

REGISTERED COMPANY NUMBER: 08447331 (England and Wales)
REGISTERED CHARITY NUMBER: 1154831

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025
FOR
TONBRIDGE AND MALLING LEISURE TRUST
T/A TMACTIVE
(A COMPANY LIMITED BY GUARANTEE)

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

TONBRIDGE AND MALLING LEISURE TRUST
T/A TMACTIVE
(A COMPANY LIMITED BY GUARANTEE)

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

	Page
Report of the Trustees	1 to 15
Report of the Independent Auditors	16 to 19
Statement of Financial Activities	20
Balance Sheet	21
Cash Flow Statement	22
Notes to the Cash Flow Statement	23
Notes to the Financial Statements	24 to 43

TONBRIDGE AND MALLING LEISURE TRUST
T/A TMACTIVE
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

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

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the Charitable Company are:

- to provide or assist in the provision of both indoor and outdoor facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such by reason of their youth, age, infirmity or disability, financial hardship or social circumstances or for the public at large with the object of improving their conditions of life, and /or;
- to promote community participation in healthy recreation activities;
- to provide or assist in the provision of community facilities to be available to all sections of the community without distinction, including use for meetings, lectures and classes and/or other forms of recreation and leisure time occupation with the object of improving the conditions of life for all those who use the facilities;
- to develop the capacity and skills for those members of the community who are socially and/or economically disadvantaged in such a way as to enable them to identify, and help meet, their needs and to participate more fully in society, and /or;
- to pursue such other charitable purposes consistent with the above as the Trustees in their absolute discretion shall determine.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

OBJECTIVES AND ACTIVITIES

- Clear about its purpose and direction:

The Trust has a Vision, Mission Statement and Values outlined in the current strategic Three-Year Business Plan (April 2025 - March 2028). Taking the national agenda of ukactive, the representative UK body and delivering that agenda locally the Trust's Vision of 'more people, more active, more often' mirrors the objects and powers of the Trust.

The Mission Statement develops the manner in which the Vision will be delivered by confirming 'Our mission is to provide a clean, safe and happy leisure experience on an inclusive basis to residents and visitors to Tonbridge and Malling for the benefit of their physical and mental health and wellbeing. We will achieve this in a sustainable way through excellence in our people, policies and practice.'

The Vision and Mission Statement is underpinned by nine core values;

- Leadership
- Integrity
- Innovation
- Improvement
- Accessibility
- Customer Focus
- Teamwork
- Professionalism
- Environmental awareness

The values are further defined in the Three-Year Business Plan (2025-2028) endorsed by the Board of Trustees. During 2025 the Vision, Mission and Core Values will be reviewed by a broad range of team members and Trustees to assess for continuing relevance and to ensure they reflect the future focus of the Trust.

- A strong board:

Selection and recruitment of the Trust Board is planned and structured to ensure the appointment of a range of interested and committed volunteers who bring a range of professional disciplines and experience to the boardroom. The full Board currently comprises 8 Community Trustees with a blend of professional experience including financial, IT, legal, human resources and risk management. This is complemented by the appointment of two TMBC elected Member Trustees and a Staff Trustee.

The Board promotes the aims and objectives of the Trust and provides strong, challenging support to the Executive Management Team. All of the Trustees are residents of the Borough with the exception of the current Staff Trustee.

The main objectives during the year included the seamless transition from the outgoing Chief Executive to the incoming following a 14-month handover period. A key focus for the Board has been the future plans for the Angel Leisure Centre redevelopment. The Trust was officially appointed in November 2024 as the operator of the new leisure centre upon completion. This appointment was the catalyst for the commencement of negotiations regarding the extension to the contract term for the whole portfolio managed by the Trust for TMBC and the initial and continuing financial arrangements associated with the Angel Leisure Centre project.

There has also been an enhanced focus on the community aspect of the Trust supporting its charitable objectives with additional staffing resources appointed to aid further expansion of outreach delivery and launch of the Talented Athlete Scheme.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

OBJECTIVES AND ACTIVITIES

- Financially sound and prudent:

Sustainability is a key Business Plan objective of the Trust. Following the depletion of the Trust's reserves during the global pandemic the reserves have recovered to an encouraging level largely aided by the supportive relationship with TMBC and the creative yet prudent approach to management and operations by the Trust.

The Core Service fee from TMBC to the Trust remained at zero. The continuing uncertainty regarding global events impacting energy prices meant that the tariff protection clauses within the Management Agreement were further suspended in favour of a Utilities Service Fee of £134,400.

The Board had carried out a detailed review of the reserves policy with consideration given to potential capital investment and long term sustainability.

-Fit for purpose:

Following the retirement of the Trust's inaugural Chief Executive the post of Deputy Chief Executive was removed when its incumbent took over the role of Chief Executive in September 2024. Other changes during the year, included the introduction of a Business Development Manager to lead the enhanced commercial focus of the Trust helping support long term financial sustainability. The Executive Management Team (EMT) led by the Chief Executive now comprises the Chief Financial Officer, the Chief Operating Officer, Head of Facilities and Compliance, Head of Marketing, Media and Communications, Head of People and Culture and the Business Development Manager.

Operation of the Trust is assured through an existing but evolving suite of policies and procedures contained in an Integrated Management System. Roles and responsibilities in terms of governance and executive management are based upon guidance from the Association of Chief Executives of Voluntary Organisations (ACEVO). Key policies affecting health and safety and employment issues are also subject to Board approval.

Overall achievement of the objectives of the Trust is managed through the Business Plan and the Annual Service Delivery Plan which is reviewed on a quarterly basis and reported to TMBC.

- Learning and improving:

The Trust is committed to being fully engaged in the sector in which it operates by contributing on a local level to a national agenda. This is aided by the Trust being an active member of Community Leisure UK (CLUK), the principal representative organisation for the sector with general and regional meetings.

The Executive Management Team has reviewed the engagement with CIMSPA, the Chartered Institute representing the leisure industry, to help promote membership to the wider team and actively engage with the learning and development opportunities across the whole establishment. This partnership will continue to develop over the forthcoming year and to ensure the offer that is suitable for all.

The Trust continues to challenge its management and delivery and currently remains committed to benchmark this through Quest, the national quality scheme for sport and leisure to ensure industry best practice. The Trust has reported financial and usage information to the Moving Communities platform.

The Trust has a training plan to ensure the continuing professional development of staff at all levels of the service. Training is delivered through an online platform with records uploaded to the workforce management software to analyse and track completion.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

OBJECTIVES AND ACTIVITIES

- Accountable and transparent

The work of the Trust sits entirely in the public domain and the Trust utilises its Customer Charter, meetings with key users, surveys, mystery visits and feedback mechanisms to encourage transparently and develop improvement action plans when required.

As a key stakeholder the Trust reports to senior officers at TMBC on a formal recorded basis against the approved Annual Service Delivery Plan and comprehensive Quarterly Update Reports. A monthly strategic meeting is held to discuss financial and operational issues related to the ongoing performance, development and sustainability of the Trust. A separate contract/service fee meeting with TMBC was introduced in 2024/25 to ensure focus and momentum on these specific time sensitive issues.

Social investments

The Trust recognises the importance of investing resources in activities and service that enhances social impact and improves the lives of the local community. During 2024/25 the community programme brand changed from 'tmactive 150' to 'Active Communities' emphasising the Trust's objective and vision. Additional team members were recruited to support delivery and expansion of the program across the Borough. The launch of this rebrand coincided with the Talented Athlete Scheme launch that supports sports men and woman from the borough achieve their sporting potential and serve as inspiration to others.

The Trust selected Porchlight as their chosen charity to help raise funds with over £14,000 being raised by activities attended by staff and customers including, charity golf day, family fun day, CEO Sleep Out and New Year outdoor swim.

