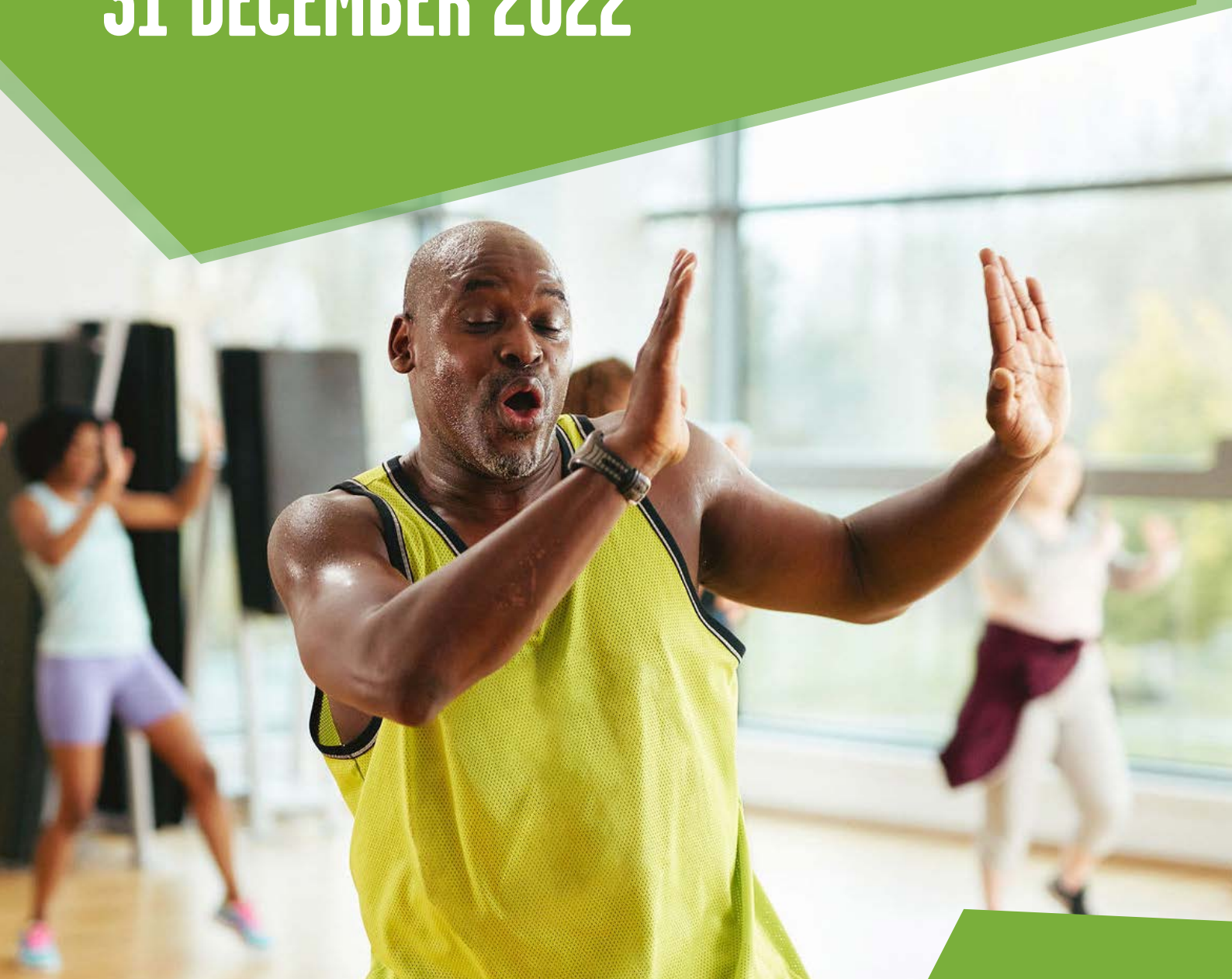


# GREENWICH LEISURE LIMITED REPORT OF THE COMMITTEE OF MANAGEMENT & SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022



Registered society number: IP27793R (England and Wales)  
HMRC charity number: XR43398

**GLL**





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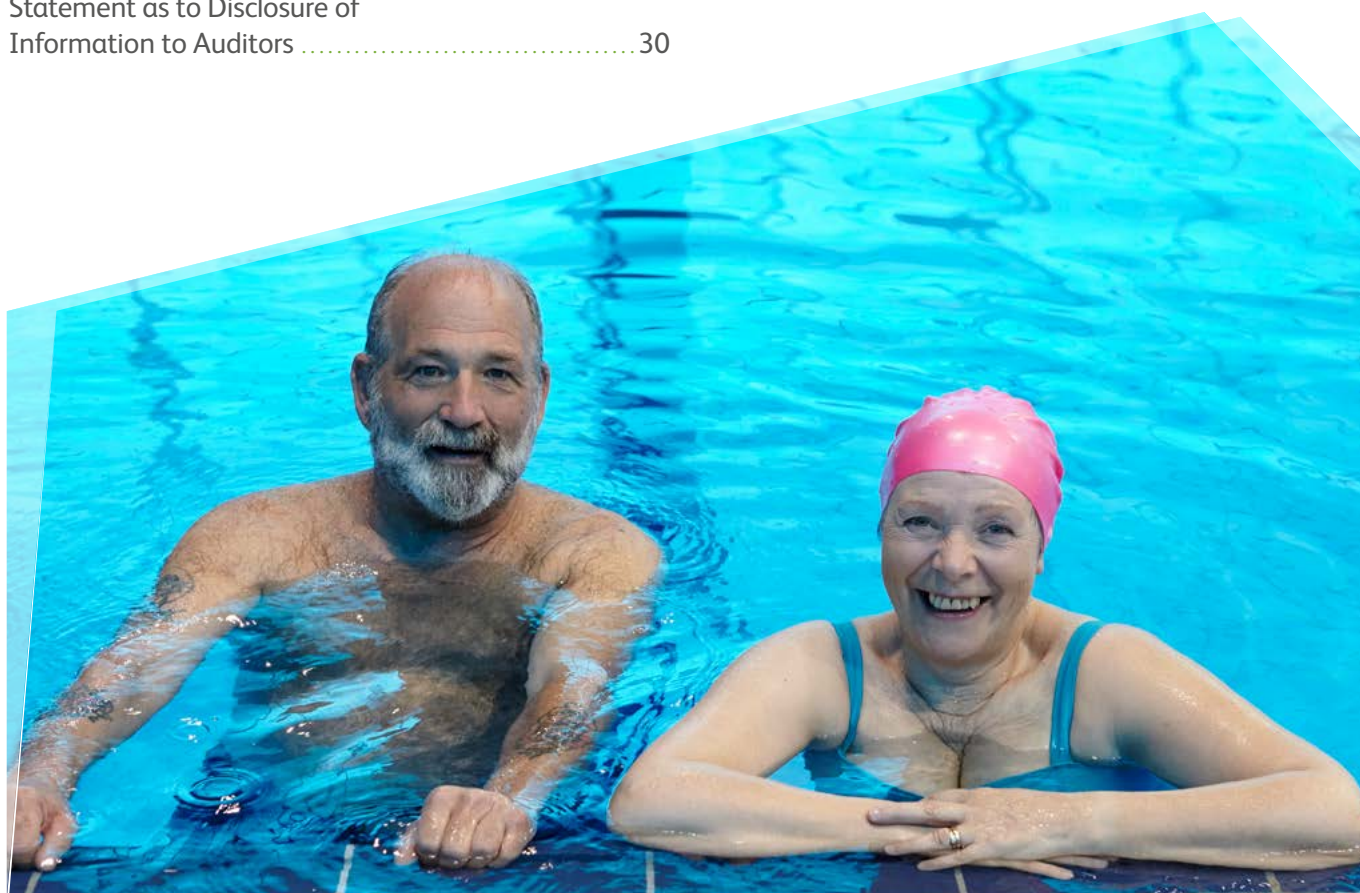
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# SECTION 1 – REPORT OF THE COMMITTEE OF MANAGEMENT

The Committee of Management present their report, with the consolidated financial statements of the Society and its subsidiaries for the year ended 31 December 2022. The Committee of Management have adopted the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

## REFERENCE AND ADMINISTRATIVE DETAILS

**Society Name:** Greenwich Leisure Limited. Customer facing brand is 'Better'.

**Registered Society number:** IP27793R (England and Wales)

**HMRC Charity number:** XR43398

**Registered office:** Middlegate House, The Royal Arsenal, London, SE18 6SX

Committee of Management	
M Sesnan (Ex Officio)	Resigned 31st December 2022
P Bunday (Ex Officio)	Appointed 1st January 2023
A Ritchie	
G Kirk	
P Brooks (Councillor)	Resigned 7th June 2022
M Perren	Re-appointed 29th June 2022
E Thoroughgood	
W Wardulenska	Resigned 29th June 2022
W Brown	
C Roberts	
S Tranchell	
C Myring	Resigned 29th June 2022
N Palmer	
N Evans	
P Shearman	
A Kitchen	
E Lewis	
P Slattery (Councillor)	Resigned 7th June 2022
R Gediking	
S Bauer (Councillor)	Resigned 7th June 2022
Ashton Rennie	Appointed 29th June 2022
Sera Terry	Appointed 29th June 2022
J Ranabhat (Councillor)	Appointed 7th June 2022
S Littlewood (Councillor)	Appointed 7th June 2022
S Thomas (Councillor)	Appointed 7th June 2022
Steve Edwards	Appointed 29th June 2022

Chief Executive	
M Sesnan	(to 31/12/22)
P Bunday	(from 1/01/2023)

Bankers	
Barclays Bank	
2 Churchill Place, Canary Wharf, London, E14 5RB	

Secretary	
P Donnay	

Auditors	
McCabe Ford Williams	
Statutory Auditors and Chartered Accountants	
Bank Chambers, 1 Central Avenue, Sittingbourne,	
Kent, ME10 4AE	

## STRUCTURE, GOVERNANCE AND MANAGEMENT

GLL is an Exempt Charity and a Registered Society under the Co-operative and Community Benefit Societies Act 2014. The Society operates for the benefit of the wider communities we serve and does not distribute profit. Any surplus is applied solely to a general reserve for the continuation and development of the Society. No financial dividend is paid out from the income generated by the society or any of the companies in the group structure.

