

# XCITE

West Lothian Leisure

## Directors' Report & Financial Statements

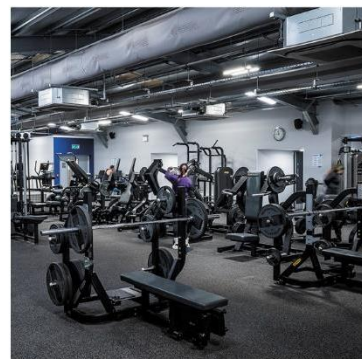
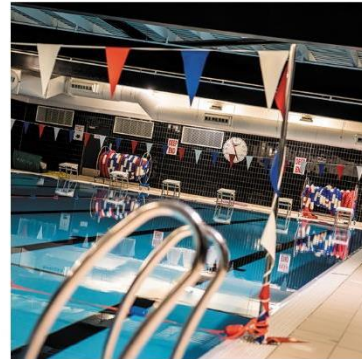
For the year ended 31 March 2025

Registered in Scotland: SC543017

Charity Number: SC027470

**YOUR CHARITY, INVESTING  
EVERY PENNY YOU SPEND  
BACK INTO A HEALTHIER AND  
HAPPIER WEST LoTHIAN.**

[www.westlothianleisure.com](http://www.westlothianleisure.com)



**WEST LOTHIAN LEISURE**

**Directors' Report and Financial Statements**

**For the year ended 31 March 2025**

Registered in Scotland: SC543017

Charity Number: SC027470

DRAFT

# WEST LOTHIAN LEISURE

## Directors' Report and Financial Statements

For the year ended 31 March 2025

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## **WEST LOTHIAN LEISURE**

### **Administrative Information**

**For the year ended 31 March 2025**

The Board Report incorporates the Trustee Report for the purposes of charity law and the Directors' Report and Strategic Report for the purposes of company law.

#### **Reference and administrative details West Lothian Leisure**

**Company number:** SC543017

**Charity number:** SC027470

#### **Secretary**

Beverley Greer

#### **Chief Executive**

Ben Lamb

#### **Key Management Personnel**

Mark Chambers, Head of Corporate Services  
Susie Crawford, Head of Commercial Services  
Andrew Heron, Head of Finance  
Karen Wernham, Head of Operations

#### **Registered Office**

Xcite Bathgate Sports Centre  
Balbardie Park  
Torphichen Road  
Bathgate  
West Lothian  
EH48 4LA

#### **Solicitors**

Lindsays LLP  
Caledonian Exchange  
19a Canning Street  
Edinburgh  
EH3 8HE

DWF LLP  
No.2 Lochrin Square  
96 Fountainbridge  
Edinburgh  
EH3 9QA

#### **Bankers**

The Bank of Scotland plc  
Almondvale South  
Livingston  
EH54 6SN

Barclays  
Quay 2  
Fountainbridge  
Edinburgh  
EH3 9QG

#### **Auditor**

Azets Audit Services  
Chartered Accountants  
Quay 2  
139 Fountainbridge  
Edinburgh  
EH3 9QG

**WEST LOTHIAN LEISURE**

**Administrative Information**

**For the year ended 31 March 2025**

**Board**

Trustees who held office to the date of signing are as follows:

Beverley Greer	Secretary
Sergio Tansini	Chair
Cllr. Tom Conn	Member
Gillian Hentges	Member
Suzanne McAdam	Member
Cllr Daniel Logue	Member
Craig Campbell	Member
Michelle Chambers Cran	Member (Appointed 16 May 2024)
Kim Anne Walker	Member (Appointed 16 May 2024) (Resigned 19 September 2024)

# WEST LoTHIAN LEISURE

## Board Report

For the year ended 31 March 2025

### Chair's Statement

As we close the 2024/25 financial year, I'm proud to reflect on a year of strong performance, purposeful action, and continued evolution. Despite financial pressures and a tough operating climate, our organisation has shown real resilience and ambition. What strikes me most is the sheer number of lives we impact every day. Whether hearing from customers or visiting our venues, the stories of personal transformation are powerful and constant. Even in challenging times, we must never lose sight of our vision, or the vital role we play in helping people live healthier, happier, longer lives.

### Acknowledgment of Challenges and Achievements

2024/25 has been a year of steady progress for the organisation and our people, progress that has often been recognised by our customers. Yet we began the year facing significant headwinds: constrained public funding, cost-of-living pressures affecting consumer behaviour, an ageing estate with limited maintenance funding, and the continued phased removal of our management fee from West Lothian Council.

In response, we sharpened our focus on what matters most, delivering against our strategic priorities: improving lives and communities, growing new business, improving customer experience, increasing access to community spaces, and sweating our assets. We made strong progress across each area, growing income, reducing costs, and improving service delivery while remaining true to our purpose.

We delivered another year of record performance, with key milestones including:

- **Continued growth in participation**, 2.65 million visits, with concessionary visits rising by a further 21%, a powerful reminder of the essential role we play in ensuring services remain open and accessible to those who need them most.
- **Increased income generation**, growing earned income by a further 5.5% and monthly direct debit revenues by a further 17%, further boosting financial resilience.
- **Continued progress toward financial sustainability** with subsidy per visit falling by 31%, from £1.18 to 81p.
- **Increased impact through our health and wellbeing programmes** with GP referral scheme visits growing by 23%, and a record 71,000 visits across our Health & Wellbeing programmes.
- **Continued to invest in our people**, relaunching our staff awards night to celebrate excellence and further enhancing our employee benefits.
- **Continued reinvestment into our facilities and services**, including:
  - £733k invested to expand the gym at Xcite Whitburn and Xcite Bathgate
  - Creating the award-winning 'Nourish' café at Xcite Craigswood
  - 4 new pickleball courts at Xcite Linlithgow
  - A new Box-12 studio at Xcite Craigswood

## **WEST LoTHIAN LEISURE**

### **Board Report**

**For the year ended 31 March 2025**

#### **Financial Overview**

Our financial position continues to improve, with 2024/25 marking another year of strong performance and disciplined delivery. We ended the year with a surplus of £126k (prior to pension reserve adjustments), ahead of the budgeted deficit of £199k. This year's income included £294k of funding from WLC to cover the cost of the Whitburn Gym extension.

It reflects not only robust financial management, but also a whole-organisation commitment to delivering more with less, without compromising our values, reach, or impact.

#### **Gratitude and Acknowledgments**

Our progress this year is thanks to the passion, energy and commitment of our staff, leadership team, and volunteers. I would like to offer sincere thanks to everyone who has helped drive us forward. Your collective effort ensures we remain deeply woven into the fabric of our communities and continue to be a trusted partner of choice across West Lothian.

We are also proud to have maintained a loyal membership base while welcoming more families and individuals into our centres than ever before. The 10% growth of our membership base, alongside the continued success of our programmes for all ages, reflects the relevance of our services and the trust placed in us by the people we serve.

We remain grateful to West Lothian Council for their ongoing partnership, particularly in what we recognise is a challenging funding environment for all public services.

I would also like to extend thanks to our Board for their support and scrutiny throughout the year. The calibre and contribution of our Trustees continues to be a great strength of the organisation.

#### **Future Outlook and Goals**

The year ahead will require the same focus, courage, and ambition as we continue to strengthen our organisation and deepen our impact. Our newly launched Strategic Plan for 2025–2027 sets a clear path for the future, focused on growing income, improving customer experience, supporting our people, and delivering even greater social impact across West Lothian.

However, we do not underestimate the scale of the challenge ahead. From April 2025, we face a significant rise in employment costs through increases to the Real Living Wage, alongside higher employer National Insurance contributions. At the same time, we are preparing for a further £500,000 reduction in our funding from West Lothian Council.

We remain one of the lowest publicly funded leisure trusts in Scotland, making our model increasingly reliant on commercial success to sustain our social impact. Yet with strong foundations in place and a shared direction, we are determined not just to survive, but to thrive, and to keep making a meaningful difference to our communities.

Thank you for your continued support.

**Sergio Tansini, Chair, 18 September 2025**

## **WEST LoTHIAN LEISURE**

### **Board Report**

**For the year ended 31 March 2025**

The Board of Trustees (Non-Executive Directors) presents its report and audited financial statements for the year to 31 March 2025.