Fundraising

The Trustees are responsible for ensuring the charity operates within a responsible, sustainable financial framework and that it has adequate resources to carry out its role in engaging with residents in the local community. While the Trustees may delegate many of the operations of fundraising to other parts of the organisation, they retain the responsibility for inspiring other fundraisers, demonstrating the perceived importance of fundraising to the organisation, and demonstrating their leadership in this area.

In carrying out fundraising, the charity adheres to the following standards:

- The Trustees will have regard to the Charity Commission's publication 'Charity Fundraising' (CC20).
- Fundraising activities carried out by the charity will comply with all relevant laws.
- Any communications to the public made in the course of carrying out a fundraising activity shall be truthful and non-deceptive.
- All monies raised via fundraising activities will be for the stated purpose of the appeal and will comply with the charity's stated mission and purpose.
- The charity will comply with GDPR Legislation in relation to all personal data collected.
- Nobody directly or indirectly employed by or volunteering for the charity shall accept commissions, bonuses or payments for fundraising activities.
- No general solicitations shall be undertaken by telephone or door-to-door.
- Fundraising activities should not be undertaken if they may be detrimental to the good name or community standing of the charity.
- All Trustees, permanent, casual and contract staff and volunteers are responsible for adhering to these procedures.
- Fundraising activities should not be undertaken if they will expose the charity to significant financial risk.
- Complaints will be dealt with in accordance with the Charity Commissions guide CC20.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRATEGIC REPORT

Achievements and performance

Charitable Activities

The Trust's Head Office is at 1-5 Martin Square, Larkfield, Kent, ME20 6QL. The Offices are leased by TMBC to the Trust.

The Trust conducts business and generates income from the following locations:

- Larkfield Leisure Centre
- Angel Leisure Centre, including Sports Pitches and AWPAs at The Farm Sports Ground.
- Tonbridge Swimming Pool and Racecourse Sports Ground
- Poult Wood Golf Course
- Leybourne Lakes Country Park
- Kings Hill Sports Park

In 2023/24, in line with the new Two-Year Business Plan (2023-2025) negotiations recommenced for the Service fee to cover the next four-year period to 31 March 2028. This resulted in further agreement for the Service Fee, now designated as the Core Service Fee, to remain at zero until 31st March 2028.

The budget for 2024/25 forecast a surplus of £139,250. After the budget was set an agreement was reached with TMBC for the Trust to assist with customer car parking arrangements at the Angel Leisure Centre and Tonbridge Swimming Pool.

The budget also assumed payment from TMBC of £410,000 as a Utility Service Fee in lieu of the continued waiver of the tariff protection agreement. Due to the softening of the gas and electricity prices over the year the utility service fee was reduced to £134,400.

The financial performance was exceptional throughout the year with the actual end of year surplus being £789,878. This surplus over budget arose from outperforming income reflecting continuing service to customers and a strong control over expenditure.

Key areas of the business that performed particularly well include health and fitness (+7%), catering (+45%), golf memberships (+19%), driving range income (+33%), Kings Hill 3G hire (+7%) and Prima dance (+16%). It is encouraging that a broad range of activities across the portfolio are contributing to the positive financial position.

The key priorities identified within the Two-Year Business Plan are used to highlight areas of progress. The Annual Service Delivery Plan was used to drive specific objectives, and the Balanced Scorecard was revised and continued to be used to measure identified KPIs and provide a view of the overall health of the business in terms of financial, operational, customer and staff perspectives.

PARTICIPATION

Around 1.4m customer visits were recorded in 2024/25 representing an increase of 4% against the previous year and 14% higher than pre-Covid. Health and fitness attendance increased by 5% with memberships increasing by 8% from the previous year.

Following the surge in Swim School enrolments post pandemic the growth continued with a 3% increase from the previous year and still represents a significant achievement with 3575 children enrolled in the school. Casual swimming experienced a challenging year due to unpredictable weather.

Poult Wood Golf Course also experienced challenging weather conditions early in the year yet there was still a 17% increase in rounds of golf played compared to 2023/24.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

AWARENESS - The Trust continued to maintain awareness of the profile of the brand increasingly through social media. The Trust continued to promote its charitable ethos to customers through the website and social channels to raise awareness of the reinvestment of funds using marketing material from Community Leisure UK. New large 'Seriously Social' boards were introduced at sites to raise awareness of the contribution by the Trust to the local community.

HEALTHY LIFESTYLES - The previous tmaactive150 health and wellbeing brand was reinvigorated in 2024/25 and relaunched as 'Active Communities'. This represents the enhanced focus of this aspect of the Trust's business with the programme continuing to grow. Participation increased by 30% with additional outreach locations added to the programme to increase accessibility to activities. The Talented Athlete Scheme was launched with 16 young sports men and woman now supported during 2024/25 by the Trust to assist with achieving their sporting goals and act as tmaactive ambassadors within the community.

CUSTOMER SATISFACTION - The primary feedback mechanisms used in 2024/25 were mystery visits undertaken by industry professionals, Pro-Insight and the Net Promoter Score. Each of the four main sites were subject to a mystery visit each quarter and the average score throughout the year was an impressive 85% , representing an improvement of 2% from 2023/24. The visits are utilised to highlight further improvements in customer service.

The Net Promoter Score is derived from automated customer surveys asking the likelihood of the customer recommending the facility to friends and family on a scale of 0-10, with only scores of 9 and 10 rated as promoters and scores of 0-6 regarded as detractors. This measure showed the Trust score as 55% against a national industry average of 37%.

The Trust continued to use Google review scores. Across all sites the Trust Google Review score averaged 4.33 out of a maximum of 5. The Trust also continued to undertake a range of targeted customer surveys for Swim School, group exercise and catering to help shape future planning and investment and service delivery.

The internal inspections initially completed by the Deputy CEO continued to be completed by the Chief Operating Officer. These visits provide an internal assessment of facility operation and presentation and help identify areas for improvement.

SOCIAL INCLUSION - The Trust has continued to deliver concessionary use to Leisure Pass holders. Concessionary prices continue to be extended to people on low income, senior citizens, students, juniors and people living with disabilities. The Active Communities programme continued to promote low cost as well as free access to individuals and families experiencing financial difficulties.

CHARITABLE - The Trust continued to support charitable causes within the community with over £14,000 being raised for its current nominated charity, Porchlight. Just under £3000 was also donated in the form of vouchers for activity use to other good causes to help them raise funds.

ENVIRONMENTAL

In line with TMBC's ambition to be carbon net zero by 2030 they have, with support from the Trust, progressed several environmental initiatives aimed at reducing carbon emissions and improving energy efficiency. Solar panels installed at Tonbridge Swimming Pool and Larkfield Leisure Centre generated a combined 134 MWh for the year, accounting for 7% and 5% of each site's electricity usage respectively, and delivering total savings of £26,000. An additional 278 panels were installed at LLC in early 2025, funded through the Sport England Swimming Pool Support Fund Phase 2.

TMBC also secured PSDS Wave 3c funding for the installation of air source heat pumps at Larkfield Leisure Centre to replace aging boilers providing air and water heating to the fitness pool. Installation started in March 2025 with completion due in early 2026.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

The Trust has established a carbon footprint monitoring platform, recording a baseline of 2,175 tonnes of carbon dioxide equivalent for the year ending 31 March 2025.

The Leybourne Lakes Country Park utility vehicle has transitioned from diesel to biodiesel.

QUALITY

The Trust continued to commit to Quest, the national quality scheme for sport and leisure. The three main indoor leisure sites underwent Quest assessments during the year with scores ranging from good to excellent.

The Health & Safety Committee chaired by the Chief Executive, with attendees representing all sites, met quarterly. External expert support also attended these meetings to advise on legislative changes and provide industry updates.