We are a **Charitable Social Enterprise** owned by our staff and founded on our purpose and values to provide a different, fairer and better way of doing business.

**Our purpose** is to improve the physical, mental and social wellbeing of local communities.

GLL was established in 1993 with a portfolio of seven leisure centres in one Partnership. In 2022, the GLL Group directly managed over 400 facilities including leisure centres, play centres, children centres and libraries in partnership with over 60 local councils and other organisations across the length and breadth of the UK.

GLL will celebrate its 30th anniversary in 2023.

All charitable trading activities are undertaken directly by GLL with non-charitable activities operated through our wholly owned subsidiary GLL (Trading) Limited. Any surplus made by GLL (Trading) Limited is gift aided back to GLL. This structure is in place to ensure transparency and meet the guidance published by the Charity Commission.

The structure and purpose of GLL remain unchanged.

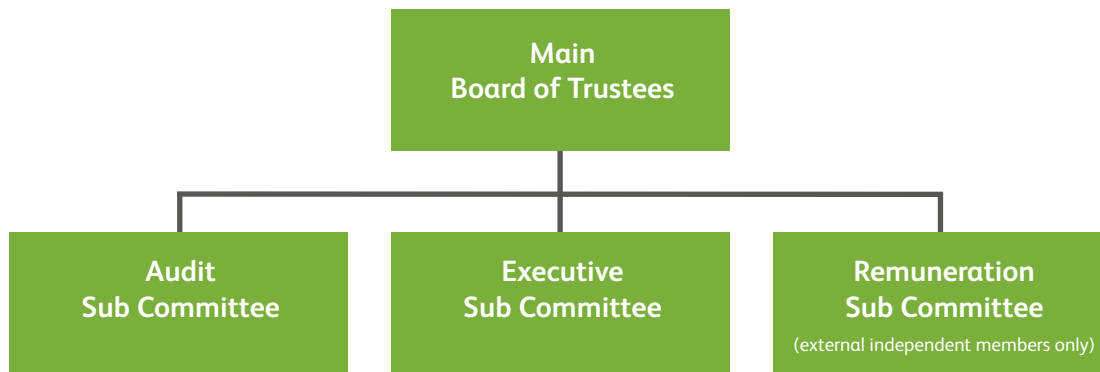
GLL continues to be acknowledged as the UK's leading and largest genuine charitable social enterprise delivering leisure, health, cultural and community services. We play a vital role in addressing the health and wellbeing of the nation.

We are different from most businesses in our chosen sectors. Different in how we govern, different in our social values and different in our commitment to make the world a better place to live in. We are proud of these differences. They run through all parts of our core business from planning, operation through to our investments.

GLL is governed by a Board of Trustees appointed by the annual general meeting. Our governing document is our rules, first registered in 1993, and last revised and re-registered with the Financial Conduct Authority on the 17th February 2010.

The GLL Board of Trustees has representation from a number of stakeholders including Local Authority members, Independent skilled professionals and significantly, the Workforce. This stakeholder mix has helped create empowerment, enthusiasm and ownership at all levels of the organisation.

In the governing document (our rules), the Board of Trustees is referred to as the "Committee of Management".



The governance structure reporting to the Board includes the:

- Executive Sub Committee for investment and urgent contractual or policy decisions (The Executive Sub Committee consisting of the Chair, Vice Chair, Treasurer, CEO and Secretary has full delegated authority from the Board to act on its behalf as and when necessary).
- Audit Sub Committee responsible for managing GLL's risk register as well as signing off the Financial Statements annually on behalf of the Board.
- Remuneration Sub Committee responsible for the employment and terms and conditions of the chief officers and the general pay and remuneration terms of all employees (No member of staff can sit on this subcommittee. It is constituted wholly by Independent Trustees).

The Board of Trustees reviews and sets the Strategy and Objectives annually in the context of a five year corporate plan. It normally meets quarterly to review progress and consider additional strategy and policy decisions.

GLL operates a risk register to record any potential risk the society may face. The risk register is a working document that is updated on an ongoing basis with mitigating strategies as necessary. The register is reviewed by the Audit Sub Committee as and when appropriate.

Day to day management and the delivery of GLL's annual corporate plan is delegated to the Chief Officer Group. The Chief Executive Officer reports to the Board of Trustees and is a full ex officio member of the Board.

At the time of executing this statement, the Chief Officer Group comprised of Peter Bunday (CEO), Philip Donnay (Deputy CEO & CFRO), Andy Bindon (Chief Officer for Change and Values) and Mark Sesnan (Chief Officer Group Strategic Advisor).

#### Recruitment and appointment of new Board Members

In exercising its powers to nominate, appoint, reappoint, elect, re-elect, approve and dismiss Members, the Society Members seek to ensure that the Board is representative of the local community and also comprises persons with a broad range of skills who are likely to contribute to the Society's success.

#### Induction and training of new Board Members

Board Members follow an induction and familiarisation programme as required, and attend development sessions to discuss improvement proposals, which also feature externally facilitated sessions as necessary.

#### Staff Empowerment

All eligible staff in GLL are encouraged to join the Society as voting members. This leads to a high level of commitment, empowerment and motivation resulting in an improved quality of service to the community.

We are more than just a leisure & cultural management company; **we are a staff-owned social enterprise that exists to provide both community benefit and improved lives.**

GLL was founded upon core principles of **social value and co-ownership** – where our staff colleagues, business partners and stakeholders work together to produce a better way of providing services and doing business.

### Remuneration of Key Management Personnel

The Remunerations Sub Committee (RSC) made up entirely of Independent Trustees is responsible for determining the pay of key management personnel and for setting the annual pay awards for all employees and workers.

In summary:

- the Remuneration Sub Committee takes responsibility (i) for determining both the policy and structure for the chief officers' pay and benefits package, and their pay awards, and (ii) for approving the chief officers' recommendations on the pay awards for other employees and workers;
- the Chief Officer Group is responsible for the pay and benefits packages of all other employees and workers, and for making recommendations to the Remuneration Sub Committee on the annual pay award for all employees and workers.

The full Board of Trustees remains responsible for the appointment and termination of the CEO although any termination payment is to be determined by the Remuneration Sub Committee.

In conducting its role, the RSC periodically reviews the remuneration of Chief Officers in line with the development of the Society. Past reviews have included the commissioning of independent surveys to ensure appropriate benchmarking of pay awards.

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## OBJECTIVES AND ACTIVITIES

The objects of the society as published in our rules are:

- (a) to provide or assist in the provision of facilities and services for the public benefit for recreational, sporting or other leisure time occupation in the interests of social welfare, healthy living and education, such facilities being provided to the public at large save that special facilities may be provided for persons who by reason of their youth, age, infirmity or disability, poverty or social or economic circumstances may have need of special facilities and services, and /or
- (b) to promote community participation in healthy living, and/or
- (c) to advance the education of the public in the benefits of healthy lifestyles, and /or
- (d) to advance the arts, culture and / or heritage, and / or
- (e) to provide support services relating to the above, and / or
- (f) to provide consultancy and advise to public, sporting and charitable organisations, and / or
- (g) such other charitable purposes beneficial to the community consistent with the objects above as the Trustees shall in their absolute discretion determine.

Since our formation in 1993, GLL has been proud of both our success and our difference in the leisure and cultural sector.

**We are proud that we have always sought to define ourselves by being a leading social enterprise that is staff-owned, charitable and has community benefit at the heart of our mission. We want to be seen as different with our customers, partners and suppliers too and to celebrate our unique approach to partnership and customer experience.**

Even without the pandemic, these are challenging times for our sector with continued economic uncertainty, increased cost of living, less public funding for leisure, sport & culture and increased competition leading to increased pressure on consumer spend and our existing service delivery models.

Our confidence in our expertise and differentiation in the marketplace is key as we continue to build long term partnerships and re-engineer our service delivery to become more productive, more efficient and more successful.

As a staff-owned company, employees have always been at the core of our democracy, governance and productivity. We strive to be recognised as the most dynamic staff owned business in the UK and this big ambition needs suitably big commitment from all staff to learn, deliver and improve our services, business success and social impact.