#### **OBJECTIVES AND ACTIVITIES**

West Lothian Leisure, which converted from a Community Benefit Society to a Company Limited by Guarantee on 17 August 2016, has charitable status granted by HM Revenue and Customs in Scotland.

West Lothian Leisure was incorporated on 1 February 1998 and provides sports, cultural, outdoor education and leisure facilities to the community of West Lothian. It operates as a not for profit distributing organisation. Surplus, other than reserves, if generated are available to reinvest in the facilities to maintain and improve the service. The main facilities leased from West Lothian Council and managed by West Lothian Leisure are as follows:

Xcite Broxburn Sports Centre, Xcite Craigswood, Xcite East Calder, Xcite Linlithgow, Xcite Bathgate, Xcite Whitburn, Polkemmet Country Park Golf Course and Range, as well as the Winchburgh Sport and Wellbeing Hub, and sports and cultural facilities at eight high schools.

The Company is governed by the Articles of Association, Standing Orders, Operating Guidelines and Code of Conduct for West Lothian Leisure Limited.

#### **STRATEGIC REPORT**

West Lothian Leisure's Strategic Plan sets out the vision and values of the organisation together with strategies to achieve the stated aims. This document is developed in partnership with West Lothian Council and other stakeholders and approved by the Board. At each Board meeting performance against the stated success criteria is reported and where performance is below target, actions to get back on track are discussed and agreed.

The Strategic Plan is supported by Departmental Plans and Facility Plans which have more specific action plans that relate to the stated aims. The plan provides a clear framework to align actions with our three-year financial plan, ensuring focus amid a challenging landscape as we transition to zero management fee by 2027/28. It also creates clarity and accountability, uniting our team and stakeholders behind a shared vision.

The plan is built around our vision: A West Lothian where everyone can live a healthier, happier, longer life.

To deliver the vision, the plan focuses on three strategic priorities:

1. Strengthening our core business
2. Driving revenue growth
3. Investing in people and partnerships

These priorities will be delivered through key initiatives such as:

- Customer growth and retention (improving loyalty, expanding coaching, refining customer segments).
- Operational efficiency (maximising space usage, streamlining sales, optimising resources).
- Strategic investment (facility redevelopments, innovative product development, padel expansion).
- People development (modernising job roles, launching a new appraisal system, strengthening learning & development).
- Partnership expansion (collaborating with health, business, and community partners).



## **WEST LoTHIAN LEISURE**

### **Board Report**

**For the year ended 31 March 2025**

#### **Performance Measurement Framework**

The performance monitoring framework is reviewed and approved annually by the Board as part of the budget-setting process. Performance is reported routinely through the performance monitoring reports, with progress against KPIs captured in the 'Performance Against Company Goals' summary table. Each strategic priority is supported by key actions with defined performance measures.

#### **ACHIEVEMENTS AND PERFORMANCE**

The 31st of March 2025 marks the conclusion of a pivotal year, the first full trading year following our service consolidation and rationalisation. Despite a reduction in estate size, we achieved 2.65 million visits, a 5.6% increase on the previous year, demonstrating strong execution of our strategic plan and continued public demand for our services.

Amid ongoing financial pressure, including a £250k reduction in management fee, insufficient maintenance budget, and broader cost-of-living impacts, we remained resolutely focused on our mission and thanks to the ongoing support of our partners at West Lothian Council, we made meaningful progress towards our vision: a West Lothian where everyone can live a healthier, happier, longer life.

#### **Impact on Communities**

- Record membership numbers at 21,843, including 4,263 Academy members with over 6,400 children participating weekly in coaching programmes, with growth in badminton, gymnastics, and football.
- Concessionary visits increased by 21% through our Access Xcite scheme, totaling a 52% rise over two years. A further reminder of the essential role we play in providing accessible services to those who need them most.
- Community usage of the school estate grew by 9%, aligned with our strategic priority to improve access to community spaces.
- Invested £733k in gym extensions at Xcite Whitburn and Bathgate, boosting capacity by 59% and creating our largest-ever gym.
- Launched new community café 'Nourish' at Xcite Craigswood.
- Installed 4 new outdoor pickleball courts at Xcite Linlithgow and hosted our first Hyrox and Mini-Rox events.

#### **Health & Wellbeing Programmes**

Despite significant funding pressures, we delivered a record 71,000 visits to our health and wellbeing programmes:

- GP Referrals increased by 23%, with nearly 2,500 individuals supported.
- New specialist activities launched in partnership with Parkinson's UK.
- 'Love to Move' dementia-friendly sessions introduced in care homes, and a local dementia-friendly café.
- Over 90 residents from 11 care homes took part in this year's 'Canalympics' celebration, led by the Xcite Ageing Well team.

## WEST LoTHIAN LEISURE

### Board Report

For the year ended 31 March 2025

#### Organisational Growth & Resilience

- Earned Income increased by 5.5%.
- Direct Debit Revenue grew by 17% year-on-year.
- Usage rose by 5.6%.
- Membership numbers increased by 10%.
- Reduced operating deficit by 85% and subsidy per visit by 31%, from £1.18 to 81p.

#### People & Culture

- Thanks to the continued support of our partners at West Lothian Council, we remained a Real Living Wage employer, delivering a 10%+ pay increase to nearly 58% of staff, and a 5% uplift for the remaining workforce.
- We also responded directly to feedback from last year's People Engagement Survey, introducing a range of new benefits and initiatives to support and value our team:
  - Additional annual leave entitlements
  - Enhanced pension benefits
  - Improved family membership scheme
  - 'Welcome to WLL' vision and values day for all new starters
  - Launch of the Ask the Leadership Team forum
  - Leadership team 'walking in their shoes' initiative
  - Expanded learning and development opportunities via a new digital platform
  - Our first Xcite Staff Celebration in several years, recognising the outstanding contribution of our people
- In addition, we supported 19 students through our West Lothian College Education to Employment programme.

#### Partnerships & Collaboration

- We continued to work in close partnership with West Lothian Council, and despite the significant financial pressures facing both organisations, our shared commitment to community wellbeing enabled us to deliver meaningful impact across the region. We are grateful for their continued financial support and collaborative approach.
- Across the year we forged new partnerships with:
  - S.M.I.L.E. Counselling – supporting young people aged 11–24.
  - Who Cares? Scotland – extending discounted Access Xcite to care-experienced young people.
  - Livingston FC – enhancing our member rewards programme.
  - Collaborated with Family Based Care (Starthbrook), Sport & Wellbeing for All Trust, and Volunteer Sector Gateway West Lothian.

#### Recognition & Awards

- Innovation Award – Scottish Leisure Networking Group award for our Fitness Factory programme for 12–15-year-olds, driving new healthy habits in younger age groups.
- Nourish Café – won Best Café (Lothians) at the Scottish Business Awards; now through to national finals.
- Shortlisted for two UK Active Awards: Outstanding Leadership Team and Physical Activity Hero (Avril Clerkson – Ageing Well).
- Eileen Milne shortlisted for Outstanding Volunteer at Community Leisure UK's Seriously Social Awards.

## WEST LOTHIAN LEISURE

### Board Report

For the year ended 31 March 2025

#### **FINANCIAL REVIEW**

Trading for 2024/25 resulted in an overall surplus on unrestricted funds of £126,655 against a budgeted deficit of £198,580, prior to defined benefit pension scheme adjustments. This constituted a strong financial performance given the further £250,000 reduction to the West Lothian Council Management Fee and on-going cost pressures especially in regard to maintenance. The increase in membership income alone more than compensated for the reduction in funding, the excess cash being used to fund the new café at Xcite Craigswood and the gym extension at Xcite Linlithgow.

#### **Income**

Membership performed strongly with greater than anticipated growth throughout the year on top of an average 9.82% price increase. Membership income finished £801k up compared to last year and £661k ahead of budget.

Leisure services income reduced by £242k compared to 23/24 mainly as a result in the fall in pay per visit income due to fewer venues. We managed to increase club income by £122k through a combination of price increases and moving club bookings from the closed venues to other venues and maximising the use of space through the centralised booking team.

