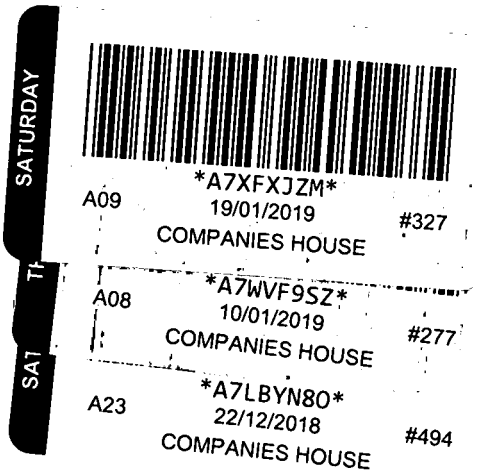
REGISTERED COMPANY NUMBER: 04624607 (England and Wales)
REGISTERED CHARITY NUMBER: 1105278

REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 FOR

WIGAN LEISURE AND CULTURE TRUST T/A INSPIRING HEALTHY LIFESTYLES



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WIGAN LEISURE AND CULTURETRUST
T/A INSPIRING HEALTHY LIFESTYLES

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for the Year Ended 31 March 2018

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WIGAN LEISURE AND CULTURE TRUST
T/A INSPIRING HEALTHY LIFESTYLES

CHAIRMAN'S REPORT
for the Year Ended 31 March 2018

By placing our residents at the heart of all decisions we have achieved great things in 2017/18, developing products and services that have the best possible impact across communities.

We are always seeking opportunities to improve our leisure offer, and this year has seen a large-scale redevelopment of Ashton Leisure Centre, managed in partnership with Wigan Council. The site now has new gym, cycle and studio spaces, as well as steam, sauna and 3G football facilities, providing residents with access to the latest equipment and virtual fitness programmes. These improvements can act as a template for the level of quality we strive for as we develop further locations in 2018/19, including Chase, Selby and Robin Park Leisure Centres.

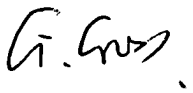
As well as building first class facilities, we have utilised numerous stunning outdoor locations. In developing the facilities taking place on Scotman's Flash in Wigan, we have provided residents with access to a unique selection of fantastic experiences. We have seen a significant rise in school bookings, as well as visits from the general public and dedicated inclusivity sessions, meaning a broad scope of residents can feel the huge fitness and wellbeing benefits of activities including windsurfing, raft building and canoeing.

Meanwhile, Haigh Woodland Park continues to be a centrepiece of our offer within Wigan, attracting a record 400,000 visitors in 2017/18 thanks in part to the development of our events programme and the promotion of permanent features including Adventure Golf and High Ropes.

Last financial year, we proudly won the contract for the men's weight management programme commencing 2018/19 in Wigan. Lose Weight, Feel Great FOR MEN represents a significant and exciting leap in our strategic approach to partner engagement. By working closely with Wigan Council, Wigan Warriors Community Foundation and Wigan Athletic Community Trust, and alongside stakeholders including Slimming World, Leigh Centurions and MAN v FAT, we have been able to craft a weight loss scheme that is geared at attracting a wider audience through a variety of offers, with the added benefit of being able to promote the services effectively across more channels. I look forward to sharing news of its progress in the year ahead, having launched with great media exposure and exceeded early targets on participation.

None of this progress would have been possible without the dedication of our employees, the committed leadership of our senior managers and the valued support of our trustees. I'd like to personally thank all individuals involved in shaping our vision and supporting residents to live happy and healthy lives. In particular I would like to thank Tony Bradshaw, one of our longest-serving Trustees who retired from the Board during the year.

Gareth Cross
Chair of Trustees



REPORT OF THE TRUSTEES
for the Year Ended 31 March 2018

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2018. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Organisation

The charitable company is a company limited by guarantee with the income and property of the charitable company being applied solely towards meeting the objectives of the charity as outlined below. No dividend, bonus or profit share shall be paid or transferred directly or indirectly to members of the charitable company.

The financial statements show the financial affairs of both the Wigan Leisure and Culture Trust group and the Wigan Leisure and Culture Trust charitable company. The group consists of Wigan Leisure and Culture Trust, its 100% subsidiary, Wigan Leisure and Culture Enterprises Limited, and its indirect 100% subsidiary Inspiring healthy lifestyles Limited (formerly known as Proco Enterprises Limited).

Wigan Leisure and Culture Trust make substantial use of the brand Inspiring healthy lifestyles.

At an extraordinary Board Meeting on 10th February 2017 it was resolved to seek approval from the Charity Commission to transfer the remaining activities of the subsidiary companies to the parent company, Wigan Leisure and Culture Trust. It has also been agreed that should such approval be forthcoming Inspiring healthy lifestyles Limited would be voluntarily wound up. Wigan Leisure and Culture Enterprises Limited would be retained, subsequently renamed Inspiring healthy lifestyles Limited and declared dormant, the reason for the retention being protection of the intellectual property rights. During 2017/18 neither of the subsidiary companies traded.

The charitable company operates under the memorandum and articles of association as modified in November 2007 and July 2010 and further updated in September 2017. A review of the memorandum and articles of association commenced during 2016/17 and was completed in 2017. As a result of the review, and having received the permission of the Charity Commission, a Special General meeting was held on 28th September 2017 and members agreed to remove the following Object from the Memorandum of Association:

"the provision or assistance in the provision of public cemeteries and/or crematoria and the maintenance of the same for the public benefit"

Charitable status

The company gained charitable status on 3rd August 2004. The charitable company registration number is 1105278.

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2018

STRATEGIC REPORT
Achievement and performance

The Strategic Report comprises the following sections: from 'Strategies employed in the year' to 'Future Plans'.

Strategies employed in the year

Progress has been demonstrated in 2017/18 against all the strategic aims:

- To provide inspiring leisure and creative experiences empowering people to improve their health and wellbeing.
  - To review, develop and improve services that inspire everyone to be active and improve their wellbeing.
    - Ashton Leisure Centre underwent refurbishment and was re-opened to the public on 2nd May 2018.
    - Design and development work for refurbishment was undertaken at Robin Park Leisure Centre and Arena, Wigan
    - Investment was secured for Chase Leisure Centre, Cannock and options appraisal work commenced.
    - Approval was given to undertake an options appraisal of Pennington Flash Country Park, Leigh.
    - The Managing Director was Chair of GM Active, ensuring the Trust is integral to Greater Manchester developments. The Trust has also been asked to become a member of the ukactive Development Panel.
  - To maintain high quality facilities and services ensuring delivery of key impact framework outcomes.
    - An outcome based framework was developed and implemented in Cannock.
    - Further development of the Wigan performance management framework was undertaken to integrate public health measures.
  - To review and develop the Inspiring healthy lifestyles approach to memberships.
    - Work on the 5 year Health and Fitness and Aquatic development plans progressed and the Learn to Swim programme demonstrated continued increases in performance.
    - As part of the work with GM Active the Trust will become part of a reciprocal membership scheme which will allow customers from all partner organisations access to facilities across Greater Manchester.
    - A review of golf memberships was initiated.
  - To develop a holistic approach to the provision of easily accessible services.
    - The Trust was awarded a contract to deliver men's weight management services across the Wigan borough. This was underpinned by a one company approach which will see complementary and integrated products and services offered through Wellbeing and Sports and Leisure facilities.
    - A Business Support review was initiated which will see the development of integrated customer access channels and remove siloed approaches to customer service.
- To develop, strengthen and expand our social enterprise approach delivering long term sustainability.
  - To ensure the effective and successful operation of the organisation.
    - An amendment was made to the Memorandum and Articles of Association at a Special General Meeting in September 2017, subsequent to Charity Commission approval.
    - A number of service reviews were undertaken.
  - To expand the business through successful tendering for new contracts and the development of new products and services.
    - The Trust engaged with GM Active ensuring progress on key workstreams including reciprocal memberships, events and promotion, benchmarking, health, workforce and workplace physical activity.
    - The Trust successfully tendered for the MILI weight management service in Selby, provision of a triage service for Harrogate and the men's weight management contract in Wigan.
  - To ensure a high quality customer experience throughout the organisation.
    - Rollouts of the organisational quality management system progressed and quarterly audits took place. This approach is identifying areas of strength and improvement and is ensuring a consistent approach across the organisation.
    - ISO14001 was retained during the year. The Wellbeing service undertook a full assessment against the new QUEST model - gaining an excellent status, the highest achieved in Greater Manchester.

STRATEGIC REPORT – continued

Achievement and performance

- To develop the use of appropriate systems to effectively manage organisational performance.
  - Work was completed on domain separation and the Trust now sits on its own IT infrastructure.
  - All wellbeing products across the three main contract areas are moving onto the Refer All platform which will see improvements to the customer journey and the management of data in these areas.
  - A review of system requirements has been developed to enable business improvements and maintain competitiveness in key markets.

- Through a partnership approach, fulfil the vision and meet the strategic aims of our corporate clients.
  - To ensure sustainable partnerships with all our key clients.
    - A new performance management framework, integrating public health contracts, is in place and regular meetings take place to ensure compliance with the framework.
    - A number of developments and investments have been delivered including Leigh Leisure Centre, Haigh Woodland Park Phase One and Ashton Leisure Centre. A number of other sites will see significant investment in the new financial year.
    - Effective back office arrangements are in place for a number of areas including HR, facilities management and insurance. PR arrangements have been reviewed and this function will transfer back in-house.
  - To support partners in the strategic development of service provision.
    - Training has been delivered to all Wigan staff to promote understanding of the partnership and the asset based approach to service delivery.
    - The Trust is fully engaged in the Service Delivery Footprints across Wigan which work collaboratively across a number of partners to provide integrated solutions.
    - Performance frameworks are in place across all three main contract areas and are working effectively.
  - To develop an approach to market research to inform strategic decision-making and business development.
    - A targeted marketing approach using Experian Customer Data has been deployed and led to successful tendering for contracts and the joint development of targeted service solutions with key clients.

- To support and develop community involvement, sharing best practice in everything we do.
  - To identify appropriate opportunities to utilise alternative delivery mechanisms to increase workforce capacity.
    - The Trust continues to develop and refine the Apprenticeship programme to ensure it meets organisational needs and supports the development of the workforce in key areas.
    - The Trust has launched Skype for Business to support collaboration across the workforce.
    - The development of the volunteer workforce is ongoing.
  - The development of a framework for effective support to the Third Sector.
    - The Trust is a panel member of the Wigan Deal for Communities Investment Fund and has been involved in reviewing bids and making recommendations.
    - The Trust approach to volunteering is being developed.
  - To ensure a demonstrable contribution to local priorities.
    - A review of the Learning Centre established a firm commitment to driving quality through our Apprenticeship programme.
    - Successful funding applications were made to Stage 2 of the Reaching Communities Fund in Cannock, Wigan and Leigh Homes / Leigh Town Centre Board for a '50p Thursday' scheme at Howe Bridge Leisure Centre, the Community Sport Activation Fund, SASSOT Chase IT fund and the Transport for Greater Manchester Walking Cycling scheme.
    - There has been a significant improvement in overall qualification achievement data and 100% of learners completed their programme of study within the agreed timescales. Retention rates were also higher in comparison to the previous year which further demonstrates a positive improvement in the apprenticeship experience.

