measures to ensure that the number of users in the facilities complied with the required standards for Covid-19 safe use, providing cleaning stations and enhanced cleaning regimes to provide safe spaces for our staff and users.

The recovery from Covid-19 progressed positively during 2021, with our core revenue lines of Swimming Lessons, Swimming Memberships and Health & Fitness Memberships exceeding sector averages. By the end of the year swimming lessons were 19% above pre Covid-19 levels on a like-for-like basis. In Swimming Memberships we managed to exceed pre Covid-19 levels by 21%. Whilst Health & Fitness was always anticipated to take longer to re-establish, the year ended with 85% recovery, largely well ahead of sector-wide reporting.

Expectations are that Health & Fitness recovery will reach pre Covid-19 levels by July 2022, whilst the opportunity to extend Swimming Lesson and Membership levels to in excess of 25% by the end of 2022 seems realistic.

During the course of 2021 we started to see increasing volatility in the utility markets, with Brexit, a Global pandemic and supply concerns pushing prices to all-time highs. It was already felt by the Board of Directors that until the covid pandemic had settled and post Brexit concerns were resolved, prices would not retreat. However, whilst markets remained impossible to predict, the situation has subsequently worsened and become even more challenging as a result of the invasion of Ukraine by Russia.

It is clear that the significant increase in utility prices is not a short term issue given the current wholesale prices for 2022, 2023 and 2024. This impact will undoubtedly be a significant challenge for the whole UK public leisure market and will be a core priority for the team to manage going forward.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

During the course of 2021 it became apparent that workforce challenges as a result of Covid-19 and Brexit had been exacerbated. Subsequently a comprehensive review of recruitment, onboarding and retention of colleagues commenced. This included significant developments in:

- Development of Mental Health support programmes, including the introduction of Mental Health Trainers.
- Enhancements to Terms & Conditions of employment, including wider discounts initiatives available to employees.
- Improvements to Digital Training Modules.
- Improvements to the Career Pathway Programme.
- Digital onboard of new employees.
- Improved staff communications.

These measures and further developments will be crucial to ensure future challenges in the human workforce do not stifle our recovery and growth plans.

Principal Funding Source

The Charity's principal source of income is from the provision of leisure facilities to the general public, through the operation of local authority leisure centres. The local authority leisure centres are used by the public for a variety of purposes including recreation, fitness and lessons. The facilities operated by the Charity comprise swimming pools, fitness gyms, sports halls, tennis courts and outdoor playing fields/pitches. This forms the Charity's Unrestricted Funds.

To enable the leisure facilities to provide a wider range of programmes, individual centres also look to acquire grant funding and subsidies from government schemes. This forms the Charity's Restricted Funds.

Reserves Policy

The Unrestricted funds as at 31st December 2021 stood at £261,080 (2020: £169,368). Due to the impact of the pandemic and closure and restrictions of all our facilities in 2021, the unrestricted funds has been impacted throughout this period. We anticipate that these funds will start to improve now we have reopened our facilities and customers are starting to return to some sort of normality.

The income and property of the Charity shall be applied solely towards the promotion of its object, the provision of leisure facilities. The Management Committee continually reviews the Charity's requirements for reserves. The risk to the Charity is the level of fixed costs and committed community funded grants. The Management Committee has retained reserves to meet its budgeted fixed costs plus committed community funded grants for the financial year following the latest approved annual financial statements and will aim to maintain them at this minimum level.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

Plans for the Future

As a result of the strong and positive negotiations we conducted with our Local Authority partners and the subsequent financial support provided we are well placed to explore future new business opportunities.

Whilst open procurement inevitably slowed and only 1 contract being secured in the final quarter of 2021, we did see an increase in UK public sector contracts coming to procurement at the end of 2021.

Whilst our focus will clearly be on transitioning the business back to pre Covid-19 levels and then achieving greater profitable growth (and improving cash flow), there will undoubtedly be new business opportunities which we feel well positioned to explore.

During the period of closure we continued to develop measures to ensure we were in the best possible position to drive recovery and community engagement. These developments included:

- New Swimming hub on the website with enhanced content.
- Ability to join online (including payment) for swimming lessons.
- Retail purchases to aid 'at home workouts' offered online for customers
- Enhanced benefits offered to members via the App
- Tablet integration to facilitate data gathering and online joining delivered through the estate.

During the lockdown we also conducted an extensive 'Checking in Survey' with employees, the results were very positive, with highlights including:

- **Health and Safety:** Very positive feedback. The responses highlighted that employees understood the company's safety measures in place, felt informed and were aware of where to go for more information.
- **Well being and confidence:** Again a positive picture, with over 80% of employees scoring 4 or 5 regarding teamwork, the belief that the company was doing the right thing and making a positive impact in the community.
- **Communication:** An overall positive outlook, with over 80% happy with the content, details and regularity of feedback provided.

We will continue to review and manage any changes as they happen to ensure we get back to normal as soon as practically possible. Exercise will play a key role in the covid recovery and the current medical guidance is for people to get back to their previous level of activity as soon as possible, even aiming to be more active than before so we anticipate a positive response to removal of restrictions and customer confidence to be high.

Legacy Leisure will also continue to look for new forms of funding and grants that will allow it to provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of the public at large or for individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

Social Value

Legacy Leisure is committed to delivering services on behalf of our partners in accordance with the aims of *The Public Services (Social Value) Act 2012* through the delivery of health, economic, social and environmental benefits. We achieve this through well-operated, well-resourced facilities and highly capable central support services. We have a track record of providing targeted interventions and programmes for the local community and delivering increased participation in health & physical activity. We adapt and grow over the life of partnerships ensuring our offer remains relevant, bespoke, fresh and one that all our partners can be proud of. We are committed to payment of the living wage, employing locally, providing apprenticeships and training opportunities and using local suppliers. We are focused and fully committed to contributing to net zero carbon targets through investment and delivery of decarbonisation measures and reducing energy use.

Legacy Leisure was one of the first public sector leisure operators to commission a detailed social value report, based on actual participation and demographic data from all our sites to understand the true impact we have on our communities. This showed that we generated £43.8M of Social Value and saved the NHS £7M by preventing more than 3,535 cases of stroke, dementia, depression and type-2 diabetes.

The report is underpinned by industry-leading research undertaken by Sheffield Hallam University for Sport England and in partnership with 4Global. The report showed Legacy Leisure generated higher than the sector average social value per member (£431.95) through improved health and subjective well-being, increased educational attainment and reduced crime. Following on, we have undertaken assessments at a hyper local level identifying the social value generated at contract level and for a number of specific sites.

Understanding the impact we have and social value generated underpins all aspects of our business and shapes our programming and outreach. The assessment of participation data and customer demographics will be undertaken again in 2022 in order to demonstrate and inform our post Covid-19 recovery and growth as we move forward into 2023 and beyond.

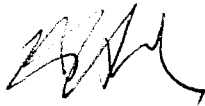
Auditor

In accordance with the company's articles, a resolution proposing that Kendall Wadley LLP be reappointed as auditor of the charitable company will be put to the Annual General Meeting.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report, including the strategic report, was approved by the Board of Trustees.