NHS funding in the year increased by £14k overall with a £28k increase to the Exercise Referral funding due to target numbers being exceeded offset by a reduction to the Get Going Weight Management programme.

Investment income reduced compared to the previous year due to lower cash balances and a decrease in interest rates.

Financial income included £294k of funding from West Lothian Council to fund costs relating to the Whitburn gym extension. This funding is repayable by way of a deduction against future management fees.

The West Lothian Council management fee for the year was £1,705k (£2,025k 2023/24). The £250k reduction to core funding was partially offset by £278k of funding towards the cost of the real living wage. The prior year included £202k funding to cover redundancy costs.

#### **Expenditure**

Salary costs increased by £47k compared to 2023/24 adjusting for the defined benefit pension fund. Salary costs include £NIL (2024: £219k) for voluntary redundancy and early retirement costs. The FRS102 pension scheme adjustment was £55k compared to £115k for 2023/24.

West Lothian Leisure continues its commitment to paying the real living wage (increase applied from 1<sup>st</sup> April - £12 per hour from £10.90). A pay award of the greater of 5% or £2,000 was applied to all other staff from the 1<sup>st</sup> April 2024. The pay award was partially offset by the savings made from venue closures.

Pension contribution rates for the Lothian Pension Scheme and National Insurance remained the same as 23/24. In September we increased the maximum employer contribution rate for the SPORTA pension scheme from 9 to 15%.

Property costs increased slightly from £2,783k last year to £2,832k. The increased maintenance cost (£149K) being partially offset by savings in gas due to a decrease in prices. Maintenance costs increased as a result of a number of unplanned items such as new boilers and replacement of a pool balance tank at Xcite Whitburn and sports hall floor at Xcite Craigswood. Small savings were achieved in water and sewerage charges and insurance as a result of having less venues.

Transport and accommodation spend increased due to an increase in the mileage allowance and the attendance at more awards events.

## **WEST LOTHIAN LEISURE**

### **Board Report**

**For the year ended 31 March 2025**

Irrecoverable VAT costs and depreciation charges increased due to the gym extensions carried out in the year and the spend on Nourish, the Xcite Craigswood café.

#### **Capital Investment**

During the year an extension to the gym at Xcite Whitburn was completed and by the year end an extension to the Xcite Bathgate gym was also nearing completion. Building costs and related fees of £618,565 were capitalised as leasehold improvements for both projects. Related funding of £293,608 was received from West Lothian Council by way of an advance of future management fees.

#### **STRATEGIC RISKS**

Each year a strategic risk register and associated risk assessments are presented to the Audit and Finance Sub Committee and to the Board.

The most severe risks have moved from those associated with the Covid pandemic to those related to the national and global economic situation impacting on customer demand. The risk assessments associated with these risks identify existing controls and further actions for risk reduction.

#### **Investment Policy**

A business case is presented to the Board for approval for any investment proposals and this includes an assessment of additional income generated (and/or costs saved), payback period and a risk assessment. Other private finance borrowing options are available; however, it should be noted that due to previous borrowing, current repayments to the Council are significant and any future borrowing requests should carefully consider the ability to repay further borrowing.

Investment for growth continued to focus on improving facilities especially at the larger venues. We continue to diversify by investing in new products and activities. 2024/25 saw the expansion of the kids coaching programme, family fitness factory and Hyrox workout classes. We also opened the café at Xcite Craigswood and extensions to the Xcite Whitburn and Xcite Linlithgow gyms with the extended Xcite Bathgate gym opening in April 2025.

#### **Principal Funding Sources**

The majority of income comes from customer receipts - primarily membership income, club and pay and play income. Other principal external income sources are West Lothian Council's management fee and partner funding from NHS Lothian for specific health and wellbeing programmes.

## WEST Lothian LEISURE

### Board Report

For the year ended 31 March 2025

#### Reserves Policy

**General Funds** are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company which have not been designated for any other purpose.

**Designated Funds** are unrestricted funds that have been set aside for a specific purpose, which will be utilised during the next and future years against specific expenditure for asset improvement.

**Restricted Funds** are funds which are to be used in accordance with specific restrictions imposed by donors, or which have been raised by the charitable company for particular purposes. The costs of raising and administering such funds are charged against the specific fund.

**Free Reserves** are funds which can be freely spent on our charitable purposes. These exclude any restricted funds and the value of fixed assets (net of outstanding finance) as these assets can't be readily sold to meet any funding deficit. Free reserves at 31<sup>st</sup> March 2025 were deficit £965,983 (2024: deficit £389,712).

Incoming resources for the year ended 31 March 2025 were £13,206,837 (2024: £12,705,155). The underlying result for the year (ignoring pension adjustments) has resulted in the unrestricted reserves increasing from £768,709 to £895,364 which complies with the reserves policy to retain a minimum of £300,000 of general/unrestricted reserves.

In addition to carrying reserves WLL has a letter of support from West Lothian Council. West Lothian Council, as sole member of the company, have indicated that they have a process in place which the company believes would lead to the provision of funding to cover a trading deficit in excess of available cash reserves, should one occur.

#### Risk Management

The Board has assessed and recorded the major risks to which the Company is exposed, in particular those relating to the operations and finances of the Company and is satisfied that systems are in place to mitigate these risks.

#### FUTURE PLANS

We continue to work in close partnership with West Lothian Council, aligning our services with shared strategic objectives to improve lives across the region. This collaborative approach extends to partners including the Health and Social Care Partnership, Sport Scotland, National Governing Bodies, West Lothian College, and community organisations—ensuring that our collective efforts deliver joined-up, high-impact services for a healthier, more active, and inclusive West Lothian.

We enter the next period with clarity, purpose, and a shared understanding of the path ahead. Our 2025–2027 Strategic Plan: *Shaping Our Future* sets out the framework for how we will grow stronger, work smarter, and maximise our impact, despite a challenging external environment.

Our strategy is built around three clear strategic priorities:

- **Strengthen Our Core Business**

We will grow participation, improve customer experience, and drive operational excellence, turning first-time users into long-term members. This means simplifying access, enhancing coaching, using our space more effectively, and listening closely to what our customers need.

#### **Drive Revenue Growth**

We are focused on developing new income streams, entering new markets, and refreshing our offer, whether that's new products, modernised facilities, or smart use of underutilised space. Innovation and agility will be key.

## WEST LoTHIAN LEISURE

### Board Report

For the year ended 31 March 2025

- **Invest in People and Partnerships**

We will continue to build a values-led, high-performing culture and ensure that our people have the tools, training, and support to thrive. We will also strengthen our partnerships across health, education, business, and community to achieve more together.

These priorities are underpinned by our four strategic pillars - Products, People, Place, and Pound, ensuring that what we offer, how we work, where we deliver, how we support our staff, and how we manage our finances are all aligned to deliver maximum impact.

This is not an easy path, but it is a clear one. We are confident in our direction and committed to working in partnership with staff, communities, and stakeholders to shape a stronger, healthier West Lothian for the future.

#### **Management Fee**

The reduction in our core management fee, set to fall by a further £500k in 2025/26, comes at a time of sustained financial pressure across the sector. Despite this, our strategy sets a clear direction: we are committed to investing to grow. Through our strategic priorities, we are focused on expanding participation, growing income, and delivering greater value to the communities we serve. While the financial landscape is challenging, our plan gives us confidence and clarity in how we move forward, maximising our impact while building long-term resilience.

#### **Investment Strategy**

We are continuing to implement our invest-to-grow model, working closely with West Lothian Council to leverage Prudential Borrowing for capital investment, as we successfully did last year.

Our Strategic Plan outlines several proposed investment areas over the next two years, including expansion of facilities and improvements to infrastructure. We continue to work with partners to explore joint investment models, co-location projects, and external funding opportunities. While growth remains a priority, we must also remain cognisant of our borrowing capacity, as outlined in our Reserves and Funding Policy, to ensure all investment decisions are financially sustainable.

#### **Strategic Planning**

Our strategic and financial plans are closely integrated, ensuring we take a balanced view of opportunity, affordability, and sustainability. Our three-year financial plan accounts for rising costs, reductions in core funding, and the need to generate additional revenue to offset external pressures.

