
Everybody Health & Leisure

Trustees' Report and Financial Statements

Year Ended 31st March 2024

Company Registration No: 08685939 Charity Registration No: 1156084

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Chief Executive's Report

Dear everyone,

Our 10th year as a registered charity has once again been an incredibly busy one for our team but I believe the most rewarding one yet given the scale and breadth of achievements in collaboration with our key partners.

We have surpassed all key performance indicators compared to our reestablished base of 2022-23 (which is the first full year since the pandemic without any covid related restrictions), it is fantastic that we've seen the natural demand for our services continue to grow and reach new record levels of usage across our Cheshire East estate.

This is a positive sign that more and more people are recognising the importance of their own health and ensuring they utilise their leisure time in many different active ways. This can of course bring challenges for programming and ensuring equality of opportunity for all users in our pools and wider facilities – trying constantly to create new flexible multi-purpose spaces for all to use.

However, it is our job to identify and encourage all people to take part in sport or whatever activity may be best suited to them that helps them to improve their physical and/or mental health. We've sought to remove any barriers to participation by working with Cheshire East Council to design targeted policies and interventions based on local health data and we have now committed plans to do even more in the future.

Our reach and ability to provide more was considerably enhanced with the opening of the new Congleton Leisure Centre on 28th June 2023, after years of planning and development. This fantastic facility has been energised by its new team and thousands of local visitors – exceeding all targets for its first year by Christmas!

I'm delighted that our dedicated Everybody Healthy Team have helped over three thousand people to start on their journey towards a healthier and more active lifestyle, and/or visit one of our facilities or services for the first time this past year. Also, that our Sport for Everybody initiatives have helped many young people have their first go at different sports and also reached people of all ages to reconnect to a sport they once played – and can now play once again ...

2023-24 has seen our highest ever financial turnover as an organisation, which reflects the increased operational performance and output of all our hardworking teams. As a charity we've continued to reinvest income back into our local communities in line with our charitable objectives. Investments this year have seen considerable improvements in our sites at Wilmslow & Poynton, along with a number of 'pocket' investments in all sites. At the same time this year we have ensured an improved reserves position, including several one-off income receipts, which we will use to enable a medium term sustainable financial plan; enabling us to support even more people in the future.

Highlights of the past year include reaching over 25,000 active fitness members using our facilities and over 10,500 learn to swim participants attending our swimming pools each week. We were proud to receive a number of accolades and external awards this past year;

including retaining our Investors in People status and multiple QUEST accreditations across the different facilities. We were also a finalist for the UKActive Leadership Award nationally and locally for Employer of the Year at the South Cheshire Chambers Award and shortlisted for customer excellence at both North & South Cheshire Chamber Awards. Concluding the year with winning the Outstanding Learning & Development Organisation at the East Cheshire Business Awards.

Despite all the great positives of the past year, there were some challenges. We supported the Strategic Leisure Review undertaken by Cheshire East Council throughout 2023. Given the challenging financial landscape for the Council (and landlord to many of our sites) this was difficult but it was incredible to witness the passion and local response to the importance of all community leisure assets and services. This review has hopefully enabled us to set a new long-term plan with the Council to continue to invest in towns across the borough – with a new £3.5m capital investment plan and the long-term commitment to our charity enabling us to help meet many of the revenue savings required in the years to come through invest-to-save and long term delivery to do more.

Our partnership with Cheshire East Council has strengthened over the past 12-months and I'm grateful for their continued commitment to invest in local residents' health & leisure provision, especially at a challenging financial time for local government. We will continue to work hard to ensure maximum social and financial value for residents and all local communities in the borough.

Our loyal customers have continued to enable our charity to prosper, and it was lovely to read the feedback in the annual Customer Survey where we scored 8.47/10 for overall customer satisfaction. Of course, there is always more to do and improve upon and this survey has helped to inform our 2024-25 plans to continuously improve what we do.

Looking ahead, we welcome all new ideas, contributions, and opportunities to partner with like-minded people & organisations in the future - to do as much as we can to support the local public health agenda and ensure the very best leisure experience for all people.

I look forward to working with you and for you in the future to build upon these successes,

Thomas Barton

Chief Executive

Trustees, Directors, Principal Officers & Advisors

Everybody Health & Leisure is a company limited by guarantee and a registered charity governed by its memorandum and articles of association. Company No. 08685939 Charity No: 1156084

Trustees

The trustees presently serving are:

Chair of the Board:

Andrew Kolker

Finance & Risk Sub Committee:

Philip Bland

Zoe Davidson (resigned Dec 2023)

Christopher Gee

Richard Middlebrook

Customers & Communities Sub Committee:

Kimiyo Rickett

Harry Korkou

Rod Thomson (appointed April 2024)

Alex Taylor

People, Performance & Planning Sub Committee:

Martin Hardy

Colin Chaytors

Suzie Akers Smith (resigned May 2023)

Lata Anderson (appointed July 2023)

Auditors

Dains Audit Limited, Suite 2, Albion House, 2 Etruria Office Village, Etruria, Stoke on Trent, ST1 5RQ

Bankers

Barclays Bank, 38 Market Street, Crewe, CW1 2ET

Company Secretary

Oakwood Corporate Services

Principal Officers

Thomas Barton Chief Executive

Kerry Shea Director of Health & Communities, Deputy Chief Executive

Registered Office: 3rd Floor, 1 Ashley Road, Altrincham, WA14 2DT

Principal Office: Brooklands, Holmes Chapel Community Centre, Station Road, Holmes Chapel, CW4 8AA

Everybody Health & Leisure is governed by a Board of up to eleven Trustees. These trustees are appointed by the current Board who take into account a skills matrix and ensure a range of skills and representation from all communities. This is achieved in one of three ways:

- Any individual, based in or operating in Cheshire East is eligible for nomination to the board of trustees.
- Trustees try to ensure ongoing appropriate skills and gender balance, where any gaps are noted, they seek to appoint appropriate skills through an application process.
- Occasionally the trustees may co-opt individuals with relevant skills to strengthen the Board.

All these appointments are then ratified by Trustees at the Annual Retirement Meeting.

The day-to-day management and running of the charity has been delegated to the Chief Executive and other appointed managers.

The executive management team comprises:

Tom Barton	Chief Executive
Kerry Shea	Deputy CEO, Director of Health & Communities

The executive leadership team comprises:

Dawn Aston	Head of CRM (resigned June 2024)
Dom Crisp	Head of Operations
Katie Harrop	Head of People & OD
Dave Newport	Head of Finance
Kris Sankey	Head of Business Development

Governance

Governing Document

Everybody Health and Leisure is a company limited by guarantee and a registered charity governed by its memorandum and articles of association, incorporated in England and Wales.

Trustee Induction and Training

All trustees receive an induction into Everybody Health and Leisure and receive the appropriate paperwork. During the year the paperwork has been renewed to assist both new and established trustees. In addition, we have embarked on a programme of development including the arrangement of CPD workshops and away days for trustees. These sessions focus on governance issues for trustees including finance, structure and strategic planning.

The Trustees follow wherever applicable the Charity Commission best practise and follow a full internal governance process based upon all elements of the Charity Commission Governance Code.

Board and Sub Committees

Each Trustee holds a place on one of three sub-committees, People, Performance & Planning, Finance & Risk and Customers & Communities. These sub committees take a detailed look at certain areas of the business each quarter and then take reports regarding these areas to the full Board meeting, which takes place every three months.