STRATEGIC REPORT – continued

Financial review

Results for the year

The financial statements are prepared in accordance with applicable accounting standards and the Charity Statement of Recommended Practice (FRS102 SORP) (effective 1 January 2015) and covers the activities of Wigan Leisure and Culture Trust and its trading subsidiaries Wigan Leisure and Culture Enterprises Limited and Inspiring Healthy Lifestyles Limited.

The Statement of Financial Activities (SOFA) shows the gross income from all sources and the split of activity between restricted, endowment and unrestricted funds.

Total funds of the charitable group have increased due in part to actuarial pension gains (see note 24) and amount to a surplus of £5,194,855 as at 31 March 2018 (2017: surplus £3,424,570) representing unrestricted funds surplus of £2,875,386 (2017: surplus £1,097,702) which includes; designated funds surplus of £30,000 (2017: surplus £10,000), pension surplus of £1,235,000 as at 31 March 2018 (2017: deficit £280,000) and unrestricted funds surplus of £1,610,386 (2017: £1,377,702). Restricted (including endowment) funds surplus totalled £2,319,469 (2017: surplus £2,316,868).

The statement of financial activities shows that there were net outgoing resources before movements in the valuation of investments and the pension scheme for the charitable group for the financial year amounting to £568,146 (2017: net expenditure £190,436).

The Trust met its social and business objectives and through a combination of proactive management and a committed workforce, the worst impact of the adverse economic conditions was mitigated.

Wigan Leisure and Culture Enterprises Limited and Inspiring Healthy Lifestyles Limited generated a loss before taxation of £489 (2017: loss of £158,062) and £Nil (2017: surplus £1,162) respectively.

It is the Trust's intention to voluntarily and solvently wind-up Inspiring healthy lifestyles Limited at an appropriate date, to retain Wigan Leisure and Culture Enterprises Limited and subsequently rename it Inspiring healthy lifestyles Limited and declare it dormant at an appropriate date.

Reliance on other parties

The charitable company continues to rely heavily on national and local government policies for contract income. Although the principal contract income from Wigan Council was further reduced in 2017/18, services were rationalised and investment made to accommodate that reduction.

Investment policy and objectives

Bearing in mind the charitable company's commitment to effective stewardship of resources, the Trust has endorsed an investment policy that allows for £1,500,000 to be invested in structured products with the balance of resources being invested in Public Sector Reserve accounts. Structured products are traded on the markets but guarantee, to various degrees, a return of capital invested. However, under the SORP, these investments are valued at market price rather than capital value, and on that basis a gain on revaluation has been recorded for 2017/18.

STRATEGIC REPORT – continued

Financial review

Reserves policy

The charitable company's reserves policy was reviewed in June 2018. It was agreed that it was appropriate to seek to maintain a level of general unrestricted reserves (excluding surpluses / deficits on pensions) of £1 million. The purpose of those reserves is to safeguard against both any significant loss of funding and any unforeseen adverse circumstances and to thereby facilitate the continuance of the delivery of the charitable company's stated objectives.

The level of consolidated reserves before taking account of the FRS102 adjustment for the pension deficit at 31st March 2018 is £3,959,855 (2017: £3,704,570). These comprise restricted reserves of £2,319,469 (2017: £2,316,868); designated reserves of £30,000 (2017: £10,000) and general unrestricted reserves of £1,610,386 (2017: £1,377,702).

Going concern

After making enquiries the Trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future, being a period of twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements. Further information is given in the accounting policies (page 31).

Grant Policy

The charitable company gives very limited grants to external institutions. Those that are given are approved by the Board through the charitable company's financial monitoring arrangements.

Pension Commitment

Wigan Leisure and Culture Trust Limited is a member of the following multiple employer defined benefit pension schemes, the Greater Manchester Pension Fund, the Staffordshire Pension Fund and the North Yorkshire Pension Fund.

Each member organisation shares a joint and several liabilities for the pension funds. As such, and in accordance with FRS102, it has been possible to identify Wigan Leisure and Culture Trust's share of each scheme's assets and liabilities at 31 March 2018, as advised by the appointed actuaries. Refer to note 24 for additional information.

All three of the defined benefit pension schemes have undergone a valuation at 31st March 2018. The three schemes all recorded positive movement as a result of the valuation. The Greater Manchester scheme remains in deficit but this is much reduced. The Staffordshire scheme and the North Yorkshire scheme remain in surplus as a result of the valuation. The total deficit across the three schemes has reduced from £280,000 at 1st April 2017 to surplus of £1,235,000 at 31st March 2018.

Trustees have considered the defined benefit pension scheme liability and the risk of this liability becoming due and whilst the pension scheme deficit is not a debt but is an actuarial estimate of the liability that the Trust will need to fund, this will be over the longer term and the Trustees recognise the need to plan for this.

This risk is mitigated to some extent by the fact that any cessation of running services as a result of changes to the Trust's operating model or ending of contracts, is highly likely to result in staff transferring to a new service provider through a transfer of undertakings (TUPE) along with the associated pension liabilities.

Specific actions that are already in place to manage the risk are that the Trustees have closed the local government pension schemes it operates to both new and existing non scheme member employees, in order to manage the future financial risk in relation to pension fund deficits. After an evaluation process WLCT has joined the National Employment Savings Trust (NEST) scheme. It is planned that over time a greater proportion of our employees will be part of this, rather than the local government scheme. This will over time achieve greater cost certainty as NEST is a contribution based scheme rather than a final salary based scheme. In response to new legislation, employees are "auto-enrolled" into the NEST scheme.

Additionally any future increased employer contribution rates are forecasted and planned for as part of the budgeted revenue account, and there is an Admitted Body Agreement in place for the largest scheme the Trust operates as an employing body whereby the Local Authority acts as guarantors.

STRATEGIC REPORT – continued

Financial and risk management objectives and policies

We operate a formal risk management process, where Trustees and senior managers together identify top-level risks to the charitable company, their probability, impact and consequent actions necessary to manage them. A formal risk management policy was approved by Trustees in July 2011. This includes Corporate and Operational Risk Registers which are constantly under review.

The current economic climate underpins much risk management activity. This is both in the context of reducing public expenditure and in the context of wage restraint and recessionary pressures nationally putting pressure on individual household budgets. During 2017/18 the Trust managed a reduction in the Community Service Fee paid by our biggest client, Wigan Council. On the other hand the new 10 year contract with Wigan Council signed in December 2016 is providing a firm foundation on which to sustain and grow the organisation.

However the government has indicated that further reductions in local authority expenditure are planned for 2018/19 and there is uncertainty beyond. This, combined with the uncertainty around the impact of leaving the European Union on the economy as a whole, means that we will need to continue to work closely with our clients to ensure financial sustainability alongside delivering maximum public benefit. To date we have received positive support through their agreement to invest in facilities that will not only require less revenue investment, but also better meet the needs of the local population in terms of improving health and wellbeing.

In relation to individual household spending our focus on developing a high quality offer at reasonable and competitive prices has been successful in enabling us to retain and grow our individual customer base and maximise the public benefit delivered by the Trust.

Managing a rationalisation programme also entails managing the risks associated with that programme. Trustees would like to thank management for their careful and empathetic management of that programme, particularly where it has been necessary to reduce the number of posts on the establishment and also to thank the staff themselves for the professionalism and commitment they have shown and continue to show in delivering services.

The key risks identified for the year 2017/18 were:

Objective	Risk	How we managed the risk
To successfully sustain, develop and expand the charity	Financial reliance on a small number of key commissions and in particular the partnership arrangement with Wigan Council	Continuing to seek additional opportunities which deliver public benefit. In particular developing our relationship with our largest client; Wigan Council, and Public Health to secure a wider base of health based / Physical Activity commissions.
To successfully sustain, develop and expand the charity	Reliance on public sector funding particularly in the light of on-going local government spending restrictions	Continuing to bid for further contracts and commissions across the GM City region and potentially with other commissioning organisations within our sphere of operation (e.g. North Yorkshire CC and Staffordshire CC Public Health). Plus the further development of commercial and affordable offers to the public that bring health or wellbeing benefit
To successfully sustain, develop and expand the charity	Achievement of budget reductions in response to funding reductions from our commissioners and maximising financial returns from our contracts.	Adoption of a project management based methodology for change management and stringent contract management control.

The Trust is not exposed to currency risk and has minimal exposure to interest rate risk, price risk or market risk. Training in risk assessment is delivered to staff, and a small "Risk and Compliance" team has been established to support this area of work.

STRATEGIC REPORT – continued

Fund Raising

The Trustees can confirm that it does not raise funds from the public other than through payment for taking part in the charitable services the Trust provides and has not engaged any professional fundraiser or commercial participator to carry out fundraising activities. The charity has received no complaints about fundraising activity.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 4 of the Charity Act 2006 in having due regard to the Commission's guidance on public benefit when reviewing the aims and objectives and in planning the future activities of the Trust.

The Trust delivers public benefit by:

- Not restricting access to its services to any member of the public, irrespective of their place of residence
- Providing free access to the Museum of Cannock Chase
- Providing access to all leisure facilities at tariffs lower than commercial market tariffs
- Providing free access to weight management and other health related services
- Delivering activities from parks and other open spaces that are open free of charge to the public
- Providing employment opportunities and learning and skills development

A clear focus of the Trust's business strategy is to ensure that more people are more active, more often so that the health and wellbeing benefits of regular exercise are realised. In 2017/18 the new Active Lives survey ran for the second year and in March 2018 the latest results showed an increase in the proportion of active adults in Wigan (61.3% to 62.8%) but a decline in Selby (74.4% to 65.7%) and Cannock (61.4% to 61.1%).

Key performance indicators for the year demonstrate that we had:

- 2.98 million visits to our leisure centres
- Supported 785 volunteers to contribute over 29,000 hours of their time supporting our services
- 15,857 attendances in sports development community activity
- Over 15,000 concessionary cardholders

In Wigan significant redevelopment work was undertaken at Howe Bridge Sports Centre alongside the ongoing major work at Ashton Leisure Centre. Leisure centre sites hosted a number of key community engagement events with Robin Park Arena working alongside Wigan Council and Wigan Athletic Community Trust to deliver the Together Tournament in autumn 2017, celebrating cultural diversity through football and engaging with 200 participants. Howe Bridge worked with Wellbeing to deliver holiday hunger interventions supporting children from the most deprived local communities in accessing healthier lifestyle choices alongside activity sessions in the Extreme Zone. The Holiday Hunger programme was delivered across a total of 9 venues in the Borough with over 400 hours of activities provided. The site also continued to offer Dementia friendly swimming sessions. In Cannock 5s Pavilion opened at the start of the year, engaging successfully with children and young people from the local community through the Kids for a Quid offer.