The Trust re-committed to the industry accredited LeisureSafe™ standard. Three sites were assessed in 2024/25 with impressive scores being achieved ranging from 77% - 90%.; The remaining three sites will be assessed in 2025/26.

STAFF

Staff turnover of contracted staff showed a 9% decrease from the previous year.

Following the increase in April 2024 of the National Living Wage by 9.8% the further increase in April 2025 of 6%, coupled with the increased employer National Insurance (NI) contributions and the lowering of the NI threshold from which employer NI is paid, has provided additional financial challenges which have also increased the ongoing establishment baseline costs.

A range of Human Resource policies and procedures were approved by the Board throughout the year. All policies and procedures are issued to staff via the UKG App with regular updates communicated.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRATEGIC REPORT

Achievements and performance

Public benefit

The Trustees confirm they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

The Trust has been operating for twelve years and can clearly demonstrate success against 'The Hallmarks of an Effective Charity' outlined in the Charity Commission guidance.

-Equality and Diversity:

The Trust's Equality and Diversity Policy and Procedure commits to providing a workplace free from discrimination, harassment, and victimisation, ensuring fair treatment and equal opportunities for all. The policy defines equality and diversity, outlining responsibilities for managers, employees, and leadership to foster dignity, respect, and full participation. The policy applies to all employment stages and service delivery, promoting diverse recruitment, accessibility, reasonable adjustments, and the removal of barriers for underrepresented groups.

It includes clear commitments to address and challenge discrimination across all protected characteristics, ensure equitable access to employment, training, development, and pay, and provide mechanisms for grievances and complaints. Regular monitoring and review underpin its aim to value individual differences, promote fairness, and maximise the potential and contributions of all staff.

Key performance indicators

The Trust's key performance indicators for 2025 compared to the previous year were:

	2025	2024
Total Income	£11.2m	£11.1m
Total Expenditure	£10.4m	£10.5m
Wages as a % of turnover	54.2%	52.9%
Health & Fitness Membership	5,447	5,199
Swim & Spa Membership	1,686	1,598
Swim School Membership	3,575	3,470

Financial review

Financial position

The Board approved a budget surplus of £139,250. The actual year end surplus was £789,878 which represents a significant outperformance.

Total income rose to £11.2m. The total cost of electricity and gas in 2024/25 fell from £1.53m in 2023/24 to £1.18m due to softening of prices which resulted in a reduction in the Utilities Service Fee. Total expenditure reduced from the prior year of £10.5m to £10.4m. Despite increased staffing overall expenditure reduced.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRATEGIC REPORT

Financial review

Reserves policy

The 2023/24 financial year saw a fundamental change to the Trust's reserves policy, where instead of an identified minimum net asset position, specific individual reserves were identified and funds allocated to each.

The level of required reserves is reviewed annually and for 2024/25 the overall reserve continues to incorporate these four specific areas;

Operational

This identifies the level of working capital to cover seasonal fluctuations and anticipated strain on cash flow during the financial year.

Risks

To include geographical events including cost of living challenges, future pandemics and increased local competition.

Development Plans

A range of capital development projects have been identified to improve the customer experience and have a positive impact on revenue. It is acknowledged that whilst a significant contribution will be made to the Angel Leisure Centre development it is imperative that investment continues across the whole portfolio.

Contingency

Funds for unexpected events that may not be foreseen such as sudden full or partial closure of facilities or unexpected increase in costs not covered within the annual budget.

The 2023/24 financial year targeted an overall reserve position of £1.7million.

The review process for 2024/25, due to a combination of the Trust's increased scale and the identification of further developmental projects, has meant a change to the targeted overall reserve to £1.885 million.

Total Funds

Total funds held at 31 March 2025 were £2,512,160 (2024: £1,740,282) of which £53,641 (2024: £64,016) were restricted. The Board has designated funds as detailed below:

General Fund

The Trust has established a General Fund, which provides a level of security and sustainability reflective of the overall size of the organisation. Net current assets at 31 March 2025 were £1,581,516 (2024: £828,179).

Currently the Trust holds £2,314,984 (2024: £1,529,162) of undesignated reserves within the General Fund before accounting for the pension asset/liability which is currently £nil.

IT Replacement Fund

In 2016/17 the Trust reached agreement with TMBC to asset transfer the IT hardware for the rest of the contract period. This decision was approved by the Board and a lump sum of £200,000 was paid to the Trust. New IT hardware has been purchased, and the balance is placed in a designated reserve to allow future replacement which currently stands at £122,358 (2024: £125,927).

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRATEGIC REPORT

Financial review

Telephone Replacement Fund

In 2021/22 the Trust reached agreement with TMBC to asset transfer the telephony hardware for the rest of the contract period. The decision was approved by the Board and a lump sum of £35,300 was paid to the Trust. During the year there was no expenditure. The reserve currently holds £21,177 (2024: £21,177).

FRS 102 Pension Fund

Total unrestricted funds before accounting for the pension surplus held at the 31 March 2025 were £2,458,519 (2024 £1,676,266). A pension surplus of £nil (2024: £nil) has been included in the Financial Statements to comply with the provisions of FRS 102. After accounting for the pension position, total funds including restricted funds amount to a surplus balance of £2,512,160 (2024: £1,740,282).

Restricted Funds

Total restricted funds held at 31 March 2025 were £53,641 (2024 £64,016).

Investment Policy

There are no investments held beyond cash deposits retained with the major UK clearing banks.

Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place.

The Board has approved a series of detailed risk statements which form the Trust's Corporate Risk Register. Each of the identified risks is rated based upon likelihood and severity and prioritised. Risk Managers are identified. The Register includes corporate risk, business continuity risks and high-level operational risks. An individual Trustee was appointed as the Board Risk Champion and helped guide and develop the original register which is now reviewed annually or more frequently by exception.

The Corporate Risk Register is arranged under a range of key headings;

- Charitable Status - changes to or failure to comply with charitable legislation and objectives
- Company Legislation - changes to or failure to comply with company legislation
- Relationship with Council - failure to secure contract extension past 2033 and/or change in local authority policy
- Health & Safety Legislation - changes in legislation and/or serious breach of legislative requirements
- Data Protection & IT Security - breach of data protection legislation and/or cyber attack
- Environmental Issues / Climate Change - breach or change in legislation and/or long term adverse environmental conditions especially on outdoor facilities
- Business Continuity - loss or failure of key suppliers including IT systems providers and severe recruitment difficulties
- Financial Sustainability - general inflation including utilities costs and/or withdrawal of local authority funding support through changes to the Management Agreement
- Service Disruption - major plant or equipment failure, fire, flood or pandemic

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

Neither the charitable company nor any of its Trustees held any funds as custodian Trustee.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRATEGIC REPORT

Plans for future periods

The Trust's Three-Year Business Plan covering the period 1 April 2025 to 31 March 2028 has been approved by the Board and shared with TMBC. The three-year plan completes the 5-year period 2023-2028. Previously five-year plans had been produced but following the challenges of recovery from COVID it was deemed that a 2-year plan during the business recovery period followed by a three-year plan would be more appropriate.

The new three-year plan focuses on a period of transformation to prepare the Trust for the opportunities and challenges ahead. To support the continued positive financial performance there will be an enhanced focus on commerciality. The Trust is also committed to community engagement ensuring that services and programmes are appropriate for a broad range of the community. The Trust is excited to further develop the 'Active Communities' programme that offers facility based and out in the community services, delivering a varied programme accessible to all, including those within specific needs or hard to reach groups. The Trust is committed to breaking down barriers to participation.

These two core themes are supported by five core priorities: contract and financial stability, efficiency and effectiveness, environment, customer journey and community engagement.