This plan is underpinned by:

- Clear success measures aligned to our strategic priorities
- Costed delivery plans for each initiative
- Performance tracking and risk mitigation embedded at all levels

#### **Performance Reporting**

We have maintained high standards of performance and financial reporting across the organisation. Our Strategic Priorities are underpinned by a set of Strategic Actions, each with defined KPIs and success measures. These are tracked regularly and reported to the Board, ensuring clear oversight and accountability. Performance is also routinely shared with West Lothian Council through established governance arrangements, providing transparency and alignment with shared strategic objectives.

Our performance framework also includes:

- Venue-level financial and operational reporting
- Insight from customer engagement and staff feedback channels
- Monitoring of strategic project delivery milestones and risk indicators
- Regular benchmarking against sector standards to ensure we remain competitive and relevant

## WEST LoTHIAN LEISURE

### Board Report

For the year ended 31 March 2025

#### Organisational Culture

Following the launch of our People Engagement Survey last year, we acted directly on staff feedback to shape a culture where people feel valued, heard, and supported. We are committed to creating a positive, high-performing workplace built on trust, recognition, and open communication.

Key developments include:

- Improved benefits package
- Launch of the Ask the Leadership Team forum (quarterly)
- “Walk in their shoes” initiative for senior leaders
- Continued developed of the employee forum
- Regular staff engagement metrics, including:
  - People Engagement Score and NPS
  - Targeted pulse surveys
  - Venue visits and listening sessions

Our people are our most important asset, and our strategy reflects a long-term commitment to make WLL a great place to work.

#### Environmental Policy

We recognise that environmental leadership remains vital, even in challenging financial times. Sustainability efforts not only support climate goals but also help reduce long-term operating costs.

We are developing a three-year Environmental Plan, which will include:

- Energy and Resource Efficiency – Reducing consumption, improving building performance, and identifying cost-saving opportunities across our estate.
- Sustainable Operations and Behaviour Change – Embedding environmentally responsible practices across teams, supported by staff training, awareness campaigns, and digital learning resources.
- Monitoring, Reporting and Compliance – Setting measurable targets, tracking progress, and ensuring alignment with national and local sustainability standards

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### Structure

West Lothian Leisure is (from August 2016) a Company Limited by Guarantee with West Lothian Council as sole member. The Company also has charitable status granted by the Office of the Scottish Charity Regulator and is recognised by HM Revenue and Customs.

West Lothian Leisure was incorporated on 1 February 1998 (as an Industrial and Provident Society) and provides sports and leisure facilities to the community of West Lothian. It operates as a not for profit distributing organisation.

#### Corporate Governance

The Board (of Trustees or Non-Executive Directors) is committed to demonstrate good Corporate Governance and compliance with the Nolan recommendations in this respect. To this end it has established an Audit and Finance Sub Committee that works to a pre-determined Audit Plan based around these principles. The Audit and Finance Sub Committee monitors and considers the Company’s compliance and records through the Audit and Finance Sub Committee Minutes, its findings that are then reported to the full Board of Trustees.

## **WEST LOTHIAN LEISURE**

### **Board Report**

**For the year ended 31 March 2025**

#### **Induction and Training**

Trustees are recruited to the Board after interview and approval at a Board meeting. They are selected for appointment if the Board believe their skills, knowledge and experience will benefit the Company. As sole member, West Lothian Council are entitled to appoint or remove any trustee. The Articles of Association require a maximum of four trustees who are officers or elected representatives of West Lothian Council and that at no time should they form a majority of the board.

All Trustees receive an induction before joining the Board and additional training as necessary. If there are any areas where additional training is required this would be discussed at a Board meeting, or a one-to-one meeting with the Chair, and a solution identified.

#### **Decision Making**

The Standing Orders, Operating Guidelines, Code of Conduct and Articles of Association documents set out the decision-making powers of the Board, Sub Committees, Chief Executive and Senior Managers. This document is reviewed annually by the Board of Trustees.

The Board has a duty to keep a strategic overview of the organisation including the approval of the corporate strategy and monitoring performance against agreed targets. The Board focusses on strategic issues and through its policy setting lays out a framework within which the Chief Executive and Senior Management Team operate. Pay and remuneration policy is set by the Board, as is the Chief Executive's pay. The Chief Executive determines the grading of staff (within the policy and arrangements set by the Board) and determines staff duties and responsibilities.

#### **Employee Engagement**

WLL takes its responsibility to engage with and inform employees about matters relating to company performance and other matters of interest seriously. Hybrid working for head office staff has become an established way of working. Engagement with outreach and venue staff incorporated many of the new methods developed during the pandemic and included:

- CEO Roadshows & Ask the Leadership Team forums - staff participated in sessions covering company updates and question and answer sessions with the Chief Executive and Senior Leadership Team
- Quarterly staff newsletters
- Employee communications on new policies, procedures, and staff benefits
- The continued development of the Employee Forum
- Employee representative on the WLL Board of Directors
- Introduction of the new Performance Development Review process – ensuring all staff have an annual performance review
- Renewed focus on promoting WLL's core values via the performance framework training
- New on-line induction and training platform

Directors also oversee the charity's duty of care to its workforce by reviewing and approving the company health and safety policy and regularly review the strategic risk register.

#### **Disabled persons**

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



## WEST LOTHIAN LEISURE

### Board Report

For the year ended 31 March 2025

#### **THIRD PARTY INDEMNITY**

As part of the overall insurance arrangements for the Company we have in place Trustees and Officers Liability insurance that provides qualifying third-party indemnity provision for the benefit of the Trustees of the Company. This was in force throughout the financial year.

#### **TRUSTEE ATTENDANCE AT AUDIT & FINANCE SUB COMMITTEE MEETINGS**

At each AGM six Trustees are appointed to sit on the Audit and Finance Sub Committee, although any Trustee can attend any Audit Sub Committee meeting.

Attendance Record	Attendance at Audit & Finance Sub Committee meetings			
	Apr	Aug	Nov	Jan
Trustees				
Beverley Greer	P	P	P	P
Suzanne McAdam	P	P	A	P
Sergio Tansini	P	P	P	P
Gillian Hentges	P	P	P	P
Cllr Tom Conn	P	A	P	A
Craig Campbell	A	A	A	P
Michelle Chambers Cran (observer)	NYA	P	P	A

KEY	CODE
Apologises	A
Resigned	R
Present	P
Cancelled	C
Not yet Admitted	NYA
Not Present	NP

#### **TRUSTEE ATTENDANCE AT BOARD MEETINGS**

Attendance Record				
Trustees	May	Sept	Dec	Feb
Beverley Greer	P	A	P	P
Suzanne McAdam	P	A	P	P
Craig Campbell	P	P	P	P
Sergio Tansini	P	P	P	P
Gillian Hentges	P	P	P	P
Michelle Chambers-Cran	P	P	P	A
Kim Anne Walker	P	R	R	R
Cllr Danny Logue	P	P	P	P
Cllr Tom Conn	P	A	A	P

KEY	CODE
Apologises	A
Resigned	R
Present	P
Cancelled	C
Not yet Admitted	NYA
Not Present	NP

## **WEST LOTHIAN LEISURE**

### **Board Report**

**For the year ended 31 March 2025**

#### **Statement of Responsibilities of the Board**

The trustees (who are also directors of West Lothian Leisure for the purpose 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).

Charity 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 income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that charitable company will continue.

The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the articles of association, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company, for ensuring that the assets are properly applied in accordance with charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Disclosure of Information to the Auditor**

To the knowledge and belief of each trustee, at the time the report is approved:

- So far as each trustee is aware, there is no relevant information of which the charitable company's auditor is unaware; and
- They have taken all steps that they ought to have taken as trustees to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of the information.

#### **Auditor**

A resolution to re-appoint Azets Audit Services as auditor will be put to the members at the Annual General Meeting.

In approving the Board Report, the Board of Trustees are also approving their Strategic Report in their capacity as company directors.

#### **By order of the Board**

**Beverley Greer**  
**Secretary**  
**18 September 2025**

## **WEST LoTHIAN LEISURE**

### **Independent Auditor's Report to the Member and Trustees**

**For the year ended 31 March 2025**

#### **Opinion**

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its income and expenditure for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our 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 audit 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.