In 2022, GLL worked in direct Partnership with the following Councils and organisations delivering some of their public services including leisure centres, libraries, play centres and children centres:

- Allerdale Borough Council
- Bath and North East Somerset Council
- Basingstoke and Deane Borough Council (indirect partnership)
- Belfast City Council
- Bridgend County Borough Council
- Cambridge City Council
- Cardiff City Council
- Carlisle City Council
- City of York
- Cornwall Council
- Copeland Borough Council
- Dudley Metropolitan Borough Council
- East Cambridge District Council
- Eden District Council
- Epsom and Ewell Borough Council
- Greater London Authority
- Henley Town Council
- Lee Valley Regional Park Authority
- Lincolnshire County Council
- London Legacy Development Corporation
- London Borough of Barnet
- London Borough of Bromley
- London Borough of Camden
- London Borough of Croydon
- London Borough of Ealing
- London Borough of Lambeth
- London Borough of Hackney
- London Borough of Hammersmith & Fulham
- London Borough of Hillingdon
- London Borough of Islington
- London Borough of Lewisham
- London Borough of Merton
- London Borough of Tower Hamlets
- London Borough of Waltham Forest
- London Borough of Wandsworth
- London Playing Fields Association
- Manchester City Council
- Manchester Metropolitan University
- Newcastle City Council
- North Kesteven District Council
- Preston City Council
- Prestwood Sport and Leisure Association
- Reading Borough Council
- Reigate and Bansted Borough Council
- Royal Borough of Greenwich
- Royal Borough of Kensington & Chelsea
- Rugby Borough Council
- South Bucks District Council
- South Lakes District Council
- South Oxfordshire District Council
- Swindon Borough Council
- University of Manchester
- Vale of White Horse District Council
- Welwyn and Hatfield Borough Council
- West Oxfordshire District Council



This **partnership** approach with the various councils and organisations has been a key plank of our success. Each relationship is underpinned by a formal contract and each contract is subject to termination dates and possible tendering for renewal.

In addition, GLL worked in partnership with fellow social enterprises:

**Freedom Leisure Limited** in delivering the services of 6 public leisure centres in the South and South East for the following Councils:

- Guildford Borough Council
- Woking Borough Council

**Halo Leisure Limited** in delivering services in 8 leisure centres for

- Bridgend County Borough Council.



## CORE PURPOSE

GLL exists **to improve the physical, mental and social wellbeing of local communities**. Working in partnership with over 60 local councils, public agencies and sporting organisations, we provide affordable access to quality community facilities that include leisure centres, swimming pools, lidos, gyms, libraries, theatres, children’s centres, playgrounds, nurseries and much more.

We believe GLL is unique and not just because we were the first leisure trust in the UK. As a leading charitable social enterprise that is staff-owned, we are different from other businesses and that is amplified through our values - that support our core purpose and drive change and the business going forward.



We reviewed and updated our values in 2022, reflecting the experiences of the business, the challenges ahead and the changing environment in which we operate. This has led to the inclusion of values statements related to Health and the Planet, which we believe are fundamental to a business such as ours in moving forward. More details on our values follow:



**Partner of Choice**

We want our Partners to understand our values, difference and impact, and want to work with us. We recognise that great performance must be a ‘given’ in all our partnerships, but it is the quality of our relationships where our difference really comes through, and our capability and willingness to support Partners’ broader agendas.



**Respecting the Planet**

We are committed to become Carbon Net-Zero by 2050, with an ambition to hit this target sooner. We are responding to what matters to our Customers, by reducing reliance on fossil fuels, minimising waste, and reducing our impact on the environment; whilst working closely with local authority Partners to achieve joint climate goals.



**The Better Way of Doing Business**

We are a business for good and embrace the notion that we are a catalyst for change, and for improving the lives and opportunities for people in our communities. Creativity and innovation are changing the way we do this, and how we do business and operate, and impacts on all our change agendas. But one thing will always be constant - at our core is the principle of democratic ownership - and the people who make us a BETTER business



**More Than a Job**

We want to be the best staff owned business in the UK. As a values driven organisation, with ambitious plans, we know that we must create a culture that gets maximum value out of all our people by helping them realise their potential, feel valued, and wanting to be part of a learning organisation that is different.



**Customers & Communities at Our Heart**

We are a strong business because we listen and act on customer feedback, and use insight and foresight to improve all we do. Our technology, products and people not only enhance the customer journey and experience; they also recognise our children’s centres, leisure centres and libraries are at the heart of communities - they help bring people together and are a focal point for wider social engagement and interaction to support community initiatives and wellbeing.



**Tackling Health Inequalities**

We play a key role in improving the health outcomes of all in our communities, including those facing economic, health and social inequality. With our extensive and varied services and products, we are committed to working with the NHS and other bodies on prevention, and promoting healthy lifestyles and behaviours.

The recent experiences of the pandemic; and the subsequent associated economic uncertainty and spiralling energy costs, reinforces the need to maintain a strong focus on our values as we commence 2023 and the start of our new five year corporate plan.

**Wider Partnerships**

GLL works closely with or seeks to have a relationship with many other partners in addition to our local authority partners, these include:

- The London Mayors office, Greater London Authority and the London Legacy Development Corporation
- Community Leisure UK
- The Sector Skills Council, SkillsActive and the National Skills Academy
- Sport England (SE)
- Greenwich, Newham and Hackney Community Colleges
- Social Enterprise Coalition (SE UK)
- UK Active (UKA)
- CIMPSA
- British Swimming / Swim England, Lawn Tennis Association (LTA), British Gymnastics, GB Basketball, British Basketball League, England Basketball, GB Handball, England Netball, Badminton England, Volleyball England, British Fencing, Squash England and other UK Sports Governing Bodies
- Middlesex University and the London Sport Institute (GLL Sport Foundation)
- Cooperatives UK
- Ministry of Housing, Communities and Local Government (MCHLG)
- Department for Digital, Culture, Media & Sport (DCMS)

We aim to support local and central government initiatives that promote the development of services for the benefit of the wider community particularly in the areas of sport, health, culture and physical activity.

These aims and objectives are delivered through a range of strategies that are listed in GLL’s annual and 5 year Corporate Plans. These plans are managed by the Chief Officer Group and reviewed by the Board.





## ACHIEVEMENTS & PERFORMANCE

2022 saw the organisation continue to re-build from the Covid pandemic but we also had the added challenge of the national energy crisis, which had a profound impact on the business. Despite these challenges, 2022 saw some excellent achievements & performance, including:

### 2022 Awards

- Hackney Healthier Together Team – Winners at the RSPH Health and Wellbeing Awards
- Manchester Aquatic Centre awarded the 2023 Para Swimming World Championships
- Britannia Leisure Centre – New London Awards overall winner (Culture)
- Social Enterprise Awards Northern Ireland – Highly Commended Health & Wellbeing
- UKActive Award Winner – New Concept Design & Build (Britannia Leisure Centre)

### New Partnerships

- 10 year partnership commenced with Lee Valley Regional Park Authority to operate 6 major venues
- New partnership with Basingstoke Sports Centre (2022-2121) and Newbury Better Health & Fitness Centre 2022-2035
- London Borough of Lewisham 3.5 year contract extension 2022-2026
- South Bucks District Council (Buckinghamshire County Council) 1 year contract extension 2023-2024
- Eden District Council 5 year contract extension 2022-2027
- Sugden Sports Centre 2 year contract extension from 2023-2025
- Rugby Borough Council 8 year contract extension 2023-2031

### New Centres Opened

- Palmer Park Leisure Centre in Reading
- The Sands Centre in Carlisle



## FINANCIAL REVIEW

The results for the year 2022 (January 1st - December 31st) are set out within these consolidated financial statements.

Despite still recovering from the pandemic and the global energy crises that saw gas and electricity cost more than double, GLL is pleased to be declaring a small surplus of circa £1m and a surplus before depreciation from operating activities of £8m.

In the year, GLL faced additional unbudgeted gas and electricity costs of circa £15m (in addition to the significant increase already factored into the budgets). Through focussed actions and determination, we were able to largely offset these costs with the help of our partners and through a range of strategies to reduce consumption. Again, GLL showed its resilience and resourcefulness in the face of adversity.

The total income turnover declared for the year is £311m which is in line with expectations.

### Cash flow

GLL's cash flow remains strong.

In 2020, we renewed the £9.75m revolving credit facility as well as set up a loan of £10m under the Coronavirus Large Business Interruption Loan Scheme (CLBILS). These credit facilities were reduced at the year end to £7.25m and £7.5m respectively and GLL had £10m drawn down against these.

Both facilities will expire at the end of 2023. Discussions are under way to once again renew the revolving credit facility with our bankers to maintain this safety net.

The cash at bank stood at £26m.

Long term creditors remained at around £20.5m.

### Risk Management

The Trustees recognise risk management as one of their key responsibilities. The Trustees have adopted a risk management policy from which they have identified potential risks, the likelihood of their occurrence and the potential costs involved. In addition they have identified current practices in place to mitigate the risk and further action that might be necessary to limit that risk. The Board receive quarterly financial information and sufficient commitments are made to cover known liabilities.

However, even with such policy in place and as reported in 2020, the impact of the Covid 19 pandemic could not be planned for. Although such event was not initially named on our risk register, extraordinary events were. Our reserves policy ensured our cash position remains at sufficient levels to sustain liquidity in the short term. This has been demonstrated well over the past few years. We are now rebuilding the cash reserve to mitigate new future risks.

### Reserves Policy and Social funds

The Board has considered the risks and opportunities and reviewed the level of cash reserves which it deems prudent to maintain. The funds held were considered adequate for the coming year.

Even though GLL has been hit hard by the pandemic, these funds have proved to be sufficient to maintain adequate liquidity and GLL has been able to secure additional funding as necessary.

A strategy, adopted by the Board, had existed to increase the Company's cash reserves and asset portfolio over the coming years to support investment plans and protect the organisation against future risks. GLL will continue to evaluate all opportunities as they arise with an aim to build our asset portfolio over time. Needless to say that the circumstances experienced through 2020 dented GLL's cash reserves significantly. External finance was raised to maintain liquidity and resilience in the short term. Longer term plans include the need to "rebuild" GLL's working capital for the future. Good progress was made in 2021 and 2022 with significant loan repayments made whilst still increasing the accumulated cash balance.

At 31 December 2022, the group had accumulated cash balance of £26m.

