

REGISTERED COMPANY NUMBER: 08737838 (England and Wales)
REGISTERED CHARITY NUMBER: 01158520

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024
FOR
BURNLEY LEISURE AND CULTURE
(A COMPANY LIMITED BY GUARANTEE)**



Ainsworths Limited
Chartered Accountants
and Statutory Auditors
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

**BURNLEY LEISURE AND CULTURE
(A COMPANY LIMITED BY GUARANTEE)**

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FOR THE YEAR ENDED 31ST MARCH 2024**

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**BURNLEY LEISURE AND CULTURE
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2024**

The trustees who are also directors of the company for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2024. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

08737838 (England and Wales)

Registered Charity number

01158520

Registered office

St Peters Centre
Bank Parade
Church Street
Burnley
Lancashire
BB11 2DL

Trustees

Mrs D Livesey
Mr Ryan Bradley
Dr S Minten
Mrs S Haworth-Pearson
Mr B Butterworth
Mr N Tranmer (resigned 12th June 2024)
Mrs H Tyson
Mr W Rashid (resigned 12th April 2024)
Cllr S W Cunliffe (resigned 17th November 2023)
Mr C J Barnes
Cllr A C Lewis
Cllr M Hurt (appointed 22nd April 2024)

Role

Chair & Community Nominee
Community Nominee
Community Nominee
Community Nominee
Community Nominee
Community Nominee
Community Nominee
Employee Nominee
Council Nominee
Community Nominee
Council Nominee
Council Nominee

Key Management Personnel

Mr G Vinton (resigned 31st March 2024)
Mr P Foster

Role

Chief Executive
Deputy Chief Executive / Head of Development & Wellbeing / Chief Executive
Head of Hospitality & Culture
Head of Leisure Operations

Mr M Dempsey

Mr S Bryce

Auditors

Ainsworths Limited
Chartered Accountants
and Statutory Auditors
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

Bankers

HSBC Bank PLC
12 Manchester Road
Burnley
Lancashire
BB11 1JH

Solicitors

Winckworth Sherwood LLP
Minerva House
5 Montague Close
London
SE1 9BB

**BURNLEY LEISURE AND CULTURE
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The company was incorporated on 17th October 2013 and registered as a charity on 10th September 2014. The charity is controlled by its governing document, the Memorandum and Articles of Association, and constitutes a company, limited by guarantee, as defined by the Companies Act 2006. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and appointment of new trustees

The Board shall consist of at least three and not more than eleven individuals, comprised as follows:

- One Employee Trustees;
- up to two Local Authority Trustees; and
- up to eight Community Trustees.

The Community Trustees shall at all times be in the majority. These trustees shall be elected with necessary expertise co-opted where appropriate by the existing trustees. When considering co-opting trustees, the Board has regard to the requirement for any specialist skills needed.

Risk management

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to ensure regular reports are produced and that the necessary steps can be taken to address any issues arising.

Burnley Leisure and Culture is a registered charity operating within a company limited by guarantee. The board of trustees has the authority to co-opt individuals with relevant expertise where appropriate.

Organisation structure

The Board currently consists of eleven trustees and is responsible for key policy decisions and the effective governance of the organisation overall. The Board has a minimum of six meetings per financial year.

The day to day operations of Burnley Leisure and Culture are managed by the charity's senior management team (the Executive) made up of the Chief Executive and Service Managers. The Executive is given strategic direction by a Board of Trustees (the Board) regarding the provision and operation of the services in accordance with the contracts, leases and funding agreements made with Burnley Borough Council. The Board has ultimate responsibility for the governance of the charity, and directs, supports and challenges the Executive in its work.

Related parties

Trustees are required to declare an interest if they are involved in any activities which may compromise their role as a trustee and a monitoring mechanism is in place. The related party transactions during the past year have been disclosed below in the notes to the financial statements.

**BURNLEY LEISURE AND CULTURE
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2024**

OBJECTIVES AND ACTIVITIES

Burnley Leisure and Culture has been established for Public Benefit:

- 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 of disability, financial hardship or social circumstances or to the public at large with the object of improving their conditions of life; and/or
- To promote community participation in Healthy Recreational Activities; and/or
- To provide or assist in the provision of community facilities to be available to all sections of the community without distinction, including the use for meetings, lecture 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; and/or
- To advance the education of the public in all aspects of dramatic art through the provision of a theatre; and/or
- Such other charitable purposes as the trustees in their absolute discretion may determine

Public benefit

The trustees are confident that the charity offers services of real and practical use to the local population and therefore complies with the responsibility placed on all charities under the Charities Act 2011 to demonstrate a public benefit.

**BURNLEY LEISURE AND CULTURE
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2024**

ACHIEVEMENTS AND PERFORMANCE

Introduction

The end of this financial year saw some significant changes to the Trust's senior leadership team, with the appointment of a new Chief Executive following the retirement of the previous post holder, followed by the appointment of a new Head of Community and Wellbeing.

The Trustees would like to place on record our sincere thanks and best wishes to the outgoing CEO, who led the formation of the Trust, and has provided strong leadership and stability throughout its first 10 years.

Facilities

We have achieved another outstanding year for all our leisure facilities and continue to be the leading provider for health, fitness and wellbeing across Lancashire with increasing participation across all areas through innovation, investment, quality services, dynamic marketing and competitive packages.

We have been extremely successful in growing and optimising commercial income of BLC, against a backdrop of an aggressive cost of living crisis, spiralling energy costs, and additional competition.