During the course of the year work commenced on identifying longer-term impact measures to demonstrate the wider contribution of leisure centres to a range of health and social priorities. The rolling out of Wellness gym technology across all three contracts allows for meaningful large-scale data to be collected on participation and activity levels, weight management and achievement of personal goals, and discussions are ongoing with commissioners to establish how this rich data can be used to illustrate leisure centres' contribution to the wider health and wellbeing outcomes.

The Trust has been working with Data Hub to accurately evidence the impacts of sports and physical activity to provide a social return on investment for leisure centre activities. The measure uses evidence based academic research, undertaken by SIRC (SHU) and funded by DCMS and Sport England. The social value is calculated across 4 main indicators:

- Improved health: CHD stroke, Breast cancer, Colon cancer, Diabetes, Dementia, Self-reported good health
- Improved subjective wellbeing or life satisfaction
- Increased educational attainment: 11-18 year olds' educational attainment, Enhanced human capital
- Reduced crime

STRATEGIC REPORT- continued

Each indicator has different impact levels based on the demographics of the people participating in physical activity. Further weightings are applied to the health value generated for each individual to capture the difference in benefits. A social value of £12.6m has been generated across the leisure facilities in the Wigan contract. The analysis below breaks down the total social value into each of the 4 categories:

Sector Benchmarking Based on Profile of Value Generated			Value	SV Index Score
TOTAL			£12,694,265	85%
Improved health				
CHD Stroke £574,357	Breast Cancer £93,442	Colon Cancer £42,523	£2,966,292	86%
Diabetes £130,396	Dementia £1,255,273	Good Health £864,199		
Improved subj. wellbeing			£9,376,580	85%
Increased educational attainment				
11-18 educational attainment £1,565	Enhanced human capital £341,472		£343,038	86%
Reduced crime			£8,367	83%

Further work will now be undertaken with Data Hub to analyse the activity in Cannock and Selby and reported in future reviews.

The Trust's Wigan Wellbeing team has engaged with over 7,500 new participants on the physical activity intervention programmes (Back to Sport, Active Outdoors, Community Weight Management and Activity Referral). Figures from 2017/18 for the physical activity programmes show 62% of participants report an increase in physical activity levels post intervention compared to baseline, exceeding the programme's targets. Over 80% of participants on the Active Later Life programme recorded a reduction in the risk of sustaining a fall following completion of the programme, an increase compared to the previous year of over five percentage points. June saw the launch of the On Your Bike project, working with a range of local partners to encourage hard-to-reach communities to take part in cycling. The Let's Get Movin' team worked with families, primary schools and education / early years' settings to deliver their weight management and healthy lifestyle programmes, with over 1,600 children and 68 schools accessing the healthy lifestyle programme. Over 25,000 children maintained their oral health through the Let's Get Brushing scheme with 100% of schools and 56% of families engaged with assessed as having adopted healthier behaviours and lifestyles following completion of the programme. The team continued to support the Daily Mile school initiative and expanded this to younger age settings through the Daily Toddle.

The Trust has supported a broad range of events during the year, including September's second Wigan Wellfest event. IHL also provided the training, planning and event delivery and support for the Wigan and inaugural Leigh 10k events, the Together Tournament as part of Kick It Out week, the annual Jazz Festival, the Greater Manchester Walking Festivals, Sport Relief and International Women's Day.

Over 70,000 attendances were recorded at outdoor activity sessions including Outdoor Adventure at Scotman's Flash and Haigh Woodland Park and the Active Outdoors walking, cycling and running programmes. 641 individuals successfully achieved accreditation with the Outdoor team over the course of the year.

STRATEGIC REPORT – continued

In Selby the Move It and Lose It programme completed its pilot phase during 2017/18, with 1,823 participants having accessed the programme of whom 1,348 (73%) completed the 12 week course (NICE guidance suggests 60% of completion for a Tier 2 weight management program would be a successful project). In July 2017 Move It and Lose It (MILI) was successful in gaining a five year contract commissioned by North Yorkshire Public Health following the successful two-year pilot programme, with 441 participants accessing the programme since its resumption of whom 103 have achieved a 5% weight loss.

- Participant K joined the programme in August 2017 suffering from a range of health conditions including arthritis as a consequence of being overweight. Despite initially finding the session challenging they were supported by the instructor and within a month were able to take part in all the activities. Since joining the programme participant K has lost nearly four stone and progressed from only being able to swim eight lengths of the pool to swimming 64 lengths. As they have managed their arthritis they have also been able to resume walking and cycling. "I am no longer a couch potato but someone who enjoys exercise!"

- Participant C joined the programme having previously lived an active lifestyle but owing to illness had experienced mental and physical wellbeing challenges and lapsed into inactivity and an unhealthy lifestyle. C's wife joined MILI and he was prompted to join her. "The first thing which hit me was the diverse range of ages and abilities within the group. Everybody was there to achieve their own goals, but did so with a smile on their faces. No competition, nobody screaming at you to do more/better and it was a very relaxed atmosphere. "My wife and I have achieved bronze, silver and gold Body Magic Awards at Slimming World. We regularly attend the gym and are far more active and health conscious than we have ever been, we have lost over 4.5 stone between us in approximately twelve weeks and we couldn't be more motivated! But the exceptional thing is the knowledge we have learned on our journeys means we never go hungry and do not struggle. We understand what to do and we do it. It is an amazing feeling to feel in control again and we are much happier for it!"

Throughout the year the Trust has continued to develop its strong track record of working with volunteers and community groups. Our existing volunteering programme has 785 registered individuals who delivered more than 29,000 hours during 2017/18 across a range of projects, services, events and activities including supporting events at the Prince of Wales Theatre in Cannock, woodland custodians, activity leaders and play. The Trust also supports the Wigan element of the Manchester VIP volunteering database with 178 individuals registered on the database by year end. In addition 28 FANS fund talented athletes delivered 275 hours of volunteer support in Wigan.

Throughout the year our Wellbeing teams delivered a range of initiatives related to inclusive sport, with particular consideration to promoting activity amongst hard to reach groups including female participants, older adults and people with a disability. Over 1,900 individual participants with a disability attended physical activity programmes during the year, 1,259 leisure centre members reported as being disabled. 27% of participants on the physical activity programme came from the top 20% most deprived communities whilst over 9,000 leisure centre members and over 2,000 participants on the Arts programme were from these areas of highest deprivation.

In Cannock our Wellbeing team worked on a range of new programmes. Help A Squaddie launched during the year to support ex-services personnel suffering from post-traumatic stress disorder through a range of leisure and physical activities, and will complement the existing Armed Forces concessionary membership. The Our Parks outdoor fitness programme engaged with 447 participants, significantly exceeding annual target with further research indicating that the majority of participants had previously been inactive. The intervention also proved successful in addressing anti-social behaviour in Hednesford Park. Start Pedalling and Balance Ability cycling programmes were launched with over 200 people attending the launch event. 457 young people attended the Festival of Sport and Culture at Rugeley Leisure Centre in June. The year also saw the opening of St Lukes Sensory Garden in Cannock town centre, enhancing an area which had previously been prone to anti-social behaviour including littering and drug and alcohol use. A number of local businesses have committed to provide volunteer support at the site in 2018/19. The Chase Active Friday programme received recognition as it was awarded the SASSOT (Sport Across Staffordshire and Stoke-on-Trent) prize for Community Impact.

STRATEGIC REPORT – continued

The Trust has a clear commitment to improving education and skills, reducing inequalities, increasing lifelong learning and skills opportunities and providing employment opportunities. Through our Learning Centre, key partners and existing services we provide a wide range of pathways / opportunities for children and young people to access additional training and personal development and 2017/18 saw a first cohort of learners complete their programmes and the new intake begin their time with the Trust. The first phase saw 87 learners access the programme with an 88% completion rate and 90% progression to employment. 75 people have accessed the current learning programme.

This year's National Play Day event was once again held at Haigh Woodland Park. All delivery services across the organisation came together to showcase the services offered by the Trust including the new developments at the park and despite inclement weather conditions over 4,500 people attended the event. Norley Hall Adventure Playground meanwhile recorded over 8,800 attendances over the year whilst the Brook programme more than doubled its target for the year with 806 young people taking part in the programme targeted at promoting sexual health and building resilience.

Both the Museum of Cannock Chase and the Prince of Wales Theatre enjoyed record-breaking years for attendances. The Museum engaged with a new target audience through the Gen-i youth festival in March whilst Dementia Friendly and British Sign Language sessions continued to provide a broad range of events, interpretations and activities for key target audiences. The Theatre exceeded the previous year's attendance record and continued to provide community opportunities by working with partners including M3 Studios and Seasons Theatre to support and host performances from the local community including adults with learning disabilities.

The Trust has been able to deliver investment in facilities for local people. Haigh Woodland Park developments continued apace with the conclusion of the Kitchen Courtyard and new Visitor Centre facilities. Over 65,000 activity visits were recorded at Haigh with the Adventure Golf course proving particularly popular whilst across the other parks and greenspaces which the Trust supports (Mesnes Park, Pennington Flash and Three Sisters Country Park) over 180,000 visits were recorded by the people counter technology. Boathouse facilities at Scotmans Flash were improved during the year whilst in Cannock 2017/18 also saw agreement of the redevelopment options at Chase Leisure Centre which will continue to be progressed in 2018/19, whilst the Trust has been a key member of local strategic and planning groups including Playing Pitch Strategy steering / consultation groups in Wigan and Cannock and through SHAPE Board in Wigan.

STRATEGIC REPORT – continued

Future plans
Our future plans are derived from our new Business Strategy adopted in June 2018.

The new business strategy has the following vision:

- To inspire people to choose healthier, more creative and active lifestyles.

The vision is underpinned by our three core values:

- Enrich
- Collaborate
- Innovate

The strategy will be delivered through three aims each underpinned by strategic objectives:

Aim 1: To deliver experiences that empowers people to be responsible for their own lives

Strategic Objectives

- To live our values to provide an inspiring customer experience
- To deliver products and services that encourage fun and enjoyment
- To invest in and maintain high quality, accessible facilities and services

Aim 2: To develop a positive and healthy workforce

Strategic Objectives

- To lead, motivate and inspire our people
- To ensure the provision of truly integrated high quality services.
- To invest in skills, knowledge and capacity

Aim 3: To develop strong partnerships that deliver impact and meet local needs

Strategic Objectives:

- To support our clients to develop active and sustainable communities
- To work in collaboration to ensure an asset based, person centred approach
- To identify opportunities to maximise our impact and deliver our vision

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Board of Trustees was set up through a mix of identified specialists / Council nominees and open adverts in the press. Replacement Trustees are recruited in a similar manner. The Board meets on a quarterly cycle.