In normal circumstances, the Society is in a relatively favourable cash flow position because we receive some of our income in advance of expenditure.

The Committee of Management recognise the need for a level of financial reserves that will:

1. Allow for planned investment and other similar purposes;
2. Allow for cyclical maintenance expenditure which the Society has an obligation to incur under various property leases; and
3. Shield the Society from the possibility of adverse unforeseen circumstances.

These unforeseen circumstances include a number of specific events that have been identified in the Society's Risk Register but as mentioned previously, were not specific to the impact of a pandemic.

The Board considered the level of reserves to be appropriate for the Society to be able to deliver services to its beneficiaries. This has been demonstrated of late.

The reserves of the Group and the Society at the period end were as follows:

The Group held fund balances at 31 December 2022 of £34,541,679 (2021: £(46,210,880)) comprising £13,096 (2021: £72,630) of restricted funds and £23,754,583 (2021: £22,485,690) of unrestricted general funds, which are the Society's free reserves, and a pension reserve surplus of £16,688,000 (2021: Deficit £55,465,000).

#### Pensions Disclosures

Volatility in the investment markets continues to significantly affect the disclosures of pension assets and liabilities under FRS102 section 28 on the balance sheet.

In last year's account, we reported that the discount rate had increased slightly having the impact of reducing the accounting deficit by over 20% in 2021. The discount rate continued to rise significantly through 2022 resulting in the previously reported deficit on the balance sheet to change into an accounting surplus position.

In prior years, we reported growing accounting deficits but explained that in real term, these had no impact on GLL's actual payable liabilities and contributions. The now reported accounting surplus also has no effect on the actual pension costs.

As at the 31st December 2022, the discount rate had risen significantly to around 4.8% having the impact of changing the disclosure on the balance sheet from a liability of £55m to an accounting surplus of £16.7m. At the same time, the actuarial valuation carried out on the ongoing basis confirmed the actual position in the funds had risen to a surplus of £18m from the prior year surplus of £1.9m.

For clarity, these pension disclosures here relate to Defined Benefit schemes GLL is a member of. Most of these are through membership of the Local Government Pension Schemes (LGPS).

Pensions' valuation and disclosure is a difficult and controversial topic and because of the complexities, it is an area that requires further explanation. It is important to appreciate how the LGPS and other DB pension schemes work and how ongoing contributions requirements are calculated to ensure the scheme remain or become fully funded in the long term.

FRS102 section 28 is an accounting standard in relation to the calculation and disclosure of company pension scheme liabilities. It requires that employers make full provision for all pension scheme liabilities on their balance sheet – both in respect of any outstanding employer contributions (there aren't any) and (more significantly) any attributable share of the pension scheme actuarial deficit in respect of defined benefit schemes.

The FRS102 pensions liability calculation used for accounting purposes are based largely on the actuarial Ongoing Basis calculations (such as inflation, life expectancy etc.) **but crucially differ in one key respect – that of the discount factor used to arrive at net present value of any surplus or deficit.** Whereas the “Ongoing Basis” uses estimated actuarial investment returns based on past and expected future performance, the FRS102 calculation uses a return based specifically on AA rated Government gilts. Prior to last year, the FRS102 calculation had resulted in significantly lower discount factors than the Ongoing Basis – and therefore high net present pension scheme deficits. It is therefore quite common for an organisation like GLL to take on a new local authority contract and a fully funded pension scheme under the Ongoing Basis only to find that this gives rise to a significant FRS102 deficit (which needs full provision in the accounts) due to the specific FRS102 discount factor required to be used. With the significant discount rate increase in the last year, the differential between the valuation methods has almost disappeared.

Future employer contributions are calculated at each tri-annual actuarial valuation. The actuaries calculate the scheme surplus or deficit based on prevailing assumptions around returns, inflation, discount factors, life expectancy etc. and then calculate the employer contribution required to a) maintain and provide for current and future pensions and b) reduce any deficit over time if one exists. The employer contributions required are communicated to the employers and remain in place until the next tri-annual valuation. For all LPGS, the last tri-annual actuarial valuation was carried out in 2022 and new rates set for 3 years from April 2023.

The employer contribution rates are therefore established by the actuaries on the Ongoing Basis and have **no direct linkage** to the FRS102 calculations or provisions. To put it another way, a change in the FRS102 provision does not on its own impact the employer contribution.

A few key points to note:

- GLL is up to date with all required employer contributions in all of its schemes.
- The majority of GLL’s employees in DB schemes are members of one of the LGPS schemes under admissions agreements – these are subject to tri-annual actuarial valuations which then establish the actuarial surplus or deficit and the required ongoing employer contribution rates.
- When GLL secures new contracts, it always takes on a fully funded pension liability calculated under the actuarial Ongoing Basis.
- FRS102 requires a different method of calculating a pension scheme deficit – based on AA rated bond yields rather than actuarial forecast investment returns. Due to this, FRS102 can give rise to high deficit calculations for accounting purposes – however it is important to understand that FRS102 is not the recognised actuarial method to calculate the necessary contribution rate and can overstate the actuarial liability or skew the results in the accounts.
- GLL’s required employer contributions only change every three years based on the tri-annual actuarial valuation on the Ongoing Basis. Changes to the annual FRS102 valuation do not impact GLL’s employer contribution.
- Government bond yields (on which the FRS102 discount factor calculations are based) prior to now have been at extremely low levels – this gave rise to high pension scheme deficits. In prior year reports, we commented that it seemed more likely that discount factors would eventually increase – which meant accounting deficits were more likely to shrink than increase. The results for 2022 confirmed the validity of this statement as the discount factor rose sharply and the accounting deficit turned into surplus.
- GLL does have joint and several liability under most LGPSs in which its employees are members – although we believe that the major employer (i.e. the local authority) provides an indemnity to third parties against the failure of other third party employers.



In order to illustrate the differences between the valuation methods, GLL asks the actuaries to evaluate the position of the funds under both “FRS102” for the accounts and under the “ongoing basis” method and assumptions for DB schemes.

Pension Fund (£'000)	FRS102 as at 31/12/22	Ongoing Basis as at 31/12/22	Difference
LPFA	7,325	6,213	(1,112)
CITRUS Pension Plan	312	209	(103)
Royal Borough of Greenwich LGPS	2,929	3,037	108
Wiltshire LGPS 1 & 2 (Swindon)	3,350	6,053	2,703
Merton	173	132	(41)
Northamptonshire LGPS (Cambridge)	654	1,069	415
Copeland	1,354	612	(742)
South Lakes	425	(17)	(442)
Newcastle (Tyne & Wear) - new 2021	166	766	600
<b>Total</b>	<b>16,688</b>	<b>18,074</b>	<b>1,386</b>

As can be seen by the valuations in the table above and with the rise in discount rate, the differences between valuation methods are negligible. In prior year reports, the differences were significant. Regardless of the fact that the valuations are more aligned this year, it does need to be understood when evaluating GLL’s financial position.

## SOCIAL IMPACT & PUBLIC BENEFIT

The Trustees confirm that they have complied with the duties in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission’s general guidance on public benefit.

We have referred to the Charity Commission general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that they have set.

GLL remains the UK’s largest leisure and cultural genuine charitable social enterprise. We operate over 400 facilities with a diverse workforce of 10,000+. Our inherent social ethos, linked to our charitable objectives, ensures that accessibility, affordability and equality are at the heart of our community provision.

Our values, linked to our charitable objectives, ensure that our customers and communities are at the heart of everything we do. GLL reinvests its surpluses to improve the customers and communities we serve, the lives of the people we employ and the facilities we operate.

**As the UK’s largest leisure and cultural charitable social enterprise GLL has been striving to build stronger and healthier communities since 1993 by increasing participation, tackling health inequality, reinvesting back into our communities and increasing social value**

**Increasing Participation**

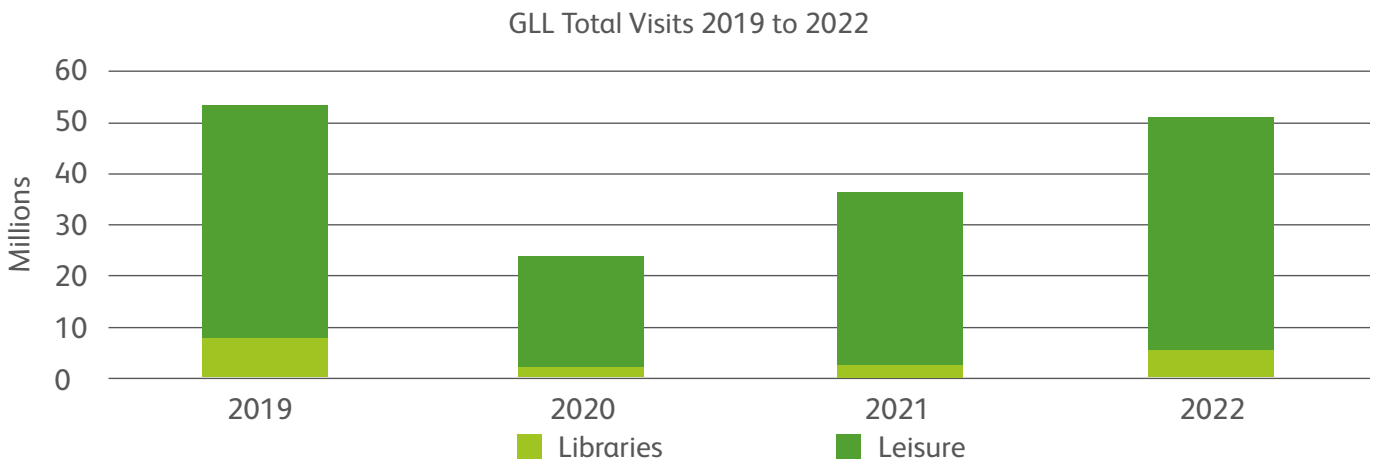
We believe that cultural and leisure activities play a crucial role in improving the physical, mental and social wellbeing of our communities. That is why we are committed to getting more people, more active, more often.

