

REGISTERED COMPANY NUMBER: 9204269 (England and Wales)
REGISTERED CHARITY NUMBER: 1163564

REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025
FOR
SOUTH DOWNS LEISURE GROUP
(A COMPANY LIMITED BY GUARANTEE)

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

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

	Page
Report of the Trustees, including strategic report	1-23
Chairs Statement	1-2
Reference and administrative details of the Charitable Company, its Trustees and advisors	3
Structure, governance and management	4-6
Objectives and activities	7-10
Achievement and performance	11-12
Environment and sustainability	13-17
Financial review	18-20
Plans for future periods	21-22
Trustees responsibilities	23
Report of the independent auditors	24-26
Consolidated Statement of Financial Activities (Incorporating an Income and Expenditure Account)	27
Consolidated Balance Sheet	28
Company Balance Sheet	29
Consolidated Cash Flow Statement	30
Notes to the Consolidated Cash Flow Statement	31-32
Notes to the Consolidated Financial Statements	33-53

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

Chair's statement

I am delighted to present the financial and strategic overview for South Downs Leisure for the year 2024–2025, a year marked by continued growth, innovation, and deepening impact across our communities.

This year has not been without its challenges, but our focus has remained resolute, to improve lives through health, wellbeing, and sustainability. As we expand our reach, refine our services, and strengthen our partnerships, we remain guided by our commitment to inclusivity, environmental responsibility, and the delivery of outstanding community leisure services.

Community Impact and Engagement

Our facilities welcomed over 1.5 million visits this year, an extraordinary achievement that reflects the value and relevance of our services in the lives of our residents. Whether through sport, swimming, social engagement or simply offering a place to connect, our work continues to support the wellbeing of thousands.

A key highlight remains our free three-month membership scheme for individuals most in need. Now in its third year, this initiative has supported over 1,200 people, helping improve physical and mental health, reduce isolation, and support reintegration into community life.

We are also proud of our role in teaching vital life skills. With over 3,000 children enrolled in our swimming lessons, and more to come following the addition of Hampton Pool, our programmes are building confidence, safety, and a love of the water from an early age.

Performance Against Business Plan Targets

We are pleased to report strong performance across key objectives:

Customer Experience: The return of Mystery Visits through Proinsight in 2025 brought exceptional results, with several scores exceeding 90%, well above our 75% target. Our in-house customer service training, delivered to over 50 staff, has also elevated our service standards across the organisation.

Finance: The successful insourcing of payroll in May 2025 and our shift to paperless systems for payslips and timesheets reflect our drive for efficiency and sustainability. We are especially proud to report a 6% surplus on turnover, delivering strong financial performance across all contracts.

Staff Development: Staff training continues to evolve, including the launch of our Carbon Literacy course and a refreshed corporate induction programme, which enhances collaboration and cohesion across all sites and teams.

Health & Safety: We exceeded our 85% audit target, achieving a remarkable 92% average in Health & Safety audits across our facilities in 2025.

IT and Innovation: While our website overhaul has been rescheduled for Autumn 2025, we continue to lead on digital innovation. Our collaboration with Abbeycroft Leisure and Leisure Labs to introduce AI into our app, promises to improve member retention and potentially create new revenue opportunities.

Sales & Fitness: Membership numbers have exceeded targets, surpassing 16,000 FIT4 members and 1,150 Sea Lanes members, with an impressive average yield of £37.24 in our FIT4 membership. Extending our junior membership category to include 18–24 year-olds as “young adults” has driven growth and engagement.

Sustainability: Our commitment to “People, Planet, Profit” continues to drive tangible outcomes. We were ranked 3rd and 5th nationally for recycling old swimming equipment through the Leisure Loop initiative. New solar PV installations, battery storage at Wadurs, and bike-to-work incentives are helping shift our carbon trajectory. We are proud to report that Wadurs Swimming Pool ran on net-zero electricity for several days this summer.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

Health & Wellbeing: Our new Health and Wellbeing Plan is beginning to take shape through partnerships and cross-sector collaboration. We aim to align this plan with the NHS 10-Year Strategy, contributing meaningfully to preventative health.

Enterprise and Facility Development

South Downs Leisure Enterprises Ltd. has seen a strong year, especially in corporate hospitality and weddings, with further opportunities under review, including potential future accommodation options.

Since opening in June 2023 Sea Lanes Brighton, has welcomed over 200,000 visitors. It has been a fantastic contributor not just financially, but also through supporting national events and catalysing wider pool development conversations.

We have also continued to reinvest in our assets, with over £1.5 million spent on capital and maintenance over the last two years, enhancing gym equipment, refurbishing changing rooms, and improving the overall experience for our customers.

Future Outlook

Looking ahead, we plan to bring Hampton Pool into the South Downs Leisure model and will be mobilising Hilesea Lido in the Autumn of 2025.

We are still looking at significant redevelopment of gym, group exercise, and soft play spaces at some of our facilities. These investments are crucial to our continued growth and to meeting the evolving needs of our community.

We are also progressing our Carbon Net Zero strategy, targeting several dry-side sites to achieve this milestone by 2030. This will require substantial investment but will also protect us from long-term utility volatility and establish South Downs Leisure as a true sector leader in sustainability.

Our newly launched five-year strategy places Health & Wellbeing at its core. By focusing on prevention and public health partnerships, we aim to make a lasting difference in the lives of those we serve.

In conclusion, 2024–2025 has been a year of outstanding progress for South Downs Leisure, marked by resilience, creativity, and a deep-rooted commitment to community. I would like to thank our dedicated staff, volunteers, partners, and the board of trustees for their continued passion and service.

We remain ambitious and optimistic about the future, confident in our purpose, and excited for the journey ahead.

Paula Newton
Chair of Trustees
South Downs Leisure

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

The Trustees, who are also Directors of the Charitable Company for the purposes of the Companies Act 2006, present their report with the financial statement for the year ending 31 March 2025. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

REFERENCE & ADMINISTRATIVE DETAILS

Name of charity

South Downs Leisure

Name of subsidiary

South Downs Leisure Enterprises Ltd

Charity and company registration

South Downs Leisure 09204269

South Downs Leisure Enterprises Ltd 09261501

Charity number 1163564

Registered office

Field Place Manor House, The Boulevard, Worthing, West Sussex BN13 1NP

Telephone and website: 01903 905050, www.southdownsleisure.co.uk

Auditors

McCabe Ford Williams

Statutory Auditors and Chartered Accountants

Building 1063, , Cornforth drive, Kent Science Park, Sittingbourne ME9 8PX

Bank

Lloyds Banking Group

City Office

PO Box 72, Bailey Drive, Gillingham Business Park, Gillingham ME8 0L

Solicitors

Joanna Bussell

Winckworth Sherwood LLP

Minerva House, 5 Montague Close, London SE1 9BB

Nick Tompkin

Bennet Griffin LLP

1 Liverpool Gardens, Worthing, West Sussex BN11 1TF

Chief Executive Officer

Duncan Anderson

Trustees	Appointed	Resigned
P Newton (Chair)	24 August 2020	
J Marshall (Vice Chair)	1 February 2023	
A Fleetwood	1 July 2019	
P Greenwood-Pearsons	22 October 2021	26 November 2024
A Turner	28 April 2022	
J Finch	3 February 2023	
R Garner	1 August 2023	
H Schan	1 August 2023	5 June 2024
S Redman	18 March 2024	
G Cronin	4 April 2024	
A Lowe	30 October 2024	
K Boram	6 January 2025	
N Beverley-Hedger	7 January 2025	

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

South Downs Leisure is a charitable company limited by guarantee constituted on 4 September 2014 and governed by articles and memorandum of association.

Charitable status was applied following the incorporation of the Trust and was awarded shortly after the Trust commenced trading on 1 May 2015. The trustees are also directors of the charity for the purposes of the Companies Act.

The charity has a wholly owned trading subsidiary, South Downs Leisure Enterprises Ltd which is used to support the activities of the Trust.

Recruitment and Appointment of Trustees

Unless otherwise determined by the company, the Board shall consist of at least three and not more than eleven individuals comprised as follows:

- Up to 8 Community Trustees
- Up to 2 Local Authority Trustees
- Up to 1 Employee Trustee

Community Trustees will always be a majority on the Board.

New community Trustees are recruited in accordance with the Board's agreement and with our Articles of Association. We will always look to complement and strengthen the skills and experience of the Trustee team on the Board. Community Trustees are appointed for three years with membership being reviewed annually.

Recruitment of the employee Trustee was initially by appointment by the senior management team in accordance with the Articles of Association but from 2016 this was changed to election by employees as agreed by the Board.

The Local Authority confirms its nominations and appointments as and when Local Authority vacancies arise.

Training of Trustees

All new Trustees receive an induction from the CEO and meet the Chair. During 2025 we conducted a team building session with the trustees and Exec team. A further training session for all our trustees on governance and scrutiny is planned for later this year, which will also involve the Exec team. We also held a strategy planning away day.

Organisational Structure

The current Board consists of eight community Trustees providing a range of experience and professional expertise.

Paula Newton is Chair and James Marshall is vice Chair.

We have three subgroups which meet throughout the year to support the Board. Further to reorganisation, subgroups are as follows:

Finance

Andrew Fleetwood, James Marshall, Nicholas Beverley-Hedger, Kevin Boram

People and Remuneration

Andrew Fleetwood, Gerard Cronin, Jennifer Finch

Governance

Paula Newton, Stephen Redman, Rita Garner, Amanda Turner

Enterprise Directors

Paula Newton, Duncan Anderson

We held the following meetings for the period ended 31 March 2025:

- 5 x Board meetings
- 4 x Finance meetings
- 2 x People and Remuneration meetings
- 2 x Governance meetings
- 4 x Enterprise meetings

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT – continued

South Downs Leisure Trustees

Paula Newton (Chair)
James Marshall (Vice Chair)
Andrew Fleetwood
Amanda Turner
Jennifer Finch (Staff Trustee)
Stephen Redman
Gerard Cronin
Rita Garner
Adrienne Lowe
Kevin Boram
Nicholas Beverley-Hedger

To facilitate the effective operation of the Charity the Board has delegated the responsibility of administering the Charity to a Senior Management Team:

- Chief Executive Officer
- Finance Director
- Operations Director
- Business Development Director
- Human Resources Executive

Risk Management

The Trustees have a duty to identify and review the risks to which the charity is exposed and ensure appropriate controls are in place. A risk report is part of each Board agenda.

The top risks have been identified as:

- Membership no longer able to grow due to lack of space
- Cybercrime/fraud
- External budget pressures causing SDL to forecast a deficit
- Losing the Adur contract
- Losing a member of the Exec team, causing disruption or loss of confidence with our partners

Steps have been taken to reduce or mitigate the above risks.

The following initiatives have been implemented to reduce risk and improve risk management:

- A risk report at each Board meeting.
- A SWOT analysis conducted annually to identify weaknesses and threats.
- A calendar of audits which include Health & Safety, Financial and Quality audits.
- Sales and Generic mystery visits and Net Promoter Score surveys to ensure we are delivering the service to expectation.
- Affiliation to the Quest industry accreditation scheme to maintain high standards across all sections of our business: The current position of each site is as below.

We have completed 3 Quest Directional Reviews this year at Lancing, Southwick and Wadurs. We are working through action points raised.

Health and Safety

South Downs Leisure is committed to embedding a culture of proactive health and safety management throughout the organisation. This is included in all staff and 1-1 meetings, and we have a dedicated Group Health and Safety Manager who works proactively across the sites to ensure the best standards are maintained. They have responsibility for Health and Safety compliance across the ten sites working closely with the site teams.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT – continued

The Operations Director oversees regular cross-site meetings with the Operations Managers, and we aim for each site to have an appointed NEBOSH (The National Examination Board in Occupational Safety and Health) representative in this area supported by IOSH (Institution of Occupational Safety and Health) trained duty staff. We have trained a further 2 members of staff in NEBOSH & IOSH this year to further develop skills across the sites. We also have external expert advice through our contract with Right Directions who provide regular updates on legislation and compliance changes as well as providing an annual Health & Safety Audit of each site. This year the average score across the sites was 92%, an increase of 2%.

Accident and incident reporting

South Downs Leisure retains the services of Right Directions and the Data Hub digital platform. Right directions are a recognised industry leader in the Health and Safety field and have provided excellent support to the group H&S manager and site teams. The site managers and section heads are provided with up-to-date information and notifications of changes in legislation, together with the calendar of audits, advice, and support in respect of litigation claims.