E Holmes

Trustee

Dated: 26 April 2022

LEGACY LEISURE LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

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

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LEGACY LEISURE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF LEGACY LEISURE LIMITED

Opinion

We have audited the financial statements of Legacy Leisure Limited (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

LEGACY LEISURE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF LEGACY LEISURE LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' report.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

LEGACY LEISURE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF LEGACY LEISURE LIMITED

Extent to which the audit was considered capable of detecting irregularities, including fraud

- an understanding of the risk assessment process (including the assessment of the risk of fraud) adopted by the Board of Trustees is obtained and their attitude to risk ascertained
- an understanding of the legal and regulatory framework as applicable to the charitable company is obtained together with knowledge of the procedures put in place by the charitable company in order to comply with the same
- it is established if there have been any instances of non-compliance with applicable laws and regulations, where there are such breaches, a full understanding, including gathering of relevant documentation appertaining to the event is obtained and assessed
- an assessment of the susceptibility to material mis-statement of the financial statements as a result of management over-ride or fraud is made

Audit response to risks identified

It is ensured that the engagement team have, collectively, the appropriate competence, capabilities and skills to be involved in the assignment, are fully briefed and understand the risks specific to the charitable company

Processes to test the outcomes of our assessment include:

- a review of the Board of Trustee minutes
- analytical review
- assessing the relevance and accuracy of significant accounting estimates
- substantive testing of significant transactions, including work to identify unusual or unexpected accounting entries including the testing of journal entries
- information disclosed in the financial statements is agreed supporting documentation

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material mis-statement in the financial statements or non-compliance with regulation. It is acknowledged that material mis-statements that arise from fraud may involve deliberate concealment or collusion and are, therefore, by their very nature harder to detect than those arising from error. It should also be noted that Auditing Standards limit the procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence if any.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Elizabeth Needham ACA CTA (VAT) (Senior Statutory Auditor)
for and on behalf of Kendall Wadley LLP

26 April 2022

Chartered Accountants
Statutory Auditor

Granta Lodge
71 Graham Road
Malvern
Worcestershire
WR14 2JS

LEGACY LEISURE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:							
Donations and legacies	3	3,272,519	-	3,272,519	6,927,475	500	6,927,975
Charitable activities	4	17,436,121	164,600	17,600,721	18,493,686	110,513	18,604,199
Investments	5	977	-	977	4,803	-	4,803
Total income		20,709,617	164,600	20,874,217	25,425,964	111,013	25,536,977
Expenditure on:							
Charitable activities		20,612,414	170,091	20,782,505	25,614,842	111,013	25,725,855
Net incoming/(outgoing) resources before transfers		97,203	(5,491)	91,712	(188,878)	-	(188,878)
Gross transfers between funds	11	(5,491)	5,491	-	-	-	-
Net income/(expenditure) for the year/ Net movement in funds		91,712	-	91,712	(188,878)	-	(188,878)
Fund balances at 1 January 2021		169,368	-	169,368	358,246	-	358,246
Fund balances at 31 December 2021		261,080	-	261,080	169,368	-	169,368

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LEGACY LEISURE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Stocks	12	180,906		231,643	
Debtors	13	1,806,109		2,037,488	
Cash at bank and in hand		2,474,335		637,566	
		<u>4,461,350</u>		<u>2,906,697</u>	
Creditors: amounts falling due within one year	14	<u>(4,200,270)</u>		<u>(2,737,329)</u>	
Net current assets			<u>261,080</u>		<u>169,368</u>
Income funds					
Unrestricted funds			<u>261,080</u>		<u>169,368</u>
			<u>261,080</u>		<u>169,368</u>

The financial statements were approved by the Trustees on 26 April 2022

E Holmes
Trustee



Company registration number 08361324

LEGACY LEISURE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	18		1,835,792		390,680
Investing activities					
Investment income received		977		4,803	
Net cash generated from investing activities			977		4,803
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			1,836,769		395,483
Cash and cash equivalents at beginning of year			637,566		242,083
Cash and cash equivalents at end of year			2,474,335		637,566

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Legacy Leisure Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 5 Deansway, Worcester, Worcestershire, WR1 2JG.

Activities are transacted through a number of leisure centres, details of which can be found on the website www.legacyleisure.org.uk.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in the furtherance of their charitable objectives.

Restricted funds are subject to the specific conditions imposed by donors as to how they may be expended. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Grant income is recognised in the statement of financial activities when received in accordance with the SORP.

Other sources of income represent monies received in the pursuit of leisure activities or hire of facilities, net of VAT and is recognised in the statement of financial activities at the point in which the activity is undertaken.

Investment income is included in the statement of financial activities in the year in which it is receivable.

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Resources expended

Liabilities are included in the financial statements as soon as recognised.

Costs of generating funds comprise those costs associated with attracting voluntary income and the cost of providing the leisure facilities.

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

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, whereas other costs are apportioned on a basis of estimated usage.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price. Cost comprises direct materials and, where applicable, those overheads that have been incurred in bringing the stocks to their present location and condition.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.9 Employee benefits

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

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

1.10 Retirement benefits

The charitable company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the statement of financial activities in the year they are payable.

The charitable company also has a small number of employees who are members of defined benefit pension schemes. These schemes are multi-employer schemes and the charity is unable to identify its share of the underlying assets and liabilities in them on a consistent and reliable basis. As such the contributions are accounted for as if the schemes were defined contribution and contributions are charged as they become payable.

2 Critical accounting estimates and judgements

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

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

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Donations and legacies

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2021 £	2020 £	2020 £	2020 £
Donations and gifts	1,000	-	500	500
Government Grants	3,271,519	6,927,475	-	6,927,475
	<u>3,272,519</u>	<u>6,927,475</u>	<u>500</u>	<u>6,927,975</u>
Grants receivable for core activities				
Covid Business Support grants	1,032,146	187,050	-	187,050
Job Retention Scheme, Furlough Grants Claimed	2,239,373	6,740,425	-	6,740,425
	<u>3,271,519</u>	<u>6,927,475</u>	<u>-</u>	<u>6,927,475</u>

The charity has taken advantage of funding available from the Government and local councils to secure monies to mitigate costs incurred through enforced periods of closure occasioned by the Covid-19 pandemic.