A further review of capital development options has been presented to the Board and investment projects in 2025 - 26 include wet changing rooms at Larkfield Leisure Centre, course signage improvements at Poult Wood Golf Course, development of the reception area at Larkfield Leisure Centre with introduction of cashless operations, additional inclusive gym equipment at the Angel Leisure Centre and drowning detection technology at Larkfield Leisure Centre and Tonbridge Swimming Pool. The board has also agreed a significant contribution to the new Angel Leisure Centre development.

The Trust's main focus continues to be its current portfolio of facilities, with TMBC and Kings Hill Parish Council, however serious consideration will be given to potential new facility management contracts that appropriately meet the Trust's objectives and do not detract from these.

The Trust has entered a period of transformation to ensure that it is fit for the future and able to react positively to challenges. Through the Trusts managerial expertise and successful initial 12 years of management of leisure facilities the Trust has demonstrated its capability to embrace opportunities utilising the knowledge and experience of the management team.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charitable company, a company limited by guarantee, was established under a Memorandum of Association which formed the objects and powers of the charitable company and is governed under its Articles of Association.

Recruitment and appointment of new Trustees

The current Board consists of 11 Trustees of which 8 are Community Trustees. Recruitment of Community Trustees is subject to general advertisement and approval of the Board in accordance with the Articles of Association. Recruitment will highlight relevant skills and experience that are deemed appropriate to complement the existing profile of Trustees. New Community Trustees will be required to live and/or work within the Borough to ensure truly local interest and representation. The appointment of the Staff Trustee will be at the approval of the Board and through a transparent process that allows consideration of any permanently contracted employee of the Trust whether full or part time.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

In addition to the 8 Community Trustees and the Staff Trustee, the Leader of Tonbridge & Malling Borough Council nominates two Members to the Board making up the full complement of 11. At 31 March 2025 there were no vacancies on the Board. According to the Articles of Association three Trustees retired by rotation at the Annual General Meeting held in December 2024. All three retirees, Vidhya Ratnam, Duncan Scott and Mark Davis, were unanimously re-elected. The Chair, Alan Nicholl was re-elected unopposed, and Simon White was re-elected unopposed to the role of Vice Chair. Following the year end one Trustee, Duncan Scott, resigned. This means there is currently one vacancy. The Trustees will carefully consider an appointment to ensure the Trust has the required range of skills to support the transformation of the Trust.

Board Meetings

The Board had 4 scheduled General Meetings in 2024/25. The Annual General Meeting was held in December 2024. The Board received detailed quarterly updates at Board meetings in respect of the financial position, strategic and key operational matters, staff and customer related issues. One EGM was held to approve the audited Financial Statements for the year ended 31 March 2024 together with the Report of the Trustees.

Induction and training of new Trustees

Induction of new Trustees is undertaken using the original Induction Pack prepared by WS Law that outlines the duties and responsibilities of a Director and Trustee. WS Law continue to be retained by the Trust and can deliver the training directly if felt appropriate.

The Chair and the Chief Executive will provide a comprehensive introduction to the facilities, background to the Trust, business, operational and financial plans. In addition, the Chair and the Chief Executive will provide a detailed overview of the suite of documents that form the agreement between the Trust and Tonbridge & Malling Borough Council.

Remuneration of Key Management Personnel

In 2024/25 an approved cost of living award of 4% was made to all key members of the Executive Management Team.

The Board considers the recommendation of the Chief Executive annually in the context of the overall draft budget. Factors taken into account include the increase to the national minimum wage and its consequential impact of the Trust's salary scales and the pay differential between team members, affordability, local competitors, and the Community Leisure UK Annual HR report which benchmarks rates of pay across all roles within the sector.

TONBRIDGE AND MALLING LEISURE TRUST
T/A TMACTIVE
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Engagement with employees

Staff notice boards displaying urgent matters and points of interest along with insurance certificates for public and employee liability are maintained in each of the staff rooms across all sites.

The implementation of the UKG workforce management system has allowed for greater engagement. All policies are available on the platform along with the staff handbook. The system also allows staff to request shift changes and annual leave as well as providing the platform for automated timesheets and clocking in.

Biannual Line Manager meetings are held, everyone in a supervisory role is asked to attend along with the CEO and COO. Financial and operating performance are relayed with the intention of this being passed on to all employees. There is opportunity for the discussion of key issues with senior management requesting suggestions and questions.

The Trustees receive staff related information at each Board Meeting and are responsible for approving pay reviews, any potential restructures, and all HR policy documents. There is a staff Trustee elected by their colleagues, who is equal in status to other Board Members.

A number of the current Trustees are regular users of the Trust's facilities and thereby have informal direct access to staff members outside of senior management.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

08447331 (England and Wales)

Registered Charity number

1154831

Registered office

1-5 Martin Square

Larkfield

AYLESFORD

Kent

ME20 6QL

Trustees

A C Nicholl

S King (resigned 20.4.24)

M Davis

K Bennett

D Scott (resigned 10.6.25)

T Bishop

S White

P Philbey

S Ratnam

K S Tunstall

A P Burdon (appointed 3.6.24)

J F Buttery (appointed 3.6.24)

TONBRIDGE AND MALLING LEISURE TRUST
T/A TMACTIVE
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

REFERENCE AND ADMINISTRATIVE DETAILS

Company Secretary

D Sayle

Auditors

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

Solicitors

Winckworth Sherwood
Minerva House
5 Montague Close
London
SE1 9BB

Bankers

National Westminster Bank PLC
Chatham Customer Service Centre
Western Avenue
Waterside Court
Chatham Maritime
Chatham
Kent
ME4 4RT

Company trading name

tmactive

Executive management team

Members of the team for the whole financial period, unless otherwise stated were:

M Guyton - Chief Executive (retired 31st August 2024)

E Wood - Chief Executive (1st September 2024. Deputy Chief Executive 1 April 2024 - 31st August 2024)

D Sayle - Chief Financial Officer

K Brimsted - Chief Operating Officer

W Parker - Head of Media, Marketing and Communications

I Mansfield - Head of Facilities and Compliance

C Bushell - Head of People and Culture

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the Directors of Tonbridge and Malling Leisure Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

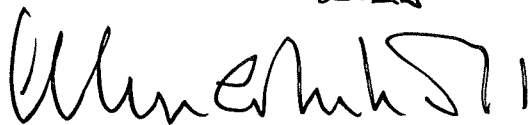
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

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

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on ~~8th September~~ ²⁰²⁵ and signed on the board's behalf by:



.....
A C Nicholl - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TONBRIDGE AND MALLING LEISURE TRUST**

Opinion

We have audited the financial statements of Tonbridge and Malling Leisure Trust (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and 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 Report of the Independent Auditors thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TONBRIDGE AND MALLING LEISURE TRUST**

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TONBRIDGE AND MALLING LEISURE TRUST**

Our responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

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

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

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TONBRIDGE AND MALLING LEISURE TRUST

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

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

Use of our report

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



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

Date: 8/09/2005

TONBRIDGE AND MALLING LEISURE TRUST
T/A TMACTIVE
(A COMPANY LIMITED BY GUARANTEE)