The Covid-19 pandemic represented the challenge of a generation. It had a hugely detrimental impact on the physical and mental health of the UK’s population and participation levels fell across all the activities and services delivered by GLL.

Re-establishing our participation and visitor numbers following the pandemic was a key target for 2022. The pandemic caused two years of business interruption in 2020 and 2021 with multiple closures and restrictions being placed on the services. At the start of 2022 some of these restrictions still existed, but despite this, GLL was able to fully recover leisure centre participation and exceed pre Covid-19 levels from 2019.

**There were over 51million total visits to GLL facilities in 2022**

The below graph of overall usage in leisure centres and libraries shows the impact of the Covid-19 pandemic and recovery of participation and visitor levels.



Swimming pools and our aquatics programme are at the core of what GLL does. We operate over 150 swimming pools ranging from the prestigious London Aquatics Centre to local pools that are such an essential part of local communities. We are proud to have built the UK’s largest swimming lesson programme and syllabus, which focuses on water confidence, safety and progression.

As the largest provider of swimming lessons in the UK, we help over 200,000 people a week learn to love the water



Libraries are important to local communities. Many people love to read: in our recent user survey, 83 % of respondents said that access to books was the best thing about their visit to the library. And libraries do lots more: offer free access to PCs, and to broadband and Wi-Fi, provide activities for children and for older people – and offer space for study, space for people to stay warm in winter, and cool in the heat of summer.

**During 2022, GLL library visitor numbers achieved 66% of pre Covid-19 pandemic performance. This is above average for library services across the country, and rose month on month throughout the year. Greenwich Libraries received more visits than any other library service in the country**

**(CIPFA Library Statistics 2021/2).**

By the end of 2022, Bromley and Greenwich Libraries were lending more books from libraries than they were before the Pandemic. The CIPFA Statistics for Libraries show that GLL Libraries issue significant numbers of books, with Bromley issuing more than any other London authority, Wandsworth, 2nd in London (by only 13 books) and Greenwich, 4th.

The recent Annual User Survey revealed a Net promoter Score (NPS) of 86 % for library services operated by GLL, and overall customer experience was rated as excellent.

### Tackling Health Inequality

We know that not everyone has the same access to our facilities, products and services. We are trying to tackle health inequality by making sure we improve access, support diversity, remove barriers to participation, and provide choices for disadvantaged groups.

**GLL's innovative membership framework ensures that the people who need the most support get it. Through subsidised membership schemes such as concessionary, inclusive (disability), seniors and NHS over 45% of all our members receive a subsidised membership price**

**In 2022 on the back of the Ukraine War and the refugee crisis GLL introduced a free to access refugee membership scheme. Supported by the Refugee Council and Red Cross the scheme has supported over 9,000 refugees integrate better into local communities**

We believe our facilities and activities should be available to all, but we also know that sometimes targeted initiatives are also required to help people with additional needs. We run a comprehensive range of programmes all designed to improve the health of our local communities. Here are examples:

- Concessionary memberships
- Inclusive UK-wide membership for people with disabilities
- NHS and emergency services membership
- Healthwise membership
- Junior and senior membership
- Refugee membership
- Concessionary activity pricing
- Children under 3yrs swim for free with an adult
- Kids Swim for a £1
- Community programmes
- Dedicated family activities and programmes
- Schools offer
- Vulnerable children and carers support
- Healthwise health referral schemes
- Child obesity referral schemes
- 'Looked After' children schemes
- Weight management programmes and support
- Social prescription UK pilot
- Prince's Trust employment pilot
- 'Change Please' social enterprise partnership and employment initiative
- 'Give It a Go' six-week supported health memberships
- 60yrs+ Club Games
- Women only programming and dedicated facilities
- 'This Girl Can' programmes
- Regular literacy and national reading events within our libraries
- 'Read and Feed' libraries literacy and meals scheme
- Free SIM card libraries initiative
- Warm spaces across our leisure centres and libraries
- Diversity Equality and Inclusion (DEI) statement and commitments



### Reinvesting Back Into Our Communities

At the core of GLL is the principle that as a Charitable Social Enterprise we reinvest all surplus back into our products, services and communities.

**Since 1993 GLL has reinvested over £100m back into its products, services and communities**

There are many ways in which GLL tangibly reinvests back:

- Facility improvements and investments
- Concessionary membership pricing
- Inclusive (disability) memberships pricing
- Concessionary activity pricing
- Off peak discounted pricing
- Volunteering programmes
- In kind support to individual, clubs and local community groups
- Club development
- GLL Sport Foundation
- Workforce development
- Satellite community delivery programmes

In 2022 over 1,500 talented athletes secured funding from the GLL Sport Foundation. The Foundation supports young people to achieve their sporting potential across 115 different sports providing £1m of financial support across 67 partnerships in England, Northern Ireland and Wales.

**Since it was created in 2007 the GLL Sport Foundation has been the largest independent athlete support programme in the UK, supporting over 10,000 athletes and providing over £14m of support.**



Overall 87% of supported athletes receive no other centralised or independent assistance, highlighting the huge practical challenges many face when aspiring to compete at top level.

**146 GLL Sports Foundation supported athletes competed at the 2022 Commonwealth Games held in Birmingham winning 59 medals.**

**Improving Social Value**

GLL continues to strive to be the best at delivering social impact across all our partnerships. By focusing on increasing participation, tackling health inequality and reinvesting back into our services we're trying to deliver meaningful change for our customers and communities that really makes a difference. Measuring and learning is key for us and our clients so that's why in 2017 GLL supported the pioneering development of a Social Value Calculator.

**In 2022 GLL delivered £390m of social value impact**

The Social Value Calculator helps GLL to evaluate participation, identify specific opportunities and to target Health inequalities such as CHD, Dementia, Diabetes and Obesity which can be measured quantitatively by activity/demography/geography. The evidence base informs and enables performance measurement against goals for targeted interventions ensuring value-for-money investment. Social Value impact is evidenced through 4 community measures:

- Social value for physical and mental health
- Subjective wellbeing
- Individual development
- Social and community development

**Every £1 spent by GLL returns around £2 of Social Value**

As a charitable social enterprise, GLL's Social Value is just as important as its annual turnover and it underpins our ethos and values.

Total Social Impact value Jan-Dec 2022



## SOCIAL IMPACT AND PUBLIC BENEFIT – EMPLOYMENT & ENGAGEMENT

GLL provides employment for 10,800 people (4235 permanent staff and 6313 flexible workers). Numbers increased with the Lee Valley and Basingstoke partnerships joining the GLL fold in 2022. On a full time equivalent basis the workforce equates to 3228 perm staff and 1178 flexible staff with permanent staff completing on average 70% of the total working hours each month. Throughout the year, our people have continued to work hard to provide high standards of customer experience and to achieve the targets set out in our financial recovery plan for the year.

At the end of 2022, the People and Learning and Development Teams came together to form one connected People Team under the leadership of a new role, People Director.

### Workforce Engagement

GLL works to ensure that our people understand our values, participate and contribute to the success of our organisation:

- On-boarding information about our values and objectives and welcome and induction process for new employees and workers continue to be developed into 2023.
- The intranet has been overhauled this year allowing for more information, updates and interaction with our people. On-going business updates, shared learning, people and team recognition stories and celebrated calendar events such as International Women's Day, Pride and Black History Month have added vibrancy and interest. Intranet active usage has increased this year to 32%, with a monthly average of 2800 unique visits per month.
- As a worker owned organisation (also referred to as the Society), employees and workers have the opportunity to acquire a society membership and with this participate in the running of GLL. The scheme has been extended to include all staff through the introduction of the associate society membership scheme for flexible colleagues.
- Regional society meetings (virtual and in person) and society events, were organised by the employee trustees on the Board throughout the year as a means to increase engagement and development of our people.
- In person partnership based communications days were held for all permanent staff and core flexible workers at the end of the year. These days provided an opportunity to reflect back on 2022 achievements, set the strategic ambitions for call to action for 2023 and recognise our people's contribution through numerous awards.
- More choice for people in how they wish to engage with us was introduced in terms of permanent and / or flexible worker engagement to better suit each person's individual and unique circumstance. Subject to vacancies, most people working in GLL (and for most roles) can choose to take out a permanent contract or engage with us as a flexible worker.
- We have reviewed our employee assistance programme as a result of feedback and our insurance partner Zurich are now providing an increased service for our people.
- We continue to subscribe to health Assured to provide an occupational health referral scheme.
- GLL recognises the living crisis and ensured that people were remunerated well and appropriately in accordance with their job role. GLL achieved Real Living Wage accreditation in 2022 and is an employer that pays at the upper quartile level of sector pay.
- As a charitable social enterprise and worker-owned organisation, the Living Wage Foundation accreditation is an important voluntary commitment to ensure that we pay higher than the Government's compulsory National Living Wage. The Real Living Wage rate is set every year by the Foundation and in our accreditation we join 9,000 other employers (out of about 2 million organisations) that have signed up to this standard in the UK.
- GLL produces monthly people key performance indicators, which are monitored by the Chief Officer Group, senior leadership Team and Board. These are then shared with managers and people business partners who take appropriate actions to change or improve against target.