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Charitable activities

	Activities for generating funds	Grants and other restricted funds	Total 2021	Total 2020
	£	£	£	£
Swimming Pool and Memberships	2,756,437	-	2,756,437	2,037,459
Fitness Gym and Memberships	6,704,050	-	6,704,050	7,511,933
Tennis and Memberships	6,399	-	6,399	18,805
Wetside Courses incl. classes	3,564,156	-	3,564,156	2,293,872
Food and Beverage incl. Vending	260,170	-	260,170	558,541
Goods for Resale	228,874	-	228,874	171,491
Diving	-	-	-	596
Facilities Hire	698,885	-	698,885	405,717
Other Indoor Activities	447,802	-	447,802	589,985
Creche and Holiday Programme	6,216	-	6,216	27,621
Outdoor Activities	323,714	-	323,714	351,418
Other Income	236,640	-	236,640	289,564
Managed Business Fees	2,202,778	-	2,202,778	4,236,684
Performance Related Grants (see below)	-	164,600	164,600	110,513
	<u>17,436,121</u>	<u>164,600</u>	<u>17,600,721</u>	<u>18,604,199</u>
Analysis by fund				
Unrestricted funds	17,436,121	-	17,436,121	
Restricted funds	-	164,600	164,600	
	<u>17,436,121</u>	<u>164,600</u>	<u>17,600,721</u>	
For the year ended 31 December 2020				
Unrestricted funds	18,493,686	-		18,493,686
Restricted funds	-	110,513		110,513
	<u>18,493,686</u>	<u>110,513</u>		<u>18,604,199</u>

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

4 Charitable activities

(Continued)

	2021 £	2020 £
Performance related grants		
Health Promotion Officer	(5,491)	13,333
Get Up and Go	-	180
Cardiff Bay, Economic Resilience Fund	122,000	92,500
Weight Watchers	-	4,500
Cancer Rehabilitation	1,302	-
Sharks Swimming	8,937	-
Holiday Activity and Food programme	37,392	-
Golden Fund	460	-
	<u>164,600</u>	<u>110,513</u>

5 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	<u>977</u>	<u>4,803</u>

6 Grants payable

	2021 £	2020 £
Grants to sports clubs	<u>-</u>	<u>2,866</u>
	<u>-</u>	<u>2,866</u>

7 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Audit fees	-	9,000	9,000	-	9,000	9,000
	<u>-</u>	<u>9,000</u>	<u>9,000</u>	<u>-</u>	<u>9,000</u>	<u>9,000</u>
Analysed between Charitable activities	-	9,000	9,000	-	9,000	9,000
	<u>-</u>	<u>9,000</u>	<u>9,000</u>	<u>-</u>	<u>9,000</u>	<u>9,000</u>

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Trustees

E Holmes received remuneration amounting to £18,000 (2020: £18,000) as allowed under the governing documents of the charity for services other than being a trustee, together with pension contributions of £353 (2020: £354).

None of the other trustees (or any persons connected with them) received any remuneration during the year.

One Trustee was also reimbursed £535 (2020 - two, £265) in connection with travelling and other expenses.

9 Employees

Number of employees

The average monthly number of full time employees during the year was: 604 (2020: 824). On a head count basis the average number is as follows:

	2021 Number	2020 Number
Administration and Management	262	326
Operations	907	1,699
	<u>1,169</u>	<u>2,025</u>

Employment costs

	2021 £	2020 £
Wages and salaries	10,786,437	15,447,231
Social security costs	475,735	484,580
Other pension costs	320,493	356,435
	<u>11,582,665</u>	<u>16,288,246</u>

Included in the above costs for wages and salaries is £157,346 (2020 - £210,371) in respect of redundancy costs.

The number of employees whose annual remuneration was £60,000 or more were:

	2021 Number	2020 Number
£60,000 - £70,000	1	1
£70,000 - £80,000	-	1
£80,000 - £90,000	1	-
	<u>2</u>	<u>2</u>

Pension contributions in respect of the higher paid staff amounted to £24,461 (2020 - £17,955).

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes was £123,491 (2020: £160,552).

Contributions to defined benefit schemes treated as defined contribution schemes (see accounting policies) were £197,002 (2020: £195,883).

11 Transfers

A transfer has been made from the unrestricted fund to restricted fund to cover grant funding repaid.

12 Stocks	2021 £	2020 £
Goods for resale and equipment maintenance	180,906	231,643

13 Debtors	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	388,182	376,654
Other debtors	10,288	49,957
Prepayments and accrued income	1,407,639	1,610,877
	1,806,109	2,037,488

14 Creditors: amounts falling due within one year	Notes	2021 £	2020 £
Other taxation and social security		62,261	556,381
Deferred income	15	508,526	281,644
Trade creditors		1,362,002	510,635
Other creditors		421,642	196,341
Accruals		1,845,839	1,192,328
		4,200,270	2,737,329

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

15 Deferred income

	2021 £	2020 £
Arising from Membership fees and invoices in advance	<u>508,526</u>	<u>281,644</u>
Current liabilities	<u>508,526</u>	<u>281,644</u>

The above deferred income is released in full in the subsequent accounting period.

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Income	Expenditure	Balance at	Income	Expenditure	Transfers	Balance at
	£	£	1 January 2021 £	£	£	£	31 December 2021 £
Health Promotion Officer	-	-	-	(5,491)	-	5,491	-
Weight Watchers	4,500	(4,500)	-	-	-	-	-
Swimming lessons: shark funding	-	-	-	8,937	(8,937)	-	-
Health promotion officer (West Berkshire Borough Council)	13,333	(13,333)	-	-	-	-	-
Holiday Activity and Food Programme	-	-	-	37,392	(37,392)	-	-
Get Up and Go Funding 2020	180	(180)	-	-	-	-	-
Golden Fund	-	-	-	460	(460)	-	-
Economic Resilience Fund - Cardiff	92,500	(92,500)	-	122,000	(122,000)	-	-
	500	(500)	-	-	-	-	-
West Berkshire Council - Cancer rehab	-	-	-	1,302	(1,302)	-	-
	<u>111,013</u>	<u>(111,013)</u>	<u>-</u>	<u>164,600</u>	<u>(170,091)</u>	<u>5,491</u>	<u>-</u>

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

16 Restricted funds

(Continued)

Weight Watchers - Grant offered by West Berkshire Public Health & Wellbeing to cover a weight management triage service to enable adults to achieve meaningful and sustainable weight loss. The weight management triage service consists of individual assessments and follow-up appointments.

Free swimming lessons under the shark scheme - (West Berkshire Borough Council) - To provide free swimming lessons for children who are identified as non swimmers in years 1,2 and 3 (and down to foundation year). The sessions run on a 50 week continuous program.

Health promotion officer (West Berkshire Borough Council) - A fixed 2 year term contract for 16 hours per week for an activity health promotion officer.

Holiday Activity and Food Programme - funding received under the government initiative to assist in providing activity and food during school holidays to those children in receipt of benefits-related free school meals.

Get Up and Go Funding - Grant offered by Northamptonshire Sport to cover Get Up & Go activity sessions. Get Up & Go is part of a countywide falls prevention programme providing strength and balance exercise sessions for older adults to improve their mobility and confidence.

Golden Fund - a grant offered by the Vale of Glamorgan Council to run sessions for the over 60's.

Economic Resilience Fund (Cardiff) - A Welsh Government Grant to support businesses affected by the COVID-19 pandemic in safeguarding jobs. This grant was to safeguard 41 (2020 - 127.5) Full-Time Equivalent jobs for 12 months by covering fixed costs during lockdown periods.

Member donations -to assist in the purchase of masks and sanitiser.

Cancer Rehab (West Berkshire Borough Council) - To provide a cancer rehabilitation programme for people living with or recovering from cancer.

17 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	118,765	139,721

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

18	Cash (absorbed by)/generated from operations	2021	2020
		£	£
	Surplus/(deficit) for the year	91,712	(188,878)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(977)	(4,803)
	Movements in working capital:		
	Decrease in stocks	50,737	175,088
	Decrease in debtors	231,379	942,323
	Increase/(decrease) in creditors	1,236,059	(51,933)
	Increase/(decrease) in deferred income	226,882	(481,117)
	Cash generated from operations	1,835,792	390,680
19	Analysis of changes in net funds		
	The charity had no debt during the year.		