## **WEST LOTHIAN LEISURE**

### **Independent Auditor's Report to the Member and Trustees**

**For the year ended 31 March 2025**

#### **Other Information**

The other information comprises the information included in the Board Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Board Report (incorporating the Directors' Report and Strategic Report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

#### **Responsibilities of the Trustees**

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees (who are the directors for the purposes of company law and trustees for the purposes of charity 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.

## WEST LOTHIAN LEISURE

### Independent Auditor's Report to the Member and Trustees

For the year ended 31 March 2025

#### Responsibilities of the Trustees (continued)

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

#### Auditor's Responsibilities for the Audit of the Financial Statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities is available on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

#### *The extent to which the audit was considered capable of detecting irregularities including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the FRC's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the charitable company, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the charitable company is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the charitable company that were contrary to applicable laws and regulations, including fraud.

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 charitable company through discussions with management and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

## WEST LOTHIAN LEISURE

### Independent Auditor's Report to the Member and Trustees

For the year ended 31 March 2025

#### ***The extent to which the audit was considered capable of detecting irregularities including fraud (continued)***

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charitable company's legal advisors.

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

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

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

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

#### **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 and to the charitable company's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Our audit work has been undertaken so that we might state to the charitable company's members, as a body, and the charitable company's trustees, as a body, those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members, as a body, and the charitable company's trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

**Allison Gibson, Senior Statutory Auditor**

**For and on behalf of Azets Audit Services, Statutory Auditor**

**Chartered Accountants**

**Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006**

**Quay 2**

**139 Fountainbridge**

**Edinburgh, EH3 9QG**

**Date: 18 September 2025**

**WEST LOTHIAN LEISURE**

**Statement of Financial Activities (Incorporating the Income and Expenditure Account)**

**For the year ended 31 March 2025**

	Notes	Unrestricted 2025 £	Restricted 2025 £	Total Funds 2025 £	Total (Unrestricted) 2024 £
<b>Income and endowments from:</b>					
Grants and donations		11,539	-	11,539	1,536
Charitable activities					
- Membership fees		7,158,469	-	7,158,469	6,356,593
- Leisure services		3,877,231	-	3,877,231	4,119,865
- Management service fee		1,704,876	-	1,704,876	2,025,492
Investments		48,691	-	48,691	82,017
Other					
- Financial income, refunds & fees		112,423	293,608	406,031	119,652
<b>Total</b>		<b>12,913,229</b>	<b>293,608</b>	<b>13,206,837</b>	<b>12,705,155</b>
<b>Expenditure on:</b>					
Charitable activities					
- Sports and leisure facilities	4	13,135,182	-	13,135,182	13,351,505
Other					
- Net finance cost on defined benefit pension scheme	8	13,000	-	13,000	(29,000)
<b>Total</b>		<b>13,148,182</b>	<b>-</b>	<b>13,148,182</b>	<b>13,322,505</b>
<b>Net income/(expenditure)</b>		<b>(234,953)</b>	<b>293,608</b>	<b>58,655</b>	<b>(617,350)</b>
<b>Other recognised gains:</b>					
<b>Transfers between funds</b>		<b>293,608</b>	<b>(293,608)</b>	<b>-</b>	<b>-</b>
Actuarial gain/(loss) on defined benefit pension scheme	8	104,000	-	104,000	(810,000)
<b>Net movement in funds</b>		<b>162,655</b>	<b>-</b>	<b>162,655</b>	<b>(1,427,350)</b>
<b>Reconciliation of funds:</b>	14				
Total funds brought forward		533,709	-	533,709	1,961,059
<b>Total funds carried forward</b>		<b>696,364</b>	<b>-</b>	<b>696,364</b>	<b>533,709</b>

The notes on pages 23 to 35 form part of these financial statements

## WEST LOTHIAN LEISURE

### Balance Sheet

As at 31 March 2025

	Notes	2025		2024	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible fixed assets	9		<u>2,684,784</u>		<u>2,100,305</u>
<i>Total fixed assets</i>			<b>2,684,784</b>		<b>2,100,305</b>
<b>Current assets</b>					
Stock		18,907		17,840	
Debtors	10	307,772		278,429	
Cash at bank and in hand		<u>1,374,861</u>		<u>1,608,530</u>	
<i>Total current assets</i>		<b>1,701,540</b>		<b>1,904,799</b>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	11		<u>(2,687,647)</u>		<u>(2,271,027)</u>
<i>Net current liabilities</i>			<b>(986,107)</b>		<b>(366,228)</b>
<i>Total assets less current liabilities</i>			<b>1,698,677</b>		<b>1,734,077</b>
Creditors: amounts falling due after more than one year	12		<u>(803,313)</u>		<u>(965,368)</u>
<i>Net assets excluding pension liability</i>			<b>895,364</b>		<b>768,709</b>
Defined benefit pension liability	8		<u>(199,000)</u>		<u>(235,000)</u>
<b>Total net assets</b>			<b><u>696,364</u></b>		<b><u>533,709</u></b>
<b>The funds of the charity:</b>					
General funds			<b>895,364</b>		<b>768,709</b>
Restricted funds			-		-
Pension reserve			<u>(199,000)</u>		<u>(235,000)</u>
<b>Total charity funds</b>	14		<b><u>696,364</u></b>		<b><u>533,709</u></b>

The financial statements were approved and authorised for issue by the Board on 18 September 2025.

Sergio Tansini, Chair

Beverley Greer, Secretary

**Registered in Scotland – SC543017**  
**Charity Number – SC027470**

The notes on pages 23 to 35 form part of these financial statements



**WEST LOTHIAN LEISURE**  
**Statement of Cash Flows**  
**For year ended 31 March 2025**

	Notes	2025		2024	
		£	£	£	£
<b>Cash flows from operating activities:</b>					
<b>Net cash provided by/(used in) operating activities</b>	15		<b>853,638</b>		<b>(87,634)</b>
<b>Cash flows from investing activities:</b>					
Interest received		48,691		82,017	
Disposal proceeds of property, plant and equipment		-		113,403	
Purchase of property, plant and equipment		<u>(922,817)</u>		<u>(720,557)</u>	
<b>Net cash used in investing activities</b>			<b>(874,126)</b>		<b>(525,137)</b>
<b>Cash flows from financing activities:</b>					
Repayments of borrowing		<u>(213,181)</u>		<u>(456,491)</u>	
<b>Net cash used in financing activities</b>			<b>(213,181)</b>		<b>(456,491)</b>
<b>Change in cash and cash equivalents in the reporting period</b>	16		<b>(233,669)</b>		<b>(1,069,262)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>			<b>1,608,530</b>		<b>2,677,792</b>
<b>Cash and cash equivalents at the end of the reporting period</b>			<b>1,374,861</b>		<b>1,608,530</b>

The notes on pages 23 to 35 form part of these financial statements

## **WEST LoTHIAN LEISURE**

### **Notes to the Financial Statements**

**For year ended 31 March 2025**

#### **1. General information**

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the charitable company's transactions are denominated. They comprise the financial statements of West Lothian Leisure for the year ended 31 March 2025.

The principal activity of West Lothian Leisure is the operation of sports and leisure facilities leased from West Lothian Council.

West Lothian Leisure is a private charitable company limited by guarantee incorporated in the United Kingdom and registered in Scotland. It is recognised as a charity for tax purposes by HMRC and is registered with the Office of the Scottish Charity Regulator (OSCR) under charity number SC027470. In the event of the winding up of the charitable company a member is liable to contribute a sum not exceeding £1. Details of the registered office and company registration number can be found on page 1 of these financial statements.

As described in note 19, West Lothian Leisure is deemed to be a subsidiary undertaking of its ultimate parent, West Lothian Council.

#### **2. Accounting Policies**

##### **Basis of Accounting**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ("FRS 102") (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)', the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

West Lothian Leisure meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires trustees to exercise their judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The principal accounting policies applied in the preparation of these financial statements are noted below. These policies have been applied consistently to all the years presented in dealing with items which are considered material in relation to the charitable company's financial statements unless otherwise stated.