We have delivered record breaking fitness membership across the year, with membership growth of 16% with our membership base now at an impressive 5728.

We have witnessed growth within our Swim Academy, with over 35 schools and nurseries within our weekly programmes with over 3400 children participating and 980 swimmers undertaking BLC's learn to swim schemes with our upgraded payment schemes.

All other sports centre related activities not related to membership continue to demonstrate growth, particular racquet sports and block bookings.

We continue to excel in working in partnership with all stakeholders and making a real impact across the borough, our present UCLan partnership has 720 local students regularly taking part in activities.

Further investing in our sporting facilities to ensure our premium offer, with upgrades within all changing and sanitary areas, full refurbishment and extensions of our gyms at St Peter's and Padiham leisure centres enabling increased accessibility.

Our commitment to sustainability continues with reducing our carbon footprint in several areas and upgrades across sites, with also gaining funding from Sport England for micro-filtration and ensuring our commitment to net zero.

Prairie Sports Village continues to be a central hub of activity with record attendances again this year, growth of 15% income, with over 2.5 million balls hit on the range demonstrating a 23% in balls purchased over the last 3 years. Additionally, we are near capacity for both 3G pitches and grass pitches for various sports and activity days, inclusive of over 33 football teams weekly participating.

Membership at Towneley Golf Course continues to remain strong despite the extremely poor weather conditions we have witnessed this year, with our present membership base at 431 loyal members, with increased sales within our golf shop. We continue to innovate, challenge, market test and heavily invest in the development of our teams to ensure our local community receive outstanding services within premium locations.

**BURNLEY LEISURE AND CULTURE
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2024**

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Culture

With the Cultural Manager in post for the full 12 month period, cultural development has begun to make significant progress. A Culture Burnley Steering group has been established and met monthly to help shape the Cultural Framework – Our People, Our Culture: A Cultural Reimagining of Burnley. This document and its vision towards a Year of Culture in 2027 has been supported by Burnley Council and the framework document was officially launched on 4 March 2024. Cultural relationships across the borough are further strengthening on a local level through the Cultural Manager's involvement in the Local Cultural Education Partnership and Burnley Cultural Consortium and regionally with Arts Lancashire and Pennine Lancashire counterparts.

£100k funds have been secured by BLC from Arts Council England, firstly to deliver The Mechanics Theatre Presents (Hug Burnley) project in collaboration with Culturapedia. This has delivered 25 activities of varying sizes both in the Mechanics and community settings including community centres, Down Town, Burnley Youth Zone and community events engaging around 500 people from diverse backgrounds. Learning from this programme will also inform future planning and programming of shows in the Mechanics Front Room in particular.

Secondly, The Caravan Gallery Burnley Pride of Place Project, using a nationally successful model of creative engagement. Delivery partners Blaze Arts, Cultural Producer Rizwan Iqbal and Burnley's Cultural Consortium headed by Mid Pennine Arts has enabled a broader scope to reach key audiences. Over 900 people have been directly engaged by The Caravan Gallery and partners so far in this project through workshops, meetings and visits with the Caravan Gallery. This is building relationships and inspiring participation for the later stages of the project.

During the year greater connectivity with Burnley College has seen the Mechanics being used more to display student artwork and host music events. The venue was also the host of the after parade Burnley Pride event coordinated by the Stand Out Young producers from Blaze Arts.

2 sector support "meet the funder" events have been hosted at the Mechanics to raise awareness of local funding opportunities attended by 80 people.

Ongoing relationship building both with the cultural sector and across Burnley's business, health, education and leisure sectors and more, is key to the achievement of our goals for 2027 and beyond.

Hospitality

Burnley Leisure & Culture's hospitality business spans several prominent venues including Prairie Sports Village, Burnley Mechanics Theatre, Towneley Golf Course and the Boathouse Café. Our recent additions in 2023 include Down Town Kitchen & Café and The Rotunda in Towneley Park. This report highlights our performance, challenges, successes, sustainability initiatives, recruitment and selection issues, and the positive outlook for our business.

Our venues have demonstrated strong sales metrics over the past year. Prairie Sports Village, Towneley Golf Course and Burnley Mechanics Theatre have seen an increase in foot fall resulting in strong food and beverage sales. The Boathouse Café has seen steady growth despite the poor summer holiday weather.

2023 saw the opening of The Rotunda in Towneley Park and Down Town Kitchen & Café, both venues have ended the financial year in a surplus despite significant up front opening investment. The Rotunda has become a popular spot for both locals and visiting tourists to the park and attending events hosted in the park.

Down Town Kitchen & Café is quickly becoming a real success story with its hard-working team of volunteers creating a go to, relaxed, quality and value for money venues. To date we have raised over £9000 in paid on meals equating to 2250 meals for vulnerable individuals and families and work in partnership with Burnley Together to create the thriving community hub.

**BURNLEY LEISURE AND CULTURE
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2024**

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Hospitality (continued)

Our primary challenge is the recruitment and selection of qualified chefs. The hospitality industry faces a nationwide shortage of culinary professionals, impacting our ability to grow our income further. Also, the rising cost of goods and staffing have posed financial challenges, necessitating careful budget management and cost saving-initiatives. We are pleased to report that we have good cost controls in place and the business is performing in line with budget expectations.