The reporting platform provides update data for managers to review and action. In the past year we have had one RIDDOR reportable accident. All accidents and near misses are reviewed by the group H&S manager with the site team and also in ops meetings. Any actions are recorded and checked in the sites service improvement plans. The accident to usage ratio for April 2024 – March 2025 was 0.02%, this is compared to the national average of 0.11%.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

OBJECTIVES AND ACTIVITIES

Objectives and Activities

The objectives of the charitable company are:

- To provide or assist in the provision of both outdoor and indoor facilities in the interest of social welfare for recreation or other leisure time occupation of individuals who have need of such reason by their youth, age, infirmity or 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 use for meetings, lectures, and classes and/or other forms of recreation and leisure time occupation with the object of improving the condition of life for all those who use the facilities, and/or
- To promote the education of the public through the provision of facilities for the provision of performing arts, and/or such other charitable purposes as the Trustees in their absolute discretion may determine.

Public Benefit

The Trustees confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. We have referred to this guidance when reviewing our business plan and planning new activities for the future.

Our Vision and Mission

The Trust established a Vision, Mission Statement and Values outlined below, with our Vision reflecting the UK Active National agenda.

OUR VISION

More People, More Active, More Often.

MISSION

To deliver an inclusive range of health and wellbeing initiatives whilst providing a clean, safe, and happy leisure experience.

OUR VALUES

Integrity

We will be open, honest, and friendly when communicating with customers and partners, treating everyone with respect.

Equality, diversity, and inclusion

We aim to ensure that the opportunities the Trust provides are accessible, are available on a non-discriminatory basis and provide maximum health and wellbeing benefits for all.

Continuous Improvement

We will strive to make the experience of users and visitors better by continually reviewing our activities and procedures.

Partnership working

We will develop and sustain strong and effective partnerships with local and national organisations in pursuit of our vision: More People, More Active, More Often.

Innovation

We will explore the introduction of new products and services, driven by technology, industry research and best practice.

Staffing

We will ensure that all our staff are professionally qualified and/or appropriately trained to deliver the service required and respond effectively and quickly to customer enquiries.

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

OBJECTIVES AND ACTIVITIES – continued

Environmental awareness

We will endeavour to be an environmentally conscious organisation and will continually review our services to ensure best practice.

A Strong Board

Selection and recruitment of the Board was planned with a clear vision to provide a good range of interested, articulate and passionate volunteers with a strong mix of experience, age, and gender. The Board has developed a deep understanding of the aims of the Trust and provide strong, but challenging, support and guidance.

Executive Management Team

The Exec Management Team is led by the Chief Executive and includes, Finance Director, Operations Director, Business Development Director, Group Facility Manager Worthing, Group Facility Manager Adur, Management Accountant and the HR Executive. Below this we have a Senior Management team.

A number of subgroups were held throughout the year to ensure the delivery of the business plan.

Remuneration policy for key management personnel

A remuneration committee is in place for future review of remuneration for key management personnel. Historically all changes in grade have been passed by the HR/People and Governance subgroup which has now been replaced by the People and Remuneration subgroup. Cost of living increases are passed by the Board.

Training

Our ongoing investment in people was strengthened this year by appointing a Training Operations Business Partner. This post now manages the seven new staff training courses we developed in collaboration with Ian Hitt. They have also transformed our onboarding process to support new recruits more effectively.

For further details on our community initiatives and outreach programmes, please refer to our 2025 South Downs Leisure Social Impact Report.

Workforce Make Up

The total workforce at the time of TUPE was 367 employees. The total workforce number does fluctuate monthly by approx. 25 employees due to two factors; seasonal variations around busy/school holiday periods and taking off the casual employees who have not worked within the organisation for the last three months which is an Inland Revenue requirement.

Our Board, Exec and SMT teams consist of 16 males and 22 females from a good mix of age ranges.

	Male	Female	23-35	36-45	46-55	56-65	66-70
BOARD	6	5	0	1	4	3	3
EXECUTIVE TEAM	3	5	0	2	2	4	0
SENIOR MANAGEMENT TEAM	7	12	4	6	6	3	0
TOTAL BOARD & MANAGEMENT	16	22	4	9	12	10	3

Gender Pay Gap Reporting

On 6 April 2017, new regulations came into force requiring organisations with 250 or more employees to publish annual reports containing detailed information regarding the Gender Pay Gap (including bonus pay) between men and women across their workforce.

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

OBJECTIVES AND ACTIVITIES – continued

Gender Pay Gap - March 2024	MALE				FEMALE			
	Number	Mean	Median	%	Number	Mean	Median	%
Whole Organisation	323	13.44	11.15	0.36	584	16.34	14.72	0.64
Upper Quartile	49	26.14	26.1124	0.22	177	25.98	26.1124	0.78
Upper Middle Quartile	85	14.46	14.7197	0.37	142	15.96	15.16	0.63
Lower Middle Quartile	72	10.81	10.42	0.32	155	10.48	10.42	0.68
Lower Quartile	117	9.02	8.93	0.52	110	9.54	9.56	0.48
	323	73.87	71.33	0.36	584	78.30	75.97	0.64

Although not currently a legal requirement, we will begin preparing for potential disability and ethnicity pay gap reporting. By March 2026, we aim to review available staff data and improve disclosure rates, with a view to voluntary reporting by 2027.

In summary we are proud to report that there continues to be a fair balance of pay rates between male and female employees across the organisation.

STAFF PROFILES

August 2025	Number	Percentage
Total Number of Employees	659	
Total Number of Posts	1801	
*Number of employees with impairments or disabilities	32	4.86%
**Number of employees of an ethnic minority	79	11.99%

* 23 employees declared themselves as having impairments on the 2023 Staff Survey. The 23 were from a pool of 140 that completed the staff survey which equates to 16%.

** Ethnic Minorities is inclusive of anyone who has disclosed themselves as not being white British.

Whilst we encourage staff to declare any disabilities and their ethnicity, these are not mandatory disclosures so may not truly reflect the numbers of employees in these categories. The number of employees is much higher in August 2025 than in August 2024 due to the new contract to operate Hampton Pools which commenced on 2 June 2025.

We continue to use fair recruitment practices and ensure open and transparent processes to encourage all interested parties to apply for roles.

We are proud that we have retained the Disability Confident Employer (Level 2) and have taken part in the EmployAbility scheme to assist disabled people into the leisure workforce.

The annual Community Leisure UK HR Staff Survey is used to benchmark staff salaries. This has been used by the People and Remuneration and Finance sub-committees to set the cost of living increase each year, along with ensuring roles are being paid at a competitive rate.

Continuous Improvement

A key to the success of South Downs Leisure is in the desire to improve, reinvest and be at the forefront of new initiatives. We actively support CIMSPA membership (the Chartered Institute for the Management of Sport and Physical Activity) with the senior management team being members. We also work closely with Community Leisure UK attending regular calls and conferences.

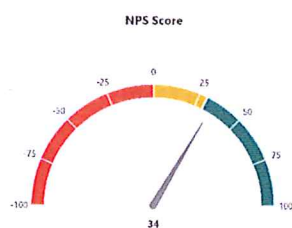
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

OBJECTIVES AND ACTIVITIES – continued

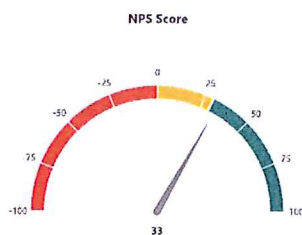
Customer Experience and Safety

Our Net Promoter Score (NPS) remains strong: 34% in Worthing and 33% in Adur, well above the national average of 29%.

WORTHING



ADUR



NATIONAL



Health & Safety: This remains a top priority, with an average audit score of 92% across all sites—well above our target of 85%.

Health & Safety Audit Scores				
	Mar-22	Mar-23	Mar-24	Mar-25
Splashpoint	90%	85%	91%	89%
Worthing	87%	88%	91%	90%
Field Place	91%	92%	93%	93%
Davison	86%	90%	92%	91%
Lancing	84%	82%	86%	91%
Southwick	81%	83%	86%	91%
Wadurs	85%	89%	89%	93%
Sea Lanes			92%	96%
Average Score	86%	87%	90%	92%

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

ACHIEVEMENTS AND PERFORMANCE

Overview

The 2024–2025 financial year has been another exceptional period for South Downs Leisure, as we remained steadfast in our commitment to the triple bottom line: People, Planet, Profit. Despite industry-wide pressures, we delivered a post-gain share surplus exceeding 6%. We were proud to distribute over £450,000 to Adur & Worthing Councils and more than £130,000 to Sea Lanes, reinforcing our position as a socially responsible and financially sustainable charitable trust.

People

This year saw several enhancements to staff wellbeing and benefits:

- Our pension scheme was reviewed, now enabling employees to contribute up to 10%, with SDL matching contributions.
- Staff were granted their birthday as an additional day off.
- We launched the Vitality Health Scheme for senior managers and the executive team to promote personal wellbeing.
- We also deepened our social impact through continued community engagement:
- Partnerships with Ropetackle, parkrun, and others helped us support local individuals and families through free gym memberships, swimming lessons, and the return of our successful Christmas "Shop & Drop" initiative.
- Our free memberships for Care Leavers, Refugees, Homeless individuals, and low-income families fostered a sense of inclusion and belonging. The feedback has been overwhelmingly positive, highlighting the importance of these schemes.
- The Phoenix Club, for over-50s, continued to thrive, providing companionship, creative activities, and events. We've encouraged members to embrace digital tools, including our app and online booking system.

New offerings included:

- A Young Adult Membership for 16–24-year-olds, which has tripled in uptake.
- Group exercise classes at Palatine Park, expanding our outreach.
- Operational management of the 3G football pitch at Davison.
- Successful tender and transition of operations at Hampton Pool, starting June 2025.
- Disability Days provided joyful and inclusive experiences for children with disabilities and their families, while Filipino Sports Days at Davison Leisure Centre grew from an evening event to full weekend festivals celebrating family-friendly sport.

Our facilities also hosted community-led events and learning opportunities, including:

- Worthing College Employability Days to prepare students for the workplace.
- The SID Youth Hangout Club, offering a safe and welcoming space for young people.
- Free public CPR and First Aid courses to increase community resilience.
- Continued support for Green Dreams Community Food & Greenspaces Festival at Field Place and now Lancing, promoting sustainable living.
- Ongoing collaboration with The Durrington Theatrical Society, hosting popular performances at Field Place.

Planet

Our carbon footprint, specifically Scope 2 emissions, remained stable during the reporting year. However, we have laid significant groundwork through several capital projects aimed at reducing emissions in 2025–26 and beyond.

Sustainability achievements include:

- Investment in energy-efficient infrastructure such as Ground Source Heat Pumps at Splashpoint paid for by Morgan Sindall and Worthing Borough Council
- New Solar PV at Wadurs and Splashpoint paid for by a Sport England grant
- Battery Storage at Wadurs

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

ACHIEVEMENTS AND PERFORMANCE - continued

- New efficient pumps at Wadurs
- Expansion of cycle storage at four facilities
- Continued progress on paperless operations, including payroll and timesheets

We remain committed to aligning our Health & Wellbeing Strategy with the NHS 10-Year Plan, ensuring our practices are future-facing and community-minded.

Profit and Operational Development

2024-25 has been another exceptional year for South Downs Leisure managing our finances. Our profit margin after Gain Shares have been given out was 6%. We also gave a gain share of over £450,000 to Adur and Worthing Councils and over £130,000 to Sea Lanes.

Despite challenges such as increased National Living Wage and National Insurance contributions—raising our wage bill by approx. 14% in April 2025—we kept average price increases to just 5%. Membership now exceeds 16,500, with sustained growth across all areas.

Key capital investments and improvements included:

- Les Mills Virtual Studios at Splashpoint and Southwick.
- Refurbished toilets and changing facilities across our estate.
- A new outdoor sauna cabin at Splashpoint, revitalising the former paddling pool area.
- New lockers and cubicles at Splashpoint.
- Ongoing reinvestment totalling over £1.5 million in the last two years.

We also successfully insourced our payroll function in May 2024, a move that not only boosted efficiency but contributed to our environmental goals. To further streamline internal communications, we are preparing to introduce an AI Chat Bot to handle standard HR queries, an innovation expected to resolve around 80% of the 6,000–8,000 annual staff emails, freeing up time for our current staff to provide quality and further strategy.

Our subsidiary, South Downs Leisure Enterprises Ltd. saw continued success in corporate hospitality. Notably, we secured a key booking with the Driver and Vehicle Standards Agency (DVSA). Plans are also underway to transform the rear garden at Field Place into a dedicated wedding space with small lodges for guest accommodation.