## WEST LoTHIAN LEISURE

### Notes to the Financial Statements

For year ended 31 March 2025

#### 2. Accounting Policies (continued)

##### Going Concern

The financial statements have been prepared based on accounting policies that are consistent with the treatment of the charitable company as a going concern. In the Board's opinion, the charitable company will be able to continue to trade for the foreseeable future.

West Lothian Leisure has a rolling Service Agreement with West Lothian Council and the current funding agreement within this will fall due for renewal on 31 March 2026. West Lothian Council, as sole member of the company, have indicated that they have a process in place which the company believes would lead to the provision of funding to cover a trading deficit in excess of available cash reserves, should one occur.

The charitable company has net assets at 31 March 2025 of £895,364 (2024: net asset £768,709) this excludes the liability on the defined benefit retirement scheme.

WLC has provided a letter of comfort which means they will agree to meet WLL's everyday cash liabilities until the end of this financial year should WLL be unable to do so. To improve financial viability, WLL continues to review all aspects of its business to identify opportunities to reduce its cost base and grow income. Through a close working relationship with WLC officers, WLL continues to consider the best use of existing facilities as well as the expanding operations in community school facilities.

West Lothian Leisure's Board agreed a £632,600 budget deficit for 2025/26 (and a cash surplus of £425,896), subject to a programme of mitigating actions being developed and implemented to address the total budget pressure of £2.95 million over the period 2023/24 to 2027/28.

##### Income recognition

Income is recognised in the period in which the charitable company is entitled to receipt, receipt is probable, and the amount can be measured with reasonable certainty. Income is deferred only when the charitable company has to fulfil conditions before becoming entitled to it.

- Grant income is recognised in the period in which the charitable company is entitled to receipt, receipt is probable, and the amount can be measured with reasonable certainty.
- Membership income is recognised on a straight-line basis in line with the delivery of membership services and the membership agreement.
- Leisure services income is recognised when services are provided.
- Management fee income is recognised in the period to which it relates.
- Other income is recognised in the period to which it relates.
- Investment income is recognised in the period in which it is receivable

##### Allocation of Expenditure

Expenditure is recognised when a legal or constructive obligation arises. Where possible, expenditure has been charged directly to charitable expenditure or governance costs. Where this is not possible the expenditure has been allocated on the basis of time spent by staff on each activity.

- Charitable expenditure comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company and include the audit fees and costs linked to the strategic management of the charitable company.

##### Termination Payments

Termination payments are amounts payable to end an individual's employment and are charged on an accruals basis to the Statement of Financial Activities when the charitable company is demonstrably committed to this course of action. The termination payment will include redundancy and where eligible any compensatory lump sum together with the pension strain payment made to the pension fund. The notional capitalised cost of any compensatory added years awarded is based on an assessment of the present value of all future payments to the retiree until death and is disclosed as an unfunded liability of the pension scheme.

## WEST LOTHIAN LEISURE

### Notes to the Financial Statements

For year ended 31 March 2025

#### 2. Accounting Policies (continued)

##### Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and any impairment.

Tangible fixed assets costing more than £2,500 are capitalised and included at cost. Depreciation is charged to write off the cost less the estimated residual value of fixed assets by equal instalments over their estimated useful lives as follows:

Computer equipment	4 years
Furniture and equipment	4 - 8 years
Leasehold improvements	20 years

##### Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### Stock

Stock represents goods for resale and are valued at the lower of cost and net realisable value in the ordinary course of activities. Net realisable value is based on estimated selling price less any provision for slow moving or obsolete stock.

##### Creditors

Creditors are recognised where the charitable company has a present obligation resulting from a past event that will result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

##### Financial instruments

Financial instruments are recognised in the Balance Sheet when the charitable company becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price unless the arrangement constitutes a financing transaction which includes transaction costs for financial instruments not subsequently measured at fair value. Subsequent to initial recognition, they are accounted for as set out below. A financing transaction is measured at the present value of the future payments discounted at the market rate of interest for a similar debt instrument.

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS 102.

At the end of each reporting period, basic financial instruments are measured at amortised cost using the effective interest rate method. All financial instruments not classified as basic are measured at fair value at the end of the reporting period with the resulting changes recognised in income or expenditure. Where the fair value cannot be reliably measured, they are recognised at cost less impairment.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the charitable company has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

## WEST LOTHIAN LEISURE

### Notes to the Financial Statements

For year ended 31 March 2025

#### 2. Accounting Policies (continued)

##### **Pensions**

The charitable company operates a defined benefit scheme in respect of its employees. The assets of the scheme are held in external funds managed by professional investment managers.

In accordance with FRS 102 Retirement Benefits, the Statement of Financial Activities includes: the cost of benefits accruing during the year in respect of current and past service (charged against net outgoing resources); the expected return on the scheme's assets and the increase in the present value of the scheme's liabilities arising from the passage of time (shown as pensions finance charge); actuarial gain or loss recognised in the pension scheme (shown within net movement of funds). In accordance with FRS 102, the Balance Sheet includes the asset/deficit in the scheme taking assets at their year-end market values (current bid value) and liabilities at their actuarially calculated values discounted at year-end AA corporate bond interest rates. Recognition of an actuarial net asset position in the scheme is limited to the extent that the asset is recoverable, for example in the form of repayments from the scheme or reductions in minimum contributions payable for future service. Further details regarding the scheme are disclosed in note 8.

The charitable company also operates a defined contribution pension scheme. Contributions are recognised in the Income and Expenditure Account and Statement of Financial Activities in the period in which they become payable in accordance with the rules of the scheme.

##### **VAT**

The charitable company is partially exempt for VAT purposes. Irrecoverable VAT is charged to the Income and Expenditure and Statement of Financial Activities as an expense.

##### **Unrestricted Funds**

Surplus revenue funds held within unrestricted funds are carried forward to meet the cost of future activities of both a capital and revenue nature.

Commitments for specific activities and needs in the future are dealt with by making allocations to designated funds.

##### **Restricted funds**

These funds are subject to specific conditions specified by the donor on how they may be used. Once the conditions are met or expire, these funds are no longer restricted and therefore are transferred into unrestricted reserves.

##### **Leases**

Operating lease rentals are charged to the Income and Expenditure and Statement of Financial Activities on a straight-line basis over the term of the lease.

Leases which transfer substantially all of the risks and rewards of ownership to the charity are classed as finance leases. Assets held under finance leases are recognised as assets at the lower of the fair value of the asset at the date of acquisition and the present minimum lease payments. The related obligation to the lessor is included in the balance sheet as a finance lease obligation.

Finance costs, which represent the difference between the total leasing commitment and the fair value of the assets acquired, are charged to the Statement of Financial Activities over the lease term at a constant rate.

##### **Taxation**

The charitable company has charitable status and is therefore exempt from taxation under Sections 475-477 and Chapter 3 of the Corporation Taxes Act 2010.

## WEST LOTHIAN LEISURE

### Notes to the Financial Statements

For year ended 31 March 2025

#### 3. Critical Judgements and Estimates

In preparing the financial statements trustees makes estimates and assumptions which affect reported results, financial position and disclosure of contingencies. Use of available information and application of judgement are inherent in the formation of the estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

There are no estimates or assumptions with a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Key sources of accounting estimation have been applied to the pension scheme assumptions and the depreciation rates which are deemed appropriate for the class of assets.

#### 4. Charitable Activities Expenditure – Sports and Leisure Facilities

	2025 £	2024 £
Employee costs (note 6)	6,990,886	7,004,630
Property costs	2,825,437	2,782,964
Transport costs	85,780	68,654
Supplies and services	2,009,532	2,237,021
Irrecoverable VAT	673,913	630,902
Depreciation and impairment	393,588	350,091
Loss on disposal of fixed assets	662	147,114
Bank charges	71,902	80,327
Discounts	38,874	18,314
Governance costs (note 5)	44,608	31,488
	<b>13,135,182</b>	<b>13,351,505</b>

The above costs relate to the one activity of the charitable company, to deliver sports and leisure facilities to the community within West Lothian.