Sustainability remains a core focus. We have continued to develop and implement more eco-friendly practices such as reducing food wastage through strong stock management, over 70% of our produce is bought locally in Burnley reducing our carbon footprint.

Despite certain challenges, the outlook for Burnley Leisure & Culture's hospitality business is positive. Continued investment in staff training, customer service excellence and sustainability initiatives position us well for future growth. The popularity of our new venues and growing reputation for quality and consistency plus the support from the community underscore a strong foundation for sustained success.

In conclusion, our diverse portfolio of venues, commitment to sustainability, and strategic focus on recruitment set us on a path of continued achievement and community engagement. We are confident in our ability to navigate challenges and capitalise on opportunities that arise.

Burnley Mechanics Theatre

Burnley Mechanics Theatre has established itself as a premier cultural asset within Burnley Leisure & Culture. This report highlights the theatre's recent successes, challenges posed by the cost-of-living crisis, the strengthening programming partnership with Blackburn with Darwen Venues (BWD), and key areas for future enhancement.

Burnley Mechanics Theatre has experienced another positive year, growth in ticket sales, private hire customers and an increase in diverse programming. The continued and growing success of local societies including Burnley Pantomime Society and Burnley Light Opera Society have not only boosted revenue but also elevated the theatre's reputation locally and regionally.

The ongoing cost of living crisis has had a notable impact on consumer behaviour, affecting how people choose to spend their disposable income. With increased financial pressure, many are prioritising essential expenses over leisure activities, leading to a slight dip in audience numbers for certain shows. This economic challenge requires us to be innovative in our approach to maintaining attendance and revenue, this has been achieved by increasing the number of private hire events.

Knowing the cost of visiting a cultural venue is increasing and somewhat challenging for many in our community, our new ENGAGE project enables Burnley Together support workers to signpost individuals, couples and families who would otherwise struggle to pay for theatre tickets to the Mechanics. We have provided theatre tickets and refreshments for over 800 people in 2023, to help enrich their lives, improving mental health and fostering a sense of community within the theatre.

Our partnership with Blackburn with Darwen Venues (BWD) has grown stronger, allowing us to share resources, expertise, and marketing efforts. This collaboration has led to joint programming initiatives that attract broader audiences and enhance the cultural offering. We look forward to continuing this partnership and broadening the programme of events.

The primary challenges facing the theatre include maintaining high attendance amidst economic pressures, increasing competition from digital entertainment, investment in local theatres in Pendle and Blackburn and the need for continual investment in facilities and technology.

**BURNLEY LEISURE AND CULTURE
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2024**

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Community and Wellbeing

During the last 12 months Community and Wellbeing has seen growth and development in several areas. Notable accomplishments include, the co-ordination of Beat the Street 2023, which saw over 12,000 residents walking, cycling and running across the borough discovering new places and collecting points. Points which were converted into trees to be planted. Almost 7500 trees were planted across all wards in the borough thanks to residents being more active. We also witnessed the success of the first Park Yoga in Lancashire which was launched in Queens Park Burnley. With 1650 participants over the 20 weeks. A Park Yoga evaluation found that 92% of attendees reported feeling happier and 73% reported that they are more physically active.

Both school coaching programmes and the family after school (PASTA) programmes have continued to be delivered successfully, with an average 24 new families per term signing up to family programmes in both school and community settings, and on average 22 school coaching sessions being delivered each term.

Health programmes have continued to evolve and improve. With a great deal of work spent on processes and pathways, we are now confident we have simple and effective procedures to receive and process referrals. During the last 6 months we received 708 referrals with an average of 84% of clients starting programmes. These referrals were for Exercise Referral, Weight Management, Cardiac Rehabilitation and Health Coaching.

We've observed a rise in Active Football participation, a socially inclusive session that draws an average of 16 players per session. Additionally, the Active Streets Saturday night football event at Prairie Sports Village has become a crucial opportunity for young people, with approximately 40-50 participants each week.

We have continued to build new, and nurture existing relationships, with partners. Burnley Council have continued to support development and enable fantastic impactful community work. Burnley Football Club in the Community have also continued to be a valuable partner, with collaborations on holiday clubs, health programmes and outdoor activities. Other important partnerships include both East and West Primary Care Networks, Canal and River Trust, Active Lancashire and Newground Together.

Future developments will see us working to bring Beat the Street back in 2025, the launch of an active outdoor hub in Padiham and a collaborative project with Burnley West PCN to deliver targeted programmes focussing on frailty in older adults and falls prevention.

Conclusion

As we enter a new era for Burnley Leisure and Culture, the organisation is well positioned at the forefront of local place-based initiatives such as Burnley 2027 and #OutdoorTown, whilst influencing wider policy as part of Sport England's Place Partnership work through Together an Active Future. We continue to develop new relationships whilst working closely with existing partners and our key partner, Burnley Council, with whom we launched a new project towards the end of this current financial year, as part of #OutdoorTown and funded for 4 years by the Community Fund's Climate Action Fund.

In planning for the next 10 years of Burnley Leisure and Culture, our immediate priorities include analysis of our current business and future growth opportunities, and extending our agreement with Burnley Council, so that together we can continue to invest in the health and wellbeing of the borough.

**BURNLEY LEISURE AND CULTURE
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2024**

FINANCIAL REVIEW

The attached statement of financial activities shows how our funds were raised and applied during the year.

This statement separates funds, which the charity itself controls – unrestricted funds, from funds which have to be spent in a manner determined by the donor – restricted funds. In this year restricted funds have been received from various grant making bodies.