LEGACY LEISURE LIMITED

England & Wales - Charity number 1152401

Accounts

Charity Registration No. 1152401

Company Registration No. 08361324 (England and Wales)

LEGACY LEISURE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

LEGACY LEISURE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Chair	E Holmes
Other Trustees	M Johnson S Blount
Charity number	1152401
Company number	08361324
Principal address	Attwood House John Comyn Drive Worcester WR3 7NS
Registered office	5 Deansway Worcester Worcestershire WR1 2JG
Auditor	Kendall Wadley LLP Granta Lodge 71 Graham Road Malvern Worcestershire WR14 2JS
Bankers	Santander Corporate Banking 298 Deansgate Manchester M3 4HH
Solicitors	Harrison Clarke Rickerbys 5 Deansway Worcester WR1 2JG

LEGACY LEISURE LIMITED

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LEGACY LEISURE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees are pleased to present their report together with the financial statement of Legacy Leisure for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's memorandum and Articles of Association dated 14th March 2013 which was subsequently amended on the 23rd June 2013, 20th September 2013 and by Resolution dated 20th August 2014, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

1) Governance, Structure and Management

Legacy Leisure is a charitable company limited by guarantee, incorporated on 15th January 2013 and registered as a Charity on 12th June 2013. The charity was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The Directors of the company are also the Charity Trustees for the purposes of Charity law and under the company's Articles are known as members of the Management Committee, those who served during the year were:

Eva Holmes (Chair)
Martin Johnson (Trustee)
Stuart Blount (Trustee)

The Charity may by ordinary resolution appoint a person who is willing to act to be a director. The minimum number of directors of the Charity is three. If the number of directors is less than the number fixed as the quorum, the continuing directors, or director may act only for the purpose of filling vacancies or of calling a general meeting.

Two members of the Management Committee give their time voluntarily and receive no benefits from the Charity. The third member of the Management Committee Eva Holmes, receives a remuneration. Expenses are reclaimed from the Charity please refer to note 8 for details.

Key Management Personnel as detailed in note 16 include the Trustees, the Managing Director and the Finance Manager (the latter position was made redundant in 2020 due to the Pandemic).

Directors Duties

The directors (Trustees for the purposes of Charity Law) of the charitable company, as those of all UK companies, must act in accordance with a set of general duties.

These duties are detailed in section 172 of the UK Companies Act 2006 which is summarised as follows:

A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long term,
- the interests of the company's employees,
- the need to foster the company's business relationships with suppliers, customers and others,
- the impact of the company's operations on the community and the environment,
- the desirability of the company maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the company.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Organisational Structure

Legacy Leisure has a Management Committee of a minimum of three members who meet on a quarterly basis and are responsible for the strategic direction and policy of the Charity. At present the Committee has three members.

A scheme of delegation is in place and day to day responsibility for the provision of services rest with the Managing Director of Legacy Leisure, Tracy Danks, Regional Directors and site Operational Managers. They are responsible for ensuring that Legacy Leisure delivers the services specified and that the key performance indicators are met. They are also responsible for the individual supervision of the staff teams and for ensuring that the team hold relevant qualifications and they continue to develop their skills and working practices in line with good practice.

Trustee induction and Training

Potential trustees are inducted by means of an induction programme that includes:

- Background to Legacy Leisure
- Purpose of the post, duties, liabilities and responsibilities
- The obligations of Management Committee members
- The main documents which set out the operational framework for the charity including the Memorandum and Articles
- Resourcing and the current financial position as set out in the latest published accounts
- Future plans and objectives

Risk Management

The charitable company has established an ongoing process for identifying, evaluating and managing Legacy Leisure's key risks. This process includes the review of non financial as well as financial risks. The primary concern of Legacy Leisure is to ensure the Health and Safety of the public and employees at its leisure centres. As part of the risk management process, policies and procedures have been established with the intention of managing risk appropriately and ensuring compliance with appropriate legislation. The trustees take advice from experts where appropriate.

Legacy Leisure is also concerned with financial risks, the Management Committee reviews and agrees policies for managing each of these risks and they are summarised below.

Price risk

Legacy Leisure consumes significant amounts of energy in the course of its operations due to heating of leisure centre swimming pools and saunas. Therefore, the charitable company is exposed to price risk in the energy sector.

Credit risk

Legacy Leisure has no significant concentrations of credit risk. The charitable company has implemented policies that require appropriate credit checks on potential customers before sales commence.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Relationships with other Groups, Charities and Individuals

Legacy Leisure works closely with Local Authorities, for which they run leisure centres, along with National Governing Bodies & Community Groups/Clubs to ensure that the community's needs for access to the leisure facilities are met & that the programming is all inclusive and accessible.

Business relationships and ethics

All employees seek to be honest and fair in relationships with customers and suppliers. Every attempt is made to ensure that services are provided to the agreed standards and all reasonable steps are taken to ensure the safety and quality of those services. The Company has adopted an Anti-bribery Policy and Procedure in order to identify and mitigate any risks that may arise from its dealings with current or prospective clients, contractors, suppliers or consultants that may act on behalf of the Company.

Related Parties

Legacy Leisure does not currently have any related parties other than its current members.

Disabled Persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort will be made to ensure that their employment within Legacy Leisure continues and that the appropriate support & training is provided. It is the policy of the Charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee Engagement

Legacy Leisure recognises the significance of employee stakeholders and the views of the workforce are taken into account by the Charity when developing strategy. There are a number of ways that this is achieved.

Employee Forum: The principal mechanism for employee engagement in the company is the employee forums. Employee forums are held nationally and regionally during the course of the year and these are attended by Operational Directors. The forums provide an opportunity for employees to be informed about strategic issues and their views and ideas are actively sought by the Operational Directors and Managing Director of Legacy Leisure who attend. Topics of discussion include details of business strategy, economic factors affecting the company, financial performance and health and safety updates. Employees who attend gather feedback and issues from their local colleagues to be raised at the forums and there are open sessions for feedback and questions with the Operational Directors. Updates and responses from questions raised to the Directors at the forum are subsequently circulated to each centre.

Social Media: The implementation of a social media platform in the company has been a useful new tool in engagement and an effective communication channel with employees. This is used on a daily basis to update the workforce on issues, to share news and views and get immediate feedback.

Employee Surveys: Employee surveys are used to measure employee engagement. Mental wellbeing surveys have been conducted extensively with both furloughed and maintained workforce. Results have been shared and future improvements are being developed accordingly, including mental wellbeing training and one:to:one drop in sessions.

We aim to attract and retain the best people by investing in their development and success, an example of such investment is the provision of support for additional qualifications. We also use an apprenticeship scheme to attract the next generation of employees into our business. Our employee's contribution is rewarded through a competitive pay and benefits package; which includes free use of our facilities and a discounts and concierge programme.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

2) Objectives and Activities

Legacy Leisure's purpose, as set out in the objectives is contained in Legacy Leisure's Memorandum of Association and detailed below, is to provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of the public at large or for individuals who have need of such facilities by reason of their age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

The aim of our Charity is to promote sport and leisure activities in the local community, to improve the health and wellbeing of the public at large through the provision of leisure facilities that promote exercise and provide a social arena.