Statement of Trustees Roles & Responsibilities

The trustees (who are also directors of Everybody Health and Leisure for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations. Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and accounting 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 operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy, at any time, the financial position of the charitable company and 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 auditor is 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 auditor is aware of that information.

Public Benefit

The Trustees of Everybody Health & Leisure have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties. All activities have been undertaken to further Everybody Health & Leisure's purpose to ensure the promotion and preservation of good health, including but not limited to through community participation in healthy recreation. Activities are not arranged to provide any financial return to members.

Reserves Policy Statement

Reserves are the resources that a charity has, or can make available to spend, for all of the charity's purposes. The SORP explains the term "reserves", it describes them as that part of a charity's funds that are freely available.

The Charity Commission guidance, CC19, explains that designated funds should be considered when reviewing the charity's reserves, although these are not part of the general reserves. Funds need to be properly designated for a defined purpose, which should be explained in the notes to the accounts.

The Trust's reserve policy is to aim to hold enough free reserves using a risk-based approach to ensure that the Trust is able to continue all operations and services for a short period should a significant part of our income not be realised. Our current unrestricted reserves at the end of March 2024 have increased from £304,300 to £737,820, with our unrestricted designated reserves position increasing from £644,705 to £1,057,313 and restricted funds reducing from £19,451 to £nil.

While the operation of the defined benefit pension scheme does create a financial risk for the organisation, any deficit or surplus in the scheme can be managed over the medium term and so has no immediate impact on our cashflow requirements. Any Exit Contributions paid by the Contractor (Everybody) will be funded by Cheshire East Council through the Management Fee, where an Exit Contribution is paid and there is no future Annual Payment due, the Authority shall make an appropriate additional payment to Everybody. Any risks associated with changes in the level of pension scheme assets and liabilities are therefore disregarded for reserves policy purposes.

Net Assets have increased by £826,677 to £1,795,133 mainly due to "Cash at bank and in hand" increasing by £1,011,484 to £3,422,449. This is primarily due to the receipt of capital items

relating to ongoing capital projects and an insurance claim relating to COVID related site closures.

Risk Management

The Trustees are fully aware, and take very seriously their responsibility for identifying, assessing and managing the risks of Everybody Health & Leisure. Risks are identified by the Executive Management Team and reported via the Risk Register to the Trustees.

There are several principal risks and uncertainties.

- The level of the management fee paid to Everybody Health & Leisure by Cheshire East Council. This fee is negotiated every year and ongoing efficiencies are expected
- IT system failure – the IT systems are large and complex with manual interfaces between systems, we have set up a designated fund in order to reduce the risks in this area.

The Risk Register is considered on a quarterly basis by the Finance and Risk Sub Committee, the likelihood of the risk occurring, the impact of such a risk and any mitigating action required/taken is considered as well as taking proximity and imminence into account. Risks are then RAG (Red, Amber, Green) rated.

Red/High Risks are reported to the full board. The subcommittee take a fully detailed review of every risk on the register on an annual basis.

Principal Risks	Current Controls & Mitigating Actions	Future Action Plan
Increasing budgetary pressure from payroll related legislation.	Continue to monitor price point for services, optimise internal efficiency and other opportunities.	Continual efficiency review in addition to utilisation of technology to mitigate impact of risks.
Changes to Council commissioned services resulting in loss of service, reputational and financial impact.	Fixing the management fee to reflect contractual commissioned services means any changes will require extensive public consultation.	Reputational consequences will be managed through Everybody's communication plans with Cheshire East Council leading on its policy changes and any external advice required as a result of any changes will be sought on a timely basis.
Speed of change within the field of digitisation within the sector leaves the Trust vulnerable to escalating costs and lack ability to deliver in future	Digitisation strategy being formulated to evaluate what the future looks like with a view to implementing changes over the coming years	Task force created to implement and refresh digitisation plans.
Increased competition across our Cheshire East facilities resulting in loss of memberships & associated financial impact.	Continue to monitor pricing, improve overall offer to customers and quality of service.	Proactive marketing for key sites, continual improvement of offer and pricing monitoring.

Financial Review

Investment Powers, Policy and Performance

The policy of Everybody Health & Leisure has been to invest surplus funds in the growth of the business. We aim to carry sufficient cash in the banks' current or higher interest deposit accounts to fund its predicted working capital requirement.

Surplus funds will be deposited in our Business Reserve bank account or in a high interest fixed term bond. This meets the objective of a higher return than average deposit accounts, without risking the funds, while maintaining maximum flexibility to fund new projects. The trustees are mindful to monitor the rate of return on cash deposits to ensure cash reserves are not eroded.

Results for the Year

Everybody Health & Leisure's finances have returned to a surplus position, with an increase in held reserves of £826,677 to £1,795,133. By the end of March 2024, we have again increased our fitness membership levels over 25,000 and Learn to Swim Scheme is bigger than ever with over 10,000 children actively learning to swim at any given time.

Our overall income figure is £25,696,311. This includes £5,896,793 in respect of Donations for the use of the leisure centres which remain under the ownership of Cheshire East Borough Council and Holmes Chapel Parish Council. In addition, £3,186,569 was received relating to Grants and Contracts, of which £2,077,016 refers to income received from Cheshire East Borough Council. In addition, £214,150 was received to deliver 'Bikeability cycle training' to 7,092 children and £127,560 was received from Health partners to deliver a variety of programmes targeted at improving the lives of those with long term health conditions. Income of £15,421,595 was received during the year from customers to our centres and through delivering our contracts, £1,059,369 trading income was received from our social areas and our investment income in year was £131,985.

Outgoing resources totalled £24,794,634 for the year, leaving us with a Net Income of £901,677 for 2023/24. This Expenditure includes a notional pension service surplus of £75,000, when this is removed, we are left with a Net operating surplus of £826,677.

The total Unrestricted Funds as at the end of 2023-24 are £737,820 excluding our designated funds, which equate to £1,057,313 (as detailed in Note 16).

Going Concern

Overall Membership income has steadily increased during the year with the re-opening of Congleton Leisure Centre adding c.3,000 members and continues to rise steadily. Our Learn to Swim Scheme remains successful and is larger than ever. Costs are still being tightly controlled. The Trustees and the Executive Management Team feel very confident about the future and have full confidence in our Going Concern status.

Note 1.02 further details the Accounting Policy used whilst preparing this set of Accounts in respect of being a Going Concern.

Funding Sources

Everybody Health & Leisure's principal funding sources for 2023-24 was income relating to charitable activities, our customers provided £15,421,595 of our income in the year.

Our operating contract with Cheshire East Council; this contract refers to the operating of 15 leisure centres across the Cheshire East area until 2029. During 2023-24 this value was included within the total amount received of £1,593,000 including support service costs.

Everybody Health & Leisure's Annual Report and financial statements for the year ended 31 March 2024 have been prepared by the trustees in accordance with the Charities Act 2011. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and reporting by Charities" effective 1st January 2019, in preparing the annual report and financial statements of the charity.

Key Management Personnel

An external company carries out individual job evaluations on each of the Key Management roles, this evaluation includes benchmarking against comparable positions and similar organisations. These results are considered by the People, Performance & Planning Sub Committee and a level of remuneration is recommended to the full Trustee board for their approval.