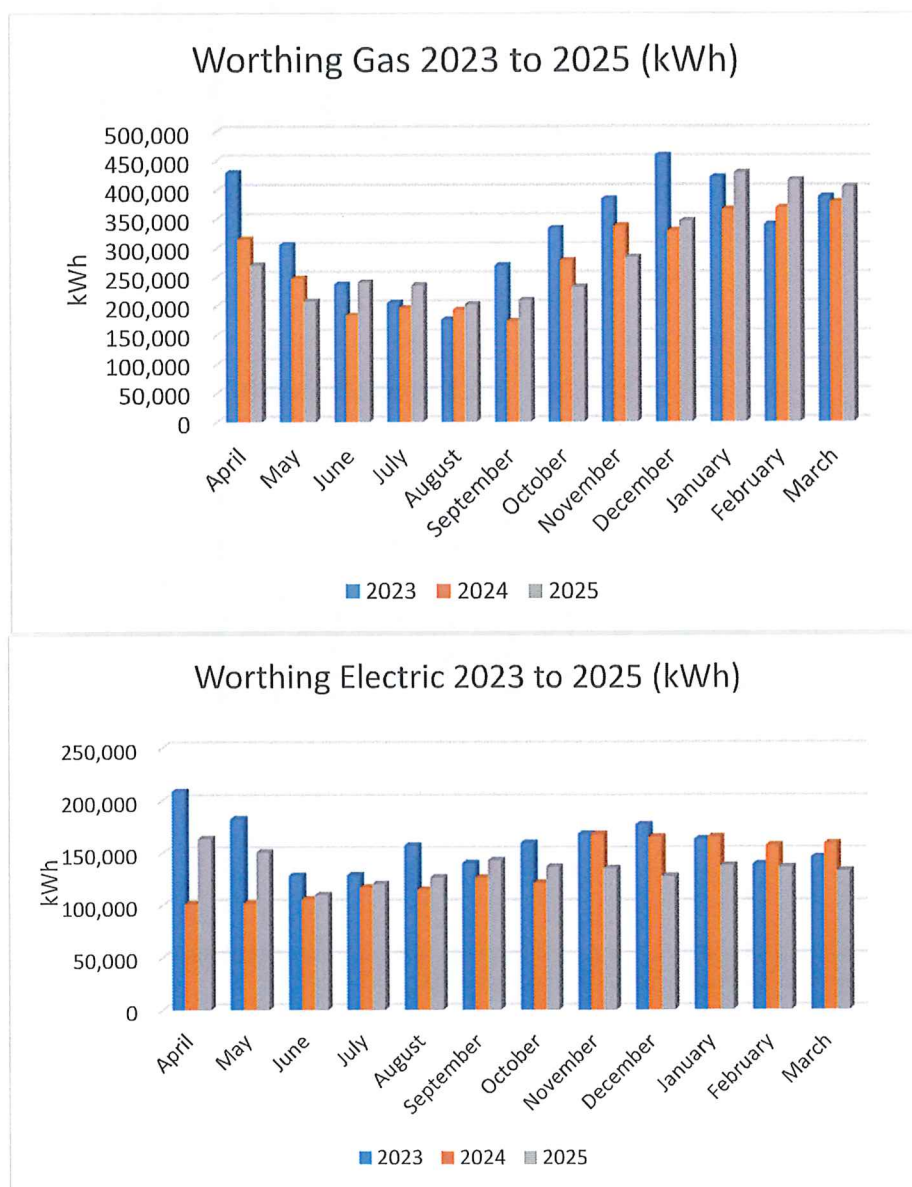
Sea Lanes, the National Open Water Swimming Centre in Brighton, continues to thrive with over 200,000 visitors since its opening in June 2023. The facility is not only financially successful but also provides a venue for inclusive charity events and safe cold-water swimming.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

ENVIRONMENT AND SUSTAINABILITY

This continues to be of high importance since becoming a key focus of the business in 2021. We introduced a separate Sustainability Development Strategy for 2022 – 2026 and are working on a new strategy for 2027-2031 to continue our push towards net zero. We have worked hard to make this part of the culture at SDL, by investing in training staff, communications to staff/customers and working with partners. We have ensured that sustainability is considered as part of all decisions that are made at all levels.

Work continues to understand our energy usage and drive this down. Destratification fans are now in use at Splashpoint to ensure that warm air is circulated to the areas where it is most needed. We have worked with Worthing Borough Council and Sports England to secure grants to increase the solar panels at Splashpoint and to introduce them at Wadurs. The ground source heat pump at Splashpoint has finally been reinstalled and recommissioned in June 2025. The effect of some of these measures will only be apparent at the end of the next financial year. Staff teams have really taken this on across the sites with environmental champions leading the way and continually coming up with new ideas. Comparing gas and electricity usage between 2023 and 2025 shows the continuing affect the measures are having:

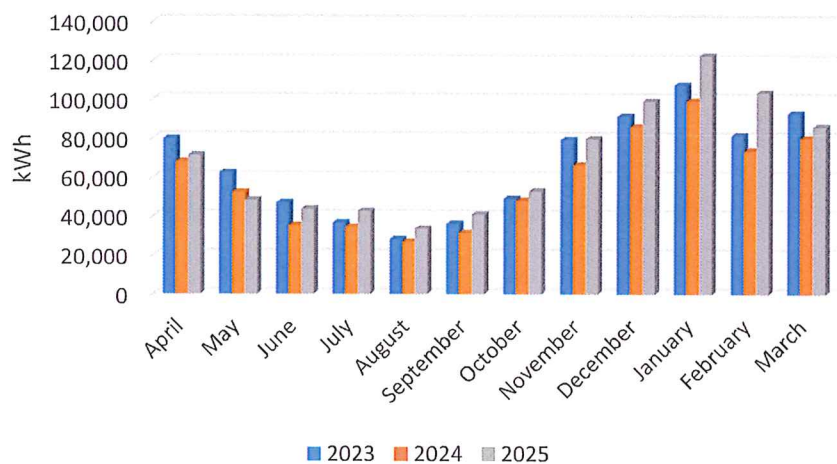


REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

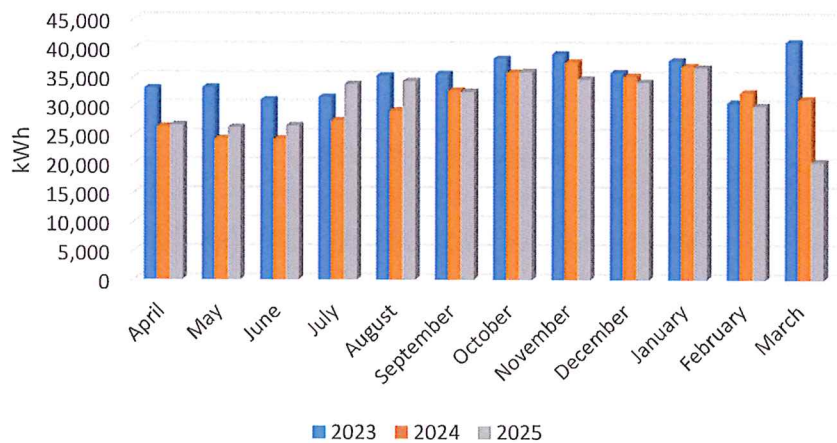
ENVIRONMENT AND SUSTAINABILITY - continued

Gas is much harder to reduce as this controls the heating and hot water. The Worthing heat network will start supplying heat in Worthing from March 2026 and Splashpoint have signed up to this initiative. A grant has been secured from Southern Water to introduce a water retention scheme at Splashpoint, and this is due to be installed during the autumn of 2025.

Adur Gas 2023 to 2025 (kWh)



Adur Electric 2023 to 2025 (kWh)



The usage in Southwick is largely down due to the health suite being out of action for certain periods. The centres are all experiencing higher usage which is reflected in increased running costs.

In addition, we are looking at Building Management Systems upgrades to better to control the sites plus further solar panels.

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

ENVIRONMENT AND SUSTAINABILITY - continued

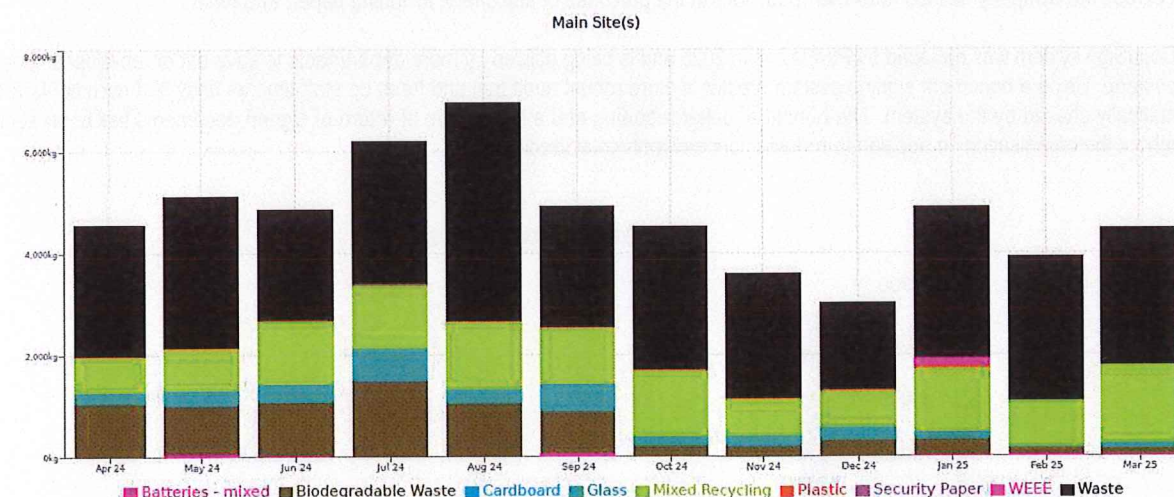
Regular meetings are held to discuss achievements and review new initiatives. We have been working with specialist external suppliers to further review options available. We further developed our handling of waste across the sites with waste audits and increased recycling options such as glass/food/flexible plastics and batteries. The partnership with Recorra has allowed this to take place and enable us to review the waste we produce.

Sustainable refuse collections – Recycling Rate and Material Breakdown with Recorra

Recycling Rate	Average for period	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025
Average for selected sites	43%	44%	42%	56%	55%	38%	52%	38%	32%	44%	40%	28%	40%
SOUTH DOWNS LEISURE T.A. Field Place	52%	52%	45%	61%	72%	64%	65%	47%	57%	60%	42%	11%	49%
SOUTH DOWNS LEISURE T.A. Wadurs Swimming Pool	46%	26%	29%	51%	35%	58%	54%	81%	22%	60%	-	100%	30%
SOUTH DOWNS LEISURE T.A. Southwick Leisure Centre	43%	38%	40%	76%	43%	52%	48%	31%	22%	34%	39%	36%	53%
SOUTH DOWNS LEISURE T.A. Lancing Manor Leisure Centre	41%	46%	36%	55%	50%	46%	56%	40%	19%	40%	40%	27%	38%
SOUTH DOWNS LEISURE T.A. Splashpoint	37%	38%	39%	56%	41%	51%	40%	31%	19%	33%	35%	28%	34%
SOUTH DOWNS LEISURE T.A. Worthing Leisure	38%	45%	52%	40%	49%	13%	42%	31%	33%	31%	43%	36%	38%

Breakdown by Materials for Selected Sites

Total kg recycled by material type



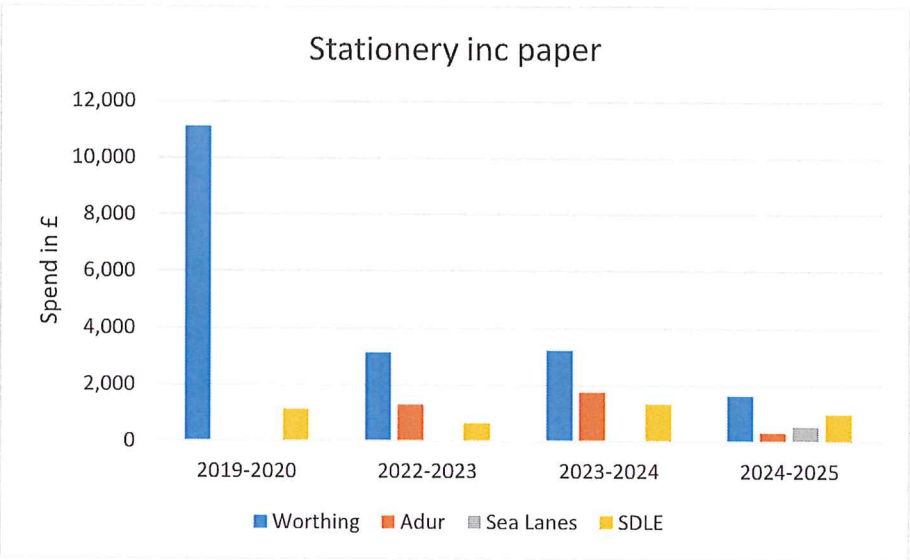
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

ENVIRONMENT AND SUSTAINABILITY - continued



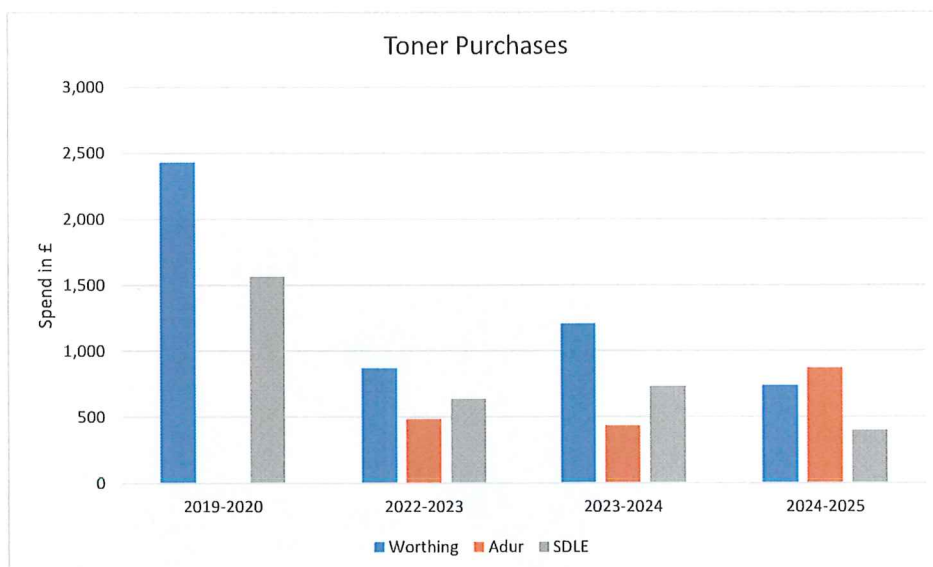
We continue to use an invoice capture system for the purchase ledger with the resulting savings in time, paper, and toner. A concerted effort across the company has led to further reductions in the purchase of stationery, including paper, and toner.