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

	Notes	Unrestricted funds £	FRS102 Pension £	Restricted funds £	31.3.25 Total funds £	31.3.24 Total funds £
INCOME AND ENDOWMENTS FROM						
Charitable activities	3					
Operation of leisure/golf centres/country park		11,140,104	-	(7,422)	11,132,682	11,056,033
Investment income	2	73,544	-	-	73,544	50,657
Total		<u>11,213,648</u>	<u>-</u>	<u>(7,422)</u>	<u>11,206,226</u>	<u>11,106,690</u>
EXPENDITURE ON						
Charitable activities	4					
Operation of leisure/golf centres/country park		<u>10,431,395</u>	<u>(18,000)</u>	<u>2,953</u>	<u>10,416,348</u>	<u>10,547,665</u>
NET INCOME/(EXPENDITURE)		782,253	18,000	(10,375)	789,878	559,025
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit schemes		<u>-</u>	<u>(18,000)</u>	<u>-</u>	<u>(18,000)</u>	<u>(62,000)</u>
Net movement in funds		782,253	-	(10,375)	771,878	497,025
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>1,676,266</u>	<u>-</u>	<u>64,016</u>	<u>1,740,282</u>	<u>1,243,257</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>2,458,519</u></u>	<u><u>-</u></u>	<u><u>53,641</u></u>	<u><u>2,512,160</u></u>	<u><u>1,740,282</u></u>

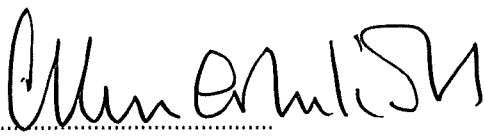
The notes form part of these financial statements

TONBRIDGE AND MALLING LEISURE TRUST (REGISTERED NUMBER: 08447331)
T/A TMACTIVE
(A COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET
31 MARCH 2025

	Notes	Unrestricted funds £	FRS102 Pension £	Restricted funds £	31.3.25 Total funds £	31.3.24 Total funds £
FIXED ASSETS						
Tangible assets	10	877,003	-	53,641	930,644	912,103
CURRENT ASSETS						
Stocks	11	118,762	-	-	118,762	116,190
Debtors	12	398,515	-	-	398,515	403,459
Investments	13	1,077,707	-	-	1,077,707	962,442
Cash at bank and in hand		1,604,898	-	-	1,604,898	857,226
		<u>3,199,882</u>	<u>-</u>	<u>-</u>	<u>3,199,882</u>	<u>2,339,317</u>
CREDITORS						
Amounts falling due within one year	14	(1,618,366)	-	-	(1,618,366)	(1,511,138)
		<u>1,581,516</u>	<u>-</u>	<u>-</u>	<u>1,581,516</u>	<u>828,179</u>
NET CURRENT ASSETS						
		<u>1,581,516</u>	<u>-</u>	<u>-</u>	<u>1,581,516</u>	<u>828,179</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,458,519</u>	<u>-</u>	<u>53,641</u>	<u>2,512,160</u>	<u>1,740,282</u>
NET ASSETS		<u>2,458,519</u>	<u>-</u>	<u>53,641</u>	<u>2,512,160</u>	<u>1,740,282</u>
FUNDS	16					
Unrestricted funds					2,458,519	1,676,266
Restricted funds					53,641	64,016
TOTAL FUNDS					<u>2,512,160</u>	<u>1,740,282</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 8th September 2025 and were signed on its behalf by:



 A C Nicholl - Trustee

The notes form part of these financial statements

TONBRIDGE AND MALLING LEISURE TRUST
T/A TMACTIVE
(A COMPANY LIMITED BY GUARANTEE)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	31.3.25 £	31.3.24 £
Cash flows from operating activities			
Cash generated from operations	1	934,343	609,469
Net cash provided by operating activities		934,343	609,469
Cash flows from investing activities			
Purchase of tangible fixed assets		(144,950)	(155,177)
Deposit account investment movement		(115,265)	(709,659)
Interest received		73,544	50,657
Net cash used in investing activities		(186,671)	(814,179)
Change in cash and cash equivalents in the reporting period		747,672	(204,710)
Cash and cash equivalents at the beginning of the reporting period		857,226	1,061,936
Cash and cash equivalents at the end of the reporting period		1,604,898	857,226

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.25 £	31.3.24 £
Net income for the reporting period (as per the Statement of Financial Activities)	789,878	559,025
Adjustments for:		
Depreciation charges	126,409	106,425
Interest received	(73,544)	(50,657)
Increase in stocks	(2,572)	(17,952)
Decrease/(increase) in debtors	4,944	(132,185)
Increase in creditors	107,228	157,813
Difference between pension charge and cash contributions	(18,000)	(13,000)
Net cash provided by operations	<u>934,343</u>	<u>609,469</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.24 £	Cash flow £	At 31.3.25 £
Net cash			
Cash at bank and in hand	857,226	747,672	1,604,898
	<u>857,226</u>	<u>747,672</u>	<u>1,604,898</u>
Liquid resources			
Deposits included in cash	-	-	-
Current asset investments	962,442	115,265	1,077,707
	<u>962,442</u>	<u>115,265</u>	<u>1,077,707</u>
Total	<u>1,819,668</u>	<u>862,937</u>	<u>2,682,605</u>

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

Tonbridge and Mallong Leisure Trust is a private company limited by guarantee, registered in England and Wales. The company is also a Charity registered in England and Wales. The company number, charity number and registered office can be found on the company information page. The presentation currency is GBP and numbers are not rounded within the financial statements.

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

Critical accounting judgements and key sources of estimation uncertainty

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

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

Management consider the key sources of estimation uncertainty; depreciation and amortisation charges for assets included in the Statement of Financial Position based on the estimated useful economic life of the assets and deferred and accrued income is recorded over the period for which the memberships relate.

In addition to the above, the present value of the Local Government Pension Scheme defined benefit asset / liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 17, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pension position at 31 March 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension asset / liability.

Going concern

Although the economic turbulence caused by national and international events since the beginning of 2020 has stabilized, the threat of global geopolitical issues reoccurring in the future remains a risk. Despite these continuing uncertainties, membership levels and public attendance at the Trust's facilities continue to exceed pre-pandemic levels. The comfort created by this level of popularity, coupled with the combination of mitigating factors available to the Trust and detailed below means that the Charitable Company remains in a strong position to cope with any resultant adverse impacts, if and when they arise.

The Trust's recent trading performance has created a strong reserve position in terms of liquid funds in the form of current accounts and fixed term, interest bearing deposits.

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

1. ACCOUNTING POLICIES - continued

Going concern

Despite rising staffing costs in the form of increased employer's national insurance and national minimum wage rates that came into effect in April 2025, the Trust is again forecasting a surplus budget for the 25/26 financial year.

This detailed budgeting for the year ended 31st March 2026 and the cashflow forecast for a further year suggests that the Trust's financial position will continue to remain at a robust level.

The utility tariff protection agreement with TMBC, by which the Charitable Company is protected against increases above inflation in the price of gas and electricity remains in place.

In respect of the tariff protection agreement, the Charitable Company have successfully negotiated an amendment by which a service fee arrangement provides for quarterly interim payments made to the Charitable Company by TMBC which, therefore, protects cash flow throughout the year.

The defined benefit pension protection agreement with TMBC negates the Trust's exposure to rises in employer contribution rates for all staff that transferred to the Trust at the point of inception. The staff that fall into this category represent the majority of employees who are members of the local government defined benefit scheme.

The Executive Management Team continue to work with TMBC via regular strategic level meetings on a financially transparent basis to ensure the sustainable future of the Charitable Company.

Arrangements have been made for investment by TMBC in energy savings schemes at operational sites, some of which are already in place with others planned for future implementation. This is with the view of reducing energy costs but is in line with the Council's stated policy target of becoming net zero by 2030.

It is considered that the demography of the Charitable Company's customer base will continue to protect the Trust should any deterioration in the cost of living arise. However, the Board will continue to monitor the position and support targeted offers with the aim of minimising any reduction in customer levels.