Fundraising Activities

The charity had no fundraising activities requiring disclosure under S162A of the Charities (Protection and Social Investment) Act 2016

Related Parties, Partnership Working and Network

The Charity supports many Sports Clubs, Community Groups and Voluntary Organisations with advice around funding, volunteer management and best practice guidance. Everybody Health & Leisure's support of grassroots clubs benefits the wider community by opening up opportunities for people to access sport and recreation activities.

Cheshire East Council are a significant partner and contributes to the delivery of sporting facilities in Cheshire East by providing funding to Everybody Health & Leisure in the form of a Management Fee. This funding also supports the sports development work by enabling children and adults to take part in sporting events out in the community.

Everybody Health & Leisure also holds a 23-year lease on a facility at Holmes Chapel which is owned by Holmes Chapel Parish Council, and a 10-year lease on Alderley Park facility which is owned by Alderley Park Limited. This is in addition to the facilities which are operated from and are owned by Cheshire East Borough Council.

Everybody Health & Leisure participate in several key and strategic partnerships representing the interests of our customers, and the wider Sport and Recreation arena. At a national level, Everybody Health & Leisure is a member of Community Leisure UK and UKActive.

Strategic report

The highlights of the company over the course of the year are referenced in the Chief Executive's Report. In addition, the future developments for Everybody Health & Leisure are also referred to in the Chief Executive's Report and the Trustees Annual and Strategic Report.

Everybody Health & Leisure has made no political donations or incurred any such expenditure during the financial year.

The Risk Management Statement is shown on page 9 of the Trustees Annual and Strategic Report. No hedge accounting is used by the company.

People choose their provider on a number of different factors, price being one but also quality of offering, range of classes, location, customer service and breadth of facility (e.g., squash, swimming pools etc.). Cashflows are monitored weekly and since many of our customers pay in advance, liquidity risk is easily controlled.

Employee expenditure is the largest portion of cost for Everybody as we operate in a service industry arena, as such our employees are very important to the growth and development of our business. We have implemented a pay review to ensure we pay at least National Living Wage and continue to ensure we competitive within the sector.

At Everybody, we encourage new applications from disabled persons into both paid employment and volunteer roles, we have a robust equal opportunities policy, and all managers within Everybody are trained in following and embedding this policy not only for new employees but also for current employees that may become disabled during their current service with us.

We have a budget for equipment adaptations and additional training that may be required for staff that become disabled to allow them to continue in their current role. Should continuing in their current role no longer be viable then solid alternative internal positions will be sought, following consultation with the individual involved and looking at each person's individual circumstances.

At Everybody, one of our strategic aims is to "Develop our people to be the best" and we strive to achieve that with all employees regardless of disability.

We provide employees with information on matters of concern to them as employees, in a number of ways.

Firstly, on an individual basis, all employees attend monthly team meetings with their line manager, have a bi-annual Performance Development Review where they are encouraged to make suggestions for their development (for example request further training or mentoring etc), and regular 1-2-1's with line managers.

Secondly as a whole organisation we have a monthly staff newsletter that is provided to every employee and all employees are encouraged to suggest content, we also hold six-monthly staff presentations to which all employees are invited and involves presentations by the Chief Executive and Senior Management Teams followed by an open Question and Answer session to which all staff are encouraged to contribute.

To encourage the involvement of employees in the company's performance we have implemented a Sharing in Success Scheme, this enables employees to all receive a payment should the company make a surplus.

In September 2024 Everybody Health and Leisure were awarded the Cheshire East Integrated Lifestyle Service Contract (commonly known as One You Cheshire East). The contract, commissioned by Cheshire East Council, will see us take full operational responsibility of the "One You Cheshire East" service, including the website, branding and programme delivery.

We will deliver the following programme streams:-

- Physical Activity schemes to inactive people .
- Weight Management classes (for adults and children).
- Falls Prevention classes.
- Smoking Cessation services.

The contract value is almost £1.4 million a year, and will run for 3 years, with another optional 3 years extension. The contract involves TUPE of current staff team (10 FTE), plus recruitment of 8 more.

One You Cheshire East gives us an opportunity to do even more work with Cheshire East Public Health team and continue to make a real difference to people living in our communities.

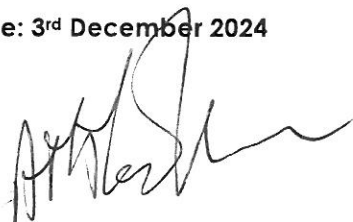
The Directors at this time can confirm:

a) so far as the Directors are aware, there is no relevant audit information of which the company's Auditor is unaware, and

b) they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the company's Auditor is aware of that information.

This report, which incorporates the Strategic Report, was approved by the Trustees on 3rd December 2024, and signed on their behalf by Andrew Kolker.

Andrew Kolker - Chair, Date: 3rd December 2024



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EVERYBODY HEALTH AND LEISURE FOR THE YEAR ENDED 31 MARCH 2024

Opinion

We have audited the financial statements of Everybody Health & Leisure for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the 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.

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 in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of the board

As explained more fully in the Statement of the Trustee's responsibilities, as set out on page 7, the Trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the board 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 board is 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 board either intends to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

- the senior statutory auditor 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 charitable company through discussions with directors and other management, and from our commercial knowledge and 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 the financial reporting legislation, Charities Act 2011, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; 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; and
- 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;
- 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, relevant regulators and the company's legal advisors;

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charity'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 charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Hawkins (Senior statutory auditor)
for and on behalf of
Dains Audit Limited

Statutory Auditor
Chartered Accountants

Suite 2 Albion House
2 Etruria Office Village
Forge Lane
Stoke on Trent
ST1 5RQ

3rd December 2024

Statement of Financial Activities period ended 31 March 2024

	Notes	Unrestricted Funds	Restricted Funds	2023-24	2022-23
		£	£	£	£
Income:					
Donations and Legacies	2	5,896,793	-	5,896,793	4,217,570
Charitable Activities	3	15,421,595	-	15,421,595	12,334,437
Other Trading Activities	4	1,059,369	-	1,059,369	803,396
Investment Income		131,985	-	131,985	42,587
Grants & Contracts	5	3,186,569	-	3,186,569	3,469,108
Total Income		25,696,311	-	25,696,311	20,867,098
Expenditure on Charitable Activities					
Other Trading Activities	6	1,102,643	-	1,102,643	876,019
Charitable Activities	7	23,672,540	19,451	23,691,991	20,319,286
Total Expenditure		24,775,183	19,451	24,794,634	21,195,305
Net Income/ (Expenditure)		921,128	(19,451)	901,677	(328,207)
Transfers Between Funds		-	-	-	-
Other Recognised Gains/(Losses)		-	-	-	-
Actuarial (Losses)/Gains on Defined Benefit Pension Schemes		(75,000)	-	(75,000)	13,477,000
Net Movement		846,128	(19,451)	826,677	13,148,793
Total Funds Brought Forward		949,005	19,451	968,456	(12,180,337)
Total Funds Carried Forward		1,795,133	-	1,795,133	968,456

Balance Sheet as at 31 March 2024

	Note	31 Mar 24 £	31 Mar 23 £
Fixed Assets:			
Intangible Fixed Assets	11	-	-
Tangible Fixed Assets	12	2,122,116	1,615,523
Total Fixed Assets		2,122,116	1,615,523
Current Assets:			
Stocks		112,435	145,337
Debtors	13	1,129,364	535,012
Cash at bank and in hand		3,422,449	2,410,965
Total Current Assets		4,664,248	3,091,314
Liabilities:			
Creditors: amounts due within one-year	14	(4,222,741)	(3,206,862)
Net Current Assets/(Liabilities)		441,507	(115,548)
Total Assets Less Current Liabilities		2,563,623	1,499,975
Creditors: amounts falling due after one-year	15	(768,490)	(531,519)
Net Assets excluding pension Liability		1,795,133	968,456
Defined Benefit Pension Scheme Liability	18	-	-
Total Net Assets or Liabilities		1,795,133	968,456
Funds of the Charity:			
Unrestricted Funds	16	737,820	304,300
Unrestricted Designated Funds	16	1,057,313	644,705
Restricted Funds		-	19,451
Pension Reserve	18	-	-
Total Funds		1,795,133	968,456

These Financial Statements were approved and authorised for issue by the Board on 3rd December 2024 and signed on their behalf by Andrew Kolker.