### Location

We aim to place employees in facilities near to where they live and to have local workforces that represent and are appreciative of the diverse communities they serve. Many of our facilities are in some of the most deprived areas in the UK. We believe that giving employment to those who live locally brings greater wealth and social cohesion to those locations. Our local community sport and people teams have built relationships with many schools and colleges throughout the country, making them aware of the career and training opportunities available at GLL and providing routes to work and work placements.

In 2022, work commenced on partnership based reports that compare the active working populations and GLL workforces in each partnership which are a useful way of widening recruitment pools, providing community opportunities and improving any under representation in workforce make up.

### Routes to work

Resourcing continued to be a challenge throughout 2022 due to the impact of the labour market shortage and the effect of Brexit on our ability to attract and retain key frontline operational staff. Despite these challenges and following the introduction of diverse strategies, vacancy rates in 2022 reduced from 14 % across the organisation in January to 4 % in December.

The focus for 2023 continues to be on developing national and local talent strategies to ensure a pipeline of top quality employees that represent GLLs values and to ensure managers have the right resources they need to lead on their local recruitment strategies.

### Training and funding for re-skilling and employment

Employment and learning opportunities represent a critical way to give back to local communities in alignment with GLL values. Learning & development is at the heart of 'more than a job' and GLL delivered the commitment to support all our people in their learning and career development.

GLL were able to tap into Industry funding (CIMSPA Retrain) to the value of £55k which funded STA and NPLQ courses, plus additional funding secured in Wales and Belfast. This supported the organisation in retraining, redeploying and multi-skilling the existing workforce and new recruits in essential qualifications such as National Pool Lifeguard, Swimming Teacher Awards and Fitness Instructor qualifications. These were particularly important qualifications needed to support the skills gaps being experienced and exacerbated by the labour market situation.

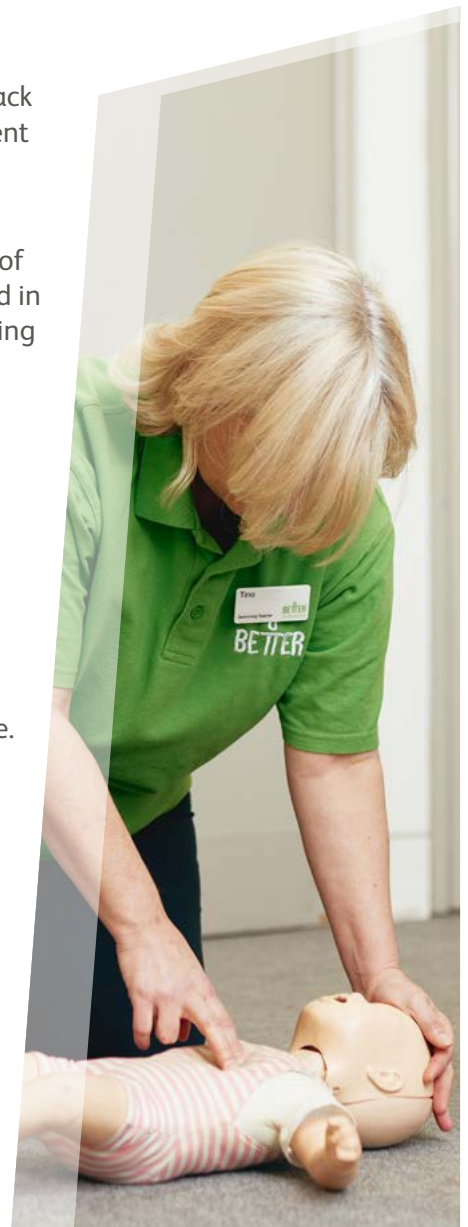
GLL staff completed 3433 classroom courses and 8973 e-learning courses during 2022.

A partnership with CILIP, the chartered body for libraries, delivered 10 GLL specific and specialist CPD training modules for library colleagues. Between March and December 2022, 105 library staff completed at least one module.

In addition to recruited apprentices, GLL started 32 existing employees on leisure Industry apprentices, levels 2-5 and other apprentices including marketing, IT and HR. Maximising the apprenticeship levy as a means to achieve development and professionalization of the workforce was and is, an important strategy in GLL.

A revised Trainee Manager scheme was delivered with 14 TMs recruited across the 3 hubs in Belfast, London and Manchester with another 20 being recruited in 2023.

Work continued on management development, with in house modules for managers being designed and a dedicated Management Development Manager being appointed as part of the new Leadership Team within the People function.







### Equality, Diversity and Inclusion Policy and implementation plan

Equality, Diversity and Inclusion is a fundamental part of the GLL ethos as a worker owned charitable social enterprise and is an integrated work stream. It is the golden thread that makes us a wiser, stronger and better organisation.

A revised EDI policy and implementation Plan was agreed by the senior team and Board in 2022. Ongoing monitoring and reporting on EDI data is produced, shared with managers and presented quarterly at Board level. The plan identifies a number of strategies to address under-represented groups.

Women in GLL make up 56 % of the total workforce and

- 40 % of our management
- 38 % of our Director Team
- 46 % of our Board of Trustees

People of Black, Asian, Mixed, and Multiple Ethnic Heritage make up 17 % of the total workforce and 10 % in leadership roles and 29 % of the Board of Trustees. Whilst improvement is required in leadership roles and GLL remains on a journey with this, the direction of travel is positive.

### Quality Assurance

GLL holds a Silver status Investors in People Award. Following a successful review meeting, IIP extended this status until July 2023, to allow for business recovery. During 2022, successful external assessments were completed in relation to our delivery of RLSS and STA courses.

## GLL'S SUSTAINABILITY AGENDA — “RESPECTING THE PLANET”

GLL takes its responsibility with regards to Sustainability very seriously. To this aim, each year we strive to reduce energy consumption and our impact on the environment through investment into proven and new technologies and the adoption of best practices.

As a leading charitable social enterprise, GLL have an active role in the challenge against climate change and we know how important it is to work with our partners to manage our impact on the environment and support and engage with the move towards a Zero Carbon Future.

Energy and water are vital for the delivery of our services and represent a significant proportion of our operating costs. Climate change, potential water shortages and rapidly rising energy costs make it even more important for us to increase our sustainability through controlling resource consumption and reducing waste.

The global energy crisis that has been seen over the last 12 months has had a significant impact on GLL and its operational costs and has increased focus even more in the area of Sustainability, energy reduction and reducing our impact on the environment with a range of new measures being implemented.

In 2022, GLL continued our work on key environmental objectives through the delivery of our Strategic Action Plan as well as the corporate plan. The key principles of reducing carbon emissions and energy use remain core agenda items.

Actions completed in 2022 included:

- Successfully retained certification at 12 GLL premises over 3 partnerships to the updated Environmental Standard ISO14001:2015
- GLL now generates renewable energy from over 90 sources at our facilities:
  - 70+ Solar PV installations,
  - 7 Solar Thermal arrays,
  - 3 Biomass boilers and
  - 10+ facilities with Heat Pumps (Air, Ground & Water).
- Renewable electricity generation from Solar PV in 2022 totalled 2.7m/kWh (Up from 1.5 kWh in 2021), with over 2.4m kWh of renewable heat.
- 41 Combined Heat & Power units were active in 2022, using natural gas to generate low cost heat and electricity at GLL facilities whilst reducing our reliance on the grid. GLL units generated over 14.5m kWh up from 12.8m kWh in 2021) of electricity and nearly 25m kWh of heat locally for premises.
- Commenced final drafting of GLL’s Sustainability strategy which will outline our targets and objectives for the coming years including net zero carbon targets, waste & recycling objectives, renewable energy strategy, biodiversity and wider goals to be published in 2023
- Further GLL funded renewable energy installations have been completed at Charlton Leisure and Lifestyle Centre, Gosling Sports Park and Sutton Sports Village to add a further 500,000kWh of zero carbon electricity.
- Worked with Partners to install large scale Solar Arrays and Air Source Heat Pumps in Newcastle, Cambridge and Manchester with more planned for 2023.
- Commenced investigations into direct purchase of zero carbon electricity from renewable sources through power purchasing agreements (PPA).
- Over £2m invested in energy saving technologies across the GLL estate to reduce energy consumption and improve efficiency.

## Environmental Legislation Compliance in 2022

- GLL has completed its SECR (Stream Lined Energy and Carbon Reporting) Summary Report for 2022
- GLL completed applicable works on ensuring all relevant Solar PV installations and CHP's conform to the new "Loss of Mains" protection regulations required by the electricity Network operators for the September 2022 deadlines, with all applicable units being compliant.
- Display Energy Certificates have been produced and displayed at all applicable GLL premises.

### Waste and Recycling

Minimising the use of natural resources and impact on the environment through waste generated at our premises is an ongoing priority for GLL. We continue to segregate waste streams at our premises, increase recycling rates and divert waste from landfill, whilst reducing overall waste tonnage.