No change in the nature of these activities occurred during the year.

The Focus of our Work

Our main objective for the year was the management of leisure facilities. Legacy Leisure undertakes this activity with a view to promoting sport and leisure in local communities. The strategies we used to meet this objective included:

Our Vision

It is the Vision of Legacy Leisure to inspire communities into active, healthy and fulfilling lifestyles that are culturally alert and ethically aware. This will be achieved through a varied programme that will include recreational activities, cultural events, educational schemes and competitive opportunities.

At the very core of our philosophy lies engagement and outreach. Engagement with the communities that we already serve and outreach to the wider community not yet accessed. Legacy Leisure will provide an open and accessible service to all, through effective programming and marketing of products with a diverse appeal, reflecting the wide demographic blend of our modern day communities.

Legacy Leisure will aspire to be the hub of the community, a trustworthy and dependable focal point for social, recreational and cultural enlightenment and fulfilment.

Our Objectives:

- **Engage:** To connect with communities through outreach programmes, to offer a warm and genuine welcome to every participant and to ensure that customer care is at the heart of everything that we do, to support and motivate our patrons.
- **Inspire:** To provide pathways for personal sports development from entry level to elite sports performance where desirable.
- **Educate** To educate communities in the extensive benefits of physical activity and healthier living to prolong lifetimes and minimise the impact of health related illness. To positively impact on the wellbeing of communities by providing educational courses on smoking cessation, diabetes, blood pressure, obesity and physical inactivity. To provide a range of arts and culture focussed activities that will inspire, stimulate and provoke new interest.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

- **Participate:** To provide sporting opportunities for participation at every level, from beginners, intermediate, recreational through to elite and to ensure our facilities are inclusive & accessible to all.
- **Enhance Lifestyles:** To contribute towards a healthier nation with reduced child and adult obesity, where the community members are encouraged to lead more active and healthier lifestyles to improve health and well being, to create activity pathways for the over 50 population to minimise the impact of illness later in life. To encourage more active and healthier lifestyles that will lead to a better quality of life. To deliver programmes that not only increase active participation, but improve on social welfare by creating a network of support for participants.
- **Supporting our local communities:** By making available grant funds for community groups, clubs and individuals on application, that will support local initiatives and personal sporting or physical activity goals which would otherwise not be possible through other means.

Our Ethos:

- **Excellent customer care:** To ensure every customer is treated courteously with respect, attention and care. To provide clean, safe and appropriately maintained facilities.
- **Socially responsible:** To take a positive lead in ensuring people from different backgrounds respect and interact together. To lead by example by providing inspirational employment opportunities to all.
- **Ethically responsible:** To minimise our carbon footprint by being environmentally responsible, maintaining good housekeeping practices and caring for our environment.
- **Attracting hard to reach groups:** To develop a programme that specifically targets hard to reach and minority groups such as the disabled, ethnic or diverse backgrounds, over 50's, children and inactive people. To provide a range of initiatives that increase opportunities for participation in these demographics.
- **Awareness:** Raise awareness of the opportunities for sport, leisure and cultural interaction within local communities through effective marketing and PR strategies, targeted towards the local population.
- **Create Loyalty:** To ensure all Legacy Leisure products inspire customers to continue with positive lifestyle changes. To support maintained interest and commitment to these lifestyles by providing suitable and accessible facilities delivered to a high standard. To ensure facilities, activities and products are available during each visit, and to promote follow up visits. To consistently offer high quality services, diverse programmes and accessible facilities that the local community feels proud of and that keeps participants engaged over a sustained period of time.
- **Developing People** To encourage and motivate our staff to be the best in the business. To offer career and personal development opportunities through comprehensive training and succession planning. To deliver volunteer and apprenticeship programmes to create employment opportunities in the local community through partnerships with local schools, colleges and other education centres.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Public Benefit

In order to meet our objectives, the Trustees have considered the Charity Commission's guidance on public benefit in deciding what activities Legacy Leisure should undertake.

All of Legacy Leisure's activities are focused on the delivery of promoting sport, leisure and health & wellbeing activities to the community local to each of our leisure facilities alongside promoting social interaction. The public benefits delivered below including possible outcomes:

- The provision of leisure facilities for the general public use i.e. sports halls, gyms, swimming pools etc.
- The advancement of amateur sports by classes, lessons, coaching and the availability of team sports at our leisure facilities and equipment for the purposes of keeping fit and recreational sport. This includes the running of and ability to participate in group activity/competitions.
- The promotion of health and well-being by strategies put in place to increase participation in community sports and links with other health promotion providers.
- Arrangements for members of societies with special needs, the elderly and people with disabilities to ensure inclusion for all.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

3) Strategic Report

The description under the headings "Achievements and Performance" and "Financial Review" meet the company law requirements for the Trustees to present a strategic report.

Achievements and Performance

Throughout 2020 Legacy Leisure Limited has operated leisure centres with a wide range of both wet and dry facilities along with some dual use sites linked to Schools.

Legacy Leisure has continued to operate 13 leisure contracts in 2020.

- **West Berkshire:** seven leisure centres, including some dual use facilities linked to local schools, the largest of which is Northcroft Leisure Centre.
- **Vale of Glamorgan:** six leisure centres, including some dual use facilities linked to local schools in the area, the largest of which is Barry Leisure Centre.
- **Cherwell:** three leisure centres, including some dual use facilities linked to local schools in Cherwell, the largest of which is Spiceball Leisure Centre in Banbury.
- **Kettering:** four leisure centres in Kettering, the largest of which is Kettering Swimming Pool.
- **Cherwell - Woodgreen:** one leisure centre in Woodgreen comprising Woodgreen Leisure Centre.
- **North Somerset:** three leisure centres in North Somerset. The largest centre in the North Somerset contract is Hutton Moor Leisure Centre in Weston-super-Mare.
- **South Northamptonshire:** two leisure centres in South Northamptonshire. The largest centre in the South Northamptonshire contract is Towcester Centre for Leisure.
- **Cherwell Pavilions:** two leisure facilities in Cherwell Pavilions the largest of which is Whiteland Farm Sports Ground.
- **Cardiff:** one leisure facility, Cardiff International Pool.
- **Salisbury:** one leisure facility, Salisbury Health and Fitness Club.
-
- **Erewash:** five leisure facilities, West Park Leisure Centre, Victoria Park Leisure Centre, Rutland Sports Park, Sandiacre Friesland Sports Centre and Pewit Golf Course

RBWM: In 2020, Legacy Leisure issued notice to the Royal Borough of Windsor and Maidenhead in regards to termination of the contract effective 31 July 2020, notice was served on 29 June 2020. This became necessary due to the crisis caused by the Coronavirus pandemic which made it uneconomic for us to continue the Sub-Contract.

Exeter: The current contract came to an end on the 28th September 2020 but due to the coronavirus pandemic, discussions were held to exit the contract early which became necessary due to the crisis caused by the Coronavirus pandemic that made it uneconomic for to re-open or continue the contract and subcontract arrangements. This meant the contract exit was on 31st August 2020.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

During 2020, Legacy Leisure did not begin any new contracts due to the Covid-19 pandemic.