Andrew Kolker - Chair



Cash flow Statement as at 31 March 2024

	01 April 2023 – 31 March 2024 £	01 April 2022 – 31 March 2023 £	Table
Cash Flows from operating activities			
Net cash (outflow)/inflow from operating activities	1,452,139	1,191,822	1
Cash Flows from investing activities			
Capital Expenditure	(502,240)	(191,871)	
Interest Income	131,985	42,587	
Cash Flows from financing activities			
Loan Received	-	-	
Loan Repayment	(70,400)	(166,400)	
Increase/(Decrease) in cash in period	1,011,484	876,138	
Cash & Cash equivalents at the beginning of the reporting period	2,410,965	1,534,827	
Cash & Cash equivalents at the end of the reporting period	3,422,449	2,410,965	2

Table 1

	01 April 2023 - 31 March 2024 £	01 April 2022 - 31 March 2023 £
Net movement in funds for the reporting period (as per the statement of financial activities)	901,677	(328,207)
Adjustments for:		
Pension Service Cost	(75,000)	799,000
Depreciation charges	354,418	402,948
Interest Income	(131,985)	(42,587)
(Increase)/decrease in stocks	32,902	(79,426)
(Increase)/decrease in debtors	(594,352)	(59,472)
Increase/(decrease) in creditors	964,479	499,566
Net cash provided by (used in) operating activities	1,452,139	1,191,822

Table 2

	01 April 2023 - 31 March 2024 £	01 April 2022 - 31 March 2023 £
Cash in hand	3,422,449	2,410,965
Total cash & cash equivalents	3,422,449	2,410,965

Statement of Net Debt

	As at 01 April 2023 £	Cash Flows £	As at 31 March 2024 £
Cash	2,410,965	1,011,484	3,422,449
Cash equivalents	-	-	-
Overdraft facility repayable on demand	-	-	-
Loans falling due within one year	(70,400)	-	(70,400)
Loans falling due after more than one year	(176,000)	70,400	(105,600)
Finance lease obligations	(546,809)	(331,523)	(878,193)
Total	1,617,756	750,361	2,368,256

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

1.01 Basis of Preparation

The Accounts cover the 12-month period ended 31st March 2024; the previous year comparatives refer to the period 1st April 2022 – 31st March 2023. The financial statements are prepared under Companies Act 2006, and in accordance with the Financial Reporting Standard 102 (FRS 102) and follow the recommendations in 'Accounting and Reporting by Charities: Statement of Recommended Practice' (SORP 2019).

The Trust is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 11 September 2013 (company number: 08685939) and registered as a charity on 10 March 2014 (charity number: 1156084). The address of the registered office is 3rd Floor, 1 Ashley Road, Altrincham, WA14 2DT.

1.02 Going Concern

The Trustees have considered the financial position of the Trust, the levels of free reserves and the 2024-25 budget; consequently the Trustees believe that the charity is well-placed to manage its business risks successfully.

Historically, there has been a pension liability which exceeds the net assets of the Trust, this should not be interpreted as creating a state of insolvency. The liability does not result in an immediate cash commitment and the liability is not expected to crystallise in the foreseeable future. Cheshire East Council provide a guarantee, in relation to all eligible employees, in respect of the Trust's pension obligations. In 2023-24, it should be noted that a pension surplus has been generated. All valuations are based upon reviews by external actuaries engaged through the Local Government Pension Scheme.

In the event of the company winding up the Trustees may resolve that any net assets of the Charity after all its debts and liabilities have been paid, be applied, or transferred either directly for the objects of the Charity, or to any institution which is or are regarded as charitable for purposes similar to the objects of the Charity or for use for particular purposes that fall within the objects of the Charity. In no circumstances shall the net assets of the Charity be paid to or distributed among the members of the Charity under this Article 41.

The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of preparation in the financial statements.

1.03 Incoming Resources

Income is credited to the Statement of Financial Activities in the period in which it is receivable. The income and expenditure account is presented in the form considered most appropriate to the current activities of the charity.

Donations and Legacies include an amount equal to notional rental expenditure for the use of Cheshire East Council facilities, in addition to one building owned by Holmes Chapel Parish Council.

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable. Included within the Grants and Contracts figure on the face of the accounts is the management fee paid to Everybody by Cheshire East Council.

Charitable Activities Income is where most of our income sits; this includes memberships, class bookings, health programmes, and swimming lessons.

Trading income refers to income generated at all sites currently using the "Taste For Life" branding. This primarily consists of catering, bar, and vending income.

Income from investments is included in the year in which it is receivable.

In addition to the income disclosed in the financial statements Everybody Health & Leisure also receives help and support in the form of voluntary assistance. This help and support is not included in the financial statements. This voluntary assistance is very much appreciated.

1.04 Fund Accounting

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure that meets these criteria is charged to the fund together with a fair allocation of management and support costs.

1.05 Stock Accounting

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

1.06 Resources Expended

Resources expended are recognised in the year in which they are incurred.

Direct charitable expenditure is identified as cost incurred directly as a result of running the operations and projects directly aligned with our charitable aims.

Trading activity costs are those incurred in connection with trading activities of the Trust.

Resources expended are allocated to the activity where the cost relates to the activity. However, management, administration and finance staff costs are apportioned based on time spent on each activity.

1.07 Intangible Assets and Depreciation

Intangible software and associated costs greater than £12,000 are amortised at a rate calculated to write off the lower of cost or fair market value over its expected useful life. Depreciation is provided as follows:

<u>Asset</u>	<u>Lifespan</u>	<u>Rate</u>
Software	3 Years	33.3%

1.08 Tangible Fixed Assets and Depreciation

Fixed assets, either individually or as a collection of similar items, purchased over the value of £12,000 (exclusive of VAT) are capitalised with all assets valued at historic cost.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

<u>Asset</u>	<u>Lifespan</u>	<u>Rate</u>
Buildings	24 years or the life of a property lease if less	4.2%
Buildings Refurbishment	5 years	20.0%
Gym/Studio Equipment	5 years	20.0%
General Equipment	5 years	20.0%
Computers/IT	5 years	20.0%

Assets Under Construction are not depreciated until the asset is ready for use.

1.09 Leasing

Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the charity, are capitalised in the balance sheet, and are depreciated over their useful lives. The capital elements of future obligations under leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

1.10 Deferred Income

Amounts held as deferred income refer to funds received in the reporting period but specifically held for use in the following financial year due to funds being restricted for use in a future period.

1.11 Financial Instruments

The company only enters basic financial instruments transactions 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, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. 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 out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 the Statement of Financial Activity.