Grundon Waste Services and their regional partners along with 1st Waste and Suez collected general waste and recycling from around 190 GLL Leisure Centres, Better Gyms and Libraries under centrally controlled contracts. The key objectives and achievements under the GLL Waste and Recycling Policy in 2022 are shown below,

- Achieved zero waste to landfill by the end of 2022 (within Grundon Contract)
- Only 2 % of residual waste going to landfill under our 1st Waste contract with 98 % of waste being recycled or used to generate heat & electricity.
- Over 1,594 tonnes of waste collected through centrally managed contracts
- 573 tonnes of waste was recycled.
- Food waste collections introduced at all premises with kitchen operations and café's
- Annual recycling rate of 36 % (for centrally administered partnerships)

In 2022 GLL continued work on the delivery of its Waste and Recycling Strategy covering key objectives and targets for the future, it remains a key work stream and a core part of GLL's future Sustainability Strategy to be launched in 2023 to highlight our objectives for the next 5 years and will include:

- Strategy for the removal of single use plastics from GLL premises
- 50 % Target for recycled waste by 2027.
- Increased separation of food waste and use of compost-able catering supplies
- 65 % Recycling target by 2035 in line with Government objectives.
- A commitment to "Zero Waste to Landfill" across all GLL premises.
- GLL wide review of waste provisions and tender process to select long term partners to support GLL's objectives



### Respecting The Planet – Continuous Investment

GLL continues to work with Partners and invest directly in Carbon saving technologies. The programme was increased in 2022 in response to the energy crisis; with numerous projects being completed. For example:

- Further roll out Variable Speed Drives across the Southern Region following on from previous investment in the North.
- Around 20 new Pool covers being installed or awaiting installation to increase the amount of pools with covers to over 90 %
- A roll out of LED lighting technology has commenced across the GLL estate including 16 centres that have had full LED lighting installations in main activity areas in the Southern Region with anticipated savings of nearly £200,000 per annum.
- 6 new Public Sector De-carbonisation Schemes have been completed in Newcastle and Cambridge to reduce Energy costs and Carbon emissions associated with GLL's operations. These schemes all included large solar arrays being installed alongside Air Source Heat Pumps as well as plant upgrades and improvements in building management systems.
- GLL has worked closely with Partners to deliver these schemes with more anticipated in 2023
- Installation of a first Water Source Heat Pump at West Reservoir in Hackney

Other investments and projects highlighted for 2023 include:

- GLL to invest a further £230,000 on 4 new Solar PV arrays across GLL owned and leased premises in order to reduce electricity consumption by 200,000kWh per annum and 38 tonnes of CO<sub>2</sub>.
- Further investments will include replacement of older gas boilers, further LED lighting roll out and Variable Speed Drive as part of phase 3 of GLL's spend to save programme.
- GLL will work with a number of partners across the country to de-carbonise its heating supply through the installation of Air Source Heat Pumps (ASHP) funded through the Public Sector De-carbonisation Scheme.

### Streamlined Energy & Carbon Reporting (SECR) Regulations

Legislation to replace the CRC scheme has been put in place under the Companies (Directors Report) and Limited Liability Partnerships (Energy & Carbon Reporting) Regulations 2018.

The regulations require large businesses to measure and report on its total Carbon Footprint covering emissions from direct gas and fossil fuel combustion (Scope 1), electricity and delivered heat (Scope 2) as well as business and staff travel (Scope 3).

In 2022 GLL's Total measured footprint was 65,383 t/CO<sub>2</sub>e (2021 = 59,724 t/CO<sub>2</sub>e) below is a summary of GLL's total 2022 Carbon Emission by scope. As can be seen from the breakdown, 64 % (2021 – 67 %) of GLL's emissions are generated from its gas and fossil fuels use and less than 36 % from electricity consumption, whereas travel currently accounts for only 0.17 %.

GLL 2022 Carbon Emissions by Scope:

- Scope 1 = 42,062 t/CO<sub>2</sub>e
- Scope 2 = 23,208 t/CO<sub>2</sub>e
- Scope 3 = 113 t/CO<sub>2</sub>e





As part of the regulations GLL is required to monitor and report emissions against an appropriate metric, the table below shows GLL's 2022 emissions as a ratio against its total operational floor area, turnover and customer visits.

#### GLL Carbon Intensity 2022

- Turnover = 216 t/CO<sub>2</sub>/£m
- Gross Internal Area = 0.06 t/CO<sub>2</sub>/m<sup>2</sup>
- Customer Visits = 1421 t/CO<sub>2</sub>/ million visits

#### Awards and Recognition

GLL continues to hold ISO14001:2015 with external audits and certification completed in June 2022. These were completed in person over a number of days by the auditor with building tours and interviews happening at several of GLL's premises as well as our head office which is also certified.

## LOOKING TO THE FUTURE & DELIVERING OUR AMBITIONS

As we emerged from the pandemic in late 2021, and approached the final year of the then current corporate planning cycle, it was a timely opportunity to reconsider our ambitions, and a transitional plan was put in place for 2022, as part of the journey towards the next five year planning cycle for 2023 – 2027.

In late 2022, work started on creating the new five year plan. Although the pandemic and the global energy crisis underlined the need for businesses to be flexible and adaptable, they also reinforced the importance of having ambitions and a plan - to provide the direction and focus to help steer through the inevitable business challenges that come along and give everyone a sense of direction.

As part of the review it was agreed that our Purpose and Mission remain appropriate, but that we should take the opportunity to use our values (as set out earlier on in this report) to frame our ambitions and drive change, and give real meaning to being a 'values driven' organisation. The result is our new five year plan – '**GLL2027: Creating Our Future**'. The plan sets out long-term ambitions against each of our values; details the strategic actions needed to deliver them, and also sets out the key measures we intend to improve / and targets to be achieved.

We regard this as a landmark business and social action programme for GLL, as it ties in with the 30th 'birthday' of GLL as an organisation, and the 15th of our Sports Foundation. As part of the Plan we have described what we aim for GLL to be like as a business and organisation by 2027 and have emphasised what makes GLL different from other operators; as we see this as increasingly important to partners and customers, as well as being a factor that distinguishes us in the employment market. We believe that delivering this plan will position GLL as the most successful and influential charitable social enterprise in the UK.

We reviewed and updated our corporate management and reporting framework in 2022, in order to provide specific focus to all areas of business performance, and this will include monitoring progress and delivery of the corporate plan.

## FUNDRAISING

GLL do not use professional fundraisers in order to raise funds and do not do fundraising activities to further our objectives. All of our income is derived from main sources being sales for use of facilities and management fees. We do get some grants however this is not fundraising. GLL also receive sponsorship from corporate suppliers to support GLL foundations but again this is not deemed to be fundraising.

## STATEMENT OF THE COMMITTEE OF MANAGEMENT'S RESPONSIBILITIES

The Committee of Management are responsible for preparing the Report of the Committee of Management incorporating a Strategic Report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice, including FRS102 (the financial reporting standard applicable in the UK and R.O.I).

Society law requires the Committee of Management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Society and of the incoming resources and application of resources, including the income and expenditure, of the Society for that period. In preparing these financial statements, the management board are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and the principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Committee of Management are responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions and disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the Society and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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## STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the Committee of Management are aware at the time of approving the Report of the Committee of Management, there is no relevant information (as defined by the Co-operative and Community Benefit Societies Act 2014) of which the Society's auditors are unaware, and each committee member has taken all the steps that he or she ought to have taken as a Committee Member in order to make himself or herself aware of any audit information and to establish that the Society's auditors are aware of that information.

Committee of Management report, incorporating a strategic report, approved by order of the committee members, on 25/05/2023 and signed on the Committee of Management's behalf by:



P Bunday – Committee Member



G Kirk – Committee Member

## SECTION 2 – INDEPENDENT AUDIT OF GLL'S REPORT OF THE COMMITTEE OF MANAGEMENT AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The full report of the committee of management and consolidated financial statements for the year ended 31 December 2022 for Greenwich Leisure Limited have been audited by McCabe Ford Williams Statutory Auditors and Chartered Accountants.

They have examined the full set of Financial Statements for the Group and the Society for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Society Balance Sheet, Consolidated Cash Flow Statement and the related notes. They have confirmed from their audit work that the financial reporting framework that has been applied in the preparation of the financial statements is in line with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 (the financial reporting standard applicable in the UK and ROI).

The independent auditor report included in the full set of financial statements has been made solely to the Society's members, as a body, in accordance with Section 87 of the Co-operative and Community Benefit Societies Act 2014.

Their audit work has been undertaken so that they might state to the Society's members those matters they are required to state in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, they do not accept or assume responsibility to anyone other than the Society and the Society's members as a body, for their audit work, for the full report, or for the opinions they have formed.

In their opinion the full report of the committee of management and consolidated financial statements for the year ended 31 December 2022 for Greenwich Leisure Limited:

- give a true and fair view of the state of the Group and Society's affairs as at 31 December 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014.

The full report and set of Financial Statements for the Group and the Society were reviewed and approved by the Board's Audit Sub Committee on the 25th May 2023. Subsequently, the report of the independent auditors included within the full set of financial statements was signed by Clair Rayner FCA DChA (Senior Statutory Auditor) for and on behalf of McCabe Ford Williams, Statutory Auditors and Chartered Accountants.

The accounts presented in this document represent summaries only of the consolidated Balance Sheets, Cash flows and Statement of Financial Activities. McCabe Ford Williams has not audited this summary document.

The committee of management report in this document represents the complete report which can be found in the full annual financial statements.

In addition, this document includes commentary on the group's membership of defined pension schemes.

For a completed set of accounts including notes and disclosures, please contact the Society Secretary.