The forty-six centres operated by Legacy Leisure in 2020 throughout which the LeisureCentre.com brand is operated and allows customers to utilise both the fitness gym, swimming pools and health suite where available, by way of monthly memberships or pay and play.

Health & Safety management remains a core focus. Whilst Covid-19 has forced us to develop new working systems and practices, our Management team has been central in supporting UKactive as sector leaders in developing best practice. We continue to maintain our ISO45001 status throughout the business, this is the foremost ISO standard for management systems of occupational health and safety.

The facilities are used by the local communities, both by customers with memberships and by non-members. Legacy Leisure endeavours to ensure that customers are a key priority and feedback on cleanliness and services provided is encouraged to allow us to monitor that the high standards we set are being achieved, and allow us to make improvements where necessary.

Community Fund Awards:

In 2020, Legacy Leisure received 5 grant applications of which none were awarded due to the impact of the Covid-19 pandemic. They related to Healthy lifestyle programmes, Childrens swimming clubs, cancer rehab classes and support for local community clubs.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Streamlined Energy and Carbon Report

2020		
Emission Scope	Total Annual Uk Energy Use	Associated Greenhouse Gas Emissions
	(kWh)	(tCO ₂ e)
Scope 1 <i>Emissions from activities for which the company own or control</i>	25,676,963	4,725
Scope 2 <i>Emissions from purchase of electricity and heat for own use</i>	10,203,333	2,173
Scope 3 <i>Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel</i>	42,566	10
Total	35,922,862	6,908

Intensity Ratio

tCO ₂ e per m ² of usable internal floor area	0.052
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Methodology

Total energy use covers gas, LPG, heating oil, burning oil, electricity purchased, transport mileage, and heat purchased across Legacy Leisure.

Associated Greenhouse gases have been calculated using GHG protocol methodology (including the Corporate Standard, GHG protocol upstream leased assets document) and Environmental Reporting Guidelines.

Energy use has been measured using the operational control approach.

Conversion factors from the UK Government 2020 GHG Conversion Factors for Company Reporting as published by the Department for Business, Energy & Industrial Strategy (BEIS) and the Department for Environment, Food & Rural Affairs (DEFRA) have been used to calculate GHG emissions.

Energy Efficiency Action Taken

Action taken to improve energy efficiency at Legacy Leisure facilities in 2020 includes, pool covers, LED lighting replacement, boiler replacement, motor upgrades with improved efficiency and improved BMS control.

Due to the Covid-19 pandemic the energy efficiency investment programme was postponed for 2020. During nationwide and local lockdowns proactive analysis of consumption data, via smart meter utility monitoring platforms, was used to minimise unnecessary energy use. Maintenance with efficiency upgrades, in line with company policy, is continuous.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Financial Review

Legacy Leisure had a challenging year during 2020 as a result of the impacts of the Covid-19 pandemic, delivering a deficit of £188,878 (2019: surplus £37,210). The reduction in return was inevitably linked to the extended national and subsequent regional lockdowns. The Company generated revenues of £18.6 million (2019: £42.6 million), which represents a decrease of £24.0 million.

The majority of our facilities effectively ceased trading on March 20th 2020 prior to Government lockdown on March 23rd 2020, with the large majority not reopening until 25th July 2020. Thereafter a range of regional lockdowns, linked to the Tier restrictions meant services were significantly reduced through social distancing and further government restrictions including additional lockdowns moving into 2021.

Inevitably there have been impacts on cash balances and reserves due to reduced revenue, whilst costs (although greatly reduced) continued to be incurred. We have managed to partially offset these negative effects on cash by taking advantage of Government initiatives aimed at supporting businesses, including claiming Job Retention Scheme support and taking advantage of business rate reductions on property. We have also proactively managed cash by reducing our cost base, deferring VAT payments, and sensitively managing supply chain payments.

Principal Risks and Uncertainties

The unprecedented impact of Covid-19 has been vast in society, the wider economy and within our business. The pandemic continues to significantly affect the performance of the entity.

The present leisure environment remains incredibly fluid with a number of factors influencing performance, including:

- Impact of Social Distancing measures on income levels, mainly due to reduced capacity.
- Impact of further changes in legislation, regulations and guidance from Government, regulatory and industry bodies.
- Consumer confidence in returning to leisure/theatre/visitor attraction facilities.
- Risks of further lockdowns, either localised or national.
- Significant competitive pressure from budget gyms desperate to fill capacity.
- Change in customer behaviour after a period of exercising from home or inactivity.
- The wider impact that COVID 19 will have on consumer spending and the economy.

Principal Funding Source

The Charity's principal source of income is from the provision of leisure facilities to the general public, through the operation of local authority leisure centres. The local authority leisure centres are used by the public for a variety of purposes including recreation, fitness and lessons. The facilities operated by the Charity comprise swimming pools, fitness gyms, sports halls, tennis courts and outdoor playing fields/pitches. This forms the Charity's Unrestricted Funds.

To enable the leisure facilities to provide a wider range of programmes, individual centres also look to acquire grant funding and subsidies from government schemes. This forms the Charity's Restricted Funds.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Reserves Policy

The Unrestricted funds as at 31st December 2020 stood at £169,368 (2019: £358,246). Due to the impact of the pandemic and closure and restrictions of all our facilities in 2020, the unrestricted funds has been impacted throughout this period. We anticipate that these funds will start to improve as we reopen our facilities when allowed to do so.

The income and property of the Charity shall be applied solely towards the promotion of its object, the provision of leisure facilities. The Management Committee continually reviews the Charity's requirements for reserves. The risk to the Charity is the level of fixed costs and committed community funded grants. The Management Committee has retained reserves to meet its budgeted fixed costs plus committed community funded grants for the financial year following the latest approved annual financial statements and will aim to maintain them at this minimum level.

Plans for the Future

The focus on facility development will remain a key theme for the forthcoming year with projects either commencing or reaching final planning stages in the year. These developments are important to the charities future strategy as well as ensuring that the quality of the services meet the future needs of our communities.

Due to the Covid 19 Pandemic, new business opportunities have been reduced and extension to current contract discussions had been put on hold but as we move out of the pandemic we anticipate these discussions too to be re-ignited . We anticipate new opportunities to improve as we reopen our facilities and get back to some normality and further expressions of interest will be made as tenders are released so we will also be looking at all opportunities which could deliver new surpluses to support the charity in the years ahead.

We anticipate 2021 to be a more positive year as we continue to operate the 11 leisure contracts out of the pandemic, to support all our local communities as we move to re-introduce activities and as we source new business to support our ongoing recovery throughout the year.

As we move into a phase of reopening and the recovery period, we will have key focus on the below to ensure a quick recovery:

- Focus on Health & Fitness and Swimming Lesson revenue.
- Ensure that we build on customer confidence to encourage everyone back.
- Creche and Catering facilities only reopen when viable.
- Continue to take full advantage of the extended Furlough scheme (to the end of September 2021).
- Continue to review new business opportunities in 2021 and secure extension to contracts.

We will continue to review and manage any changes as they happen to ensure we get back to normal as soon as practically possible and allowed to do so. Exercise will play a key role in the covid recovery and the current medical guidance is for people to get back to their previous level of activity as soon as possible, even aiming to be more active than before so we anticipate a positive response to reopening and customer confidence to be high.