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 best estimate, which approximates the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset, and the net amount reported in the Balance Sheet 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.

1.12 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.13 Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty

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

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation, and the physical condition of the assets. See Note 12 for the carrying amount of the property, plant, and equipment, and note 1.08 for the useful economic lives for each class of assets.

(ii) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 13 for the net carrying amount of the debtors and associated impairment provision.

(iii) Actuarial Assumptions

Everybody Health & Leisure has obligations to pay pension benefits to certain employees who are members of a Local Government Pension Scheme. The cost of these benefits and the present value of the obligation depend on several factors including life expectancy, salary increases and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the Statement of Financial Position. The assumptions reflect historical experience and current trends.

1.14 Pensions

The Trust participates in the Local Government Pension Scheme (LGPS), with Cheshire West and Chester Council operating as the Administering Authority. The LGPS is a defined benefit scheme. The schemes assets are held separately from the assets of the Trust and are administered by trustees and managed professionally.

Pension scheme assets are measured on an actuarial basis using the projected unit 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 annually and updated at each Balance Sheet date.

A liability is recognised in the Balance Sheet in respect of the scheme which represents the present value of the defined benefit obligation at the balance sheet date less the fair value of the scheme assets. A full valuation of the liability is calculated by an independent actuary every three years using the projected units method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates

of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have the terms to maturity approximating to the terms of the related pension liability. Actuarial gains and losses are recognised in the Statement of Financial Activities in the year that they arise. Where changes to the Scheme have resulted in past service costs, these are recognised immediately in the Statement of Financial Activities.

Liabilities for the pension scheme are held by Cheshire East Council (the "Authority"), and are covered in the Operating Contract (section 19.0) which states that "To ensure that the Administering Authority does not require the Contractor to put in place any indemnity or bond in respect of the Eligible Employees, the Authority will provide the Administering Authority with a guarantee in a form acceptable to the Administering Authority and the Contractor in respect of the Contractor's obligations to the Administering Authority in respect of Eligible Employees".

Everybody Health & Leisure is reporting an operating surplus prior to the pension service costs of £901,677. The service costs and pension movements that we are required to show in our accounts under FRS 102 rules include changes in actuarial assumptions and other adjustments that do not impact on the operational cashflow of the charity.

During the contract negotiations it was agreed with Cheshire East Council, that they would indemnify the pension liability for all Everybody Health & Leisure, current and new staff, for as long as the scheme remains open.

On 26 October 2018, the High Court handed down a judgment involving the Lloyds Banking Group's defined benefit pension schemes. The judgment concluded the schemes should be amended to equalise pension benefits for men and women in relation to guaranteed minimum pension benefits. The issues determined by the judgment arise in relation to many other defined benefit pension schemes. The Trustees are aware that the issue will affect the charity and will be making decisions as to the next steps in due course. The Trustees have not yet estimated the overall value of individual adjustments to the Scheme as a whole.

A follow up ruling on 20 November 2020 confirmed that members who have historically taken a transfer value now have to be included in GMP equalisation assessments and top up payments made where necessary. The actuary has not made any additional allowance for this follow up ruling.

2. Donations

	01 April 2023 – 31 March 2024 £	01 April 2022 – 31 March 2023 £
Miscellaneous	-	140
Use of Buildings Owned by Cheshire East BC	5,834,793	4,161,430
Use of Buildings Owned by Holmes Chapel Parish Council	62,000	56,000
Total Income	5,896,793	4,217,570

During 2023-24, in addition to minimal property revaluations, the full value of Congleton Leisure Centre was introduced as it became operational in June 2023. The property yield increased from 7.00% to 7.50%. This rate was obtained from the same independent source as in 2022-23.

3. Charitable Activities (Income)

	01 April 2023 – 31 March 2024 £	01 April 2022 – 31 March 2023 £
Operational Facilities	15,389,289	12,317,838
Health & Communities	32,306	16,599
Total Income	15,421,595	12,334,437

4. Other Trading Activities (Income)

	01 April 2023 – 31 March 2024 £	01 April 2022 – 31 March 2023 £
Bar & Catering Income	1,059,369	803,396
Total Income	1,059,369	803,396

The increased income between 2022-23 to 2023-24 is primarily due to the reopening of Congleton Leisure Centre in June 2023. Everybody's catering function is provided under the brand name "Taste For Life". A loss of £43,274 is reported when compared against the expenditure recorded in Note 6.

5. Grants and Contracts

	01 April 2023 – 31 March 2024	01 April 2022 – 31 March 2023
	£	£
CEC Management & Operational Fees	1,492,500	1,663,500
CEC Support Services	100,500	100,500
CEC Project Funding	484,016	956,587
Bikeability	214,150	247,021
Health	127,560	152,785
Active Travel	-	65,978
Madeley Centre Management Fee	-	55,000
Cumberland Arena Funding	-	80,000
Restricted Funds	-	23,619
Greenspaces Project	12,000	-
Resilience In Leisure	75,000	-
Other Sources	680,843	124,118
Total Income	3,186,569	3,469,108

Other Sources include a gross income receipt of £511,280 in respect of an insurance claim settlement.

6. Other Trading Activities (Expenditure)

	01 April 2023 – 31 March 2024	01 April 2022 – 31 March 2023
	£	£
Staff Costs	608,020	513,626
Bar & Catering Purchase	494,623	362,393
Total Expenditure	1,102,643	876,019

7. Charitable Activities (Costs) Including Actuarial Pension

	Operational Facilities £	Health & Communities £	01 April 2023 - 31 March 2024 £	01 April 2022 - 31 March 2023 £
Salary, NI & Pensions	9,339,147	583,164	9,922,311	8,683,903
Indirect Employee Costs	75,118	72,370	147,488	137,196
Pension Service Costs	(60,561)	(1,394)	(61,955)	678,790
Property Costs	6,357,156	-	6,357,156	4,699,130
Transport - Other	1,683	256	1,939	4,191
Supplies & Services	1,695,422	400,643	2,096,065	1,941,239
Financing Costs	696,532	2,998	699,530	564,047
Support & Marketing Costs	4,255,662	244,635	4,500,297	3,579,192
Governance Costs Reallocated	26,960	2,200	29,160	31,598
Total 01 April 2023 -31 March 2024	22,387,119	1,304,872	23,691,991	-
Total 01 April 2022 -31 March 2023	19,170,133	1,149,153	-	20,319,286

8. Support and Governance

	Management & Support Services £	Governance Costs £	01 April 2023 – 31 March 2024 £	01 April 2022 – 31 March 2023 £
Salary, NI & Pensions	2,385,693	-	2,385,693	1,787,785
Indirect Employee Costs	327,153	-	327,153	243,079
Pension Service Costs	(13,045)	-	(13,045)	120,210
Property Costs	308,785	-	308,785	241,917
Transport - Other	8,962	-	8,962	13,604
Supplies & Services	1,454,663	29,160	1,483,823	1,148,858
Financing Costs	28,086	-	28,086	55,337
Total	4,500,297	29,160	4,529,457	3,610,790

Governance costs primarily include external audit fees, specialist tax advice and Company Secretary fees.

9. Analysis of Staff Costs, Auditor Costs & Trustee Remuneration and Expenses

The aggregate payroll costs were:	01 April 2023– 31 March 2024 £	01 April 2022 – 31 March 2023 £
Salaries	11,529,808	9,496,814
Social Security Costs	697,487	593,600
Pension Costs	846,044	784,044
Total	13,073,339	10,874,458

Within the above costs, there were no redundancy payments. These costs are included within the SOFA heading of charitable activities. Costs in 2022-23 were £4,011. Ex-gratia payments totalling £11,466 were paid during 2023-24, £nil in 2022-23.