The Board has four established sub-committees - Audit Committee; Finance and Performance Committee; Human Resources and Health & Safety Committee and the Nominations Committee and their members during 2017/18 are listed below:

Audit Committee:

T Bradshaw (retired 31/12/17); P Farrington (Chair and member of committee until 14/12/17); J Noott; D Newman (Chair from 14/12/17); C Wilks (from 14/12//17)

The Committee met three times during 2017/18.

Human Resources and Health & Safety Committee:

D A Lea (Chair); T Bradshaw (retired 31/12/17); D Bartle; M Weston; D Lythgoe.

The Committee met four times during 2017/18.

Finance and Performance Committee:

D Newman (Chair and member of committee until 14/12/17); E Smethurst; P Moss (Chair from 14/12/17); C Wilks (until 14/12/17); P Farrington (from 14/12/17); G Cross (from 14/12/17); J Meadows (from 29/03/18)

The Committee met four times during 2017/18.

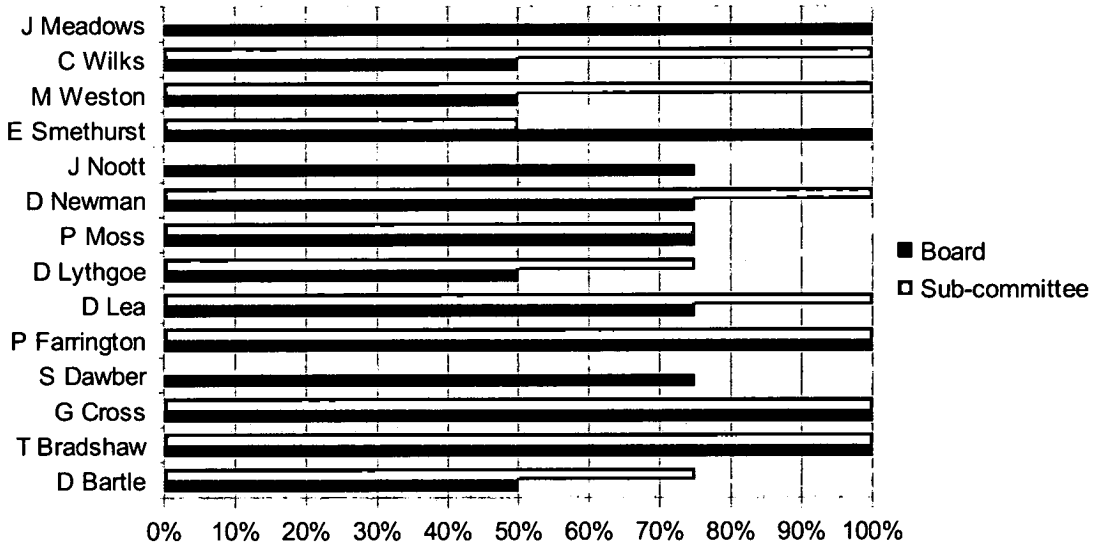
Nominations Committee

Chair of Trustees; Chair of Finance and Performance Committee; Chair of Audit Committee; Chair of Human Resources and Health & Safety Committee and the Managing Director.

The Committee met twice during 2017/18.

P Farrington was also an employee of Fairhurst Accountants until 30th June 2018. Mr Farrington had no involvement in the award of the audit tender, nor the audit process.

Trustees' attendance record



Cllr S Dawber was not appointed to any sub-committees during 2017/18.

J Meadows was appointed to the Board on 14/12/17 but not appointed to any sub-committees during 2017/18.

All Trustees remain active in the organisation and sent apologies to meetings they could not attend.

Senior Management Team

During 2017/18 members of the Senior Management Team were:

P Burt (Managing Director)
A Watmough (Head of Sport and Leisure Facilities)
D Heaton (Head of Finance and Resources, and Company Secretary)
C Derbyshire (Head of Business Development)
L Johnson (Head of Wellbeing)

K P Gascoigne, formerly Executive Director – Governance Development until 30/04/15 resigned as Company Secretary on 31/03/16 but continues to provide governance support on a freelance basis.

Management Remuneration

The salaries for all roles in the organisation, including senior management, are determined through the use of a pay spine. The pay spine is determined by a mix of benchmarked salaries against market rate, former local authority grades and grades for roles that have transferred into the organisation. Senior and middle management do not receive automatic increments - any increments are performance based through a system of annual appraisals.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Gender Pay Gap

Under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 the organisation is required to publish information about the gender pay gap in the organisation.

A snapshot was taken on April 5th 2018 as follows:

- The mean gender pay gap is (5.6.)% (2017 (8.8%))
- The median gender pay gap is 0% (2017 (3.8%))
- The mean gender bonus gap is *N/A.
- The median gender bonus gap is *N/A.
- The proportion of male employees receiving a bonus is *N/A and the proportion of female employees receiving a bonus is N/A.

*Bonus payments are not made to employees

The organisation is also required to publish pay quartiles by gender:

	April 2017 Snapshot		April 2018 Snapshot		
Band	**Males %**	**Females %**	**Males %**	**Females %**	**Description**
A	31	69	41	59	Includes all employees whose standard hourly rate places them at or below the lower quartile.
B	36	64	47	53	Includes all employees whose standard hourly rate places them above the lower quartile at or below the median.
C	48	52	43	57	Includes all employees whose standard hourly rate places them above the median but at or below the upper quartile.
D	49	51	48	52	Includes all employees whose standard hourly rate places them above the upper quartile

The figures set out above have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

The organisation is committed to the principle of equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment or disability. It has a clear policy of paying employees equally for the same or equivalent work. As such it

- Carries out pay and benefits audits at regular intervals
- Provides regular equal pay training for all managers and other staff members involved in pay reviews
- Evaluates job roles and pay grades as necessary to ensure a fair structure.

The organisation is therefore confident that its gender pay gap does not stem from paying men and women differently for the same or equivalent work. Rather the gender pay gap is the result of the roles in which men and women work in the organisation and the salaries those roles attract. The figures in the table above indicate an improvement in the snapshot data from April 2017 to April 2018.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The organisation's gender pay gap compares favourably with the median gender pay gap for the economy as a whole, the sector it operates in and the geographical areas it operates in.

The Human Resources and Health & Safety Committee discussed this information in September 2018 and noted the improvement in the organisation's gender pay gap. They committed the organisation to continue to do everything that it can to reduce the gap. The following steps were identified in order to continue to promote gender diversity in all areas of its workforce including the following:

- Succession planning and Talent Programmes supporting the right people into the right roles providing access to the right opportunities to expose and, stretch and develop people to reach their potential
- Creating an evidence base to identify any barriers to gender equality and inform priorities for action - including widening the monitoring of data using a new HR information system
- Raising the awareness of the organisation's flexible working policy
- Raising awareness of the salary sacrifice Child Care voucher scheme the organisation operates

Trustee training and development

A revised Trustee Handbook forms the basis of Trustee induction, supplemented by familiarisation visits to facilities and events tailored to the interests and needs of the individual Trustee. The handbook is now updated on a regular basis when new information necessitates amendments.

Training offered to Trustees is a combination of specific Trustee training and a broader invitation for Trustees to attend appropriate staff training.

No Trustee specific training was offered or undertaken during 2017/8. A number of Trustees attended management briefings during the year.

A self-appraisal of the Board sub-committees against the Code of Good Governance for Charities was undertaken during the autumn of 2017 and subsequently each sub-committee has reviewed its terms of reference. A self-appraisal of the operation of the Board will be undertaken in the autumn of 2018.

Recruitment and rotation of Trustees

The memorandum and articles of the charitable company require Trustees to retire after three years in office. However, they may, if willing, be re-appointed by the Board at a Board meeting at the end of each term of office.

Wigan Council is entitled to appoint two Trustees to the charitable company.

Limited Trustee recruitment took place during 2017/18 and J Meadows was appointed at the Board meeting on 14 December 2017.

Three Trustees retired by rotation and two offered themselves for reappointment. The Board resolved to reappoint them in order to ensure continuity over the next three years as the Board undertakes a major refreshment of its membership. T Bradshaw retired from the Board on 14 December 2017.

Decision making

Strategic decisions are made by the Board of Trustees, but operational decisions are the province of the Senior Management Team of the Trust. Significant operational decisions are, however, reported to the Board. The memorandum and articles of association allows delegation of all management decisions in accordance with such powers approved by the Board to the Senior Management Team.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Employee involvement

The charitable company has continued the practice of keeping employees informed of matters affecting them as employees and the financial and economic factors affecting the charitable company. The primary conduit for this has been an "Employee Representatives" group that has met regularly through the course of the year, alongside regular meetings with Trade Union representatives. In addition regular written briefings from the Senior Management have been issued throughout the year.

Disabled employees

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of an employee becoming disabled, every effort is made to retrain them and/or make suitable adjustments in order that their employment with the charitable company may continue.

It is the policy of the charitable company that training, career development and promotion opportunities should be available to all employees.

Objectives and policies

The charitable company has been established for the public benefit for the following purposes (drawn from the memorandum of the company):

- The advancement and support of education, culture, arts and history
- The provision or assistance in the provision of facilities for recreation or other leisure time occupations
- The promotion of good health through community participation in healthy recreation
- Any other charitable purposes beneficial to the public consistent with the above noted objectives as the Trustees shall determine

During 2015/16 a new three year Business Strategy was implemented for the charity. The vision statement for the Business Strategy was:

- To inspire people to choose healthier, more active and creative lifestyles.

The adoption of the Business Strategy also saw the adoption of a new overall brand for the charity - Inspiring healthy lifestyles.

This vision was delivered through four strategic aims:

- To provide inspiring leisure and creative experiences empowering people to improve their health and wellbeing.
- To develop, strengthen and expand our social enterprise approach delivering long term sustainability
- Through a partnership approach, fulfil the vision and meet the strategic aims of our corporate clients
- To support and develop community involvement, sharing best practice in everything we do.

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2018

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
04624607 (England and Wales)

Registered Charity number
1105278

Registered office
Robin Park Headquarters
The Indoor Sports Centre
Loire Drive
Wigan
Lancashire
WN5 0UL

Trustees

D A Bartle	
G W Cross	
S Dawber	- resigned 27/09/2018
D A Lea	
P G Farrington	
D W Lythgoe	
J B Meadows	- appointed 14/12/2017
P T Moss	
D A Newman	
J D C Nootт	
E Smethurst	
M A Weston	
C J Wilks	
T Bradshaw	- resigned 31/12/2017
J Moodie	- appointed 27/09/2018

Company Secretary
D M Heaton

Auditors
Fairhurst
Statutory Auditor
Chartered Accountants
Douglas Bank House
Wigan Lane
Wigan
Lancashire
WN1 2TB

Bankers
The Co-operative Bank plc
PO Box 101
1 Balloon Street
Manchester
M60 4EP

Solicitors
Stephensons Solicitors LLP
Northgate Close
Horwich
Bolton
BL6 6PQ

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2018

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees (who are also directors of Wigan Leisure and Culture Trust for the purposes of company law) are responsible for preparing the Report of the trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102, the Financial Reporting Standard applicable in the United Kingdom and Ireland. The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including income and expenditure, of the group 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 in the Charities SORP (FRS 102)
- 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
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and 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 the group 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;
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

AUDITORS

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

Report of the trustees, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on ...13 DECEMBER 2018... and signed on the board's behalf by:

G. Cross

.....