Legacy Leisure will also continue to look for new forms of funding and grants that will allow it to provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of the public at large or for individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

LEGACY LEISURE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Auditor

In accordance with the company's articles, a resolution proposing that Kendall Wadley LLP be reappointed as auditor of the charitable company will be put to the Annual General Meeting.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report, including the strategic report, was approved by the Board of Trustees.



E Holmes

Trustee

Dated: 29 April 2021

LEGACY LEISURE LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

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

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LEGACY LEISURE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LEGACY LEISURE LIMITED

Opinion

We have audited the financial statements of Legacy Leisure Limited (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

LEGACY LEISURE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF LEGACY LEISURE LIMITED

- the strategic report and the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material mis-statement in respect of irregularities, including fraud and non-compliance with laws and regulations was as follows:

- an understanding of the risk assessment process (including the assessment of the risk of fraud) adopted by the Board of Trustees is obtained and their attitude to risk ascertained
- an understanding of the legal and regulatory framework as applicable to the charitable company is obtained together with knowledge of the procedures put in place by the charitable company in order to comply with the same
- it is established if there have been any instances of non-compliance with applicable laws and regulations, where there are such breaches, a full understanding, including gathering of relevant documentation appertaining to the event is obtained and assessed

LEGACY LEISURE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF LEGACY LEISURE LIMITED

- an assessment of the susceptibility to material mis-statement of the financial statements as a result of management over-ride or fraud is made

- it is ensured that the engagement team have, collectively, the appropriate competence, capabilities and skills to be involved in the assignment, are fully briefed and understand the risks specific to the charitable company

- processes to test the outcomes of our assessment include, a review of the Board of Trustee minutes, analytical review, the relevance and accuracy of significant accounting estimates, substantive testing of significant transactions, work to identify unusual or unexpected accounting entries including the testing of journal entries, information disclosed in the financial statements is traced to supporting documentation. In all instances it is acknowledged that material mis-statements that arise from fraud may involve deliberate concealment or collusion and are, therefore, by their very nature harder to detect than those arising from error.

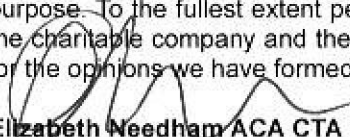
It should be noted that Auditing standards limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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


Elizabeth Needham ACA CTA (VAT) (Senior Statutory Auditor)
For and on behalf of Kendall Wadley LLP

29 April 2021

Chartered Accountants
Statutory Auditor

Granta Lodge
71 Graham Road
Malvern
Worcestershire
WR14 2JS

LEGACY LEISURE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Income from:							
Donations and legacies	3	6,927,475	500	6,927,975	-	-	-
Charitable activities	4	18,493,686	110,513	18,604,199	42,624,110	25,190	42,649,300
Investments	5	4,803	-	4,803	10,199	-	10,199
Total income		25,425,964	111,013	25,536,977	42,634,309	25,190	42,659,499
Expenditure on:							
Charitable activities		25,614,842	111,013	25,725,855	42,597,099	25,190	42,622,289
Net (expenditure)/income for the year/							
Net movement in funds		(188,878)	-	(188,878)	37,210	-	37,210
Fund balances at 1 January 2020		358,246	-	358,246	321,036	-	321,036
Fund balances at 31 December 2020		169,368	-	169,368	358,246	-	358,246

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LEGACY LEISURE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Current assets					
Stocks	11	231,643		406,731	
Debtors	12	2,037,488		2,979,811	
Cash at bank and in hand		637,566		242,083	
		<u>2,906,697</u>		<u>3,628,625</u>	
Creditors: amounts falling due within one year	13	<u>(2,737,329)</u>		<u>(3,270,379)</u>	
Net current assets			<u>169,368</u>		<u>358,246</u>
Income funds					
Unrestricted funds			<u>169,368</u>		<u>358,246</u>
			<u>169,368</u>		<u>358,246</u>

The financial statements were approved by the Trustees on 29 April 2021



E Holmes
Trustee

Company Registration No. 08361324

LEGACY LEISURE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	17		390,680		(11,200)
Investing activities					
Interest received		4,803		10,199	
Net cash generated from investing activities			4,803		10,199
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			395,483		(1,001)
Cash and cash equivalents at beginning of year			242,083		243,084
Cash and cash equivalents at end of year			637,566		242,083

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Legacy Leisure Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 5 Deansway, Worcester, Worcestershire, WR1 2JG.

Activities are transacted through a number of leisure centres, details of which can be found on the website www.legacyleisure.org.uk.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in the furtherance of their charitable objectives.

Restricted funds are subject to the specific conditions imposed by donors as to how they may be expended. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Grant income is recognised in the statement of financial activities when received in accordance with the SORP.

Other sources of income represent monies received in the pursuit of leisure activities or hire of facilities, net of VAT and is recognised in the statement of financial activities at the point in which the activity is undertaken.

Investment income is included in the statement of financial activities in the year in which it is receivable.

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.5 Resources expended

Liabilities are included in the financial statements as soon as recognised.

Costs of generating funds comprise those costs associated with attracting voluntary income and the cost of providing the leisure facilities.

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

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, whereas other costs are apportioned on a basis of estimated usage.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price. Cost comprises direct materials and, where applicable, those overheads that have been incurred in bringing the stocks to their present location and condition.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.9 Employee benefits

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

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

1.10 Retirement benefits

The charitable company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the statement of financial activities in the year they are payable.

The charitable company also has a small number of employees who are members of defined benefit pension schemes. These schemes are multi-employer schemes and the charity is unable to identify its share of the underlying assets and liabilities in them on a consistent and reliable basis. As such the contributions are accounted for as if the schemes were defined contribution and contributions are charged as they become payable.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

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

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

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2020 £	2020 £	2020 £	2019 £
Donations and gifts	-	500	500	-
Government Grants	6,927,475	-	6,927,475	-
	<u>6,927,475</u>	<u>500</u>	<u>6,927,975</u>	<u>-</u>
Grants receivable for core activities				
Covid Business Support grants	187,050	-	187,050	-
Job Retention Scheme, Furlough Grants Claimed	6,740,425	-	6,740,425	-
	<u>6,927,475</u>	<u>-</u>	<u>6,927,475</u>	<u>-</u>

The charity has taken advantage of funding available from the Government and local councils to secure monies to mitigate costs incurred through enforced periods of closure occasioned by the Covid-19 pandemic.