As a result of the strong reserves position and the mitigating actions detailed above the Board believes that no material uncertainty exists that the charitable Company will remain able to meet its financial obligations as they fall due for the foreseeable future and it has therefore prepared the financial statements on a going concern basis.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Government grants

Government grants are recognised when it is reasonably certain that the conditions attached to the grant are met. Income from grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

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

1. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Redundancy / termination payments

Redundancy costs are recognised in the statement of financial activities in the financial period the entity is demonstrably committed to terminate employment or make payment due to an offer made to encourage redundancy.

Allocation and apportionment of costs

Charitable activities are those costs incurred directly in the running of each of the recreation and leisure sites. Charitable activities are split into leisure activities, which are those costs incurred directly in the running of each of the sites, and support costs which are those costs incurred directly in support of expenditure on the objects of the charitable company. Governance costs are those incurred in the governance of the charitable company and its assets and are primarily associated with constitutional and statutory requirements.

Tangible fixed assets

Fixed assets costing in excess of £2,000 are shown in the financial statements at cost including irrecoverable VAT in respect of these assets. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office equipment - straight line over 5 to 10 years

Plant and machinery - straight line between 3 to 10 years

Improvements to leasehold property - SL over remaining term of lease (31/10/2033)

Stocks

Stocks are valued at the lower of cost and net realisable value, on a first-in-first-out basis, after making due allowance for obsolete and slow moving items.

Taxation

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

Fund accounting

Unrestricted funds are incoming resources receivable or generated for the objects of the charitable company without further specified purpose and are available as general funds or designated funds, which are set aside by the trustees for a specific purpose.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the funds.

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

1. ACCOUNTING POLICIES - continued

Pensions

The charitable company operates a pension scheme through Kent County Council providing benefits based previously on final pensionable pay but amended from 1 April 2014 to career average revalued earnings (CARE). The assets of the scheme are held separately in an independently administered fund. Tonbridge & Malling Borough Council has given a legal undertaking indemnifying the charitable company in respect of all transferring staff. Employees who joined the charitable company after the point of the business transfer are classified within 'Limb c' and it is the pensions of these employees which the charitable company is liable for. Accordingly, the financial statements for the year ended 31 March 2025 show a pension asset/liability of £Nil (2024 asset: £Nil) as calculated by the scheme actuary.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the trust in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial remeasurement gains and losses are recognised immediately in other recognised gains and losses.

In addition, the charitable company operates a defined contributions pension scheme for new staff, the cost of which is charged to the Statement of Financial Activities as incurred.

Financial instruments

The company enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

a) Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

b) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

c) Impairment of financial assets

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

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

1. ACCOUNTING POLICIES - continued

Financial instruments

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

d) Trade and other creditors

Debt instruments like loans and other accounts payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable within one year, typically trade payables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an 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.

Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value, like plant and equipment, are reviewed, to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets, which is the higher of value in use and the fair value less cost to sell, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit and loss.

Inventories are also assessed for impairment at each reporting date. Each item of inventory is compared to the last sold date and an impairment loss recognised on a percentage basis in profit and loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset or group of related assets is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset or group of related assets in prior periods. A reversal of an impairment loss is recognised immediately in profit and loss.

Service concessions arrangements

The charitable company has a Service Contract with Tonbridge & Malling Borough Council for the operation of leisure centres, golf courses, and a country park owned by the Council to which it has lease and management service contracts. Tonbridge & Malling Borough Council has rights under the contracts to specify the activities offered by the centres and the minimum standards for the services to be provided.

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

1. ACCOUNTING POLICIES - continued

Financial instruments

Property, plant and equipment

The buildings and plant at the centres are leased to the charitable company as part of the overall contractual relationship with Tonbridge & Malling Borough Council but the Council maintains ultimate control of these assets. Accordingly the access which the charitable company has in the use of these assets is to enable it to operate the leisure centres, golf courses and country park, so that the charitable company can provide the public service it is contracted to provide, not to effectively own these public service assets. These assets are therefore not recognised on the charitable company's Balance Sheet. Improvements to property funded by the Trust are shown in the balance sheet as fixed assets and are depreciated over the term of the lease.

Current asset investments

Funds held within deposit accounts with an original maturity date over three months are classified under current asset investments.

2. INVESTMENT INCOME

	31.3.25	31.3.24
	£	£
Deposit account interest	73,544	50,657

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.25	31.3.24
		£	£
Leisure centre income	Operation of leisure/golf centres/country park	11,140,104	10,996,670
Insurance claim	Operation of leisure/golf centres/country park	-	908
Grants	Operation of leisure/golf centres/country park	(7,422)	58,455
		11,132,682	11,056,033

The grant of £7,422 shown above relates to unspent monies from the KCC Reconnect Funding received, which has been returned in the year.

Grants received, included in the above, are as follows:

	31.3.25	31.3.24
	£	£
KSP Leasehold Grant	-	58,455

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

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 5) £	Totals £
Operation of leisure/golf centres/country park	9,327,351	1,088,997	10,416,348

5. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Operation of leisure/golf centres/country park	1,060,592	28,405	1,088,997

6. NET INCOME/(EXPENDITURE)

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

	31.3.25 £	31.3.24 £
Audit Fee	24,156	21,882
Other non-audit services	4,249	4,040
Depreciation - owned assets	126,409	106,425

7. TRUSTEES' REMUNERATION AND BENEFITS

Staff Trustees only receive remuneration in respect of services they provide undertaking their roles as staff and not in respect of their services as trustees. Other Trustees did not receive any payments, other than expenses, from the charitable company in respect of their role as Trustees. The value of the Trustees' remuneration during the period was as follows:

K Bennett (staff trustee) £25,027 (2024: £21,617), pension contributions £5,598 (2024: £5,140).

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

7. TRUSTEES' REMUNERATION AND BENEFITS - continued

Trustees' expenses

During the period, reimbursed expenses amounting to £39 (2024: £nil) were paid to a trustee for thank you gifts for sites. The expense was incurred by the staff trustee in their capacity of an employee of the trust.

8. STAFF COSTS

	31.3.25	31.3.24
	£	£
Wages and salaries	5,415,773	5,226,444
Social security costs	373,657	353,858
Other pension costs	286,778	290,446
	<u>6,076,208</u>	<u>5,870,748</u>

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

	31.3.25	31.3.24
Senior management	7	8
Leisure activities	429	402
Support	12	12
	<u>448</u>	<u>422</u>

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

	31.3.25	31.3.24
£60,001 - £70,000	-	2
£70,001 - £80,000	1	1
£80,001 - £90,000	1	-
£90,001 - £100,000	1	-
£120,001 - £130,000	-	1
	<u>3</u>	<u>4</u>

The total amount of employee benefits received by key management personnel (KMP) is £646,247 (2024: £747,316). Those considered to be KMP are listed on page 14 of the Trustees report.