Mr G Cross – Chair of Trustees

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WIGAN LEISURE AND CULTURE TRUST T/A INSPIRING HEALTHY LIFESTYLES

Opinion

We have audited the financial statements of Wigan Leisure and Culture Trust t/a Inspiring Healthy Lifestyles (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2018 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the 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 company affairs at 31 March 2018 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 Group 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you were:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

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

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

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

In preparing the financial statements, the trustees are responsible for assessing the group and the parent 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 group and the parent 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.

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.

Fairhurst

Jane Dennis BA (Hons)
FCA (Senior Statutory Auditor)
for and on behalf of Fairhurst
Statutory Auditor
Chartered Accountants
Douglas Bank House
Wigan Lane
Wigan
Lancashire
WN1 2TB

Date: 18th December 2018

WIGAN LEISURE AND CULTURE TRUST
T/A INSPIRING HEALTHY LIFESTYLES

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) for the Year Ended 31 March 2018

	Notes	Unrestricted fund £	Restricted funds £	Endowment fund £	2018 Total funds £	2017 Total funds £
INCOME						
Trading activities						
Operations of trading subsidiaries		-	-	-	-	1,094,975
Charitable activities	5					
Management fee from Wigan Council		2,800,000	-	-	2,800,000	3,000,000
Wellbeing		2,628,823	175,714	-	2,804,537	2,738,473
Sport and Leisure		16,769,689	165,515	-	16,935,204	14,833,066
Other income						
Investment income	4	28,804	14,229	-	43,033	42,507
Other income		224,471	-	-	224,471	-
Total		22,451,787	355,458	-	22,807,245	21,709,021
EXPENDITURE						
Raising funds						
Operations of trading subsidiaries			-	-	-	1,253,607
Charitable activities	6					
Wellbeing		4,205,230	196,999	-	4,402,229	4,132,874
Sport and Leisure		18,808,990	148,170	16,002	18,973,162	16,527,533
Total		23,014,220	345,169	16,002	23,375,391	21,914,014
Taxation			-	-	-	(14,557)
NET INCOME/(EXPENDITURE)		(562,433)	10,289	(16,002)	(568,146)	(190,436)
Net gains/(losses) on investments		4,795	-	(3,364)	1,431	156,035
Other recognised gains/(losses)						
Actuarial gains/losses on defined benefit schemes		2,337,000	-	-	2,337,000	4,114,000
Transfers between funds		(11,678)	-	11,678	-	-
Net movement in funds		1,767,684	10,289	(7,688)	1,770,285	4,079,599
RECONCILIATION OF FUNDS						
Total funds brought forward		1,107,702	364,709	1,952,159	3,424,570	(655,029)
TOTAL FUNDS CARRIED FORWARD		2,875,386	374,998	1,944,471	5,194,855	3,424,570

The financial activities above include £22,807,245 (2017: £20,618,285) of income and £23,375,391 (2017: £20,660,407) expenditure relating to the charitable company. The results relate wholly to continuing activities.

The notes form part of these financial statements

WIGAN LEISURE AND CULTURE TRUST
T/A INSPIRING HEALTHY LIFESTYLES

CONSOLIDATED BALANCE SHEET
At 31 March 2018

	Notes	2018 £	2017 £
FIXED ASSETS			
Intangible assets	14	-	1,010
Tangible assets	15	2,300,599	2,365,353
Investments	16	3,314,200	2,840,865
		5,614,799	5,207,228
CURRENT ASSETS			
Stocks	17	114,057	72,189
Debtors	18	2,195,081	2,257,843
Cash at bank		377,677	856,077
		2,686,815	3,186,109
CREDITORS			
Amounts falling due within one year	19	(3,241,965)	(3,541,220)
NET CURRENT ASSETS/(LIABILITIES)		(555,150)	(355,111)
TOTAL ASSETS LESS CURRENT LIABILITIES		5,059,649	4,852,117
CREDITORS			
Amounts falling due after more than one year	20	(1,099,794)	(1,147,547)
PENSION ASSET/(LIABILITY)	24	1,235,000	(280,000)
NET ASSETS		5,194,855	3,424,570
FUNDS	23		
Unrestricted funds		1,610,386	1,377,702
Designated funds		30,000	10,000
Pension reserve fund		1,235,000	(280,000)
Restricted and endowment funds		2,319,469	2,316,868
TOTAL FUNDS		5,194,855	3,424,570

The financial statements were approved by the Board of Trustees on ....13 DECEMBER 2018 and were signed on its behalf by:

G. Cross.
.....
Mr G Cross – Chair of Trustees

TRUSTEE

The notes form part of these financial statements

WIGAN LEISURE AND CULTURE TRUST
T/A INSPIRING HEALTHY LIFESTYLES

CHARITABLE COMPANY BALANCE SHEET
At 31 March 2018

	Notes	2018 Total funds	2017 Total funds
		£	£
FIXED ASSETS			
Tangible assets	15	2,300,599	1,966,372
Investments	16	3,314,200	2,840,865
		5,614,799	4,807,237
CURRENT ASSETS			
Stocks	17	114,057	42,519
Debtors	18	2,249,779	2,910,610
Cash at bank		369,153	543,097
		2,732,989	3,496,226
CREDITORS			
Amounts falling due within one year	19	(3,224,955)	(3,389,661)
NET CURRENT ASSETS/(LIABILITIES)		(491,966)	106,565
TOTAL ASSETS LESS CURRENT LIABILITIES		5,122,833	4,913,802
CREDITORS			
Amounts falling due after more than one year	20	(1,099,794)	(1,147,547)
PENSION ASSET/(LIABILITY)	24	1,235,000	(280,000)
NET ASSETS		5,258,039	3,486,255
FUNDS	23		
Unrestricted funds		1,673,570	1,439,387
Designated funds		30,000	10,000
Pension reserve fund		1,235,000	(280,000)
Restricted and endowment funds		2,319,469	2,316,868
TOTAL FUNDS		5,258,039	3,486,255

The parent company has taken advantage of section 408 of the Companies Act 2006 and has not included its own Statement of Financial Activities in these financial statements. The parent company's net movement in funds for the year was £1,771,784 (2017: £4,227,914).

The financial statements were approved by the Board of Trustees on 13 DECEMBER 2018 and were signed on its behalf by:

G. Cross

Mr G Cross – Chair of Trustees

TRUSTEE

The notes form part of these financial statements

WIGAN LEISURE AND CULTURE TRUST
T/A INSPIRING HEALTHY LIFESTYLES

CONSOLIDATED CASH FLOW STATEMENT
for the Year Ended 31 March 2018

	Notes	2018 £	2017 £
Cash flows from operating activities:			
Cash generated from operations	1	656,921	562,168
Net cash provided by (used in) operating activities		656,921	562,168
Cash flows from investing activities:			
Purchase of tangible fixed assets		(694,408)	(498,334)
Transfer of tangible fixed assets		-	-
Purchase of fixed asset investments		(473,335)	(993,237)
Sale of tangible fixed assets		-	-
Revaluations of investments		1,431	-
Interest received		43,033	42,507
Net cash provided by (used in) investing activities		(1,123,279)	(1,449,064)
Cash flows from financing activities:			
New loans in year		466,335	869,381
Capital repayments in year		(478,377)	(532,214)
Net cash provided by (used in) financing activities		(12,042)	337,167
Change in cash and cash equivalents in the reporting period		(478,400)	(549,729)
Cash and cash equivalents at the beginning of the reporting period		856,077	1,405,806
Cash and cash equivalents at the end of the reporting period		377,677	856,077

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the Year Ended 31 March 2018

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £	2017 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(568,146)	(190,436)
Adjustments for:		
Depreciation charges	759,162	792,434
Amortisation	1,010	-
Interest received	(43,033)	(42,507)
(Increase)/decrease in stocks	(41,868)	32,541
Decrease/(increase) in debtors	62,762	122,735
Decrease in creditors	(334,966)	(345,042)
Difference between pension charge and cash contributions	822,000	207,000
Taxation credit	-	(14,557)
Net cash provided by (used in) operating activities	656,921	562,168

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 2018

1. COMPANY INFORMATION

Wigan Leisure and Culture Trust is a charity (No: 1105278) and a registered company limited by guarantee (No: 04624607) whose registered office is Robin Park Indoor Sports Centre, Loire Drive, Robin Park, Wigan, WN5 0UL.

The Trust delivers public benefit by providing free access, or access at tariffs lower than commercial market tariffs, to facilities as set out in the report of the trustees.

2. 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

The financial statements are presented in sterling (£).

The Trust constitutes a public benefit entity as defined by FRS 102.

The trustees have, during the year, reviewed the analysis of individual projects included within Charitable activities and have updated the descriptions thereof to better reflect current activities. There is no overall change to the total income or expenditure in the current or prior year.

Basis of consolidation
The group financial statements consolidate those of the charitable company and its subsidiary undertakings drawn up to 31 March 2018 using the purchase method of accounting.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Critical accounting judgements and key sources of estimation uncertainty
The trustees consider there to be no items in the financial statements where they have had to make significant judgements in the process of applying the group's accounting policies or key sources of estimations uncertainty, other than as stated below:

The present value of the three pension schemes defined benefit liabilities depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24 will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuations performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 March 2018. Any differences between the figures derived from the roll forward and approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Income
Income is recognised to the extent that it is probable that the economic benefits will flow to the group and the income can be reliably measured. Income is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

2. ACCOUNTING POLICIES – continued

Rendering of services

Income from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of income can be measured reliably;
- it is probably that the group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Donations and Legacies
Donations comprises all income from donations, gifts, core funding grants and investment income.

Donations under Gift Aid together with the associated income tax recoveries are credited as income in the year in which they are received.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Grants receivable and local authority fees
Grants receivable and local authority fees are credited to the statement of financial activities when the charity has entitlement to the funds, any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Charitable trading income
Charitable trading income represents amounts receivable by the charitable company for services provided aligned with the charitable company's objectives. On the 1st April 2017 all trading activities were transferred to the charitable company as ancillary trade.

Investment income and rental income
Income from investments and from rental income is included in the statement of financial activities in the year in which it is receivable.

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

- Costs of raising funds comprise the costs of commercial trading carried out by the subsidiary undertakings.
- Expenditure on charitable activities includes the costs of providing services and other activities undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

2. ACCOUNTING POLICIES - continued

Allocation and apportionment of costs
Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trusts activities. The basis on which support costs have been allocated is set out in note 7.