## SECTION 3 – SUMMARY FINANCIAL STATEMENTS

### BALANCE SHEET AT 31 DECEMBER 2022 – GLL GROUP CONSOLIDATED

	AS AT 31ST DECEMBER 2022		AS AT 31ST DECEMBER 2021	
	£	£	£	£
<b>FIXED ASSETS</b>				
Intangible assets		10,605		29,139
Tangible assets		41,133,183		44,631,329
Investments		286,808		286,808
Investment Properties		1,235,530		1,192,024
		<u>42,666,126</u>		<u>46,139,300</u>
<b>CURRENT ASSETS</b>				
Stock	778,933		599,892	
Debtors within 1 year	45,408,464		25,995,042	
Debtors after 1 year	3,316,066		5,560,420	
Cash at bank and in hand	25,921,050		33,423,165	
	<u>75,424,513</u>		<u>65,578,519</u>	
<b>CREDITORS</b>				
Amount falling due within 1 year	(81,556,481)		(67,536,565)	
<b>NET CURRENT ASSETS</b>		(6,131,968)		(1,958,046)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>36,534,158</u>		<u>44,181,254</u>
Amount falling due after more than 1 year		(12,721,229)		(21,360,774)
<b>NET ASSET BEFORE PENSION LIABILITY</b>		<b>23,812,929</b>		<b>22,820,480</b>
Pensions Liability / (Asset)		(16,688,000)		55,465,000
<b>FUNDS:</b>				
Unrestricted funds	39,970,880		(33,271,111)	
Designated funds	486,318		513,161	
Total unrestricted funds	<u>40,439,198</u>			(32,757,950)
Restricted funds	13,096			72,630
Share capital	48,635			40,800
	<u>40,500,929</u>			<u>(32,644,520)</u>
<b>TOTAL FUNDS</b>		<b>23,812,929</b>		<b>22,820,480</b>

The financial statements were approved by the Committee of Management on the 25th May 2023 and were signed by:

P Bunday - Committee Member; G Kirk - Committee Member; P Donnay - Secretary

### CONSOLIDATED CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2022

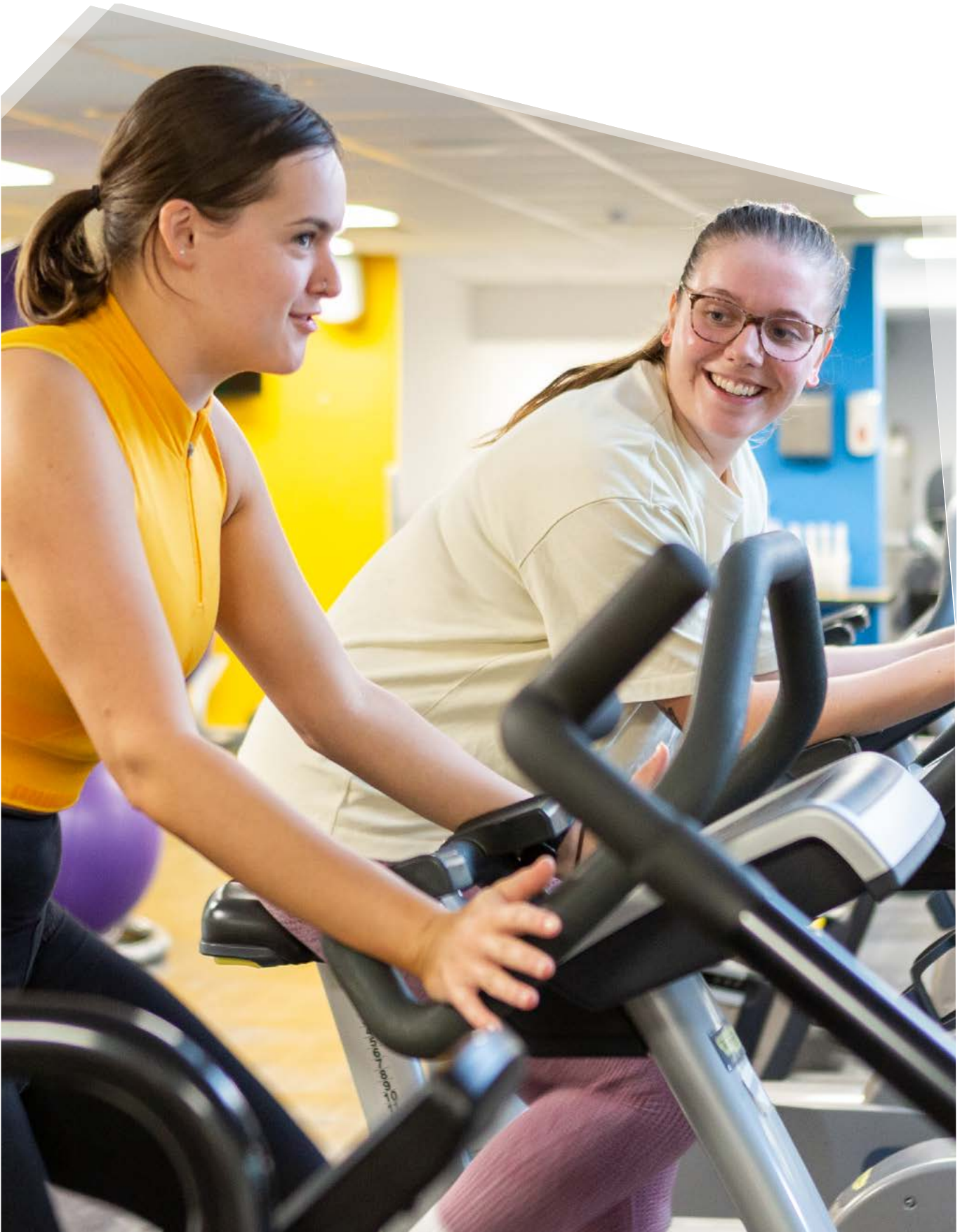
	2022 (£)	2021 (£)
Net cash inflow from operating activities	(2,961,251)	12,482,398
Cash used in financing activities	(597,608)	(6,680,507)
Cash used on investment activities	(3,943,256)	(3,401,814)
Increase / (Decrease) in cash in the period	<u>(7,502,115)</u>	<u>2,400,077</u>
Cash and cash equivalent at the beginning of the year	33,423,165	31,023,088
Total cash and cash equivalent at the end of the year	25,921,050	33,423,165



## SUMMARY STATEMENT OF FINANCIAL ACTIVITIES — GLL GROUP CONSOLIDATED (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF RECOGNISED GAINS AND LOSSES)

	FOR THE YEAR ENDED 31/12/2022				FOR THE YEAR ENDED 31/12/2021			
	UNRESTRICTED FUNDS	RESTRICTED FUNDS	FRS102S28 ADJUSTMENTS UNRESTRICTED	TOTAL FUNDS	UNRESTRICTED FUNDS	RESTRICTED FUNDS	FRS102S28 ADJUSTMENTS UNRESTRICTED	TOTAL FUNDS
	£	£	£	£	£	£	£	£
<b>INCOME</b>								
Donations and Legacies	—	2,901,081		2,901,081	350,911	38,106,105		38,457,016
<b>Income from charitable activities:</b>								
Operation of leisure, recreation, cultural and health activities	303,062,419	1,853,486		304,915,905	197,180,253	18,801		197,199,054
Income from other trading activities								
Commercial trading operations	2,954,742			2,954,742	1,854,913	443,469		2,298,382
Investment income	221,204			221,204	55,653			55,653
<b>Other income</b>	(219,736)			(219,736)	(2,033,395)			(2,033,395)
<b>TOTAL INCOME</b>	<b>306,018,629</b>	<b>4,754,567</b>	<b>—</b>	<b>310,773,196</b>	<b>197,408,335</b>	<b>38,568,375</b>	<b>—</b>	<b>235,976,710</b>
<b>EXPENDITURE ON:</b>								
<b>Raising Funds:</b>								
Investment Management Costs	60,261			60,261	49,180			49,180
Commercial trading operations	2,675,496			2,265,496	1,633,554	443,469		2,077,023
<b>Charitable activities:</b>								
Operation of leisure, recreation, cultural and health activities	302,250,765	4,802,060	4,185,000	311,237,825	193,339,290	38,235,889	3,903,000	235,478,179
Other expenditure				—	103,441			103,441
<b>TOTAL EXPENDITURE</b>	<b>304,986,522</b>	<b>4,802,060</b>	<b>4,185,000</b>	<b>313,973,582</b>	<b>195,125,465</b>	<b>38,679,358</b>	<b>3,903,000</b>	<b>237,707,823</b>
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS &amp; LOSSES</b>	<b>1,032,107</b>	<b>(47,493)</b>	<b>(4,185,000)</b>	<b>(3,200,386)</b>	<b>2,282,870</b>	<b>(110,983)</b>	<b>(3,903,000)</b>	<b>(1,731,113)</b>
Transfers between funds	12,041	(12,041)		—				
Remeasurement gains / (losses) on defined benefit schemes	—	—	76,338,000	76,338,000			22,900,000	22,900,000
Net liability acquired on schemes	—	—	—	—			(3,738,000)	(3,738,000)
<b>NET MOVEMENT IN FUNDS</b>	<b>1,044,148</b>	<b>(59,534)</b>	<b>72,153,000</b>	<b>73,137,614</b>	<b>2,82,870</b>	<b>(110,983)</b>	<b>15,259,000</b>	<b>17,430,887</b>
Shares issued	8,460			8,460	5,225			5,225
Shares cancelled	(625)			(625)	(7,625)			(7,625)
<b>RECONCILIATION OF FUNDS</b>								
Total funds brought forward	22,747,850	72,630	(55,465,000)	(32,644,520)	20,467,381	183,612	(70,724,000)	(50,073,007)
<b>TOTAL FUNDS CARRIES FORWARD</b>	<b>23,799,833</b>	<b>13,096</b>	<b>16,688,000</b>	<b>40,500,929</b>	<b>22,747,850</b>	<b>72,630</b>	<b>(55,465,000)</b>	<b>(32,644,520)</b>

The statements of financial activities includes all gains and losses recognised in the year. All income and expenditure arises from acquired and continuing activities.











# GLL