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

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	FRS102 Pension £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Charitable activities				
Operation of leisure/golf centres/country park	10,997,578	-	58,455	11,056,033
Investment income	50,657	-	-	50,657
Total	11,048,235	-	58,455	11,106,690
EXPENDITURE ON				
Charitable activities				
Operation of leisure/golf centres/country park	10,556,384	(13,000)	4,281	10,547,665
NET INCOME	491,851	13,000	54,174	559,025
Transfers between funds	(600)	-	600	-
Other recognised gains/(losses)				
Actuarial gains/(losses) on defined benefit schemes	-	(62,000)	-	(62,000)
Net movement in funds	491,251	(49,000)	54,774	497,025
RECONCILIATION OF FUNDS				
Total funds brought forward	1,185,015	49,000	9,242	1,243,257
TOTAL FUNDS CARRIED FORWARD	1,676,266	-	64,016	1,740,282

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

10. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Office equipment £	Totals £
COST				
At 1 April 2024	1,143,356	366,212	80,318	1,589,886
Additions	62,446	41,192	41,312	144,950
Disposals	-	(66,762)	(9,856)	(76,618)
At 31 March 2025	1,205,802	340,642	111,774	1,658,218
DEPRECIATION				
At 1 April 2024	414,281	200,989	62,513	677,783
Charge for year	79,794	40,478	6,137	126,409
Eliminated on disposal	-	(66,762)	(9,856)	(76,618)
At 31 March 2025	494,075	174,705	58,794	727,574
NET BOOK VALUE				
At 31 March 2025	711,727	165,937	52,980	930,644
At 31 March 2024	729,075	165,223	17,805	912,103

11. STOCKS

	31.3.25 £	31.3.24 £
Stocks	118,762	116,190

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.25 £	31.3.24 £
Trade debtors	188,189	231,962
Other debtors	392	709
Prepayments and accrued income	209,934	170,788
	398,515	403,459

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

13. CURRENT ASSET INVESTMENTS

	31.3.25	31.3.24
	£	£
Unlisted investments	1,077,707	962,442

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.25	31.3.24
	£	£
Trade creditors	378,162	309,690
Social security and other taxes	91,848	107,561
VAT	55,601	56,056
Other creditors	53,892	79,254
Deferred income	684,716	620,871
Accrued expenses	354,147	337,706
	1,618,366	1,511,138

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.25	31.3.24
	£	£
Within one year	51,248	56,986
Between one and five years	1,612	15,860
	52,860	72,846

The charitable company holds a lease of £37,000 per annum for office rental which ends 31 March 2028, however this lease can be cancelled with 12 months notice. This lease is included within the table above.

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

16. MOVEMENT IN FUNDS

	At 1.4.24 £	Net movement in funds £	At 31.3.25 £
Unrestricted funds			
General fund	1,529,162	785,822	2,314,984
IT Replacement Fund	125,927	(3,569)	122,358
Telephone replacement	21,177	-	21,177
	<u>1,676,266</u>	<u>782,253</u>	<u>2,458,519</u>
Restricted funds			
KCC Reconnect	7,422	(7,422)	-
KSP Leasehold Grant	56,594	(2,953)	53,641
	<u>64,016</u>	<u>(10,375)</u>	<u>53,641</u>
TOTAL FUNDS	<u>1,740,282</u>	<u>771,878</u>	<u>2,512,160</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	11,213,648	(10,427,826)	-	785,822
IT Replacement Fund	-	(3,569)	-	(3,569)
FRS102 Pension	-	18,000	(18,000)	-
	<u>11,213,648</u>	<u>(10,413,395)</u>	<u>(18,000)</u>	<u>782,253</u>
Restricted funds				
KCC Reconnect	(7,422)	-	-	(7,422)
KSP Leasehold Grant	-	(2,953)	-	(2,953)
	<u>(7,422)</u>	<u>(2,953)</u>	<u>-</u>	<u>(10,375)</u>
TOTAL FUNDS	<u>11,206,226</u>	<u>(10,416,348)</u>	<u>(18,000)</u>	<u>771,878</u>

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

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds				
General fund	1,035,198	494,564	(600)	1,529,162
IT Replacement Fund	128,640	(2,713)	-	125,927
FRS102 Pension	49,000	(49,000)	-	-
Telephone replacement	21,177	-	-	21,177
	<u>1,234,015</u>	<u>442,851</u>	<u>(600)</u>	<u>1,676,266</u>
Restricted funds				
KCC Reconnect	9,242	(1,820)	-	7,422
KSP Leasehold Grant	-	55,994	600	56,594
	<u>9,242</u>	<u>54,174</u>	<u>600</u>	<u>64,016</u>
TOTAL FUNDS	<u>1,243,257</u>	<u>497,025</u>	<u>-</u>	<u>1,740,282</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	11,048,235	(10,553,671)	-	494,564
IT Replacement Fund	-	(2,713)	-	(2,713)
FRS102 Pension	-	13,000	(62,000)	(49,000)
	<u>11,048,235</u>	<u>(10,543,384)</u>	<u>(62,000)</u>	<u>442,851</u>
Restricted funds				
KCC Reconnect	-	(1,820)	-	(1,820)
KSP Leasehold Grant	58,455	(2,461)	-	55,994
	<u>58,455</u>	<u>(4,281)</u>	<u>-</u>	<u>54,174</u>
TOTAL FUNDS	<u>11,106,690</u>	<u>(10,547,665)</u>	<u>(62,000)</u>	<u>497,025</u>

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

16. MOVEMENT IN FUNDS - continued

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

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.25 £
Unrestricted funds				
General fund	1,035,198	1,280,386	(600)	2,314,984
IT Replacement Fund	128,640	(6,282)	-	122,358
FRS102 Pension	49,000	(49,000)	-	-
Telephone replacement	21,177	-	-	21,177
	<u>1,234,015</u>	<u>1,225,104</u>	<u>(600)</u>	<u>2,458,519</u>
Restricted funds				
KCC Reconnect	9,242	(9,242)	-	-
KSP Leasehold Grant	-	53,041	600	53,641
	<u>9,242</u>	<u>43,799</u>	<u>600</u>	<u>53,641</u>
TOTAL FUNDS	<u>1,243,257</u>	<u>1,268,903</u>	<u>-</u>	<u>2,512,160</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	22,261,883	(20,981,497)	-	1,280,386
IT Replacement Fund	-	(6,282)	-	(6,282)
FRS102 Pension	-	31,000	(80,000)	(49,000)
	<u>22,261,883</u>	<u>(20,956,779)</u>	<u>(80,000)</u>	<u>1,225,104</u>
Restricted funds				
KCC Reconnect	(7,422)	(1,820)	-	(9,242)
KSP Leasehold Grant	58,455	(5,414)	-	53,041
	<u>51,033</u>	<u>(7,234)</u>	<u>-</u>	<u>43,799</u>
TOTAL FUNDS	<u>22,312,916</u>	<u>(20,964,013)</u>	<u>(80,000)</u>	<u>1,268,903</u>

Designated Fund

Included within carried forward unrestricted general funds of £2,314,984 is a designated amount of £44,966 in respect of the Kings Hill Parish Council Sports Facility. This amount has been ring fenced in accordance with the contract for reinvestment in the sports park.

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

16. MOVEMENT IN FUNDS - continued

IT Replacement Fund

During the year 31 March 2017 an amount of £200,000 was received from TMBC in respect of the replacement costs of IT equipment. Unspent funds at 31 March 2025 were £122,358 (2024: £125,927).

Telephone System Replacement Fund

During the year 31 March 2022 an amount of £35,300 was received from TMBC in respect of the replacement costs of the telephone system. Unspent funds at 31 March 2025 were £21,177 (2024: £21,177).

KCC Reconnect Fund

During the year 31 March 2022 an amount of £31,784 was received from KCC to deliver a programme of activities for children and young people through to August 2022. The aim of the grant is to help reconnect children and young people with activities they missed during the COVID-19 pandemic. During the year 31 March 2023 an additional amount of £7,946 was received upon final receipt of the monitoring data. Unspent funds at 31 March 2025 were £nil the unspent amount of £7,422 in 2024 was repaid. (2024: £7,422).

KSP Leasehold Grant

During the year 31 March 2024 an amount of £58,455 was received from FCC Community Foundation in respect of the provision of floodlights at tennis courts. This amount was spent in 2024 via capital expenditure, the funds balance at 31 March 2025 of £53,641 (2024: £56,594) represents the net book value of the assets.

17. EMPLOYEE BENEFIT OBLIGATIONS

The charitable company operates a defined benefit pension scheme for some employees administered by Kent County Council, the administering authority to the Kent County Council Pension Fund. The charitable company has admitted body status to the Kent County Council Pension Fund. The calculation can also be very sensitive to the actuarial assumptions used in valuing the scheme. The figures disclosed below have been derived by approximate methods from the full actuarial valuation of the fund carried out by the actuary as at 31 March 2025.