Tangible fixed assets
Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.
Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Leasehold improvements	- Over the period of the lease (15 years)
Plant and equipment	- at varying rates on cost
Computer equipment & software	- 10% to 25% on cost

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the statement of financial activities.

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

Investments
Listed investments are stated at market value at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluations throughout the year.

Movements in value arising from investment changes or revaluation and the profit on disposal of investments have been charged or credited to the funds to which they relate.

Investments in subsidiaries are measured at cost less accumulated impairment.

Leased assets
Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the statement of financial activities over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the statement of financial activities on a straight line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2018

2. ACCOUNTING POLICIES - continued

Stocks
Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell.

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

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

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

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

Goodwill
Goodwill arising on acquisitions is the difference between the fair value of the purchase consideration and the fair value of the charitable group's share of the identifiable assets and liabilities of the acquired business at the date of acquisition. Goodwill is capitalised and classified as an asset on the balance sheet and amortised over its estimated useful life up to a maximum of 10 years. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently when necessary if circumstances indicate that its carrying value may not be recoverable.

Contributions to pension schemes

Defined benefit scheme
The Group participates in three local government pension schemes, all of which are defined benefit, multi-employer arrangements.

Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the balance sheet. A net surplus is recognised only to the extent that it is recoverable by the group through reduced contributions in the future, in accordance with paragraph 28.22 of FRS 102.

The current and past service costs and costs from settlements and curtailments are included within direct charitable activities. Interest on the scheme liabilities and the expected return on scheme assets are included in other finance costs within support costs. Actuarial gains and losses are reported separately in the statement of financial activities.

Defined contribution pension plan
The group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. Once the contributions have been paid, the group has no further payment obligations.

The contributions are recognised as an expense in the Statement of Financial Activities when they fall due. The assets of the plan are held separately from the group in independently administered funds.

Employee termination benefits
Redundancy costs are provided for in the year in which they are notified publicly or to employees.

2. ACCOUNTING POLICIES - continued

Going concern
Forecasts have been prepared which disclose that the group has significant headroom to operate with existing funds for the foreseeable future. In view of this, the board has a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future being a period of not less than 12 months from the date of approval of these financial statements. For this reason, it continues to adopt the going concern basis in the financial statements.

Cash and cash equivalents
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.

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

Financial instruments
The group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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

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

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

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

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

3. OPERATIONS OF TRADING SUBSIDIARIES

A summary of the results of the trading subsidiaries is set out below:

	Inspired Healthy Lifestyles Limited		Wigan Leisure and Culture Enterprises Limited	
	2018 £	2017 £	2018 £	2017 £
Turnover	-	-	-	1,094,975
Other operating income and charges	-	1,162	(489)	(1,253,037)
Operating surplus	-	1,162	-	(158,062)
Payment under gift aid	-	(4,239)	-	-
Taxation	-	850	-	13,707
Retained in subsidiary	-	(2,227)	(489)	(144,355)

The net assets and liabilities of the subsidiaries were:

	2018 £	2017 £	2018 £	2017 £
Fixed assets	-	-	2	398,991
Current assets	1,164	1,164	19,559	431,411
Creditors:amounts falling due within one year	-	-	(66,896)	(877,250)
Net current assets / liabilities	1,164	1,164	(47,337)	(445,839)
Creditors:amounts falling due in greater than one year	-	-	-	-
Deferred tax provision	-	-	-	-
Net assets	1,164	1,164	(47,337)	(46,848)
Aggregate share capital and reserves	1,164	1,164	(47,337)	(46,848)

4. OTHER INCOME – Group

Investment income

	Unrestricted funds	Restricted funds	2018 Total funds	2017 Total funds
	£	£	£	£
Bank Deposits	546	-	546	1,948
Investment portfolio income	28,258	14,229	42,487	40,559
	28,804	14,229	43,033	42,507

Other income

	Unrestricted funds	Restricted funds	2018 Total funds	2017 Total funds
	£	£	£	£
Sundry sales	25,000	-	25,000	-
Refund of utilities credit	96,312	-	96,312	-
Insurance claims and other miscellaneous credits	103,159	-	103,159	-
	224,471	-	224,471	-

5. INCOME FROM CHARITABLE ACTIVITIES – Group

Wellbeing – this primarily represents public health contracts for the promotion of health and well being through sports participation.

Sports and Leisure – represents fees and admission charges for the use of sports and leisure facilities including ancillary catering income. This also includes management fees.

6. CHARITABLE ACTIVITIES COSTS – Group

	Direct costs	Support costs (See note 7)	Totals
	£	£	£
Wellbeing	3,655,155	747,074	4,402,229
Sport and Leisure	16,604,213	2,368,949	18,973,162
	20,259,368	3,116,023	23,375,391

7. SUPPORT COSTS – Group

	Wellbeing	Sport and Leisure	Totals
	£	£	£
Management	67,533	206,710	274,243
Human resources	4,392	80,723	85,115
Finance	59,564	197,314	256,878
Marketing	81,737	249,471	331,208
Information Technology	214,743	657,297	872,040
Building costs	81,637	249,164	330,801
Administration	172,439	529,232	701,671
Governance	65,029	199,038	264,067
	747,074	2,368,949	3,116,023

Cost allocation includes an element of judgement and the charitable company has had to consider the cost benefit of detailed calculations and record keeping. Support costs have been allocated according to the number of full time equivalent staff within each charitable activity.

Governance costs are made up of the following:

	2018	2017
	£	£
Internal audit	15,300	15,300
External auditor's fee:		
- audit services	29,500	29,500
- non-audit services	12,450	9,850
Other Governance related costs	206,817	196,446
	264,067	251,096

8. DIRECT CHARITABLE EXPENDITURE – Group

	Unrestricted funds	Endowment funds	Restricted funds	Total funds 2018	Total funds 2017
	£	£	£	£	£
Staff costs and allowances	11,626,609	-	-	11,626,609	11,535,139
Establishment expenses	2,660,623	-	-	2,660,623	2,647,990
Transport expenses	127,314	-	-	127,314	136,599
Supplier, services and other expenses	3,081,414	16,002	345,169	3,442,585	4,084,689
Agency and contracted services	426,421	-	-	426,421	703,056
General expenses	1,291,909	-	-	1,291,909	783,724
Support services	683,907	-	-	683,907	769,210
	19,898,197	16,002	345,169	20,259,368	20,660,407

9. NET INCOME/(EXPENDITURE)

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

	2018	2017
	£	£
Depreciation - owned assets	759,162	792,434

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2018 nor for the year ended 31 March 2017.

Trustees' expenses

£5,718 (2017: £6,233) of expenses were paid to 10 (2017: 10) trustees during the year. All expenses related to travel and subsistence.

11. EMPLOYEE COSTS

Staff costs during the year were as follows:

	Group 2018	Charitable Company 2018	Group 2017	Charitable Company 2017
	£	£	£	£
Wages and salaries	10,605,303	10,605,303	10,087,861	9,474,506
Social security costs	642,518	642,518	501,240	501,240
Pension costs	1,701,791	1,701,791	1,559,393	1,559,393
	12,949,612	12,949,612	12,148,494	11,535,139

12. STAFF COSTS

The average monthly number of permanent employees of the charitable group and company was as follows:

	2018	2017
Business development and financial services	74	78
Sport and leisure	379	358
Wellbeing	108	100
Senior management team	5	5
	566	541

The number of full time equivalents was:

	2018	2017
Business development and financial services	54	55
Sport and leisure	273	280
Wellbeing	96	84
Senior management team	5	5
	428	424

The group and the charitable company

Employees receiving remuneration in excess of £60,000 are analysed as follows:

	2018	2017
£60,001 - £70,000	2	1
£70,001 - £80,000	-	-
£80,001 - £90,000	1	1
	3	2

Key management personnel remuneration totalled £378,839 (2017 - £393,194).

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2018

13. COMPARATIVES FOR THE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Trading activities			
Operations of trading subsidiaries	1,094,975	-	1,094,975
Charitable activities			
Management fee from Wigan Council	3,000,000	-	3,000,000
Wellbeing	2,618,946	119,527	2,738,473
Sport and Leisure	14,709,834	123,232	14,833,066
Investment income	34,185	8,322	42,507
Total	21,457,940	251,081	21,709,021
EXPENDITURE ON			
Raising funds			
Operations of trading subsidiaries	1,253,607	-	1,253,607
Charitable activities			
Wellbeing	4,020,697	112,177	4,132,874
Sport and Leisure	16,425,356	102,177	16,527,533
Total expenditure	21,699,660	214,354	21,914,014
Taxation	-	-	(14,557)
Net gains/(losses) on investments	125,876	30,159	156,035
NET INCOME/(EXPENDITURE)	(101,287)	66,886	(34,401)
Other recognised gains/(losses)			
Actuarial gains/losses on defined benefit schemes	4,114,000	-	4,114,000
Net movement in funds	4,012,713	66,886	4,079,599
Total funds brought forward	(2,905,011)	2,249,982	(655,029)
TOTAL FUNDS CARRIED FORWARD	1,107,702	2,316,868	3,424,570

14. INTANGIBLE FIXED ASSETS

Group	Goodwill £
Cost	
At 1 April 2017 and at 31 March 2018	17,320
Amortisation	
At 1 April 2017	16,310
Provided in the year	1,010
At 31 March 2018	17,320
Net book value	
At 31 March 2018	-
Net book value	
At 31 March 2017	1,010

15. TANGIBLE FIXED ASSETS

Group	Leasehold improvements £	Plant and equipment £	Computer equipment & software £	Totals £
COST				
At 1 April 2017	900,850	3,973,938	425,259	5,300,047
Additions	27,794	640,640	25,974	694,408
At 31 March 2018	928,644	4,614,578	451,233	5,994,455
DEPRECIATION				
At 1 April 2017	323,135	2,323,823	287,736	2,934,694
Charge for year	135,442	570,676	53,044	759,162
At 31 March 2018	458,577	2,894,499	340,780	3,693,856
NET BOOK VALUE				
At 31 March 2018	470,067	1,720,079	110,453	2,300,599
At 31 March 2017	577,715	1,650,115	137,523	2,365,353

15. TANGIBLE FIXED ASSETS – continued

Charitable company	Leasehold improvements £	Plant and equipment £	Computer equipment & software £	Totals £
COST				
At 1 April 2017	768,541	3,639,330	425,269	4,833,140
Additions	27,798	640,639	25,963	694,400
Transfer from trading subsidiary	132,305	339,299	-	471,604
At 31 March 2018	928,644	4,619,268	451,232	5,999,144
DEPRECIATION				
At 1 April 2017	307,699	2,271,333	287,736	2,866,768
Charge for year	135,442	570,676	53,043	759,161
Transfer from trading subsidiary	15,436	57,180	-	72,616
At 31 March 2018	458,577	2,899,189	340,779	3,698,545
NET BOOK VALUE				
At 31 March 2018	470,067	1,720,079	110,453	2,300,599
At 31 March 2017	460,842	1,367,997	137,533	1,966,372

On 1 April 2017 all the assets of Wigan Leisure Culture and Enterprises Limited were transferred to Wigan Leisure Culture Trust.