Looking to the future we will continue to maintain a tight control over costs, monitor income closely, and strive to identify future funding streams. We aim to ensure that we are well placed to react to any further negative or indeed positive impact of the economy.

Investment policy

The trustees regularly monitor the available cash reserves of the charity and seek to maximise the interest earned on such funds.

Reserves policy

The charity has insufficient reserves to ensure that it can deal with major unexpected adverse developments without direct support from Burnley Borough Council. The trustees maintain a regular dialogue with the Council to ensure that, should major unexpected adverse developments arise, any difficulties that require attention are addressed in a mutually agreeable manner.

The trustees are confident that the charity has established diversity of operations, sufficient versatility and control of expenditures of such nature that it is able to adapt to changing circumstances that will arise from time to time under normal business circumstances.

The trustees have considered the current adverse economic climate when reviewing their reserves policy and are confident, in light of the changes planned, that the charity is sufficiently robust and able to continue operating normally whilst it seeks to achieve these targets.

At the year end the charity had unrestricted reserves of £395,743 and restricted reserves of £249,461. In addition to these reserves the pension scheme was in surplus by £2,968,000.

**BURNLEY LEISURE AND CULTURE
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2024**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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 the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP and FRS 102;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

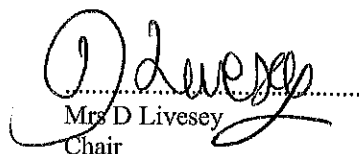
So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Ainsworths Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:


Mrs D Livesey
Chair

Date: 9th September 2024

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BURNLEY LEISURE AND CULTURE
(A COMPANY LIMITED BY GUARANTEE)**

Opinion

We have audited the financial statements of Burnley Leisure and Culture (the 'charity') for the year ended 31st March 2024 which comprise the Statement of Financial Activities, Balance Sheet, 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, 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 charity's affairs as at 31st March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusion relating to going concern

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

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

Our responsibilities and the responsibilities of the directors 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 in the Report of the Trustees, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and 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, 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, which includes directors' report and strategic report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BURNLEY LEISURE AND CULTURE
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Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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 and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees; or
- Material misstatement in the strategic report or directors' report included within the trustees report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page seven, 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 necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 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.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having made enquiries of management about their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of noncompliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
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We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and local tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements, but compliance with which may be fundamental to the company's ability to operate.

Audit response to risks identified

As a result of performing the above our procedures to respond to the risks identified included the following:

- reviewing the financial statements disclosure and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management about actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risk of material misstatement due to fraud;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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 Auditors.

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 charitable company's trustees those matters we are required to state to them in a Report of the Auditors 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Sunter (Senior Statutory Auditor)
for and on behalf of Ainsworths Limited
Chartered Accountants
and Statutory Auditors
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

Date: 9th September 2024

BURNLEY LEISURE AND CULTURE
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST MARCH 2024

	Notes	Unrestricted funds £	Restricted funds £	31.3.24 Total funds £	31.3.23 Total Funds £
INCOME					
Income from charitable activities:					
Grant income	2	83,520	611,229	694,749	664,144
Operation of leisure and arts facilities	3	6,169,203	278,874	6,448,077	5,384,287
Other income		-	-	-	51,382
Investment income		<u>14,512</u>	<u>-</u>	<u>14,512</u>	<u>1,030</u>
Total income		6,267,235	890,103	7,157,338	6,100,843
EXPENDITURE					
Raising funds	4	645,522	-	645,522	565,395
Charitable activities:					
Operation of leisure and arts facilities	5	5,534,583	958,129	6,492,712	5,669,189
Other					
Balance of pension scheme operating charge	19	40,000	-	40,000	604,000
Net interest on pension scheme liability	19	<u>(94,000)</u>	<u>-</u>	<u>(94,000)</u>	<u>104,000</u>
Total expenditure		6,126,105	958,129	7,084,234	6,942,584
NET INCOME/(EXPENDITURE)		141,130	(68,026)	73,104	(841,741)
Other recognised gains and losses					
Pension scheme actuarial gains	19	<u>1,143,000</u>	<u>-</u>	<u>1,143,000</u>	<u>6,414,000</u>
NET MOVEMENT IN FUNDS		1,284,130	(68,026)	1,216,104	5,572,259
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>2,079,613</u>	<u>317,487</u>	<u>2,397,100</u>	<u>(3,175,159)</u>
TOTAL FUNDS CARRIED FORWARD		<u>3,363,743</u>	<u>249,461</u>	<u>3,613,204</u>	<u>2,397,100</u>

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

All income and expenditure are derived from continuing activities.