Included within the costs identified above which refer to 814 members of staff, the following table details the number of staff whose total employee benefits (excluding employer pension costs) exceeded £60,000.

Total Employee Benefits (FTE) £	No. of Employees 2024	No. of Employees 2023
60,000 – 69,999	-	-
70,000 – 79,999	-	1
80,000 – 89,999	1	-
90,000 – 99,999	-	1
100,000 – 109,999	1	-
Total	2	2

The total salary and pension costs paid to all key management totalled £246,458 (£236,928 in 2022-23).

Governance costs include Annual Auditor Fees totalling £24,292 for the Statutory Audit (£23,406 in 2022-23) and £3,187 for specialist VAT & tax advisory services (£7,152 in 2022-23).

The Charity Trustees receive no remuneration for their services. No expenses have been reimbursed by the charity to the Trustees during the year. (nil also in 2022-23).

10. Staff Numbers

The average number of staff employed (disclosed on a headcount basis) during this financial year is detailed below. Casual staff are included within this table.

2024	No.
Leisure Facilities and Leisure Development	699
Taste for Life and Health	60
Support Services and Academy	55
Total	814

2023	No.
Leisure Facilities and Leisure Development	599
Taste for Life and Health	52
Support Services and Academy	82
Total	733

11. Intangible Fixed Assets

2023-24	IT Software £	Total £
<u>Cost</u>		
Balance as of 01 April 2023	89,575	89,575
Additions	-	-
As at 31 March 2024	89,575	89,575
<u>Amortisation</u>		
As at 01 April 2023	89,575	89,575
In year charges	-	-
As at 31 March 2024	89,575	89,575
<u>Net Book Value</u>		
As at 01 April 2023	-	-
As at 31 March 2024	-	-

The value of amortised Intangible Assets is included within the expenditure heading of the SoFA named "Charitable Activities".

12. Tangible Fixed Assets

2023-24	Buildings inc Professional Fees £	Assets under Construction £	Gym Equipment £	IT Equipment £	General Equipment £	Total £
<u>Cost:</u>						
Balance as of 01 Apr 2023	728,143	107,177	947,409	114,562	621,569	2,518,860
Balance as of 01 Apr 2023 (Finance Lease)	-	-	1,072,947	-	-	1,072,947
Additions	-	11,722	375,537	-	114,981	502,240
Transfers – AUC to Gym Eqp	-	(107,177)	107,177	-	-	-
Additions (Finance Leases)	-	-	650,042	-	-	650,042
As at 31 March 2024	728,143	11,722	3,153,112	114,562	736,550	4,744,089
<u>Depreciation:</u>						
Balance as of 01 Apr 2023	322,107	-	488,188	103,695	455,556	1,369,546
Balance as of 01 Apr 2023 (Finance Lease)	-	-	606,736	1	-	606,737
Charge for the Year	32,967	-	213,394	5,089	102,970	354,420
Charge for the Year (Finance Leases)	-	-	291,270	-	-	291,270
As at 31 March 2024	355,074	-	1,599,588	108,785	558,526	2,621,973
<u>Net Book Value</u>						
As at 01 April 2023	406,036	107,177	925,432	10,866	166,012	1,615,523
As at 31 March 2024	373,069	11,722	1,553,524	5,777	178,024	2,122,116

Net Book value of gym equipment financed via a finance lease as at 31 March 2024 is £824,983 (2023-24 £466,210).

13. Debtors

	31 March 2024	31 March 2023
	£	£
Trade Debtors	329,600	327,591
Prepayments and Accrued Income	799,764	207,421
As at 31 March 2024	1,129,364	535,012

£11,754 of Bad Debt has been written off through the Statement of Financial Activity.

14. Creditors: Amounts Falling Due Within One Year

	31 March 2024	31 March 2023
	£	£
Trade Creditors	923,956	450,525
Accruals and Deferred Income	2,597,833	2,083,868
Taxation and Social Security	297,196	318,691
Loans	70,400	70,400
Finance Leases	215,303	191,151
Other Creditors	118,053	92,227
Total	4,222,741	3,206,862

Analysis of Deferred Income Movement

Deferred Income	Brought Forward 2023 £	Total In Year Deferral £	Total In Year Deferral Released £	Carried Forward 2024 £
- Annual Memberships	661,275	1,339,212	1,683,237	1,005,300
- Facility Bookings	25,766	22,489	19,009	22,286
- Learn To Swim Scheme	11,713	2,767	-	8,946
- Memberships Income received in March	103,704	-	27,085	130,789
- Various Contracts	-	2,433,030	2,436,461	3,431
- Joint Use	26,042	64,323	65,625	27,344
- Third Party payment	8,060	8,060	-	-
Total	836,560	3,869,881	4,231,417	1,198,096

15. Creditors: Amounts Falling Due After One Year

	31 March 2024	31 March 2023
	£	£
Principal Loan Repayments Repayable Between 1 to 5 Years	105,600	176,000
Principal Loan Repayments Repayable After 5 Years	-	-
Principal Finance Lease Repayable Between 1 to 5 Years	662,890	355,519
Total	768,490	531,519

One loan remains outstanding at year end. The loan has an interest rate of 4% above the Bank of England's variable Base Rate and is classed as an Unsecured Loan.

16. Analysis of Charitable Funds

Fund	Brought Forward 2023 £	Incoming Resources £	Outgoing Resources £	Gains / (Losses) £	Transfers In / (Out) £	Carried Forward 2024 £
Unrestricted	304,300	25,621,311	(24,775,183)	-	(412,608)	737,820
Pension Reserve	-	75,000	-	(75,000)	-	-
Restricted Funds						
- Young Persons Exercise Referral	14,339	-	(14,339)	-	-	-
- Macclesfield LC Pool Hoist	2,500	-	(2,500)	-	-	-
- Connected Communities	2,612	-	(2,612)	-	-	-
Total Restricted Funds	19,451	-	(19,451)	-	-	-
Designated Funds						
- Staff Membership Scheme	103,052	-	-	-	(57,673)	45,379
- Capital Contributions Received	17,317	-	-	-	(17,317)	-
- Management Training	39,424	-	-	-	-	39,424
- Capital Contributions Received	152,000	-	-	-	(152,000)	-
- Congleton LC Mobilisation	130,000	-	-	-	(130,000)	-
- Digital Transformation	62,000	-	-	-	38,000	100,000
- Strategic Leisure Review	30,000	-	-	-	20,000	50,000
- Cumberland Arena	32,412	-	-	-	(1,602)	30,810
- Cyber / ICT Security	50,000	-	-	-	-	50,000
- CRY	24,000	-	-	-	(9,000)	15,000
- Social Action Partnership	4,500	-	-	-	-	4,500
- One Off Use of Reserves	-	-	-	-	460,000	460,000
- Wilmslow LC Equipment	-	-	-	-	212,200	212,200
- Organisational Change	-	-	-	-	50,000	50,000
Total Designated Funds	644,705	-	-	-	412,608	1,057,313
Total Funds	968,456	25,696,311	(24,794,634)	(75,000)	-	1,795,133