Included above for the group and the charitable company are assets held via finance leases with net book values of £1,515,108 (2017; £1,527,150) , the depreciation charged for the year is £443,530 (2017: £390,990).

16. FIXED ASSET INVESTMENTS

Total fixed asset investments comprise:

	2018 £	2017 £
Listed investments (a)	1,867,677	1,849,705
Other fixed asset investments (b)	1	1
Listed investments (restricted) (c)	1,446,522	991,159
	3,314,200	2,840,865

(a) Listed investments

	2018 £	2017 £
Market value at 1 April 2017	1,849,705	1,691,592
Investment income	28,258	32,237
Management fees	(15,081)	-
Realised/unrealised profits on revaluation	4,795	125,876
Market value at 31 March 2018	1,867,677	1,849,705

Listed investments are stated at their mid-market value as at the balance sheet date.

The investments listed on a recognised stock exchange are as follows:

	2018 £	2017 £
Cash balances	(5,158)	214,596
Fixed interest	223,381	307,358
Index linked	37,693	160,829
Corporate Bonds	108,502	-
Investment funds	192,046	51,720
Unit trusts	345,134	247,509
Equities	124,147	221,582
Commodities	91,379	65,763
Hedge funds	405,722	318,556
Structured products	94,018	132,600
Commercial property	250,813	129,192
	1,867,677	1,849,705

The investments are managed within a portfolio held with Tilney Investment Management. The historic cost of individual investments is £1,825,236.

Overseas investments are stated below:

	2018 £	2017 £
Equities	50,198	60,567
Unit trusts	-	124,995
	50,198	185,562

16. FIXED ASSET INVESTMENTS - continued

Investments forming more than 5% of the value of the investment portfolio are as follows:

	2018 £
Jupiter UT Mngrs Absolute Return I Acc	93,893
M&G Securities Ltd Property Portfolio	119,947

All investments are carried at their fair value. Investments in equities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investments funds are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The main risk to the Charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. The Charity is reliant on dividend yield to finance its work and this leads to a greater exposure to international companies, the values of which, together with their yield are exposed to exchange rate risk when converting the holdings into sterling.

Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so the ability to buy and sell quoted equities and stock is anticipated to continue. The Charity's investments are mainly traded in markets with good liquidity and high trading volumes. The Charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Charity manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The Charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular five year period will normally be corrected.

(b) Other fixed asset investments

	2018 £	2017 £
Investment in subsidiary	1	1

The charitable company had the following subsidiary undertakings (both of which are incorporated in England) as at 31 March 2018:

Name of subsidiary	Company number	Class of share capital held	Proportion held by parent company	Proportion held by subsidiary company	Nature of business
Wigan Leisure and Culture Enterprises Limited	04639273	Ordinary shares of £1 each	100%	0%	Ceased to trade 31 March 2017. (Formerly provider of leisure facilities.)
Inspiring Healthy Lifestyles Limited (formerly Proco Enterprises Limited)	04857094	Ordinary shares of £1 each	0%	100%	Ceased to trade 31 March 2015. (Formerly provision of maintenance, garden design and fencing services.)

16. FIXED ASSET INVESTMENTS - continued

(c) Listed investments (restricted)

	2018 £	2017 £
Market value at 1 April	991,159	-
Cash injected	480,500	961,000
Investment income	14,229	8,322
Cash withdrawn	(20,000)	(8,322)
Management fees	(16,002)	-
Realised/unrealised profits on revaluation	(3,364)	30,159
Market value at 31 March	1,446,522	991,159

Listed investments are stated at their mid-market value as at the balance sheet date.

The investments listed on a recognised stock exchange are as follows:

	2018 £	2017 £
Cash balances	31,313	210,091
Fixed interest	240,148	216,837
Corporate bonds	128,002	-
Investment trusts	160,437	49,837
Unit trusts	63,028	74,015
Equities	177,775	81,437
Commodities	71,823	38,194
Hedge funds	392,402	277,835
Commercial property	181,594	42,913
	1,446,522	991,159

The investments are managed within a portfolio held with Tilney Investment Management. The historic cost of individual investments is £1,435,405.

Overseas investments are stated below:

	2018 £	2017 £
Fixed interest	42,714	41,591
Equities	81,628	62,224
	124,342	103,815

Investments forming more than 5% of the value of the investment portfolio are as follows:

	2018 £
Invesco FD Hedge Fund - Single Fund	72,443
IShares Core FTSE 100 UCITS ETF GBP	108,152
Jupiter UT Mngrs Absolute Return I Acc	72,717

17. STOCKS

	Group 2018 £	Charitable Company 2018 £	Group 2017 £	Charitable Company 2017 £
Raw materials and consumables	30,276	30,276	33,826	4,156
Finished goods & goods for resale	83,781	83,781	38,363	38,363
	114,057	114,057	72,189	42,519

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2018 £	Charitable Company 2018 £	Group 2017 £	Charitable Company 2017 £
Trade debtors	589,349	589,349	485,024	455,576
Amounts owed by group undertakings	-	66,886	-	742,668
Amounts owed by Wigan Council	405,627	405,627	256,762	236,107
Other debtors	1,113,714	1,101,526	1,456,002	1,416,204
Prepayments and accrued income	86,391	86,391	60,055	60,055
	2,195,081	2,249,779	2,257,843	2,910,610

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2018 £	Charitable Company 2018 £	Group 2017 £	Charitable Company 2017 £
Finance lease (see note 21)	415,315	415,314	379,603	379,603
Trade creditors	553,227	553,227	480,202	464,896
Amounts owed to Wigan Council	122,561	122,561	110,346	59,634
Amounts owed to group undertakings	-	-	-	22
Other taxation and social security	419,651	419,651	512,900	512,900
Other creditors	62,353	45,343	36,138	19,128
Accruals and deferred income	1,668,859	1,668,859	2,022,031	1,953,479
	3,241,965	3,224,955	3,541,220	3,389,662

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

	Group 2018 £	Charitable Company 2018 £	Group 2017 £	Charitable Company 2017 £
Finance lease (see note 21)	1,099,794	1,099,794	1,147,547	1,147,547

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2018

21. LEASING AGREEMENTS

	Group Finance leases	Charitable Company	Group Finance leases	Charitable Company
	2018	2018	2017	2017
	£	£	£	£
Net obligations repayable:				
Within one year	415,314	415,314	379,603	379,603
Between one and five years	1,099,794	1,099,794	1,147,547	1,147,547
	1,515,108	1,515,108	1,527,150	1,527,150

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	Unrestricted fund	Restricted funds	Endowment fund	2018 Total funds	2017 Total funds
	£	£	£	£	£
Fixed assets	2,300,599	-	-	2,300,599	2,366,363
Investments	1,856,000	-	1,458,200	3,314,200	2,840,865
Current assets	1,825,546	374,998	486,271	2,686,815	3,186,109
Current liabilities	(3,241,965)	-	-	(3,241,965)	(3,541,220)
Long term liabilities	(1,099,794)	-	-	(1,099,794)	(1,147,547)
Pension asset/(liability)	1,235,000	-	-	1,235,000	(280,000)
	2,875,386	374,998	1,944,471	5,194,855	3,424,570

Included in unrestricted funds are designated reserves of £30,000 held in current assets.

23. MOVEMENT IN FUNDS

Restricted funds Group & Charitable Company

	At 1/4/17	Incoming resources	Resources expended	Gains and losses	Transfers	At 31/3/18
	£	£	£	£	£	£
Leigh Sports Village	101,181	-	-	-	-	101,181
Highams Bequest	2,245	14,229	(7,633)	-	-	8,841
Summit Indoor Adventure Sinking Fund	13,343	16,020	-	-	-	29,363
Active Living	59,155	73,108	(85,742)	-	-	46,521
Community Engagement	7,290	36,097	(41,512)	-	-	1,875
SDU – Satellite Clubs Programme	21,685	-	(19,785)	-	-	1,900
SDU – Cannock	16,184	12,381	(22,660)	-	-	5,905
Selby Sports	15,455	6,455	(4,180)	-	-	17,730
Greater Manchester Arts 2012 and 2013	14,089	-	-	-	-	14,089
Greater Manchester Arts 2014	560	-	-	-	-	560
Greater Manchester Arts 2015	2,829	-	-	-	-	2,829
Wildlife & Countryside Development	68,816	20,975	-	-	-	89,791
Heritage – MOCC Cannock	10,966	92,215	(99,261)	-	-	3,920
Arts – Wigan Link for Life	4,000	-	(2,766)	-	-	1,234
Arts – Cannock	10,249	2,500	(8,238)	-	-	4,511
Arts – Cannock Grow up Great	6,755	4,880	(6,440)	-	-	5,195
Arts – Cannock Chase Fit	2,740	-	(2,740)	-	-	-
Arts – Cannock Dementia Walks	1,500	-	(1,500)	-	-	-
Arts – Cannock Groundwork	5,667	-	(5,667)	-	-	-
SDU Believe Talent Fund	-	10,000	(1,000)	-	-	9,000
Selby Additional Commissioning MILI	-	37,673	(22,120)	-	-	15,553
Arts – Wigan Playful Revolution	-	13,925	(13,925)	-	-	-
Arts – Cannock Armed Forces	-	15,000	-	-	-	15,000
	364,709	355,458	(345,169)	-	-	374,998

Endowment funds Group & Charitable Company

Highams Endowment Fund	1,952,159	-	(16,002)	(3,364)	11,678	1,944,471

Unrestricted funds Group

Haigh Kitchen courtyard sinking fund	10,000	20,000	-	-	-	30,000
General fund	1,377,702	22,431,787	(22,192,220)	4,795	(11,678)	1,610,386
Pension reserve fund	(280,000)	-	(822,000)	2,337,000	-	1,235,000
Total unrestricted funds	1,107,702	22,451,787	(23,014,220)	2,341,795	(11,678)	2,875,386

23. MOVEMENT IN FUNDS - continued

Unrestricted funds Company

	At 1/4/17	Incoming resources	Resources expended	Gains and losses	Transfers	At 31/3/18
	£	£	£	£	£	£
Designated fund	10,000	20,000	-	-	-	30,000
General fund	1,439,387	22,431,787	(22,190,721)	4,795	(11,678)	1,673,570
Pension reserve fund	(280,000)	-	(822,000)	2,337,000	-	1,235,000
	1,169,387	22,451,787	(23,012,721)	2,341,795	(11,678)	2,938,570
TOTAL FUNDS GROUP	3,424,570	22,807,245	(23,375,391)	2,338,431	-	5,194,855
TOTAL FUNDS CHARITABLE COMPANY	3,486,255	22,807,245	(23,373,892)	2,338,431	-	5,258,039

24. EMPLOYEE BENEFIT OBLIGATIONS

The group and the charitable company participate in three defined benefit pension schemes. A summary is set out below:

	Total	Greater Manchester	North Yorkshire	Staffordshire
	£	£	£	£
(Deficit)/surplus at 1 April 2017	(280,000)	(1,729,000)	973,000	476,000
Pension scheme operating charge	(804,000)	(679,000)	(4,000)	(121,000)
Pension finance (costs)/credits	(15,000)	(53,000)	26,000	12,000
Actuarial gains/(losses)	2,334,000	2,026,000	160,000	148,000
Surplus/(deficit) at 31 March 2018	1,235,000	(435,000)	1,155,000	515,000

These schemes are disclosed as following in the balance sheets:

	2018	2017
	£	£
Surplus	1,670,000	1,449,000
Deficit	(435,000)	(1,729,000)
Net surplus	1,235,000	(280,000)

Defined Benefit Scheme
Greater Manchester Pension Fund

The group has established a funded defined benefit pension scheme for eligible employees. With effect from 1 April 2003, following the transfer of employees from Wigan Metropolitan Borough Council to the group, the employees of the group have remained as members of the Greater Manchester Pension Fund. The calculations below take account of bulk transfers of employees to Wigan Metropolitan Borough Council on 1 November 2014 and 31 March 2015.