BURNLEY LEISURE AND CULTURE
(A COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET
AT 31ST MARCH 2024

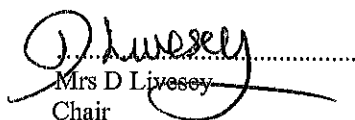
	Notes	31.3.24 £	31.3.23 £
FIXED ASSETS			
Tangible assets	10	<u>268,570</u>	<u>143,868</u>
CURRENT ASSETS			
Stock	11	139,726	124,965
Debtors	12	260,766	334,092
Cash at bank and in hand		<u>611,287</u>	<u>545,108</u>
		1,011,779	1,004,165
CURRENT LIABILITIES			
Amounts falling due within one year	13	<u>(595,325)</u>	<u>(521,933)</u>
NET CURRENT ASSETS		<u>416,454</u>	<u>482,232</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>685,024</u>	<u>626,100</u>
LONG TERM LIABILITIES			
Amounts falling due after one year	14	<u>39,820</u>	-
NET ASSETS EXCLUDING PENSION SCHEME		<u>645,204</u>	<u>626,100</u>
PENSION SCHEME SURPLUS	19	<u>2,968,000</u>	<u>1,771,000</u>
NET LIABILITIES INCLUDING PENSION SCHEME		<u><u>3,613,204</u></u>	<u><u>2,397,100</u></u>
FUNDS			
Unrestricted funds	17	395,743	308,613
Restricted funds	18	249,461	317,487
Pension scheme surplus/(deficit)		<u>2,968,000</u>	<u>1,771,000</u>
TOTAL FUNDS		<u><u>3,613,204</u></u>	<u><u>2,397,100</u></u>

**BURNLEY LEISURE AND CULTURE
(A COMPANY LIMITED BY GUARANTEE)**

**BALANCE SHEET
FOR THE YEAR ENDED 31ST MARCH 2024**

The trustees have prepared the accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard 102 (effective 1st January 2019).

The financial statements were approved by the Board of Trustees on 9th September 2024 and were signed on its behalf by:


.....
Mrs D Livesey
Chair

BURNLEY LEISURE AND CULTURE
(A COMPANY LIMITED BY GUARANTEE)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2024

	Notes	31.3.24 £	31.3.23 £
Cash flows from charitable activities			
Cash generated from activities	1	<u>198,516</u>	<u>27,582</u>
Net cash from charitable activities		<u>198,516</u>	<u>27,582</u>
 Cash flows from financing and investing activities			
Fixed asset additions		(198,840)	(174,849)
Interest received		14,512	1,030
New loan in the year		<u>51,991</u>	<u>-</u>
Net cash from financing activities		<u>(132,337)</u>	<u>(173,819)</u>
 Increase/(decrease) in cash and cash equivalents		<u>66,179</u>	<u>(146,237)</u>
Cash and cash equivalents at the beginning of the year	2	<u>545,108</u>	<u>691,345</u>
Cash and cash equivalents at the end of the year	2	<u><u>611,287</u></u>	<u><u>545,108</u></u>

BURNLEY LEISURE AND CULTURE
(A COMPANY LIMITED BY GUARANTEE)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2024

1. RECONCILIATION OF SURPLUS/(DEFICIT) TO CASH GENERATED FROM ACTIVITIES

	31.3.24	31.3.23
	£	£
Surplus for the year	1,216,104	5,572,259
Interest received	(14,512)	(1,030)
Depreciation	74,138	30,981
	<u>1,275,730</u>	<u>5,602,210</u>
Increase in stocks	(14,761)	(33,628)
Decrease in trade and other debtors	73,326	153,184
(Decrease)/Increase in trade and other creditors	61,221	11,816
(Increase) in pension scheme surplus	(1,197,000)	(5,706,000)
	<u>198,516</u>	<u>27,582</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31st March 2024

	31.3.24	1.4.23
	£	£
Cash and cash equivalents	<u>611,287</u>	<u>545,108</u>

Year ended 31st March 2023

	31.3.23	1.4.22
	£	£
Cash and cash equivalents	<u>545,108</u>	<u>691,345</u>

**BURNLEY LEISURE AND CULTURE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024**

1. ACCOUNTING POLICIES

Company information

Burnley Leisure and Culture is a charitable company, limited by guarantee, registered in England and Wales. The charity's registered number and registered office address can be found on the Company Information page. Each member's personal liability is limited to an amount not exceeding £1.

Basis of preparing the financial statements

The financial statements have been prepared in accordance with applicable accounting standards.

The financial statements have been prepared on a going concern basis which assumes that the company will be able to meet its liabilities as they fall due. The related party, Burnley Borough Council, have confirmed their support to the charity by the offer of financial support in the following financial year. They have continued the provision of grant support and continued support of the charity in its cash flow requirements. Accordingly, the trustees have concluded that it is appropriate for these financial statements to be prepared on the going concern basis.

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Burnley Leisure and Culture meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Income is the amount derived from ordinary activities, and stated after trade discounts, other sales taxes and net of VAT.

Grants receivable are accounted for when due. Income is deferred when it is received in advance of the period to which it relates.

Investment income is recognised on a receivable basis.

Resources expended

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.

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

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management and administration of the charity.

All support costs are allocated between the activity expenditure categories on a basis designed to reflect the use of the resources. Support costs are apportioned on an appropriate basis e.g. time spent, floor areas, or estimated usage.

**BURNLEY LEISURE AND CULTURE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024**

1. ACCOUNTING POLICIES (CONTINUED)

Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures and Fittings - 10%-33% on cost

Fixed assets

The financial statements do not include the cost of land, buildings and equipment used at nominal rent by Burnley Leisure and Culture, whose title rests with Burnley Borough Council. It is not practicably possible to attribute a value to this benefit.

Taxation

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

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity participates in a defined benefit scheme. Although the scheme is a multi-employer scheme it is possible to allocate a share of the assets and liabilities to the charity and hence contributions are accounted for as a defined benefit scheme in accordance with FRS 102.

Stock

Stock is valued at the lower of cost and net realisable value, after making due allowances for slow and obsolete items.

Stock is valued on a first in first out basis on historical cost.