Fund	(As restated) Brought Forward 2022 £	Incoming Resources £	Outgoing Resources £	Gains / (Losses) £	Transfers In / (Out) £	Carried Forward 2023 £
Unrestricted	334,554	20,843,479	(20,392,137)	-	(481,596)	304,300
Pension Reserve	(12,678,000)	-	(799,000)	13,477,000	-	-
Restricted Funds						
- Wilmslow Town Council	-	3,780	(3,780)	-	-	-
- Young Persons Exercise Referral	-	14,339	-	-	-	14,339
- Macclesfield LC Pool Hoist	-	2,500	-	-	-	2,500
- Connected Communities	-	3,000	(388)	-	-	2,612
Total Restricted Funds	-	23,619	(4,168)	-	-	19,451
Designated Funds						
- Staff Membership Scheme	105,349	-	-	-	(2,297)	103,052
- Capital Contributions Received	18,336	-	-	-	(1,019)	17,317
- Management Training	39,424	-	-	-	-	39,424
- Capital Contributions Received	-	-	-	-	152,000	152,000
- Congleton LC Mobilisation	-	-	-	-	130,000	130,000
- Digital Transformation	-	-	-	-	62,000	62,000
- Strategic Leisure Review	-	-	-	-	30,000	30,000
- Cumberland Arena	-	-	-	-	32,412	32,412
- Cyber / ICT Security	-	-	-	-	50,000	50,000
- CRY	-	-	-	-	24,000	24,000
- Social Action Partnership	-	-	-	-	4,500	4,500
Total Designated Funds	163,109	-	-	-	481,596	644,705
Total Funds	(12,180,337)	20,867,098	(21,195,305)	13,477,000	-	968,456

Analysis of Net Assets between Funds	Unrestricted Funds	Restricted Funds	Designated Funds	Total Funds 2024
	£	£	£	£
Tangible Fixed Assets	2,122,116	-	-	2,122,116
Current Assets	3,606,935	-	1,057,313	4,664,248
Creditors: amounts falling due within one year	(4,222,741)	-	-	(4,222,741)
Creditors: amounts falling due after one year	(768,490)	-	-	(768,490)
Total	737,820	-	1,057,313	1,795,133

Analysis of Net Assets between Funds	Unrestricted Funds	Restricted Funds	Designated Funds	Total Funds 2023
	£	£	£	£
Tangible Fixed Assets	1,615,523	-	-	1,615,523
Current Assets	2,427,158	19,451	644,705	3,091,314
Creditors: amounts falling due within one year	(3,206,862)	-	-	(3,206,862)
Creditors: amounts falling due after one year	(531,519)	-	-	(531,519)
Total	304,300	19,451	644,705	968,456

Restricted Funds

- Young Persons Exercise Referral

This referral scheme targeted young people aged 12-18 years in Crewe and Surrounding areas with long term health conditions to engage them in a 12-week programme to encourage and facilitate exercise.

- Macclesfield LC Pool Hoist

A contribution of £2,500 was received towards the cost of a new pool hoist at Macclesfield Leisure Centre which has now been utilised.

Connected Communities

In respect of the Holmes Chapel Community Centre, funding of £1,000 was previously received to be spent on publicly accessible digital equipment and £2,000 was to be spent as appropriate to enhance a community environment. These funds have now been fully utilised.

Designated Funds

- Staff Membership Scheme

Income is set aside from the staff membership scheme which is to be used for staff activities, development, and benefits during forthcoming years.

- Capital Contribution Received

A sum of £24,450 was accounted for as income in 2015-16 which was designated to be transferred into the General fund in future years to offset annual depreciation charges made against the revenue account. Trustees have agreed to release this into Unrestricted Funds with effect from 31st March 2024.

- Management Training

A sum of £39,424 had been designated during 2021-22 towards future management development costs. No costs were incurred during 2023-24.

- Capital Contribution Received

A sum of £152,000 was accounted for as income in 2022-23 which was designated to be transferred into the General fund in future years to offset new charges incurred in respect of Congleton Leisure Centre and Wilmslow Leisure Centre redevelopments. This has been utilised within 2023-24.

- Congleton Leisure Centre Mobilisation

A sum of £130,000 was accounted for as income in 2022-23 which was designated to offset costs incurred prior to the reopening of Congleton Leisure Centre, which at 31-Mar-2023, had no confirmed date of opening but was expected within the first quarter of 2022-23. Following the successful opening of Congleton Leisure Centre in June 2023, this has now been fully utilised.

- Digital Transformation

An amount of £62,000 had originally been identified as being allocated for assisting Everybody to further transform its digital platforms. During 2023-24, this value has been increased by £38,000.

- Strategic Leisure Review

An amount of £30,000 had been allocated to assist with future costs to be incurred for a Strategic Leisure Review of Everybody's operations. During 2023-24, this value has been increased by £20,000.

- Cumberland Arena

An original amount of £80,000 was recognised as income during 2022-23 to finance initial costs to be incurred for a project at the Cumberland Arena, in association with Crewe Town Investment Plan. The unspent amount of £30,810 is expected to be fully spent within 2024-25.

- **Cyber / ICT Security**

An amount of £50,000 had been allocated to enhance the existing controls against cyber-attacks and all aspects of ICT security. No costs were incurred during 2023-24.

- **CRY**

An amount of £24,000 had been identified within the 2022-23 accounts to further continue a relationship which was started during the year. This amount will allow further Everybody staff aged between 18 and 35 to be assessed by Cardiac Risk in the Young to increase awareness, screening and research and supporting affected families. This has been partially utilised within 2023-24.

- **Social Action Partnership**

An amount of £4,500 was received during 2022-23 and had been designated for continued use into future years. This was received from the Cheshire East Social Action Partnership to enable sector representation at Care Community meetings across the region.

- **One Off Use of Reserves**

An amount of £460,000 has been designated during 2023-24 as part of the Management Fee discussions with CEC for the 2024-25 budget.

- **Wilmslow Leisure Centre Equipment - minus depreciation to date**

An amount of £212,200 has been designated during 2023-24, being an original amount of £250,000 being invested in equipment at Wilmslow, less depreciation to date.

- **Organisational Change**

An amount of £50,000 has been designated during 2023-24 to assist with further organisational changes during 2024-25.

17. Related Party Transactions

Everybody Health & Leisure has a close working relationship with Cheshire East Council (CEC), who nominate two of the eleven trustees of the charity. These two nominated trustees have equal voting rights with the other trustees.

In addition, a close working relationship has also been established with Holmes Chapel Parish Council (HCPC) with Everybody Health & Leisure investing in and operating the Holmes Chapel Community Centre on behalf of the Parish Council.

The following is a summary of transactions with these entities:

		01 April 2023 – 31 March 2024	01 April 2022 – 31 March 2023
		£	£
Donations & Legacies	- CEC	5,834,793	4,161,430
" "	- HCPC	62,000	56,000
Grants and Contracts	- CEC	2,077,016	2,720,587
Loan Interest Repaid	- CEC	19,647	21,121
Charitable Expenditure	- CEC	5,948,157	4,274,794
" "	- HCPC	62,000	56,000
Everybody Foundation	-	5,000	834

The above donations relate to an amount calculated for use of the Borough and Parish Council owned facilities at a nil rental, a corresponding equal amount is shown as Charitable expenditure. The "Grants and Contracts" income refers to amounts received from Cheshire East Council for the delivery of various services within the facilities owned by Cheshire East Council. This includes income relating to the purchase of back office and IT support provided by the Council on behalf of Everybody Health and Leisure (which is repaid as expenditure identified as Charitable Activities).