#### 5. Governance Costs

	2025 £	2024 £
Audit and other accountancy fees	37,788	29,870
Trustee indemnity insurance	6,820	1,618
	<b>44,608</b>	<b>31,488</b>

## WEST LOTHIAN LEISURE

### Notes to the Financial Statements

For year ended 31 March 2025

#### 6. Staff Costs and Numbers

	2025	2024
	£	£
Wages and salaries	6,038,823	6,046,661
Social security costs	436,729	423,996
Other pension costs	460,334	418,973
FRS 102 defined benefit pension scheme adjustment	55,000	115,000
	<b>6,990,886</b>	<b>7,004,630</b>

The above amounts include redundancy and pension strain costs of £nil (2024: £218,991). £nil funding was received in connection with these costs (2024: £202,616).

The aggregate number of employees whose emoluments exceeded £60,000 was as follows:

	2025	2024
	Number	Number
£60,000 - £69,999	-	2
£70,000 - £79,999	2	1
£80,000 - £89,999	1	-
£90,000 - £99,999	1	1
	<b>4</b>	<b>4</b>

The average monthly number of employees during the year was

	2025	2024
	Number	Number
	<b>335</b>	<b>355</b>

One employee is a member of the Board as staff representative. Remuneration including back pay, pension and employer national insurance contributions for their employee role whilst holding office was as follows:

	2025	2024
	£	£
S McAdam	53,758	50,879

One member of the board received remuneration for the role of group fitness instructor during the year:

	2025	2024
	£	£
G Hentges	1,058	1,702

None of the amounts above included any remuneration for being a director; all amounts were received for employment under employment contract.

No expenses were reimbursed to directors (2024: £nil).

In addition to the trustees, the key management personnel of the charitable company are deemed to be the Chief Executive, Head of Operations, Head of Corporate Services, Head of Commercial Services (new post from May 2024), and Head of Finance. The total employee benefits received by key management personnel in the year was £492,355 (2024: £377,485).

## WEST LOTHIAN LEISURE

### Notes to the Financial Statements

For year ended 31 March 2025

#### 7. Net income/(expenditure)

	2025 £	2024 £
<b>Net income/(expenditure) is stated after charging</b>		
Auditor's remuneration – audit	33,980	32,210
Auditor's remuneration – taxation services	2,150	1,220
Depreciation of tangible fixed assets	393,588	350,091
Loss on disposal of fixed assets	662	147,114
Interest expense on finance leases	64,606	76,767
Expenditure on leases	11,349	10,675
Hire of equipment, plant and machinery	20,981	26,883

#### 8. Pension Costs

The total pension cost charged to net expenditure for the year amounted to £528,334 (2024: £504,973). Included within this figure is a FRS 102 adjustment of £55,000 (2024: £115,000) and finance costs of £13,000 (2024 income of £29,000).

##### Defined contribution pension scheme

In 2014 the charitable company introduced a defined contribution pension scheme. New employees are automatically enrolled into this scheme although they may choose to opt out if they wish. Total employer's contributions to this scheme during the year amounted to £203,801 (2024: £157,344).

##### Defined benefit superannuation scheme

The charitable company is an admitted body of the Lothian Pension Fund. The Superannuation Fund is a defined benefit scheme into which employees' and employer's contributions, and interest and dividends from investments are paid and from which pensions, lump sums and superannuation benefits are paid out. Total employer's contributions to this scheme during the year amounted to £256,533 (2024: £261,629). Employees' contributions are determined based on their salary, increasing the higher the salary and employer's basic contributions are assessed every three years by an actuary and are fixed to ensure the fund remains solvent and, in a position, to meet its future liabilities. The actuarial method used is known as the Projected Unit Method. The last actuarial valuation was at 31 March 2023. Employer contribution for the year to 31 March 2026 are forecast to be £244,000.

In accordance with FRS 102 – Employee Benefits – a valuation of the fund was carried out at 31 March 2025, by Hymans Robertson, independent actuaries, based on the last full triennial valuations and allowing for the changes in financial assumptions as prescribed under FRS 102.

The main assumptions used in the calculations are:

	31 March 2025 % per annum	31 March 2024 % per annum
Salary increases	3.45%	3.45%
Pension increases	2.75%	2.75%
Discount rate	5.8%	4.85%

##### Mortality

Life expectancy is based on the Fund's Vita Curves with improvements in line with the CMI 2023 model, with a 15% weighting of 2023 and 2022 data; a 0% weighting of 2021 and 2020 data, standard smoothing (Sk7), initial adjustment of 0.25% and a long-term rate of improvement of 1.5% p.a. for both males and females. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current pensioners	21.2 years	22.5 years
Future pensioners	20.6 years	24.5 years



**WEST LoTHIAN LEISURE**

**Notes to the Financial Statements**

**For year ended 31 March 2025**

**8. Pension Costs (continued)**

The major categories of assets of the scheme were:

	2025	2024
Equities	69%	71%
Bonds	19%	17%
Property	8%	8%
Cash	4%	4%

The table below compares the estimated present value of the scheme liabilities with the employer assets:

	2025 £'000	2024 £'000
Fair value of employer assets	35,370	34,651
Present value of funded liabilities	(21,177)	(24,794)
Present value of unfunded liabilities	(199)	(235)
Net asset per actuarial valuation	<u>13,994</u>	<u>9,622</u>
Net asset ceiling restriction	(14,193)	(9,857)
Net (liability) in balance sheet	<u>(199)</u>	<u>(235)</u>

**Analysis of the amount charged to resources expended:**

	Year to 31 March 2025 £'000	Year to 31 March 2024 £'000
Past service cost of the defined benefit scheme	-	(77)
Current service cost of the defined benefit scheme	(310)	(321)
	<u>(310)</u>	<u>(398)</u>

**Analysis of amount charged to other finance costs:**

	Year to 31 March 2025 £'000	Year to 31 March 2024 £'000
Expected return on employer assets	1,674	1,584
Interest on pension scheme liabilities	(1,209)	(1,126)
Interest on the effect of asset ceiling	(478)	(429)
Net interest (cost)/income	<u>(13)</u>	<u>29</u>

**Analysis of amounts included in other recognised gains and losses:**

	Year to 31 March 2025 £'000	Year to 31 March 2024 £'000
Actual return less expected return on pension scheme assets	(720)	456
Other experience	235	(3,024)
Net change in financial and demographic assumptions underlying the present value of the scheme liabilities	4,447	2,159
Loss on asset ceiling restriction	(3,858)	(401)
Actuarial gain/(loss) recognised in net movement of funds	<u>104</u>	<u>(810)</u>

**WEST LOTHIAN LEISURE**

**Notes to the Financial Statements**

**For year ended 31 March 2025**

**8. Pension Costs (continued)**

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

	Year to 31 March 2025 £'000	Year to 31 March 2024 £'000
Opening fair value of employer assets	34,651	33,431
Interest income on plan assets	1,674	1,584
Contributions by members	95	97
Contributions by the employer	244	272
Contributions in respect of unfunded benefits	11	11
Actuarial (loss)	(720)	(68)
Unfunded benefits paid	(11)	(11)
Benefits paid	(574)	(665)
Closing fair value of employer assets	<b>35,370</b>	<b>34,651</b>

**Changes in the defined benefit obligation are as follows:**

	Year to 31 March 2025 £'000	Year to 31 March 2024 £'000
Opening defined benefit obligation	25,029	23,743
Current service cost	310	321
Past service cost	-	77
Interest cost	1,209	1,126
Contributions by members	95	97
Actuarial (gain)/loss	(4,682)	341
Estimated benefits paid	(574)	(665)
Estimated unfunded benefits paid	(11)	(11)
Closing defined benefit obligation	<b>21,376</b>	<b>25,029</b>

**9. Tangible Fixed Assets**

	Leasehold improvements	Furniture & equipment £	Computer equipment £	Total £
<b>Cost</b>				
As at 1 April 2024	-	3,063,389	334,188	<b>3,397,577</b>
Additions	618,565	360,164	-	<b>978,729</b>
Disposals	-	(24,759)	(51,834)	<b>(76,593)</b>
As at 31 March 2025	<b>618,565</b>	<b>3,398,794</b>	<b>282,354</b>	<b>4,299,713</b>
<b>Depreciation and impairment</b>				
As at 1 April 2024	-	1,199,765	97,507	<b>1,297,272</b>
Charge for the year	2,822	340,952	49,814	<b>393,588</b>
Eliminated on disposals	-	(24,320)	(51,611)	<b>(75,931)</b>
As at 31 March 2025	<b>2,822</b>	<b>1,516,397</b>	<b>95,710</b>	<b>1,614,929</b>
<b>Net book value</b>				
As at 31 March 2025	<b>615,743</b>	<b>1,882,397</b>	<b>186,644</b>	<b>2,684,784</b>
As at 31 March 2024	-	1,863,624	236,681	2,100,305

The net book value of the assets held under finance lease agreements as at 31 March 2025 was £1,199,209 (2024: £1,327,789). The depreciation charged on these assets in the year to 31 March 2025 was £229,242 (2024: £225,979).