The DocuSign system was replaced by PandaDoc in 2025 and is being utilised by more departments to save paper, envelopes, toner and postage. Using a document signing system creates a more robust audit trail and frees up staff time as unsigned documents are automatically chased by the system. The benefit of better reporting and a higher rate of return of signed documents has been seen throughout the organisation, in addition to reducing our environmental impact.



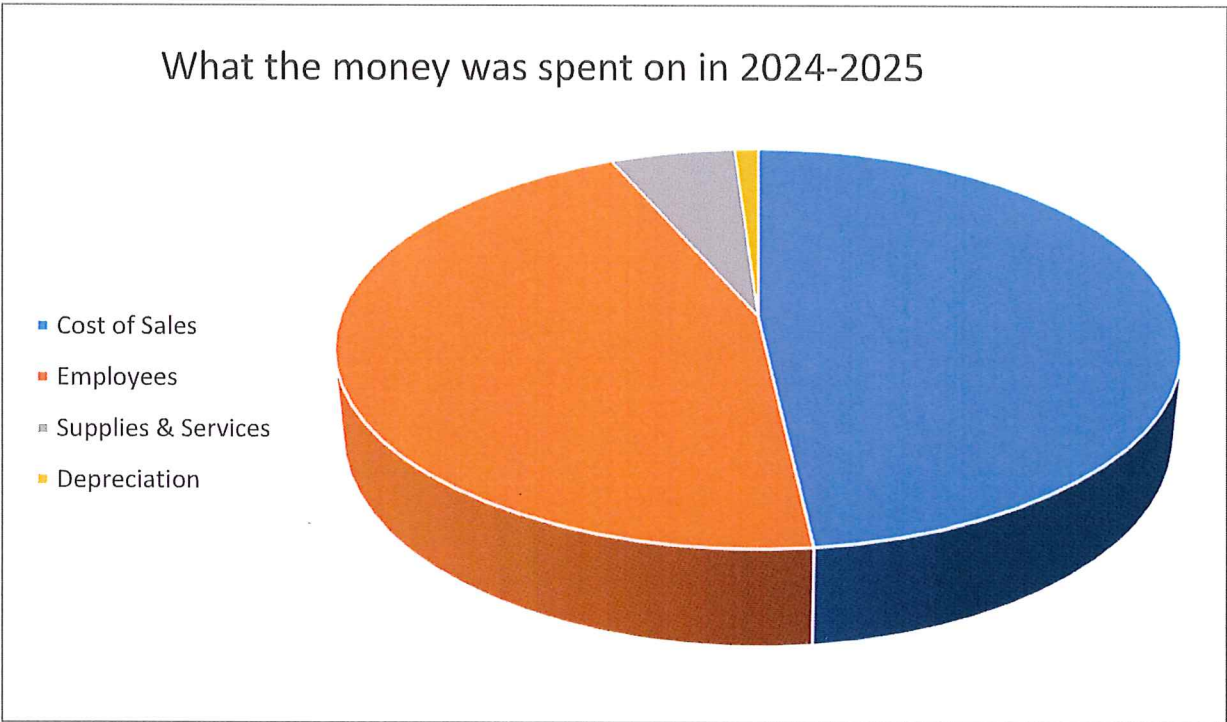
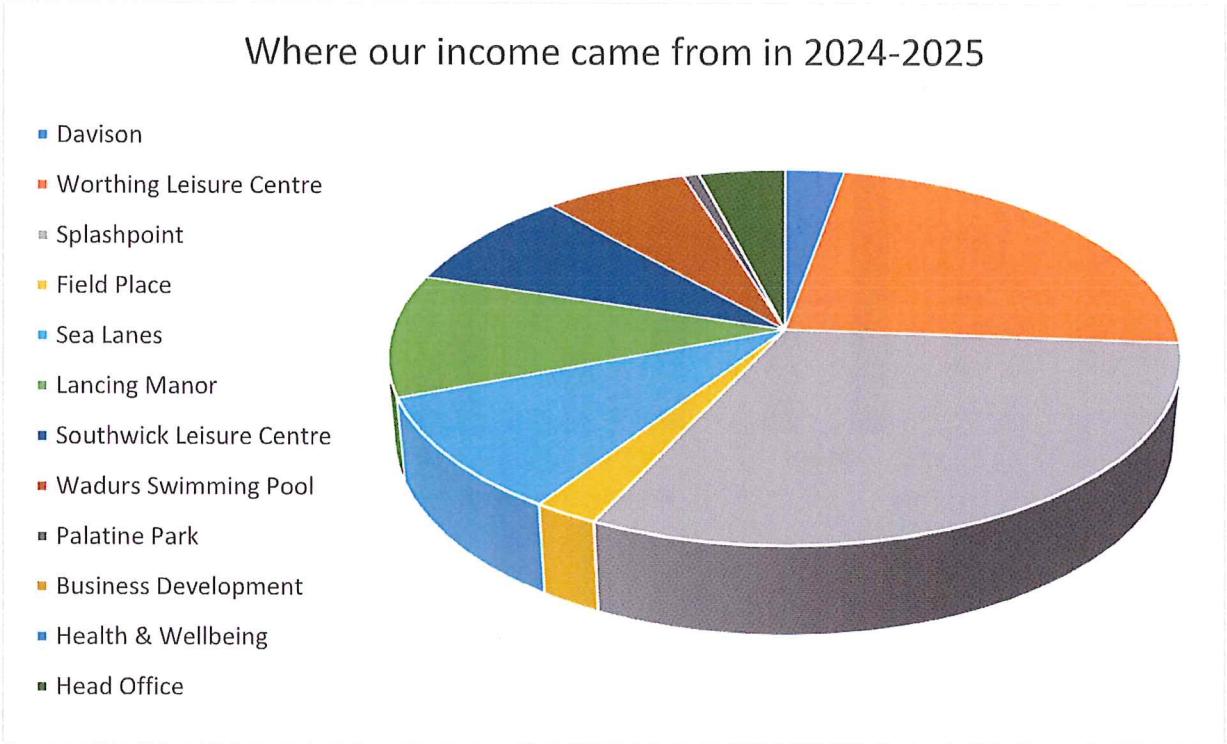
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

ENVIRONMENT AND SUSTAINABILITY – continued



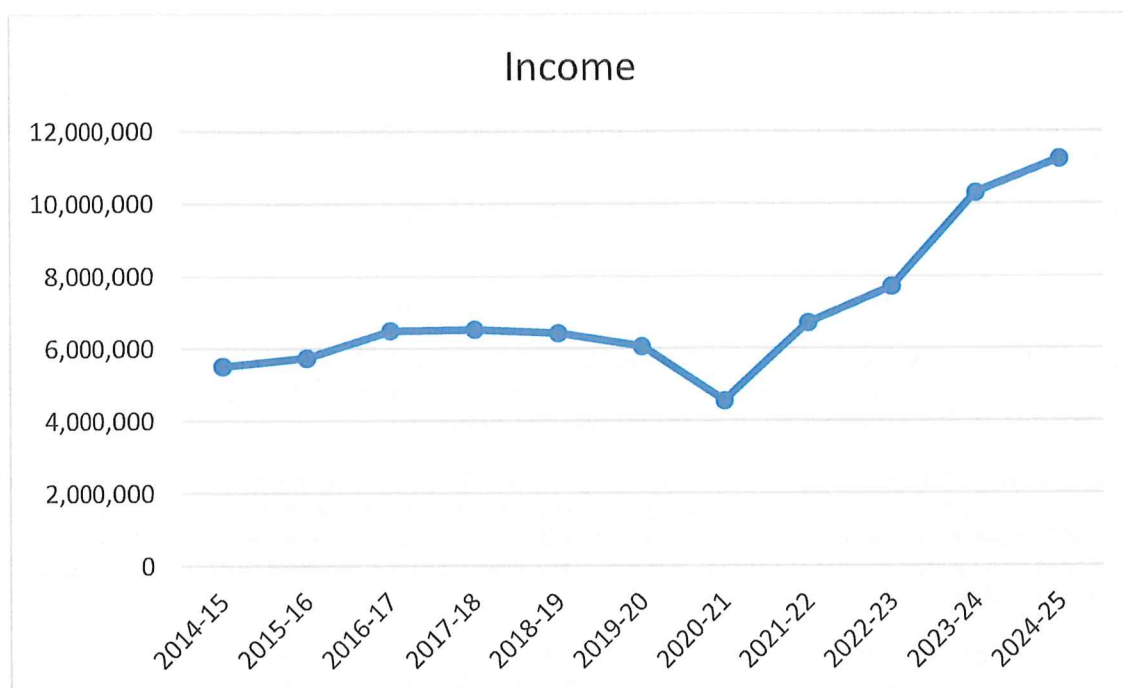
FINANCIAL REVIEW

The following charts show where our income came from and how that money was spent.

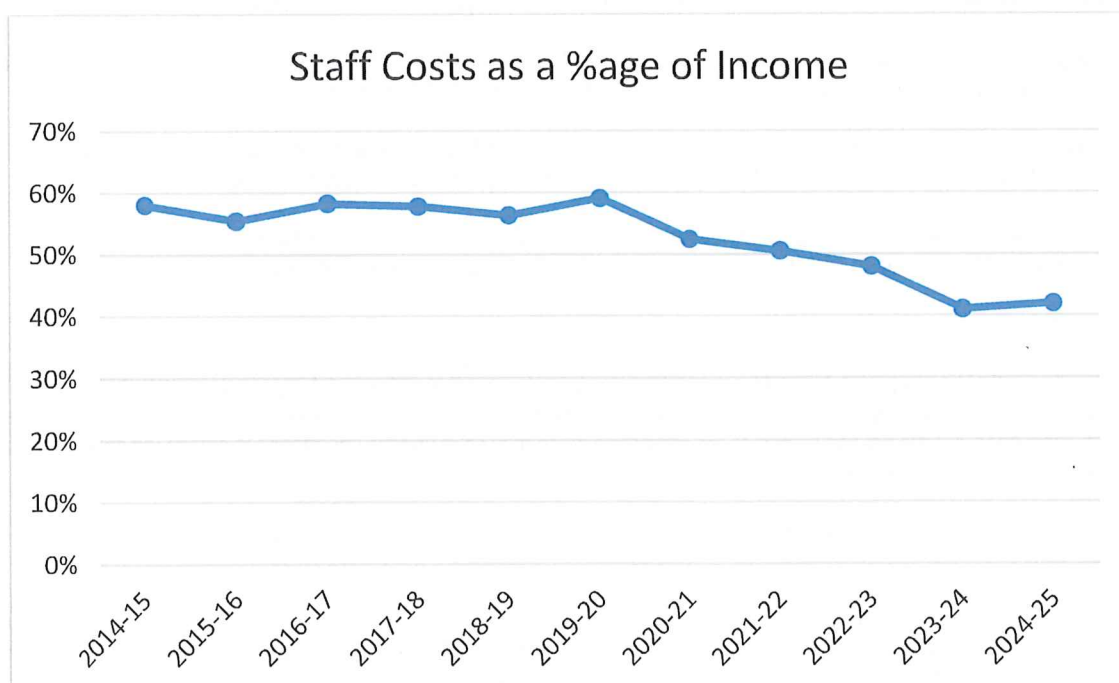


REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

FINANCIAL REVIEW – continued



The above chart shows the income year on year. 2013-2015 we were a council Direct Service Organisation.