In addition, the following transactions occurred during 2023-24 with organisations which are identified as being Related Parties to Trustees or Senior Managers of the Company:

- Alsager Multi Academy Trust: £22,577 income – facility hire, £10,545 expenditure on facility hire
- Hermitage Primary School: £560 income – facility hire
- Everybody Foundation: £5,000 expenditure – match funding
- Cheshire County Football Association: £242 income – facility hire

The Everybody Foundation offers grants and assistance for the benefit of particularly the public in areas where Everybody Health & Leisure operates. The aim is to promote, preserve and advance good health and wellbeing including but not limited to participation in physical activity and healthy recreation.

The Foundation is treated as a Related Party as three of the trustees are also Everybody Health & Leisure Trustees. In addition, the fourth trustee is the chief executive of Everybody Health & Leisure.

Cheshire East Council have indemnified Everybody Health & Leisure's pension liability (refer to note 1.14). As at 31st March 2024, the Local Government Pension Fund has a surplus balance of £4,106,000. The projected amount to be charged to the Operating Profit for the period to 31 March 2025 is based upon a projected payroll of £2,777,000.

	2024 £	2023 £
Amounts due to:		
Cheshire East Council – Various	426,862	35,139
Cheshire East Council – Loan Principal	176,000	208,000
Cheshire East Council – Interest Within One Year	13,845	19,394
Amounts due from:		
Cheshire East Council	122,923	50,424
Holmes Chapel Parish Council	-	334

18. Defined Benefit Pension Scheme –

The charity continues to operate a defined benefit scheme which is now closed to new employees. The scheme is part of the Local Government Pension Service (LGPS), and "Everybody" has its own assets held within the wider fund. An actuarial revaluation is carried out every three years. The fund is administered by independent trustees who are responsible for ensuring it is funded to meet current and future obligations, the agreed contribution rates for future years are 21.6% for employers and between 5.5% and 10.5%, depending on pay for employees.

Pension Commitments

	2024	2023
Rate of increase in salaries	3.45%	3.65%
Rate of increase in pensions payment	2.75%	2.95%
Discount rate	4.85%	4.75%
Commutation of Pensions to Lump Sums		
Pre April 2008 service	50%	50%
Post April 2008 service	75%	75%
Assumptions are made to allow future improvements to mortality rates.		
Mortality assumptions		
Life expectancy at 65		
Retiring today		
- Male	21.6 years	21.8 years
- Female	24.4 years	24.6 years
Retiring in the future		
- Male	21.6 years	21.8 years
- Female	25.4 years	25.6 years

The fair value of the scheme assets and the expected rate of return, the present value of the scheme liabilities and the resulting surplus / (deficit), as recognised in the SoFA are:

	2024 £	2023 £
Equities	12,678,500	11,233,440
Bonds	9,128,520	8,191,050
Property	3,042,840	3,276,420
Cash	507,140	702,090
Total Market Value of Assets	25,357,000	23,403,000

The actual return on Scheme Assets was £1,609,080. In 2022-23 that value was £2,009,347.

	2024 £	2023 £
Amounts Recognised in the Statement of Financial Activities		
Employer Contribution	(642,000)	(826,000)
Past Service Cost	150,000	-
Current Service Cost	528,000	1,271,000
Expected Return on Pension Scheme Assets	(1,121,000)	(697,000)
Interest on Pension Liabilities	1,010,000	1,051,000
Total	(75,000)	799,000
Actual Return on Scheme Assets	1,558,000	(2,287,000)
Movements in the Present Value of the Defined Benefit Obligation were as follows:		
Opening Defined Benefit Obligation	21,043,000	37,693,000
Contributions by Employees	179,000	178,000
Actuarial Losses / (Gains)	(1,234,000)	(18,821,000)
Benefits Paid	(425,000)	(329,000)
Interest Cost	1,010,000	1,051,000
Current Service Cost	528,000	1,271,000
Past Service Cost	150,000	-
Closing Defined Benefit Obligation	21,251,000	21,043,000

	2024 £	2023 £
Movements in The Fair Value of Everybody's Share of Scheme Assets:		
Opening Fair Value of Scheme Assets	23,403,000	25,015,000
Interest Income	1,121,000	697,000
Actuarial Gains and (Losses)	437,000	(2,984,000)
Contributions by Employer	642,000	826,000
Contributions by Employee	179,000	178,000
Benefits Paid	(425,000)	(329,000)
Total	25,357,000	23,403,000
Limitation of movement recognised under FRS102	(4,106,000)	(2,360,000)
Closing Defined Benefit Assets Recognised	21,251,000	21,043,000

The pension scheme has a surplus; this is reviewed through a re-evaluation of employer's contribution at each triannual review. This year's opening Surplus has increased in year from £2.4m to surplus of £4.1m. However, to satisfy pension accounting rules under FRS102 in relation to recognition of scheme asset, the movement has been limited in order not to recognise an asset, thus the balance recognised at 31 March 2024 is £nil.

The scheme was fully funded at transfer, valued on an 'ongoing' basis, and is valued in different ways by the actuary for different purposes:

The 'ongoing' basis of valuation is used by the actuary to set the funding strategy of the scheme and the contribution rates for the scheme and uses a discount rate that reflects the asset mix that the fund invests, with a degree of prudence, (return on government bonds + outperformance 1.6%). FRS102 reporting requirement gives a more prescribed calculation of the discount rate stating, it must be 'determined by reference to market yields at the end of the reporting period on high quality corporate bonds.' The contribution for the year ended 31 March 2025 is expected to be £600,000.

Cheshire East Council have indemnified Everybody Health & Leisure's pension liability should one occur (refer to note 1.14). The fund is currently valued with a surplus of £4.1m as at 31 March 2024, but as per above, the balance recognised at the balance sheet date is £nil.

19. Operating Leases

Annual Total	Within the First Year	Within the Second to Fifth Years Inclusive	Over Five Years
	£	£	£
01 Apr 2023 – 31 Mar 2024	5,762	9,604	-
01 Apr 2022 – 31 Mar 2023	5,762	15,366	-

Operating lease payments recognised as an expense totalled £6,890 (£18,801 in 2022-23).

20. Finance Leases

Annual Total	Within the First Year	Within the Second to Fifth Years Inclusive	Over Five Years
	£	£	£
01 Apr 2022 – 31 Mar 2023			
Gross Lease Payments Due	216,406	390,452	-
Less Interest Charge	(25,256)	(34,933)	-
Net Lease Charges Due	191,150	355,519	-
01 Apr 2023 – 31 Mar 2024			
Gross Lease Payments Due	270,407	737,489	-
Less Interest Charge	(55,104)	(74,599)	-
Net Lease Charges Due	215,303	662,890	-

21. Financial Instruments

	2024 £	2023 £
Financial Assets that are Debt Instruments Measured at Amortised Cost:		
Trade debtors	387,661	401,289
Accrued Income	741,702	133,723
Total	1,129,363	535,012
Financial Liabilities Measured at Amortised Cost:		
Trade creditors	(923,956)	(450,525)
Loans	(176,000)	(246,400)
Finance Leases	(878,193)	(546,670)
Accruals	(1,399,736)	(1,247,308)
Other creditors	(118,053)	(92,227)
Total	(3,495,938)	(2,583,130)
Cash and Term Deposits Total	3,422,449	2,410,965