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

4 Charitable activities

	Activities for generating funds	Grants and other restricted funds	Total 2020	Total 2019
	£	£	£	£
Swimming Pool and Memberships	2,037,459	-	2,037,459	7,192,422
Fitness Gym and Memberships	7,511,933	-	7,511,933	19,579,058
Tennis and Memberships	18,805	-	18,805	54,744
Wetside Courses	2,293,872	-	2,293,872	5,925,804
Food and Beverage incl. Vending	558,541	-	558,541	2,460,324
Goods for Resale	171,491	-	171,491	676,180
Diving	596	-	596	1,209
Facilities Hire	405,717	-	405,717	1,224,514
Other Indoor Activities	589,985	-	589,985	1,984,889
Creche and Holiday Programme	27,621	-	27,621	222,522
Outdoor Activities	351,418	-	351,418	897,155
Other Income	289,564	-	289,564	1,206,659
Managed Business Fees	4,236,684	-	4,236,684	1,198,630
Performance Related Grants (see below)	-	110,513	110,513	25,190
	<u>18,493,686</u>	<u>110,513</u>	<u>18,604,199</u>	<u>42,649,300</u>
Analysis by fund				
Unrestricted funds	18,493,686	-	18,493,686	
Restricted funds	-	110,513	110,513	
	<u>18,493,686</u>	<u>110,513</u>	<u>18,604,199</u>	
For the year ended 31 December 2019				
Unrestricted funds	42,624,110	-		42,624,110
Restricted funds	-	25,190		25,190
	<u>42,624,110</u>	<u>25,190</u>		<u>42,649,300</u>

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

4 Charitable activities

(Continued)

	2020 £	2019 £
Performance related grants		
Health Promotion Officer	13,333	6,666
Active Exeter	-	1,649
Fun Station	-	250
Get Up and Go	180	-
Cardiff Bay, Economic Resilience Fund	92,500	-
Weight Watchers	4,500	-
Swimming lessons: Shark funding scheme	-	16,625
	<u>110,513</u>	<u>25,190</u>

5 Investments

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Interest receivable	<u>4,803</u>	<u>10,199</u>

6 Grants payable

	2020 £	2019 £
Grants to sports clubs	<u>2,866</u>	<u>12,827</u>
	<u>2,866</u>	<u>12,827</u>

7 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Audit fees	-	9,000	9,000	-	9,000	9,000
	<u>-</u>	<u>9,000</u>	<u>9,000</u>	<u>-</u>	<u>9,000</u>	<u>9,000</u>
Analysed between Charitable activities	-	9,000	9,000	-	9,000	9,000
	<u>-</u>	<u>9,000</u>	<u>9,000</u>	<u>-</u>	<u>9,000</u>	<u>9,000</u>

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Trustees

E Holmes received remuneration amounting to £18,000 (2019: £18,000) as allowed under the governing documents of the charity for services other than being a trustee, together with pension contributions of £354 (2019: £327).

None of the other trustees (or any persons connected with them) received any remuneration during the year.

Two Trustees were also reimbursed £265 (2019: £1,367) in connection with travelling and other expenses.

9 Employees

Number of employees

The average monthly number of full time employees during the year was: 824 (2019: 711). On a head count basis the average number is as follows:

	2020 Number	2019 Number
Administration and Management	326	218
Operations	1,699	2,136
	<u>2,025</u>	<u>2,354</u>

Employment costs

	2020 £	2019 £
Wages and salaries	15,447,231	19,172,253
Social security costs	484,580	872,176
Other pension costs	356,435	531,050
	<u>16,288,246</u>	<u>20,575,479</u>

Included in the above costs for wages and salaries is £210,371 (2019 - £nil) in respect of redundancy costs.

The number of employees whose annual remuneration was £60,000 or more were:

	2020 Number	2019 Number
£60,000 - £70,000	1	-
£70,000 - £80,000	1	-
	<u>2</u>	<u>0</u>

Pension contributions in respect of the higher paid staff amounted to £17,955 (2019 - £nil).

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

10 Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes was £160,552 (2019: £262,086).

Contributions to defined benefit schemes treated as defined contribution schemes (see accounting policies) were £195,883 (2019: £268,964).

11 Stocks	2020 £	2019 £
Goods for resale and equipment maintenance	231,643	406,731

12 Debtors

Amounts falling due within one year:	2020 £	2019 £
Trade debtors	376,654	558,512
Other debtors	49,957	131,855
Prepayments and accrued income	1,610,877	2,289,444
	2,037,488	2,979,811

13 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Other taxation and social security		556,381	333,651
Deferred income	14	281,644	762,761
Trade creditors		510,635	965,340
Other creditors		196,341	142,121
Accruals		1,192,328	1,066,506
		2,737,329	3,270,379

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

14 Deferred income

	2020 £	2019 £
Arising from Membership fees and invoices in advance	281,644	762,761
	<u>281,644</u>	<u>762,761</u>
Current liabilities	281,644	762,761
	<u>281,644</u>	<u>762,761</u>

The above deferred income is released in full in the subsequent accounting period.

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds		
	Income	Expenditure	Balance at 1 January 2020	Income	Expenditure	Balance at 31 December 2020
	£	£	£	£	£	£
Weight Watchers	-	-	-	4,500	(4,500)	-
Active Exeter	1,898	(1,898)	-	-	-	-
Swimming lessons: shark funding	10,000	(10,000)	-	-	-	-
Health promotion officer (West Berkshire Borough Council)	6,667	(6,667)	-	13,333	(13,333)	-
Get Up and Go Funding 2020	-	-	-	180	(180)	-
Economic Resilience Fund - Cardiff	-	-	-	92,500	(92,500)	-
Member Donations	-	-	-	500	(500)	-
West Berkshire Council - Cancer rehab	6,625	(6,625)	-	-	-	-
	<u>25,190</u>	<u>(25,190)</u>	<u>-</u>	<u>111,013</u>	<u>(111,013)</u>	<u>-</u>

Weight Watchers - Grant offered by West Berkshire Public Health & Wellbeing to cover a weight management triage service to enable adults to achieve meaningful and sustainable weight loss. The weight management triage service consists of individual assessments and follow-up appointments.

Active Exeter – (Active Devon) – To provide sport and activity in workplace and community settings for 30 – 50 year olds across Exeter.

Free swimming lessons under the shark scheme - (West Berkshire Borough Council) - To provide free swimming lessons for children who are identified as non swimmers in years 1,2 and 3 (and down to foundation year). The sessions run on a 50 week continuous program.

Health promotion officer (West Berkshire Borough Council) - A fixed 2 year term contract for 16 hours per week for an activity health promotion officer.

Get Up and Go Funding - Grant offered by Northamptonshire Sport to cover Get Up & Go activity sessions. Get Up & Go is part of a countywide falls prevention programme providing strength and balance exercise sessions for older adults to improve their mobility and confidence.

Economic Resilience Fund (Cardiff) - A Welsh Government Grant to support businesses affected by the COVID-19 pandemic in safeguarding jobs. This grant was to safeguard 127.5 Full-Time Equivalent jobs for 12 months by covering fixed costs during lockdown periods.

Member donations -to assist in the purchase of masks and sanitiser.

Cancer Rehab (West Berkshire Borough Council) - To provide a cancer rehabilitation programme for people living with or recovering from cancer.

LEGACY LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

16 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020 £	2019 £
Aggregate compensation	139,721	105,797

17 Cash (absorbed by)/generated from operations

	2020 £	2019 £
(Deficit)/surplus for the year	(188,878)	37,210
Adjustments for:		
Investment income recognised in statement of financial activities	(4,803)	(10,199)
Movements in working capital:		
Decrease in stocks	175,088	8,513
Decrease in debtors	942,323	665,166
(Decrease) in creditors	(51,933)	(760,634)
(Decrease)/increase in deferred income	(481,117)	48,744
Cash generated from/(absorbed by) operations	390,680	(11,200)

18 Analysis of changes in net funds

The charity had no debt during the year.