The above chart shows staff costs as a % of income. Figures from 2018-19 include Head Office costs.

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

FINANCIAL REVIEW – continued

Reserves

Surpluses on trading and charitable activities will be transferred to a risk reserve and an improvement reserve. After the accumulation of £891,000 into the risk reserve, then the Worthing contract part of the Trust shall transfer up to £100,000 of any surplus generated into a designated account, the Improvement Reserve.

Surpluses from the Adur contract will be saved into a separate improvement reserve after 50% has been paid to Adur & Worthing Council.

Surpluses from the Palatine Park contract are to be kept in a separate fund for use on football in the community.

The group has returned a surplus of £693,573, after exceptional items (2024: £1,294,810. There was a surplus in the year of £805,543 before exceptional items). The accumulated reserves for the group amounted to £3,261,885 (2024: £2,568,312), including restricted funds of £590 (2024: £4,762) and unrestricted funds of £3,261,295 (2023: £2,563,550).

In the event that the Trust meets the agreed Risk Reserve target of £891,000 and after £100,000 has been transferred into the Improvement Reserve for the Worthing contract, 50% of any surpluses for the Adur contract have been transferred into an Improvement Reserve, and the Palatine Park surplus has been transferred into a football in the community fund, and the Risk Reserve target has been maintained for a continuous period of 3 months, then 50% of any additional surplus generated by the Trust in any Service Year shall be shared with Worthing Borough Council.

The Group had total reserves at the balance sheet date of £3,261,885 (2024: £2,568,312). £891,000 (2024: £891,000) has been designated as the risk reserve in accordance with the reserves policy and £1,398,925 (2024: £1,034,944) has been designated as the improvement reserve for Worthing, plus £389,355 (2024: £174,534) for Adur, Palatine Park deficit £4,410 (2024: Deficit £4,599) and Sea Lanes risk reserve £130,000 (2024: £125,000), in accordance with the reserves policy, and £224,871 (2024: £76,566) designated as the business improvement reserve for Sea Lanes. Restricted funds at the yearend were £590 (2024: £4,762).

The Worthing improvement reserve balance of £1,398,925 (2024: £1,034,944) is made up of the net book value of fixed asset purchases since incorporation of £297,644 (2024: £288,205) and there were £1,101,281 in unspent reserves (2024: 746,739).

The Adur improvement reserve balance of £389,355 (2024: £174,534) is made up of the net book value of fixed asset purchases since incorporation of £83,399 (2024: £169,068) and there were £305,956 in unspent reserves (2024: £5,466).

The Sea Lanes improvement reserve balance of £224,871 (2024: £76,566) is made up of the net book value of fixed asset purchases since incorporation of £4,189 (2024: £8,046) and there were £220,682 in unspent reserves (2024: £68,520).

Going concern

As with any Charity that has been established for the last ten years having weathered the instability of gas and electricity supplies and the extortionate prices caused by the war in Ukraine, the Pandemic and the cost of living concerns from high inflation, we are well versed with challenges, but are not complacent to the magnitude these may have and the importance to ensure we apply the right due diligence and caution with all decisions and new ventures.

What we have worked towards over the past five years has meant that we would be in a significantly stronger position than where we came from.

Additional solar panels have been fitted to Splashpoint and Wadurs swimming pools. We have been successful in a bid from Southern Water to implement a new water saving scheme which will ultimately reduce costs. We have now recommissioned the Ground Source Heat Pumps at Splashpoint, and we are currently investigating new Solar PV at Worthing LC and Field Place.

The industry is still seeing an increase in membership since the pandemic and South Downs Leisure is no exception. The membership continues to grow making our facilities very busy. Plans are being investigated to increase our capacity and improve our offering.

We now have a lean, agile workforce which is felt will be one of the best ways to cope with the challenges we have experienced and to give us flexibility moving forwards. We will be looking at a new structure that will increase staff costs but will allow us to grow in the future. We are also investigating new technologies, notably with AI that allows our current staff more capacity to grow.

Costs are monitored and controlled closely and all schemes available are utilised to minimise our costs.

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

Going concern - continued

We have put together a 10-year asset replacement plan which includes significant re-investment into all our facilities, to not just maintain them but improve them.

By investing in our people, premises and products we believe that we are able to provide an excellent service whilst keeping this accessible to the community we serve. There are numerous schemes to provide access to harder to reach groups and remaining profitable enables our continued efforts in this area.

The Board of Trustees has considered the current economic climate and are satisfied that, assuming customers behaviour is in line with industry expectations, that it will be able to meet all its obligations as and when they fall due. Accordingly, they consider it appropriate to continue to prepare the financial statements on a going concern basis.

Plans for the future

South Downs Leisure's performance in the financial year 2024-2025 has been exceptional, highlighted by remarkable membership & financial growth, our carbon footprint has remained steady this year as we drew plans for large capital that will see a step change in 2025-26. These achievements reflect our commitment to providing top-quality services, supporting sustainability, supporting our community and being a socially responsible organisation. We remain committed to our mission of providing inclusive health and wellbeing initiatives while maintaining a clean, safe, and happy leisure experience.

A major investment in Worthing Leisure Centre is planned, aimed at expanding group exercise and gym space while redesigning our soft play areas to better meet user needs.

Our capital programme targets carbon net zero at the majority of our dry facilities by 2030. Achieving this will require substantial investment but will secure long-term utility protection and position South Downs Leisure as a leader in sustainability.

Our dedication to the triple bottom line of People, Planet, Profit guides our actions, ensuring a positive impact on our community and the environment. We look forward to continued success and progress in the years to come.

ACCOUNTABLE AND TRANSPARENT

The work of the Trust sits largely in the public domain and through its values, club and customer focus groups, surveys & feedback mechanisms it strives to engage with all interested parties. The business plan and objectives are published and subject to public scrutiny.

As part of the service agreements with Worthing Borough Council and Adur District Council, the Trust provides regular reports to the Council on its performance through monitoring Key Performance Indicators (KPIs).

FUNDRAISING

As a charity our income is derived from charitable trading and as such, we do not undertake any specific campaigns which require donations.

DISABLED PERSONS

The parent Charitable Company and its subsidiary undertakings' policy is to give full and fair consideration to applications for employment by disabled persons, having regard for their particular aptitudes and abilities. Disabled employees receive appropriate training to promote their career within the organisation. Employees who become disabled are retained in their existing posts where possible or retrained for suitable alternative posts. South Downs Leisure is a Disability Confident employer and completed the Employability scheme during 2022-2023.

ENGAGEMENT WITH EMPLOYEES

A regular staff newsletter, a staff Facebook page, an annual staff awards party and environment team building days are just some of the ways that South Downs Leisure engage with staff. It is recognised that different avenues are required to engage with different groups of staff, and we continue to look at new avenues for communication. A number of podcasts have been created to discuss different subjects which have included menopause, cost of living, neurodivergence etc.

The Wellbeing Champions (previously known as Workplace Champions) introduced in 2021 are volunteers who have been given training to support staff, provide a means of signposting staff to additional support and coordinating with management as necessary.

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

Worthing Counselling Centre was employed as the EAP provider during 2019/20. This is a local charitable service which has already proved more popular than the previous, more generic, service. We are helping our staff and another local charity which fits perfectly with our ethos.

Our board of Trustees also includes a Staff Trustee to represent the staff.

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of South Downs Leisure for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2019 (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 operation.

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

In so far as the trustees are aware:

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

ON BEHALF OF THE BOARD:



P Newton – Chair

Date: ~~20~~ September 2025

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SOUTH DOWNS LEISURE

Opinion

We have audited the financial statements of South Downs Leisure (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated 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 group's and of the parent charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the group annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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 Strategic Report and The Directors' Report included with the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SOUTH DOWNS LEISURE

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and parent Charitable Company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included with the Report of Trustees.

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

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

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

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

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

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SOUTH DOWNS LEISURE**

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- reviewed management contracts where contract variations had arisen;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

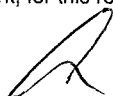
- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the relevant regulator.

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

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

Use of our report

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



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

Date: 30.09.2025

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

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

	Notes	Unrestricted Funds £	Restricted Funds £	31.3.25 Total Funds £	31.3.24 Total Funds £
INCOME					
<i>Income from charitable activities:</i>					
Operation of leisure, recreation sites and health activities	5	10,765,140	4,638	10,769,778	9,860,668
<i>Income from other trading activities:</i>					
Commercial trading operations	6	656,932	-	656,932	686,359
<i>Investment income</i>	7	74,031	-	74,031	-
TOTAL INCOME		11,496,103	4,638	11,500,741	10,547,027
EXPENDITURE					
<i>Costs of raising funds:</i>					
Commercial trading operations	6	582,669	-	582,669	653,183
<i>Expenditure on charitable activities:</i>					
Operation of leisure, recreation sites and health activities	9	10,103,719	8,810	10,112,529	9,155,147
TOTAL EXPENDITURE		10,686,388	8,810	10,695,198	9,808,330
NET (EXPENDITURE) / INCOME BEFORE EXCEPTIONAL ITEMS, TAXATION AND TRANSFERS		809,715	(4,172)	805,543	738,697
Exceptional items	25	(111,970)	-	(111,970)	556,113
NET MOVEMENT IN FUNDS		697,745	(4,172)	693,573	1,294,810
RECONCILIATION OF FUNDS:	25				
FUNDS BROUGHT FORWARD		2,563,550	4,762	2,568,312	1,273,502
FUNDS CARRIED FORWARD		3,261,295	590	3,261,885	2,568,312

All incoming resources and resources expended arise from continuing activities. The group has no other recognised gains and losses other than those stated above.

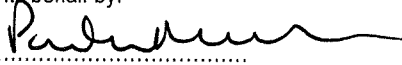
SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED BALANCE SHEET
AT 31 MARCH 2025

		31.3.25 Total Funds £	31.3.25 Total Funds £	31.3.24 Total Funds £	31.3.24 Total Funds £
	Notes				
FIXED ASSETS					
Intangible assets	15		-		4,681
Tangible assets	16		487,064		555,446
Investments	17		-		-
			<u>487,064</u>		<u>560,127</u>
CURRENT ASSETS					
Stocks	18	67,338		46,980	
Debtors	19	429,867		419,195	
Investments	20	2,000,000		1,000,000	
Cash at bank and in hand		2,045,924		2,116,721	
		<u>4,543,129</u>		<u>3,582,896</u>	
CREDITORS					
Amounts falling due within one year	21	<u>(1,762,715)</u>		<u>(1,549,587)</u>	
NET CURRENT ASSETS			<u>2,780,414</u>		<u>2,033,309</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,267,478		2,593,436
PROVISIONS FOR LIABILITIES	22		(5,593)		(25,124)
NET ASSETS			<u>3,261,885</u>		<u>2,568,312</u>
FUNDS					
Unrestricted income funds			343,524		266,105
Unrestricted designated funds			2,917,771		2,297,445
Restricted funds			590		4,762
TOTAL FUNDS	25		<u>3,261,885</u>		<u>2,568,312</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 30/09/25 and were signed on its behalf by:


P Newton – Chair

Company Registered number: 09204269
Registered Charity number: 1163564

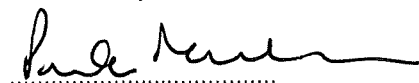
SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

COMPANY BALANCE SHEET
AT 31 MARCH 2025

	Notes	31.3.25 Total Funds £	31.3.25 Total Funds £	31.3.24 Total Funds £	31.3.24 Total Funds £
FIXED ASSETS					
Intangible assets	15		-		4,681
Tangible assets	16		385,232		460,638
Investments	17		1		1
			<u>385,233</u>		<u>465,320</u>
CURRENT ASSETS					
Stocks	18	67,338		46,980	
Debtors:	19	336,060		513,346	
Investments	20	2,000,000		1,000,000	
Cash at bank and in hand		<u>1,973,132</u>		<u>1,686,537</u>	
		4,376,530		3,246,863	
CREDITORS					
Amounts falling due within one year	21	<u>(1,843,401)</u>		<u>(1,409,976)</u>	
NET CURRENT ASSETS			<u>2,533,129</u>		<u>1,836,887</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,918,362		2,302,207
NET ASSETS			<u>2,918,362</u>		<u>2,302,207</u>
FUNDS					
Unrestricted designated funds			2,917,772		2,297,445
Restricted funds			<u>590</u>		<u>4,762</u>
TOTAL FUNDS	25		<u>2,918,362</u>		<u>2,302,207</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 30/09/25 and were signed on its behalf by:



P Newton – Chair

Company Registered number: 09204269
Registered Charity number: 1163564

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

		Group 31.3.25 £	Group 31.3.24 £	Company 31.3.25 £	Company 31.3.24 £
Cash flows from operating activities	1	1,047,547	1,368,479	1,386,891	1,220,336
Tax paid		-	-	-	-
Net cash from operating activities		1,047,547	1,368,479	1,386,891	1,220,336
Cash flows from investing activities					
Purchase of tangible fixed assets		(140,871)	(213,547)	(125,161)	(199,400)
Purchase of intangible fixed assets		-	-	-	-
Disposal of asset		-	(43)	-	(1)
Finance charges		(51,504)	(93,530)	(49,166)	(90,470)
Interest receivable		74,031	-	74,031	-
Purchase of investment		(2,000,000)	(1,000,000)	(2,000,000)	(1,000,000)
Investments matured		1,000,000	-	1,000,000	-
Net cash from investing activities		(1,118,344)	(1,307,120)	(1,100,296)	(1,289,871)
Cash flows from financing activities					
Subsidiary loan repayments to parent		-	-	-	-
New loan		-	-	-	-
Loan repayments		-	-	-	-
Net cash from investing activities		-	-	-	-
Increase in cash and cash equivalents in the reporting period		(70,797)	61,359	286,595	(69,535)
Cash and cash equivalents at the beginning of the reporting period	2	2,116,721	2,055,362	1,686,537	1,756,072
Cash and cash equivalents at the end of the reporting period	2	2,045,924	2,116,721	1,973,132	1,686,537

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

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

1. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 31.3.25 £	Group 31.3.24 £	Company 31.3.25 £	Company 31.3.24 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	693,573	1,294,810	616,154	1,261,634
Depreciation/amortisation charges	213,934	204,428	205,248	191,600
Finance costs	51,504	93,530	49,166	90,470
Interest received	(74,031)	-	(74,031)	-
(Increase) / decrease in stock	(20,358)	17,422	(20,358)	17,422
Decrease / (increase) in debtors	(10,672)	38,500	43,037	14,234
Decrease / (Increase) in intercompany	-	-	429,606	(105,969)
Increase / (Decrease) in deferred tax	(19,531)	7,415	-	-
Increase / (Decrease) in creditors	101,158	268,487	26,098	307,058
Increase / (Decrease) in fair value of utilities contracts	111,970	(556,113)	111,970	(556,113)
Net cash flow from operating activities	1,047,547	1,368,479	1,386,891	1,220,336

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

Group	31.03.25 £	31.03.24 £
Cash at bank and in hand	2,045,924	2,116,721
Total cash and cash equivalents	2,045,924	2,116,721
Company	31.03.25 £	31.03.24 £
Cash at bank and in hand	1,973,132	1,686,537
Total cash and cash equivalents	1,973,132	1,686,537

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

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

3. ANALYSIS OF CHANGES IN NET FUNDS

Group	At 1.4.24	Cash flow	At 31.3.25
	£	£	£
Net cash			
Cash at bank and in hand	<u>2,116,721</u>	<u>(70,797)</u>	<u>2,045,924</u>
	<u>2,116,721</u>	<u>(70,797)</u>	<u>2,045,924</u>
Debt			
Debts falling due within 1 year	-	-	-
Debts falling due after 1 year	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u><u>2,116,721</u></u>	<u><u>(70,797)</u></u>	<u><u>2,045,924</u></u>
Company			
	At 1.4.24	Cash flow	At 31.3.25
	£	£	£
Net cash			
Cash at bank and in hand	<u>1,686,537</u>	<u>286,595</u>	<u>1,973,132</u>
	<u>1,686,537</u>	<u>286,595</u>	<u>1,973,132</u>
Debt			
Debts falling due within 1 year	-	-	-
Debts falling due after 1 year	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u><u>1,686,537</u></u>	<u><u>286,595</u></u>	<u><u>1,973,132</u></u>

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

1. STATUTORY INFORMATION

South Downs Leisure (A Private Company Limited by Guarantee) is a registered charity in England and Wales. The Charity's registered number and registered office address can be found on the Charity Information page.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the provisions of FRS 102 (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. There were no material departures from that standard.

The group's functional currency is British Pound Sterling (GBP), which is also the presentation currency for the group. The financial statements are therefore presented in British Pound Sterling.

Going concern

Having weathered the instability of gas and electricity supplies and the extortionate prices caused by the war in Ukraine we continue to purchase our utilities through a broker, so hedge and contract our purchasing ahead of time. We continue to keep our People, Profit, Planet mantra first and foremost and apply this to all decisions.

Additional solar panels are to be fitted to Splashpoint and Wadurs swimming pools. We have been successful in a bid from Southern Water to implement a new water saving scheme which will ultimately reduce costs. We are also investigating in Deep Green as an additional tool to bring Splashpoint to net zero in line with our policy.

The industry is still seeing an increase in membership since the pandemic and South Downs Leisure is no exception. The membership continues to grow making our facilities very busy. Plans are being investigated to increase our capacity and improve our offering.

We now have a lean, agile workforce which is felt will be one of the best ways to cope with the challenges we have experienced and to give us flexibility moving forwards. We are focussing on the People element this year and have developed a number of inhouse training courses to continue developing our staff and encouraging retention.

Costs are monitored and controlled closely and all schemes available are utilised to minimise our costs i.e., training through CIMSPA.

By investing in our people, premises and products we believe that we are able to provide an excellent service whilst keeping this accessible to the community we serve. There are numerous schemes to provide access to harder to reach groups and remaining profitable enables our continued efforts in this area.

The Board of Trustees has considered the current economic climate and are satisfied that, there are no material uncertainties that impact their assessment of Going Concern and are satisfied that the Group and charitable company will be able to meet all its obligations as and when they fall due. Accordingly, they consider it appropriate to continue to prepare the financial statements on a going concern basis.

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

3. ACCOUNTING POLICIES – continued

Preparation of consolidated financial statements

The financial statements consolidate the results of the Charitable Company and its wholly owned subsidiary South Downs Leisure Enterprises Limited on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account is not presented for the Charitable Company itself in accordance with the exemptions afforded by paragraph 397 of the SORP.

Income recognition

All incoming resources from recreation and leisure sites are included on the Statement of Financial Activities when the charitable company is legally entitled to the income, the amount can be quantified with reasonable accuracy and it is probable that the charitable company will receive the income. Income represents net sales of goods and services and management fees excluding value added tax, to customers during the year. Certain income is received in advance of the provision of the relevant service and as such is deferred until the service commences. Some services are provided in advance of an invoice being raised and as such is accrued until the invoice has been raised and the income recognised in the income and expenditure account. Income for annual memberships is accounted for over the membership year.

Grants receivable

Grants receivable in respect of a specified period relating to the general activities of the charitable company are recognised in the Statement of Financial Activities in the period in which they become receivable. Where related expenditure has not been incurred the grant is deferred only when the donor has imposed restrictions on the expenditure of resources which amount to pre-conditions for use.

Government grants

Government grants are recognised when it is reasonably certain that the conditions attached the grant are met. The grant is recognised on an accruals basis over the period necessary to match with the costs that they are associated

Unrestricted Funds

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

Restricted Funds

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

Expenditure recognition

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

Support costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative, and payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

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

3. ACCOUNTING POLICIES – continued

Development costs

Development expenditure is capitalised when all of the following criteria are met:

- The project is clearly defined and costs are separately identifiable and can be reliably measured;
- The project is technically feasible and commercially viable;
- The company intends to complete the project and either use or sell the resulting asset; and
- It is probable that future economic benefits will arise.

Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses. Amortisation is charged to the profit and loss account on a straight-line basis over the estimated useful life of the asset typically between 3-5 years. Where the useful life cannot be reliably determined, development costs are amortised over 10 years.

Where the criteria for capitalisation are not met, development expenditure is recognised as an expense in the period in which it is incurred.

Tangible fixed assets

Fixed assets costing in excess of £5,000 are shown in the financial statements at cost including irrecoverable VAT in respect of these assets. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	straight line over 5 years
Fitness equipment	straight line over 5 years
Computer equipment	straight line over 5 years
Fixed assets - Adur sites	straight line over 4 years, until March 2026
Enterprise garden	Straight line over the life of the Worthing contract. 23 years
Sea lanes assets	Straight line over 3 years

Intangible fixed assets

Intangible assets costing in excess of £5,000 are shown in the financial statements at cost, excluding irrecoverable VAT. Amortisation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer Software	straight line over 5 years
Development costs	straight line over 3-5 years

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

3. ACCOUNTING POLICIES – continued

Irrecoverable VAT

Given the nature of the Charitable Company's activities it attracts exempt supplies, which results in the Charitable Company falling under the partial exemption scheme. Input VAT is fully recovered on taxable supplies, together with a proportion of non-attributable input VAT. Irrecoverable VAT is written off to the Statement of Financial Activities.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Service Concession Arrangements

The charitable company has a Service Contract with Worthing Borough Council for the operation of leisure centres owned by the Council to which it has lease and management service contracts. Worthing Borough Council has rights under the contracts to specify the activities offered by the centres and has influence over the prices charged for them and specifies minimum standards for the services to be provided.

Property, plant and equipment

The buildings and plant at the centres are leased to the charitable company as part of the overall contractual relationship with Worthing Borough Council but the Council maintains ultimate control of these assets. Accordingly the access which the charitable company has in the use of these assets is to enable it to operate the leisure centres, so that the charitable company can provide the public service it is contracted to provide, not to effectively own these public service assets. These assets are therefore not recognised on the charitable company's Balance Sheet.

Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to sell, on a first in first out basis, after making due allowance for obsolete and slow moving items.

Debtors receivable and creditors payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Debtors receivable and creditors payable over one year

Debtors and creditors are stated at value due as an appropriate interest/discount rate is effectively applied.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities as incurred.

Allocation and apportionment of costs

Charitable activities are those costs incurred directly in the running of each of the recreation and leisure sites and in performance of the health activities. Charitable activities are split into recreation, leisure site and health activities costs, which are those costs incurred directly in the running of each of the sites and health activities, and support costs which are those costs incurred directly in support of expenditure on the objects of the Charitable Company.

Redundancy costs

Redundancy costs to be recognised in the SOFA when the decision has been fully communicated to the relevant employees.

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

3. ACCOUNTING POLICIES – continued

Financial Instruments

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

a) Trade and other debtors

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

b) Cash and cash equivalents

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

c) Investments

Investments with short-term deposits that have an original maturity of three months or more.

d) Impairment of financial assets

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

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

d) Trade and other creditors

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

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Charitable Company and subsidiary enter into other financial instruments that result in the recognition of financial assets and liabilities at fair value.

e) Forward contracts

As a result of the volatile utilities market the Charitable Company enters into forward contracts to manage its cash flow risk concerning the price of utilities in the future. The financial instrument is valued at the balance sheet date at fair value. Fair value gains and losses are recognised in the statement of other comprehensive income.

Taxation

The Charitable Company is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

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

3. ACCOUNTING POLICIES – continued

Pension costs and other post-retirement benefits

In respect of those defined benefit pension schemes where the local authority has indemnified the Charitable company against changes in the employer contribution rate and any liability which may become payable as a result of the termination or expiry of a contract, the amount charged to the statement of financial activities represents the contribution payable to the scheme in the accounting period without any actuarial adjustment. Contributions to defined contribution pension schemes are charged to the Statement of Financial Activities as incurred.

Critical accounting judgements and key sources of estimation uncertainty

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

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

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are: the depreciation charges that are calculated with reference to the useful economic life of fixed assets, the deferred income relating to memberships and bookings for the following year and the provision for gain shares in respect of contracts to run facilities on behalf of third parties.

4. FINANCIAL ACTIVITIES OF THE CHARITY

The financial activities shown in the Group Statement of Financial Activities include those of the Charitable Company's wholly owned subsidiary South Downs Leisure Enterprises Limited.

A summary of the financial activities undertaken by the Charitable Company is set out below:

		31.3.25	31.3.24
		£	£
Gross incoming resources	- Operation of leisure centres	10,791,984	9,855,278
	- Grants (note 5)	4,638	5,390
	- Investment income (note 7)	74,031	
		<hr/>	<hr/>
		10,870,653	9,860,668
Total expenditure on charitable activities		(10,142,529)	(9,155,147)
Exceptional items		(111,970)	556,113
Loan interest from subsidiary		<hr/>	<hr/>
Net incoming / (outgoing) resources		<hr/>	<hr/>
		616,154	1,261,634

Income and expenditure from charitable activities on the SOFA differs slightly to the actual income and expenditure of the charity. This is because the consolidated SOFA excludes £26,844 of intercompany income, and £30,000 of intercompany expenditure.