The Greater Manchester Pension Fund, a final salary defined benefit scheme, is administered in accordance with the Local Government Pension Scheme Regulations 1997. For the purposes of FRS 102 it has been possible to identify the charitable company's share of the underlying assets and liabilities of the Greater Manchester Pension Fund.

The assets of the scheme are invested and managed independently of the finances of the Charity. The pension costs relating to this scheme is calculated on the projected unit method and is assessed with the advice of a qualified actuary. The latest actuarial assessment of this scheme was on 31 March 2016 and was carried out by Hyman Robertson LLP, an independent actuary. The next full actuarial valuation will take place as at 31 March 2019.

24. EMPLOYEE BENEFIT OBLIGATIONS – continued

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2018	2017
	£	£
Current service cost	1,302,000	770,000
Net interest from net defined benefit asset/liability	-	-
Past service cost	5,000	5,000
Contributions payable	(628,000)	(703,000)
	679,000	72,000

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

	Defined benefit pension plans	
	2018	2017
	£	£
Opening defined benefit obligation	79,307,000	66,512,000
Current service cost	1,302,000	770,000
Past service costs	5,000	5,000
Contributions by scheme participants	206,000	221,000
Interest cost	2,057,000	2,313,000
Benefits paid	(1,771,000)	(1,784,000)
Actuarial (gains)/losses from changes in financial assumptions	(1,688,000)	11,270,000
	79,418,000	79,307,000

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

	Defined benefit pension plans	
	2018	2017
	£	£
Opening fair value of scheme assets	77,578,000	61,226,000
Interest income	2,004,000	2,127,000
Contributions by employer	628,000	703,000
Contributions by scheme participants	206,000	221,000
Actuarial gains/ (losses)	338,000	15,085,000
Benefits paid	(1,771,000)	(1,784,000)
	78,983,000	77,578,000

The amounts charged or (credited) to other pension finance costs within the statement of financial activities;

	2018	2017
	£	£
Interest cost	2,057,000	2,313,000
Interest income	(2,004,000)	(2,127,000)
	53,000	186,000

24. EMPLOYEE BENEFIT OBLIGATIONS – continued

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

	Defined benefit pension plans	
	2018	2017
Equities	66%	75%
Bonds	16%	16%
Property	7%	5%
Cash	11%	4%
	100%	100%

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2018	2017
Discount rate	2.70%	2.60%
Future salary increases	3.20%	3.20%
Future pension increases	2.40%	2.40%

	2018		2017	
	Males Years £	Females Years £	Males Years £	Females Years £
Current pensioners	21.5	24.1	21.5	24.1
Future pensioners	23.7	26.2	23.7	26.2

The amounts recognised in the balance sheet as are follows:

	2018	2017
	£	£
Fair value of plan assets	78,983,000	77,578,000
Present value of retirement benefit obligations	(79,418,000)	(79,307,000)
Net liabilities	(435,000)	(1,729,000)

Defined Benefit Scheme
North Yorkshire Pension Fund

With effect from 1 September 2009, following the transfer of employees from Selby District Council to the charitable company, the transferred employees of the charitable company have remained as members of the North Yorkshire Pension Fund.

The North Yorkshire Pension Fund, a final salary defined benefit scheme, is administered in accordance with the Local Government Pension Scheme Regulations 1997. For the purposes of FRS 102 it has been possible to identify the charitable company's share of the underlying assets and liabilities of the North Yorkshire Pension Fund.

The assets of the scheme are invested and managed independently of the finances of the Charity. The pension costs relating to this scheme is calculated on the projected unit method and is assessed with the advice of a qualified actuary. The latest actuarial assessment of this scheme was on 31 March 2016 and was carried out by Aon Hewitt Limited, an independent actuary. The next full actuarial valuation will take place as at 31 March 2019.

24. EMPLOYEE BENEFIT OBLIGATIONS – continued

The amounts recognised in surplus or deficit are as follows:

	Defined benefit pension plans	
	2018	2017
	£	£
Current service cost	30,000	23,000
Net interest from net defined benefit asset/liability	(26,000)	(43,000)
Past service cost	-	-
Contributions payable	-	-
(Gains)/losses on settlements and curtailments	-	-
	4,000	(20,000)

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

	Defined benefit pension plans	
	2018	2017
	£	£
Opening defined benefit obligation	2,449,000	1,829,000
Current service cost	30,000	23,000
Past service costs	5,000	5,000
Contributions by scheme participants	-	-
Interest cost	63,000	64,000
Benefits paid	(21,000)	(21,000)
Actuarial (gains)/losses from changes in financial assumptions	21,000	549,000
	2,547,000	2,449,000

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

	Defined benefit pension plans	
	2018	2017
	£	£
Opening fair value of scheme assets	3,422,000	3,054,000
Interest income	89,000	107,000
Contributions by employer	25,000	21,000
Contributions by scheme participants	5,000	5,000
Actuarial gains/ (losses)	182,000	256,000
Benefits paid	(21,000)	(21,000)
	3,702,000	3,422,000

The amounts charged or (credited) to other pension finance costs within the statement of financial activities;

	2018	2017
	£	£
Interest cost	63,000	64,000
Interest income	(89,000)	(107,000)
	(26,000)	(43,000)

24. EMPLOYEE BENEFIT OBLIGATIONS – continued

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

	Defined benefit pension plans	
	2018	2017
Equities	64.8%	65.4%
Bonds - Government	16.5%	14.2%
- Corporate	0.0%	3.1%
Property	8.0%	8.5%
Cash	0.2%	0.1%
Other	10.5%	8.7%
	100%	100%

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2018	2017
Discount rate	2.60%	2.60%
Future salary increases	3.25%	3.25%
Future pension increases	2.00%	2.00%

	2018		2017	
	Males Years £	Females Years £	Males Years £	Females Years £
Current pensioners	22.9	26.4	22.8	26.3
Future pensioners	25.1	28.7	25.0	28.6

The amounts recognised in the balance sheet as are follows:

	2018	2017
	£	£
Fair value of plan assets	3,702,000	3,422,000
Present value of retirement benefit obligations	(2,547,000)	(2,449,000)
Net asset	1,155,000	973,000

Defined Benefit Scheme
Staffordshire Pension Fund

With effect from 1 April 2013, following the transfer of employees from Cannock District Council to the charitable company, the transferred employees of the charitable company have remained as members of the Staffordshire Pension Fund.

The Staffordshire Pension Fund, a final salary defined benefit scheme, is administered in accordance with the Local Government Pension Scheme Regulations 1997. For the purposes of FRS 102 it has been possible to identify the charitable company's share of the underlying assets and liabilities of the Staffordshire Pension Fund.

The assets of the scheme are invested and managed independently of the finances of the Charity. The pensions costs relating to this scheme is calculated on the projected unit method and is assessed with the advice of a quailed actuary. The latest actuarial assessment of this scheme was on 31 March 2016 and was carried out by Hyman Robertson LLP, an independent actuary. The next full actuarial valuation will take place as at 31 March 2019.

24. EMPLOYEE BENEFIT OBLIGATIONS – continued

The amounts recognised in surplus or deficit are as follows:

	Defined benefit pension plans	
	2018	2017
	£	£
Current service cost	302,000	184,000
Net interest from net defined benefit asset/liability	-	-
Past service cost	-	-
Contributions payable	(181,000)	(198,000)
(Gains)/losses on settlements and curtailments	-	-
	121,000	(14,000)

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

	Defined benefit pension plans	
	2018	2017
	£	£
Opening defined benefit obligation	6,120,000	5,602,000
Current service cost	302,000	184,000
Past service costs	2,000	-
Contributions by scheme participants	47,000	51,000
Interest cost	169,000	205,000
Benefits paid	(32,000)	(34,000)
Actuarial (gains)/losses from changes in Demographic assumptions	-	25,000
Actuarial (gains)/losses from changes in financial assumptions	(177 ,000)	983,000
Oblig other remeasurement	-	(896,000)
	6,431,000	6,120,000

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

	Defined benefit pension plans	
	2018	2017
	£	£
Opening fair value of scheme assets	6,596,000	5,476,000
Interest income	181,000	201,000
Contributions by employer	181,000	198,000
Contributions by scheme participants	47,000	51,000
Actuarial gains/ (losses)	(27,000)	704,000
Benefits paid	(32,000)	(34,000)
	6,946,000	6,596,000

The amounts charged or (credited) to other pension finance costs within the statement of financial activities;

	2018	2017
	£	£
Interest cost	169,000	205,000
Interest income	(181,000)	(201,000)
	(12,000)	4,000

24. EMPLOYEE BENEFIT OBLIGATIONS – continued

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

	Defined benefit pension plans	
	2018	2017
Equities	73%	74%
Bonds	14%	13%
Property	8%	8%
Cash	5%	5%
	100%	100%

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2018	2017
Discount rate	2.7%	2.7%
Future salary increases	2.7%	2.8%
Future pension increases	2.3%	2.4%

	2018		2017	
	Males Years £	Females Years £	Males Years £	Females Years £
Current pensioners	22.1	24.4	22.1	24.4
Future pensioners	24.1	26.4	24.1	26.4

The amounts recognised in the balance sheet as are follows:

	2018	2017
	£	£
Fair value of plan assets	6,946,000	6,596,000
Present value of retirement benefit obligations	(6,431,000)	(6,120,000)
Net asset	515,000	476,000

25. RELATED PARTY DISCLOSURES

The charitable company has taken advantage of the exemption in Financial Reporting Standard 102 and has not disclosed transactions with its wholly owned subsidiaries.

During the year, the charitable company purchased services amounting to £1,200 from Pulse Training Limited, a company of which D A Bartle, a Trustee of the charitable company, is a director. The balance due to Pulse Training Limited at the year end amounts to £Nil.