Leasing

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

Debtors

Short term debtors are measured at transaction price, less any impairment.

Creditors

Short term creditors are measured at transaction price.

Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The major item in the financial statements where these judgements and estimates must be made is in relation to the pension scheme. Management consult with experts to provide appropriate assumptions on which to calculate projected funding position for the scheme. Details of the assumptions within the calculations to derive the net value of the pension fund are shown within note 19.

BURNLEY LEISURE AND CULTURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

1. ACCOUNTING POLICIES (CONTINUED)

Significant judgements and estimates (continued)

There has been substantial volatility in financial markets over recent years due to global wars, and their subsequent impact on global supply chains and inflation. These have consequences for asset and liability values, and this is reflected in the 2023/24 accounting figures.

2. CHARITABLE ACTIVITIES - GRANT INCOME

	31.3.24	31.3.23
	£	£
Sport England	239,979	257,109
HAF	111,058	138,821
Arts Council England	83,690	1,499
Lancashire County Council	69,882	66,883
Business Health Matters	59,637	45,415
Burnley, Pendle and Rossendale CVS	30,000	90,000
Active Lancashire	29,400	-
Cardiac Rehabilitation	27,000	27,275
Burnley Borough Council	25,196	10,000
Climate Action Fund	14,907	-
Stocks Massey	4,000	4,000
Partner contributions	-	18,142
Canal and River Trust	-	5,000
Total	694,749	664,144

In 2023, of the total grant income, £546,166 was restricted and £117,978 was unrestricted funds.

3. CHARITABLE ACTIVITIES – OPERATION OF FACILITIES

	31.3.24	31.3.23
	£	£
Burnley Borough Council annual contract fee	951,063	720,517
Income from the operation of leisure and arts facilities	5,497,014	4,663,770
	6,448,077	5,384,287

In 2023, of the total charitable activities income, £210,757 was restricted and £5,173,530 was unrestricted funds.

BURNLEY LEISURE AND CULTURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

4. RAISING FUNDS

In	Unrestricted Funds £	Restricted Funds £	Total 31.3.24 £	31
Staff costs and allowances	377,231	-	377,231	320
Premises expenses	17,935	-	17,935	9
Services and supplies	220,188	-	220,188	200
Transport expenses	818	-	818	1
Business and technical support (see note 6)	29,350	-	29,350	20
	<u>645,522</u>	<u>-</u>	<u>645,522</u>	<u>569</u>

In 2023, of the total costs raising funds, £nil was restricted and £565,395 was unrestricted funds.

5. COSTS OF CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 31.3.23 £	Total 31.3.22 £
Staff costs and allowances	3,146,930	691,929	3,838,859	3,325,842
Premises expenses	151,044	11,419	162,463	112,398
Supplies and services	1,958,952	253,726	2,212,678	1,971,463
Transport expenses	7,362	1,055	8,417	13,814
Business and technical support (see note 6)	264,145	-	264,145	239,822
Governance costs (see note 6)	6,150	-	6,150	5,850
	<u>5,534,583</u>	<u>958,129</u>	<u>6,492,712</u>	<u>5,669,189</u>

In 2023, of the total costs of charitable activities, £824,662 was restricted and £4,844,527 was unrestricted funds.

Included in the above are governance and support costs. These costs have been allocated using an element of judgement as the charity has had to consider the cost/benefit of detailed calculations and record keeping. Therefore, support costs have been allocated accordingly to proportion of direct costs incurred within each charitable activity.

6. GOVERNANCE AND SUPPORT COSTS

	Unrestricted funds £	Restricted funds £	31.3.24 Total funds £	31.3.23 Total Funds £
Business and technical support	293,495	-	293,495	266,469
Audit services	5,250	-	5,250	5,000
Non-audit services	900	-	900	850
	<u>299,645</u>	<u>-</u>	<u>299,645</u>	<u>272,319</u>

In 2023, of the total governance and support costs, £nil was restricted and £272,319 was unrestricted funds.

**BURNLEY LEISURE AND CULTURE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024**

7. NET OUTGOING RESOURCES

Net resources are stated after charging:

	31.3.24	31.3.23
	£	£
Auditors remuneration	6,150	5,850
Depreciation	<u>74,138</u>	<u>30,891</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

Trustees' Remuneration

During the year remuneration of £43,995 (2023: £40,935) was paid to one (2023: one) employee trustee, in relation to their employment duties. These payments are authorised by the Articles of Association. No trustees received remuneration for their roles as trustees for the year ended 31st March 2024 nor for the year ended 31st March 2023.

Trustees' Expenses

There were no trustees' expenses paid for the year ended 31st March 2024 nor for the year ended 31st March 2023.

9. STAFF COSTS

	31.3.24	31.3.23
	£	£
Wages and salaries	3,755,429	3,277,671
Social security costs	263,650	228,972
Other pension costs	<u>445,157</u>	<u>389,850</u>
	<u>4,464,236</u>	<u>3,896,493</u>

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

	31.3.24	31.3.23
Employees	<u>188</u>	<u>169</u>

Employees earning more than £60,000 during the year:

	31.3.24	31.3.23
£60,001 - £75,000	<u>1</u>	<u>1</u>

The above staff member participated in the defined benefit pension scheme. Contributions of £10,800 (2023: £10,780) were made in relation to this individual.

The total remuneration paid to Key Management Personnel was £237,186 (2023: £228,581).