**WEST LoTHIAN LEISURE**  
**Notes to the Financial Statements**  
**For year ended 31 March 2025**

**10. Debtors**

	2025 £	2024 £
Trade debtors	9,012	1,033
Other debtors and prepayments	298,760	277,396
	<u>307,772</u>	<u>278,429</u>

**11. Creditors: Amounts falling due within one year**

	2025 £	2024 £
Finance lease creditor	216,302	211,516
Tax and social security	-	7,623
Trade and other creditors	1,958,181	1,637,975
Accruals and deferred income	513,164	413,913
	<u>2,687,647</u>	<u>2,271,027</u>

Trade and other creditors include £1,715,759 due to West Lothian Council (2024: £1,490,470).

**12. Creditors: Amounts falling due after one year**

	2025 £	2024 £
Finance lease creditor	803,313	965,368
	<u>803,313</u>	<u>965,368</u>
<i>Analysed as follows:</i>		
Repayable between 1 – 2 years	216,301	209,639
Repayable between 2 – 5 years	490,992	630,058
Repayable in more than 5 years	96,020	125,671
	<u>803,313</u>	<u>965,368</u>

The charity has a number of finance lease arrangements with varied start and end dates and total terms ranging from 5-8 years, with a weighted average remaining term of 4 years. The leases are repayable in monthly instalments, have a weighted average interest rate of 8.1%, and are secured over the assets to which they relate.

## WEST LoTHIAN LEISURE

### Notes to the Financial Statements

For year ended 31 March 2025

#### 13. Share Capital

The charitable company is limited by guarantee of £1 per member and has no share capital. At 31 March 2025 and 2024 there was one member.

#### 14. Reserves

2025	Balance at 1 April 2024 £	Income £	Expenditure £	Transfer £	Other gains/ (losses) £	Balance at 31 March 2025 £
General funds	768,709	12,913,229	(13,080,182)	293,608	-	895,364
Pension reserve	(235,000)	-	(68,000)	-	104,000	(199,000)
<b>Unrestricted funds</b>	<b>533,709</b>	<b>12,913,229</b>	<b>(13,148,182)</b>	<b>293,608</b>	<b>104,000</b>	<b>696,364</b>
<b>Restricted funds</b>	<b>-</b>	<b>293,608</b>	<b>-</b>	<b>(293,608)</b>	<b>-</b>	<b>-</b>
<b>Total funds</b>	<b>533,709</b>	<b>13,206,837</b>	<b>(13,148,182)</b>	<b>-</b>	<b>104,000</b>	<b>696,364</b>

Restricted funds relate to funding received specifically for fixed asset additions; this funding has been released to general funds as the conditions of the funding are met.

2024	Balance at 1 April 2023 £	Income £	Expenditure £	Transfer £	Other gains/ (losses) £	Balance at 31 March 2024 £
General funds	1,300,059	12,705,155	(13,236,505)	-	-	768,709
Pension reserve	661,000	-	(86,000)	-	(810,000)	(235,000)
<b>Unrestricted funds</b>	<b>1,961,059</b>	<b>12,705,155</b>	<b>(13,322,505)</b>	<b>-</b>	<b>(810,000)</b>	<b>533,709</b>

#### 15. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2025 £	2024 £
Net income/(expenditure) for the reporting period	58,655	(617,350)
Depreciation and impairment of fixed assets	393,588	350,091
Interest received	(48,691)	(82,017)
FRS 102 pension adjustments	68,000	86,000
(Increase)/decrease in debtors	(29,343)	437,484
Increase/(decrease) in creditors	411,834	(422,010)
(Increase)/decrease in stock	(1,067)	13,054
Loss on disposal of fixed assets	662	147,114
<b>Net cash provided by/(used in) operating activities</b>	<b>853,638</b>	<b>(87,634)</b>

## WEST LoTHIAN LEISURE

### Notes to the Financial Statements

For year ended 31 March 2025

#### 16. Analysis of Changes in Net Debt

	Brought forward £	Cash flow £	Non-Cash flow £	Carried forward £
Cash	1,608,530	(233,669)	-	1,374,861
Finance lease debt	(1,176,884)	213,181	(55,912)	(1,019,615)
	431,646	(20,488)	(55,912)	355,246

#### 17. Commitments

At 31 March 2025 the charitable company had commitments under non-cancellable operating leases for equipment as set out below: -

	2025 £	2024 £
Payments falling due:		
Within one year	8,371	10,675
Within two to five years	-	9,545
	8,371	20,220

#### 18. Members' Interests

Due to the nature of the charitable company's operations and composition of its Board, being comprised of individuals from public sector and commercial organisations, it is inevitable that transactions will take place with companies and organisations in which a member of West Lothian Leisure has an interest.

The charitable company works in partnership with West Lothian Council with which transactions have been undertaken during the year. The following is a list of members of the Board who held potentially connected positions during the year.

Table showing potential for Director's Connected Interests:

WLL Director	Company	Occupation	Date Joined
Beverley Greer		Sports Coach	27/06/2013
Tom Conn	West Lothian Council	Elected Member	12/03/2020
Danny Logue	West Lothian Council	Elected Member	30/06/2022
Suzanne McAdam	West Lothian Leisure	Area Manager	15/09/2022
Craig Campbell		Consultant	23/03/2023
Sergio Tansini		Retired Company Director	04/10/2019
Gillian Hentges	Sainsbury's Bank	Chartered Accountant	26/10/2021
Michelle Chambers Cran	David Lloyd	Regional Manager	16/05/2024
Kim Anne Walker		Retired Managing Director	16/05/2024

## WEST Lothian LEISURE

### Notes to the Financial Statements

For year ended 31 March 2025

#### 19. Related Party Transactions

West Lothian Council is the sole member of the charitable company. West Lothian Council may appoint or remove any director from office, provided that the number of directors in office appointed by West Lothian Council at any time does not form a majority or exceed a maximum of 4. West Lothian Council may, by special resolution, direct the directors to take, or refrain from taking, specified action, and is entitled to make any decision of the company as if agreed by the company in a general meeting.

West Lothian Council has the registered address of West Lothian Civic Centre, Howden South Road, Livingston, West Lothian, EH54 6FF, also commissions the work of the charitable company by virtue of a services agreement, which provides a substantial portion of the charitable company's funding and use of the premises operated by the charitable company.

During the year, £712,950 (2024: £962,950) was received from West Lothian Council as a management fee, with a further £713,926 (2024: £713,926) in connection with new facilities taken on in April 2017. In addition to this, £128,000 (2024: £128,000) was received for free under 16s swimming, £120,830 (2024: £120,830) for free under 5s and over 60s swimming, £7,000 (2024: £7,000) for ASN curricular swimming and £87,463 (2024: £87,463) for curricular swimming. A further £334,098 (2024: £82,892) was received in grants and other income during the year.

Payroll and expenses of £6,958,362 (2024: £6,923,529) were disbursed by West Lothian Council and reimbursed by West Lothian Leisure. Other expenditure invoiced during the year totalled £68,044 (2024: £63,960). During the year £278,000 (2024: £146,000) was received to cover the additional cost of applying the real living wage and £nil (2024: £202,616) was received from West Lothian Council towards redundancy costs. At the year-end there is a balance due to West Lothian Council of £1,715,759 (2024: £1,490,470).