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

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

5. INCOME FROM CHARITABLE ACTIVITIES – continued

		31.3.25 £	31.3.24 £
Gross incoming resources	- Operation of leisure centres	10,765,140	9,855,278
	- Grants	4,638	5,390
Net incoming / (outgoing) resources		<u>10,769,778</u>	<u>9,860,668</u>

Income from charitable activities was £10,769,778 (2024: £9,860,668) of which £4,638 (2024: £5,390) was attributable to restricted funds and £10,765,140 (2024: £9,855,278) was attributable to unrestricted funds.

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

		31.3.25 £	31.3.24 £
Other grants		4,638	5,390
Other Local Authority grants		-	-
Net incoming / (outgoing) resources		<u>4,638</u>	<u>5,390</u>

6. INCOMING / (OUTGOING) RESOURCES FROM COMMERCIAL TRADING OPERATIONS

A summary of the trading results of the wholly owned subsidiary South Downs Leisure Enterprises Limited is shown below:

		31.3.25 £	31.3.24 £
Turnover		686,932	686,359
Cost of sales and administration costs		(606,065)	(634,126)
Gift aid donation from subsidiary to parent		-	-
Interest on inter-group loan		-	-
Current and deferred taxation		<u>(3,448)</u>	<u>(19,057)</u>
Net profit/(loss)		<u>77,419</u>	<u>33,176</u>

Income and expenditure from other trading activities on the SOFA differs slightly to the actual income and expenditure of the trading subsidiary. This is because the consolidated SOFA excludes £30,000 of intercompany income, and £26,844 of intercompany expenditure.

7. INVESTMENT INCOME

		31.3.25 £	31.3.24 £
Deposit account income		74,031	-
		<u>74,031</u>	<u>-</u>

There was income during the year ended 31 March 2025 relating to interest earned from a deposit account.

Investment income was £74,031 (2024: £nil) of which £nil (2024: £nil) was attributable to unrestricted funds.

8. NET INCOME/EXPENDITURE OF THE PARENT CHARITABLE COMPANY

As permitted by section 408 of the Companies Act 2006, the income and expenditure account of the parent Charitable Company is not presented as part of these financial statements. The parent Charitable Company's net incoming resources was £616,154 (2024: £1,261,634 incoming resources).

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

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

9. RESOURCES EXPENDED ON CHARITABLE ACTIVITIES COSTS

	Direct Costs	Direct Staff Costs	Support Costs (see note 10)	31.3.25 Total Charitable Activities £	31.3.24 Total Charitable Activities £
	£	£	£	£	£
Leisure, recreation and health activities	<u>4,840,434</u>	<u>4,716,808</u>	<u>555,287</u>	<u>10,112,529</u>	<u>9,155,147</u>

£8,810 (2024: £40,857) of the above costs were attributable to restricted funds and £10,106,875 (2024: £9,114,290) of the above costs were attributable to unrestricted funds.

10. SUPPORT COSTS

Support costs, included in the above, are as follows:

	31.3.25 Operation of leisure, recreation sites and health activities £	31.3.24 Operation of leisure, recreation sites and health activities £
External support services	-	-
Advertising & marketing	87,907	44,927
Office administration	136,083	133,971
Consultancy	20,765	9,548
Training	5,269	3,802
Finance costs	88,453	90,470
Governance costs	55,014	36,202
Other support costs	<u>161,796</u>	<u>153,623</u>
	<u>555,287</u>	<u>472,543</u>

All support costs relate to the sole activity of the Charitable Company, being the provision of leisure, recreation and health services.

11. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/ (crediting):

	31.3.25 £	31.3.24 £
Hire of equipment	-	5,190
Depreciation	209,253	188,780
Amortisation	4,681	15,647
Auditors' remuneration	24,320	21,900
Auditors' remuneration for non-audit work	<u>5,655</u>	<u>5,350</u>

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

12. TRUSTEES' REMUNERATION AND BENEFITS

Staff trustees only receive remuneration in respect of services they provide undertaking the roles of staff and not in respect of their services as trustees. Other trustees did not receive any payments from the Trust in respect of their roles as trustees.

The value of trustees' remuneration (Gross salary, employer's NI, employer's pensions) was as follows:

J Finch (Staff trustee):

Remuneration: £25,001 - £30,000 (2024: £20,001 - £25,000)

Employer's pension contributions: £0 - £5,000 (2024: £0 - £5,000)

Trustees' Expenses

	31.3.25 £	31.3.24 £
Trustees' expenses	<u>30</u>	<u>-</u>

13. STAFF COSTS

	31.3.25 £	31.3.24 £
Company		
Wages and salaries	4,180,215	3,805,496
Social security costs	225,625	194,920
Defined contribution pension costs	310,968	210,714
Redundancy and severance payments	-	18,613
	<u>4,716,808</u>	<u>4,229,743</u>
Subsidiary		
Wages and salaries	166,395	142,616
Social security costs	13,090	9,975
Other pension costs	11,351	8,135
	<u>190,836</u>	<u>160,726</u>
	<u>4,907,644</u>	<u>4,390,469</u>

There were no redundancies in the year totalling £nil (2024: £18,613).

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

31.3.25	31.3.24
<u>486</u>	<u>404</u>

The total amount of employee benefits received by key management personnel was £531,933 (2024: £478,780). The Charitable Company considers its key management personnel to be the Chief Executive, Finance Director, Operations Director, HR Executive, Business Development Manager, two Operations Managers and staff trustees.

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

	31.3.25	31.3.24
£70,001 - £80,000	1	1
£90,001 - £100,000	1	1
	<u>2</u>	<u>2</u>

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

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

13. STAFF COSTS - continued

The number of employees earning in excess of £60,000 (for the year) to whom retirement benefits are accruing:

31.3.25	31.3.24
<u>2</u>	<u>2</u>

14. TAXATION

The Charitable Company paid no corporation tax during the year. Provisions for £18,991 (2024: £11,642) have been made at 31 March 2025 for corporation tax due in respect of the surplus from trading activities recorded in the year ended 31 March 2025. During the year ended 31 March 2025 all trading activities were conducted by the wholly owned subsidiary, South Downs Leisure Enterprises Limited.

South Downs Leisure Enterprises Limited has provisions included of £5,593 (2024: £25,124) in respect of deferred taxation and a corporation tax creditor of £18,991 (2024: £11,642) in respect of corporation tax payable on profits relating to trading income. The analysis of the tax charge on the profit for the year was as follows:

	31.3.25 £	31.3.24 £
Current tax:		
UK corporation tax	18,991	11,642
Under provision of corporation tax in the prior year	3,988	-
Deferred taxation movement	<u>(19,531)</u>	<u>7,415</u>
Tax on trading profit	3,448	19,057

15. INTANGIBLE FIXED ASSETS

Group and company

	Computer software £
COST	
At 1 April 2024	111,871
Additions	-
Disposals	<u>-</u>
At 31 March 2025	<u>111,871</u>
AMORTISATION	
At 1 April 2024	107,190
Charge for year	4,681
Eliminated on disposal	<u>-</u>
At 31 March 2025	<u>111,871</u>
NET BOOK VALUE	
At 31 March 2025	<u>-</u>
At 31 March 2024	<u>4,681</u>

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

16. TANGIBLE FIXED ASSETS

Group

	Exercise Equipment £	Fixtures and fittings £	IT, audio and visual equipment £	Totals £
COST				
At 1 April 2024	867,066	665,061	114,503	1,646,630
Additions	82,590	58,281	-	140,871
Disposals	(40,490)	-	-	(40,490)
At 31 March 2025	909,166	723,342	114,503	1,747,011
DEPRECIATION				
At 1 April 2024	571,581	406,470	113,133	1,091,184
Charge for year	121,865	86,292	1,096	209,253
Eliminated on disposal	(40,490)	-	-	(40,490)
At 31 March 2025	652,956	492,762	114,229	1,259,947
NET BOOK VALUE				
At 31 March 2025	256,210	230,580	274	487,064
At 31 March 2024	295,485	258,591	1,370	555,446

Company

	Exercise Equipment £	Fixtures and fittings £	IT, audio and visual equipment £	Totals £
COST				
At 1 April 2024	867,066	426,973	114,503	1,408,542
Additions	82,590	42,571	-	125,161
Disposals	(40,490)	-	-	(40,490)
At 31 March 2025	909,166	469,544	114,503	1,493,213
DEPRECIATION				
At 1 April 2024	571,581	263,190	113,133	947,904
Charge for year	121,862	77,609	1,096	200,567
Eliminated on disposal	(40,490)	-	-	(40,490)
At 31 March 2025	652,953	340,799	114,229	1,107,981
NET BOOK VALUE				
At 31 March 2025	256,213	128,745	274	385,232
At 31 March 2024	295,485	163,783	1,370	460,638

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

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

17. FIXED ASSET INVESTMENTS

Company

Shares in group
undertakings

MARKET VALUE

At 1 April 2024 and 31 March 2025

£

1

NET BOOK VALUE

At 31 March 2024 and 31 March 2025

1

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies included the following:

South Downs Leisure Enterprises Limited (company number 09261501)

Nature of business: Operation of an events venue

Class of share:	% holding
Ordinary	100

	31.3.25 £	31.3.24 £
Aggregate capital and reserves	343,524	266,105
Total Profit/(Loss) for the year	<u>77,419</u>	<u>33,176</u>

18. STOCKS

	Group		Company	
	31.3.25 £	31.3.24 £	31.3.25 £	31.3.24 £
Stocks	<u>67,338</u>	<u>46,980</u>	<u>67,338</u>	<u>46,980</u>

Stock amounts recognised within expenditure for the current period are £463,433 (2024: £497,890).

19. DEBTORS

	Group		Company	
	31.3.25 £	31.3.24 £	31.3.25 £	31.3.24 £
Trade debtors	203,119	162,993	122,979	138,646
Other debtors	34,262	39,240	34,262	39,240
VAT	-	32,176	-	32,176
Prepayments and accrued income	192,486	184,786	178,819	169,035
Amounts owed by group undertakings	-	-	-	134,249
	<u>429,867</u>	<u>419,195</u>	<u>336,060</u>	<u>513,346</u>

20. CURRENT ASSET INVESTMENTS

	Group		Company	
	31.3.25 £	31.3.24 £	31.3.25 £	31.3.24 £
Short term deposit account	<u>2,000,000</u>	<u>1,000,000</u>	<u>2,000,000</u>	<u>1,000,000</u>

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

21. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.25	31.3.24	31.3.25	31.3.24
	£	£	£	£
Trade creditors	186,987	174,194	180,136	165,197
Social security and other tax	18,991	11,642	-	-
Other creditors	115,414	5,758	115,414	5,758
Accrued expenses	1,120,082	1,105,561	1,112,010	1,105,561
Deferred income	315,574	252,432	134,817	133,460
VAT	5,667	-	5,667	-
Amounts due to group undertakings	-	-	295,357	-
	<u>1,762,715</u>	<u>1,549,587</u>	<u>1,843,401</u>	<u>1,409,976</u>

The Charitable Company has entered into forward contracts to purchase utilities in the future at a contracted rate.

The forward contracts relate to periods which span from April 2025 to April 2029 and the purchases of utilities that the forward contracts relate to also span from April 2025 to April 2029. The fair value of these forward contracts at the balance sheet date is included within other creditors.

The whole change in the fair value of the forward contracts has been recognised in Other Comprehensive Income at the year end. No amounts were reclassified from equity to income and expenditure.

Deferred Income

	Group		Company	
	31.3.25	31.3.24	31.3.25	31.3.24
	£	£	£	£
Deferred income at the start of the year	252,432	292,840	133,460	134,598
Deferred during the period	315,574	252,432	134,817	133,460
Amounts released to income from prior periods	<u>(252,432)</u>	<u>(292,840)</u>	<u>(133,460)</u>	<u>(134,598)</u>
Deferred income at the end of the year	<u>315,574</u>	<u>252,432</u>	<u>134,817</u>	<u>133,460</u>

Deferred income at 31 March 2025 for the Charitable Company represents annual leisure membership income and hires, where the consideration has been received in the year ended 31 March 2025 but the services were only provided following the year end. The Group deferred income also includes venue hire income under the same principles.

22. PROVISIONS FOR LIABILITIES

	Group		Company	
	31.12.25	31.12.24	31.12.25	31.12.24
	£	£	£	£
Deferred taxation	<u>5,593</u>	<u>25,124</u>	<u>-</u>	<u>-</u>
	<u>5,593</u>	<u>25,124</u>	<u>-</u>	<u>-</u>

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

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

23. OPERATING LEASE COMMITMENTS

Minimum lease payments fall due as follows:

	Non-cancellable operating leases	
	31.3.25	31.3.24
Due < 1 year	-	-
Due 1-2 years	-	-
Due 2-5 years	-	-
	<u>-</u>	<u>-</u>

Operating lease amounts recognised within expenditure for the current period are £nil (2024: £5,190).