BURNLEY LEISURE AND CULTURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

10. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1st April 2023	224,849
Additions	<u>198,840</u>
At 31st March 2024	<u>423,689</u>
DEPRECIATION	
At 1st April 2023	80,981
Charge for year	<u>74,138</u>
At 31st March 2024	<u>155,119</u>
NET BOOK VALUE	
At 31st March 2024	<u>268,570</u>
At 31st March 2023	<u>143,868</u>

11. STOCK

	31.3.24 £	31.3.23 £
Leisure centre stock	13,895	14,245
Towneley golf stock	46,769	39,515
Bar and catering	<u>79,062</u>	<u>71,205</u>
	<u>139,726</u>	<u>124,965</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24 £	31.3.23 £
Trade debtors	235,791	249,516
Prepayments and accrued income	24,975	84,576
Other debtors	<u>-</u>	<u>-</u>
	<u>260,766</u>	<u>334,092</u>

BURNLEY LEISURE AND CULTURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24	31.3.23
	£	£
Trade creditors	181,511	227,256
Accruals and deferred income	251,411	223,504
Other creditors	150,232	71,173
Hire purchase contracts	12,171	-
	<u>595,325</u>	<u>521,933</u>

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

	31.3.24	31.3.23
	£	£
Hire purchase contracts	39,820	-
	<u>39,820</u>	<u>-</u>

15. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed and fall due as follows:

	31.3.24	31.3.23
	£	£
Expiry date:		
Within 1 year	8,810	20,519
Between one and five years	9,615	8,400
	<u>18,425</u>	<u>28,919</u>

16. ANALYSIS OF NET LIABILITIES BETWEEN FUNDS

	Unrestricted funds	Restricted funds	31.3.24 Total funds	31.3.23 Total Funds
	£	£	£	£
Fixed assets	268,570	-	268,570	143,868
Current assets	762,318	249,461	1,011,779	1,004,165
Current liabilities	(595,325)	-	(595,325)	(521,933)
Long term liabilities	(39,820)	-	(39,820)	-
Pension scheme surplus	2,968,000	-	2,968,000	1,771,000
	<u>3,363,743</u>	<u>249,461</u>	<u>3,613,204</u>	<u>2,397,100</u>

BURNLEY LEISURE AND CULTURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

17. UNRESTRICTED FUNDS

	Pension surplus £	General funds £	Designated funds £	Total funds £
Balance at 1 st April 2023	1,771,000	230,726	77,887	2,079,613
Net income / (expenditure)	1,197,000	53,230	33,900	1,284,130
	<u>2,968,000</u>	<u>283,956</u>	<u>111,787</u>	<u>3,363,743</u>

Purposes of designated funds

The trustees have designated funds to assist in the future development of the charity and the upgrading of facilities.

General fund

The general fund consists of the total of free reserves available to spend on the objectives of the charity.

18. RESTRICTED FUNDS

	At 1 st April 2023 £	Incoming resources £	Outgoing resources £	At 31 st March 2024 £
Project fund				
Active Streets	114,757	94,136	118,006	90,887
Beat the Street	5,000	51,961	56,961	-
Climate Action Fund	-	14,907	-	14,907
Holiday Activities and Food programme	9,083	16,700	18,808	6,975
Healthy Lifestyles	78,834	612,709	592,366	99,177
Hug Burnley	10,000	54,490	33,334	31,156
PASTA	43,248	10,000	53,248	-
Pride of Place	-	35,200	30,200	5,000
SHE Project	3,300	-	1,941	1,359
Weight Management	53,265	-	53,265	-
	<u>317,487</u>	<u>890,103</u>	<u>958,129</u>	<u>249,461</u>

The restricted grants received in the year have been categorised above.

19. PENSION ARRANGEMENTS

The charity participates in the Lancashire County Pension Fund which is a funded defined benefit scheme providing benefits based on final remuneration. The assets of the scheme are held separately from those of the charity. Whilst this is a multi-employer scheme, the actuary is able to segregate the assets and liabilities relating to the charity. During the year, normal employer pension contributions of £445,157 (2023: £389,850) were paid to the scheme.

BURNLEY LEISURE AND CULTURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

19. PENSION ARRANGEMENTS (CONTINUED)

The following calculations as at 31st March 2024 have been provided by the actuaries, Mercer Limited, using the projected unit actuarial costs method. Principal actuarial assumptions used by the actuary were as follows:

	31.3.24	31.3.23
	%	%
Rate of CPI inflation	2.60	2.70
Rate of increase in salaries	4.10	4.20
Rate of increase in pensions	2.70	2.80
Discount rate	4.90	4.70
Life expectancy of a male future pensioner aged 65 in 20 years' time	22.40	22.80
Life expectancy of a female future pensioner aged 65 in 20 years' time	25.30	25.60
Life expectancy of a male current pensioner aged 65	21.10	21.50
Life expectancy of a female current pensioner aged 65	23.50	23.80

The amounts recognised in the balance sheet are as follows:

	31.3.24	31.3.23
	£	£
Present value of funded obligations	(10,261,000)	(9,945,000)
Fair value of plan assets	<u>13,229,000</u>	<u>11,716,000</u>
Net pension surplus/(deficit)	<u>2,968,000</u>	<u>1,771,000</u>

Analysis of amounts charged to the Statement of Financial Activities:

	31.3.24	31.3.23
	£	£
Operating charge		
Current service cost	467,000	977,000
Administration expenses	<u>18,000</u>	<u>15,000</u>
Total operating charge	<u>485,000</u>	<u>992,000</u>

	31.3.24	31.3.23
	£	£
Other finance costs		
Expected return on pension scheme assets	(563,000)	(321,000)
Interest on pension scheme liabilities	<u>469,000</u>	<u>425,000</u>
Net (income)/charge	<u>(94,000)</u>	<u>104,000</u>

	31.3.24	31.3.23
	£	£
Total charge to resources expended in Statement of Financial Activities	<u>391,000</u>	<u>1,096,000</u>

BURNLEY LEISURE AND CULTURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

19. PENSION ARRANGEMENTS (CONTINUED)

Analysis of the actuarial gains and losses shown in the Statement of Financial Activities:

	31.3.24	31.3.23
	£	£
Actuarial gains/(losses) on assets	432,000	(278,000)
Actuarial gains/(losses) on liabilities	711,000	6,692,000
Actuarial gain / (loss) recognised	<u>1,143,000</u>	<u>6,414,000</u>

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

	31.3.24	31.3.23
	£	£
Opening defined benefit obligation	9,945,000	15,169,000
Current service cost	467,000	977,000
Interest on pension scheme liabilities	469,000	425,000
Employee contributions	180,000	155,000
Actuarial (gains)/losses	(711,000)	(6,692,000)
Benefits paid / transfers	<u>(89,000)</u>	<u>(89,000)</u>
Closing defined benefit obligations	<u>10,261,000</u>	<u>9,945,000</u>

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

	31.3.24	31.3.23
	£	£
Opening fair value of plan assets	11,716,000	11,234,000
Expected return on plan assets	563,000	321,000
Actuarial gains/(losses)	432,000	(278,000)
Employer contributions	445,000	388,000
Employee contributions	180,000	155,000
Administration expenses	(18,000)	(15,000)
Benefits paid / transfers	<u>(89,000)</u>	<u>(89,000)</u>
Closing fair value of plan assets	<u>13,229,000</u>	<u>11,716,000</u>

The split of assets between investment categories is as follows:

	31.3.24	31.3.24	31.3.23	31.3.23
	£	%	£	%
Equities	14,000	0.10	12,000	0.10
Government bonds	-	-	-	-
Other bonds	13,000	0.10	23,000	0.20
Property	172,000	1.30	176,000	1.50
Cash/liquidity	238,000	1.80	94,000	0.80
Other	<u>12,792,000</u>	<u>96.70</u>	<u>11,411,000</u>	<u>97.40</u>
	<u>13,229,000</u>	<u>100.00</u>	<u>11,716,000</u>	<u>100.00</u>

**BURNLEY LEISURE AND CULTURE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024**

19. PENSION ARRANGEMENTS (CONTINUED)

Amounts for the current and previous periods are as follows:

	31.3.24	31.3.23	31.3.22
	£	£	£
Defined benefit obligation	(10,261,000)	(9,945,000)	(15,169,000)
Plan assets	<u>13,229,000</u>	<u>11,716,000</u>	<u>11,234,000</u>
Surplus/(deficit)	<u>2,968,000</u>	<u>1,771,000</u>	<u>(3,935,000)</u>

A full actuarial review of the scheme was undertaken as at 31st March 2024.

Following the full actuarial valuation, employer contributions were agreed to stay at a rate of 13.50% with effect from 1st April 2024.

The current estimate of employer contributions for the year ended 31st March 2025 is £445,000. Implied service cost is estimated at £408,000 and a net interest and administration cost at £138,000 resulting in the surplus increasing by an estimated £175,000 to £3,143,000.

20. RELATED PARTY TRANSACTIONS

Under an agreement dated 25th March 2014, the charity acquired the use of the community arts and leisure facilities in the Burnley area from Burnley Borough Council, a related party by virtue of its grant funding to the charity. The community arts and leisure facilities include all the equipment at each site and enable the society to operate under its principal activity. The value of the equipment and the potential liability for the consideration are not included in the accounts in order to reflect the substance of the arrangement.

The charity operates from premises owned by Burnley Borough Council.

During the period, the charity received grant funding from Burnley Borough Council of £951,063 (2023: £720,517).

Burnley Borough Council also provides professional services to the charity under a service agreement which they were charged £293,495 (2023: £266,469) in the period.

During the year sales of £173,744 (2023: £179,004) were charged to, and expenditure of £121,377 (2023: £102,301) was charged by, Burnley Borough Council.

**BURNLEY LEISURE AND CULTURE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024**

21. GOING CONCERN AND POST BALANCE SHEET EVENTS

In preparing this Annual Report and Accounts, the trustees have considered their statement made regarding preparation of the financial statements on a going-concern basis. The financial statements have been produced on a going concern basis as at 31st March 2024 because the trustees are satisfied that the charity will meet all its obligations as and when they fall due over the foreseeable future. In forming this opinion, the trustees have paid particular regard to:

- a) The nature of and future prospects for the economic climate in which the charity operates;
- b) The adequacy of the liquidity in the business demonstrated through the current 12 month forecast;
- c) The continued support of the council;
- d) The remaining term to March 2029 of the management agreement with Burnley Borough Council;
- e) The competencies of the executive staff employed by the charity;
- f) The actual performance to date for the financial year ending 31st March 2025.

The trustees are not aware of any other reportable post balance sheet events at the time of this report.