Tonbridge & Malling Borough Council has given a legal undertaking indemnifying the charitable company in respect of pension contributions of all transferring staff. Employees who joined the charitable company after the point of the business transfer are classified within 'Limb c' and it is the pensions of these employees which the charitable company is liable for. Accordingly, the financial statements for the year ended 31 March 2025 show a pension asset/liability of £nil (2024: £nil asset).

Movement on impact of asset ceiling

The impact of the asset ceiling also had £6,000 worth of interest associated with it, which is recorded within the SOFA.

The impact of asset ceiling in the current year totalled £419,000, adding the £6,000 of interest recognised in the SOFA, plus an opening position of £125,000, gives the closing position of £550,000.

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

17. EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in the Balance Sheet are as follows:

	Defined benefit pension plans	
	31.3.25	31.3.24
	£	£
Present value of funded obligations	(1,248,000)	(1,549,000)
Fair value of plan assets	1,798,000	1,674,000
	<hr/>	<hr/>
	550,000	125,000
Present value of unfunded obligations	-	-
Impact of asset ceiling	(550,000)	(125,000)
	<hr/>	<hr/>
Deficit	-	-
	<hr/>	<hr/>
Net liability	-	-
	<hr/>	<hr/>

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

	Defined benefit pension plans	
	31.3.25	31.3.24
	£	£
Current service cost	50,000	48,000
Net interest from net defined benefit asset/liability	(2,000)	(4,000)
Past service cost	-	-
Administrative expenses	2,000	1,000
	<hr/>	<hr/>
	50,000	45,000
	<hr/>	<hr/>
Actual return on plan assets	85,000	77,000
	<hr/>	<hr/>

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

17. EMPLOYEE BENEFIT OBLIGATIONS - continued

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

	Defined benefit pension plans	
	31.3.25	31.3.24
	£	£
Opening defined benefit obligation	1,549,000	1,527,000
Current service cost	50,000	48,000
Contributions by scheme participants	26,000	22,000
Interest cost	77,000	73,000
Estimated benefits paid net of transfers in	(25,000)	(40,000)
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	(3,000)	(17,000)
Actuarial (gains)/losses from changes in financial assumptions	(422,000)	(69,000)
Oblig other remeasurement	(4,000)	5,000
	<u>1,248,000</u>	<u>1,549,000</u>

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

	Defined benefit pension plans	
	31.3.25	31.3.24
	£	£
Opening fair value of scheme assets	1,674,000	1,576,000
Administration expenses	(2,000)	(1,000)
Contributions by employer	68,000	58,000
Contributions by scheme participants	26,000	22,000
Interest on assets	85,000	77,000
Estimated benefits paid plus unfunded net of transfers in	(25,000)	(40,000)
Return on plan assets (excluding interest income)	(28,000)	(18,000)
	<u>1,798,000</u>	<u>1,674,000</u>

TONBRIDGE AND MALLING LEISURE TRUST
T/A TMACTIVE
(A COMPANY LIMITED BY GUARANTEE)

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

17. EMPLOYEE BENEFIT OBLIGATIONS - continued

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

	Defined benefit pension plans	
	31.3.25	31.3.24
	£	£
Actuarial (gains)/losses from changes in demographic assumptions	3,000	17,000
Actuarial (gains)/losses from changes in financial assumptions	422,000	69,000
Oblig other remeasurement	4,000	(5,000)
Return on plan assets (excluding interest income)	(28,000)	(18,000)
Impact of asset ceiling	(419,000)	(125,000)
	<u>(18,000)</u>	<u>(62,000)</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	31.3.25	31.3.24
Equities	57%	58%
Gilts	6%	7%
Other Bonds	15%	14%
Infrastructure	5%	5%
Property	8%	9%
Cash	4%	2%
Absolute Return Fund	5%	5%
	<u>100%</u>	<u>100%</u>

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

17. EMPLOYEE BENEFIT OBLIGATIONS - continued

Sensitivity analysis	£	£	£
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	1,216,000	1,248,000	1,281,000
Projected service cost	28,000	30,000	31,000
Adjustment to long term salary increase	+0.1%	0.0%	-0.1%
Present value of total obligation	1,250,000	1,248,000	1,246,000
Projected service service cost	30,000	30,000	30,000
Adjustment to pension increases and deferred revaluation	+0.1%	+0.0%	-0.1%
Present value of total obligation	1,593,000	1,248,000	1,217,000
Projected service cost	32,000	30,000	28,000
Adjusted to life expectancy assumptions	+1 Year	None	-1 Year
Present value of total obligation	1,277,000	1,248,000	1,219,000
Projected service cost	31,000	30,000	29,000

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

	31.3.25	31.3.24
Discount rate	5.95%	4.95%
Future salary increases	3.85%	3.90%
Future pension increases	2.85%	2.90%

Pension supporting information

FRS102 section 28 is an accounting standard in relation to the calculation and disclosure of company pension scheme liabilities. It requires that employers make full provision for all pension scheme liabilities on their balance sheet - both in respect of any outstanding employer contributions and any attributable share of the pension scheme actuarial deficit in respect of defined benefit schemes.

The FRS102 pensions liability calculation used for accounting purposes are based largely on the actuarial Ongoing Basis calculations (such as inflation, life expectancy etc.) but crucially differ in one key respect - that of the discount factor used to arrive at net present value of any surplus or deficit. Whereas the Ongoing Basis uses estimated actuarial investment returns based on past and expected future performance, the FRS102 calculation uses a return based specifically on AA rated Government gilts. The volatility of the discount rate assumption can lead to higher liabilities being shown than if the liabilities were calculated by the Ongoing Basis.

Future employer contributions are calculated at each tri-annual actuarial valuation. The actuaries calculate the scheme surplus or deficit based on prevailing assumptions around returns, inflation, discount factors, life expectancy etc. and then calculate the employer contribution required to a) maintain and provide for current and future pensions and b) reduce any deficit over time. The employer contributions required are communicated to the employers and remain in place until the next tri-annual valuation. For all LPGS, the last triennial actuarial valuation was carried out in 2022 and new rates set for 3 years from April 2023. The employer contribution rates have been set at 18.6% for the next 3 years.

TONBRIDGE AND MALLING LEISURE TRUST
T/A TMACTIVE
(A COMPANY LIMITED BY GUARANTEE)

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

18. CAPITAL COMMITMENTS

	31.3.25	31.3.24
	£	£
Contracted but not provided for in the financial statements	41,164	32,295

As at 31 March 2025, the Charitable Company had committed to contribute to the refurbishment of the Tonbridge Pool Health Suite. The contribution amount was unknown at the year end but a contribution of £41,164 has subsequently been agreed.

19. RELATED PARTY DISCLOSURES

During the year there were the following transactions with related parties:

The Trust made sales of £5,144 (2024: £5,378) to Tonbridge Juddians Rugby Football Club, where M Davis, a Trustee, is vice-president. There were no amounts due to the Trust at 31 March 2025 (2024: £nil).

The Trust made purchases of £11,240 (2024: £8,728) from and sales of £100 to CP Digital for social media services. The spouse of W Parker, a member of Key Management Personnel, is a director of CP Digital. There was a balance of £816 owed by the Trust at 31 March 2025 (2024: £1,296).

The spouse of I Mansfield, a member of Key Management Personnel, was employed by the Trust during the financial year and was paid £25,529.

During the year M Guyton has continued to use a vehicle leased by the trust after retirement from his role as Chief Executive Officer. The total post employment benefit is £28,675 which is being treated as ex gratia. M Guyton made a personal contribution towards the lease cost totalling £9,000.

20. LEGAL STATUS

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