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group			31.3.25	31.3.24
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Fixed Assets	487,064	-	487,064	560,127
Current Assets	4,542,539	590	4,543,129	3,582,896
Current Liabilities	(1,768,308)	-	(1,768,308)	(1,574,711)
Long Term Liabilities	-	-	-	-
	<u>3,261,295</u>	<u>590</u>	<u>3,261,885</u>	<u>2,568,312</u>

Company			31.3.25	31.3.24
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Fixed Assets	385,232	-	385,232	465,319
Investment	1	-	1	1
Current Assets	4,375,940	590	4,376,530	3,246,863
Current Liabilities	(1,843,401)	-	(1,843,401)	(1,409,976)
Long Term Liabilities	-	-	-	-
	<u>2,917,772</u>	<u>590</u>	<u>2,918,362</u>	<u>2,302,207</u>

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

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

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS - continued

Comparative information in respect of the preceding period is as follows:

Group			31.3.24	31.3.23
	Unrestricted funds	Restricted funds	Total funds	Total funds
			£	£
Fixed Assets	560,127	-	560,127	551,023
Current Assets	3,578,134	4,762	3,582,896	2,577,459
Current Liabilities	(1,574,711)	-	(1,574,711)	(1,854,980)
Long Term Liabilities	-	-	-	-
	<u>2,563,550</u>	<u>4,762</u>	<u>2,568,312</u>	<u>1,273,502</u>
Company			31.3.24	31.3.23
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Fixed Assets	465,319	-	465,319	457,519
Investment	1	-	1	1
Current Assets	3,242,101	4,762	3,246,863	2,242,086
Current Liabilities	(1,409,976)	-	(1,409,976)	(1,659,032)
Long Term Liabilities	-	-	-	-
	<u>2,297,445</u>	<u>4,762</u>	<u>2,302,207</u>	<u>1,040,574</u>

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

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

25. MOVEMENT IN FUNDS

Group	At 1.4.24	Net movement in funds	At 31.3.25
Unrestricted funds			
General	266,105	77,419	343,524
Designated - Worthing Risk Reserve	891,000	-	891,000
Designated - Worthing Business Improvement Reserve	1,034,944	363,981	1,398,925
Designated - Worthing Palatine Park	(4,599)	189	(4,410)
Designated - Adur Business Improvement Reserve	174,534	214,821	389,355
Designated - Sea Lanes Risk Reserve	125,000	5,000	130,000
Designated - Sea Lanes Business Improvement Reserve	76,566	148,305	224,871
Designated - Palatine Park Sinking Fund	-	-	-
Designated cashflow hedge	-	(111,970)	(111,970)
	<u>2,563,550</u>	<u>697,745</u>	<u>3,261,295</u>
Restricted funds			
Restricted funds	<u>4,762</u>	<u>(4,172)</u>	<u>590</u>
TOTAL FUNDS	<u>2,568,312</u>	<u>693,573</u>	<u>3,261,885</u>

Company	At 1.4.24	Net movement in funds	At 31.3.25
Unrestricted funds			
Designated - Worthing Risk Reserve	891,000	-	891,000
Designated - Worthing Business Improvement Reserve	1,034,944	363,982	1,398,926
Designated - Worthing Palatine Park	(4,599)	189	(4,410)
Designated - Adur Business Improvement Reserve	174,534	214,821	389,355
Designated - Sea Lanes Risk Reserve	125,000	5,000	130,000
Designated - Sea Lanes Business Improvement Reserve	76,566	148,305	224,871
Designated - Palatine Park Sinking Fund	-	-	-
Designated cashflow hedge	-	(111,970)	(111,970)
	<u>2,297,445</u>	<u>620,327</u>	<u>2,917,772</u>
Restricted funds			
Restricted funds	<u>4,762</u>	<u>(4,172)</u>	<u>590</u>
TOTAL FUNDS	<u>2,302,207</u>	<u>616,155</u>	<u>2,918,362</u>

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

25. MOVEMENT IN FUNDS - continued

Comparative information in respect of the preceding period is as follows:

Group	At 1.4.23	Net movement in funds	At 31.3.24
Unrestricted funds			
General	234,921	31,184	266,105
Designated - Worthing Risk Reserve	891,000	-	891,000
Designated - Worthing Business Improvement Reserve	659,051	375,893	1,034,944
Designated - Worthing Palatine Park	4,414	(9,013)	(4,599)
Designated - Adur Business Improvement Reserve	-	174,534	174,534
Designated - Sea Lanes Risk Reserve	-	125,000	125,000
Designated - Sea Lanes Business Improvement Reserve	-	76,566	76,566
Designated - Palatine Park Sinking Fund	-	-	-
Designated cashflow hedge	(556,113)	556,113	-
	<u>1,233,273</u>	<u>1,330,277</u>	<u>2,563,550</u>
Restricted funds			
Restricted funds	<u>40,229</u>	<u>(35,467)</u>	<u>4,762</u>
TOTAL FUNDS	<u>1,273,502</u>	<u>1,294,810</u>	<u>2,568,312</u>

Company	At 1.4.23	Net movement in funds	At 31.3.24
Unrestricted funds			
Designated - Worthing Risk Reserve	891,000	-	891,000
Designated - Worthing Business Improvement Reserve	661,044	373,900	1,034,944
Designated - Worthing Palatine Park	4,414	(9,013)	(4,599)
Designated - Adur Business Improvement Reserve	-	174,534	174,534
Designated - Sea Lanes Risk Reserve	-	125,000	125,000
Designated - Sea Lanes Business Improvement Reserve	-	76,566	76,566
Designated - Palatine Park Sinking Fund	-	-	-
Designated cashflow hedge	(556,113)	556,113	-
	<u>1,000,345</u>	<u>1,297,100</u>	<u>2,297,445</u>
Restricted funds			
Restricted funds	<u>40,229</u>	<u>(35,467)</u>	<u>4,762</u>
TOTAL FUNDS	<u>1,040,574</u>	<u>1,261,633</u>	<u>2,302,207</u>

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

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

25. MOVEMENT IN FUNDS – continued

Group	Income	Expenditure	Transfers	Net movement in funds
Unrestricted funds				
General	686,932	(609,513)	-	77,419
Designated - Worthing Risk Reserve	-	-	-	-
Designated - Worthing Business Improvement Reserve	6,673,570	(6,306,701)	(2,888)	363,981
Designated - Worthing Palatine Park	83,613	(59,335)	(24,089)	189
Designated - Adur Business Improvement Reserve	2,935,817	(2,715,848)	(5,148)	214,821
Designated - Sea Lanes Risk Reserve	-	-	5,000	5,000
Designated - Sea Lanes Business Improvement Reserve	1,116,171	(969,991)	2,125	148,305
Designated - Palatine Park Sinking Fund	-	(25,000)	25,000	-
Designated cashflow hedge	-	(111,970)	-	(111,970)
	<u>11,496,103</u>	<u>(10,798,358)</u>	<u>-</u>	<u>697,745</u>
Restricted funds				
Restricted funds	<u>4,638</u>	<u>(8,810)</u>	<u>-</u>	<u>(4,172)</u>
TOTAL FUNDS	<u>11,500,741</u>	<u>(10,807,168)</u>	<u>-</u>	<u>693,573</u>

Company	Income	Expenditure	Transfers	Net movement in funds
Unrestricted funds				
Designated - Worthing Risk Reserve	-	-	-	-
Designated - Worthing Business Improvement Reserve	6,673,570	(6,306,700)	(2,888)	363,982
Designated - Worthing Palatine Park	83,613	(59,335)	(24,089)	189
Designated - Adur Business Improvement Reserve	2,935,817	(2,715,848)	(5,148)	214,821
Designated - Sea Lanes Risk Reserve	-	-	5,000	5,000
Designated - Sea Lanes Business Improvement Reserve	1,116,171	(969,991)	2,125	148,305
Designated - Palatine Park Sinking Fund	-	(25,000)	25,000	-
Designated cashflow hedge	-	(111,970)	-	(111,970)
	<u>10,809,171</u>	<u>(10,188,844)</u>	<u>-</u>	<u>620,327</u>
Restricted funds				
Restricted funds	<u>4,638</u>	<u>(8,810)</u>	<u>-</u>	<u>(4,172)</u>
TOTAL FUNDS	<u>10,813,809</u>	<u>(10,197,654)</u>	<u>-</u>	<u>616,155</u>

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

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

25. MOVEMENT IN FUNDS – continued

Comparative information in respect of the preceding period is as follows

Group	Income	Expenditure	Transfers	Net movement in funds
Unrestricted funds				
General	686,359	(653,183)	(1,992)	31,184
Designated - Worthing Risk Reserve	-	-	-	-
Designated - Worthing Business Improvement Reserve	6,146,189	(6,189,372)	419,076	375,893
Designated - Worthing Palatine Park	67,559	(76,572)	-	(9,013)
Designated - Adur Business Improvement Reserve	2,619,921	(2,003,303)	(442,084)	174,534
Designated - Sea Lanes Risk Reserve	-	-	125,000	125,000
Designated - Sea Lanes Business Improvement Reserve	1,021,609	(820,043)	(125,000)	76,566
Designated - Palatine Park Sinking Fund	-	(25,000)	25,000	-
Designated cashflow hedge	556,113	-	-	556,113
	11,097,750	(9,767,473)	-	1,330,277
Restricted funds				
Restricted funds	5,390	(40,857)	-	(35,467)
TOTAL FUNDS	11,103,140	(9,808,330)	-	1,294,810
Company	Income	Expenditure	Transfers	Net movement in funds
Unrestricted funds				
Designated - Worthing Risk Reserve	-	-	-	-
Designated - Worthing Business Improvement Reserve	6,146,189	(6,189,373)	417,084	373,900
Designated - Worthing Palatine Park	67,559	(76,572)	-	(9,013)
Designated - Adur Business Improvement Reserve	2,619,921	(2,003,303)	(442,084)	174,534
Designated - Sea Lanes Risk Reserve	-	-	125,000	125,000
Designated - Sea Lanes Business Improvement Reserve	1,021,609	(820,043)	(125,000)	76,566
Designated - Palatine Park Sinking Fund	-	(25,000)	25,000	-
Designated cashflow hedge	556,113	-	-	556,113
	10,411,391	(9,114,291)	-	1,297,100
Restricted funds				
Restricted funds	5,390	(40,857)	-	(35,467)
TOTAL FUNDS	10,416,781	(9,155,148)	-	1,261,633

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

25. MOVEMENT IN FUNDS – continued

Green Dreams (Worthing)

This funding relates to Green Dreams Festival, an event showcasing local community, social enterprise groups and greenspace initiatives.

Palatine Park Sinking Fund

From 1 April 2022 a sinking fund will be set aside by SDL payable to the local authority in respect of Palatine Park. Commencing on 31 March 2023 and every year thereafter SDL shall accrue funds to the sum of £25,000.

On termination of the deed, the lease, and the agreement, SDL have no claim over the sinking fund and the football development fund.

In the year, costs were accrued to the value of £25,000 (2024: £25,000), in respect of this sinking fund.

The total value of the accrual being carried forward in the accounts is £75,000 (2024: £50,000).

SOUTH DOWNS LEISURE
(A COMPANY LIMITED BY GUARANTEE)

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

26. CAPITAL COMMITMENTS

	Group		Company	
	31.3.25	31.3.24	31.3.25	31.3.24
	£	£	£	£
Contracted for but not provided for in the financial statements	-	-	-	-

27. LEGAL STATUS

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

28. RELATED PARTY TRANSACTIONS

During the previous year South Downs Leisure engaged in services from Inspace Fitness Limited, a company in which Phillip Griffin, a trustee until his resignation from the board on 1 February 2024, is a director. £nil (2024: £77,912 + VAT) was invoiced for gym equipment. As at 31 March 2025, South Downs Leisure owed £nil (2024: £nil) to Inspace Fitness Limited.

During the year the South Downs Leisure Group received income from a related party, Mark Byerley (Operations Director). The income relates to the rent of a property owned by the trust, with sales coming to £5,400 (2024: £5,400). There was £nil (2024: £nil) owed to the group at the year end.

South Downs Leisure Enterprises Limited

During the year costs were recharged to South Downs Leisure Enterprises for wages, rent, management charges and VAT. As at 31 March 2025 South Downs Leisure Enterprises was owed £295,357 from the parent (2024: £ nil). The parent company was owed £nil (2024: £134,249) from the subsidiary as at 31 March 2025.

29. BANK BORROWINGS AND SECURITY

Lloyd's Bank PLC has a fixed & floating charge over all property of the subsidiary company, South Downs Leisure Enterprises Limited. This secures any potential future bank borrowings.

