



Places for People Leisure Limited

Annual Report and Financial Statements

For the year ended 31 March 2025

Places for People Leisure Limited
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**Places for People Leisure Limited
Company Information
For the year ended 31 March 2025**

Directors	C Martin A Winstanley
Company secretary	K Deacon
Company number	08363432
Registered office	305 Gray's Inn Road London WC1X 8QR
Auditor	MHA Statutory Auditor 6 th Floor 2 London Wall Place London EC2Y 5AU

**Places for People Leisure Limited
Strategic Report
For the year ended 31 March 2025**

REVIEW OF THE BUSINESS

The Directors present their Strategic Report for Places for People Leisure Limited for the year ended 31 March 2025, in accordance with The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. The Company is a wholly owned subsidiary within the Places for People Group ("the PfP Group") and manages Local Authority-owned leisure facilities on behalf of its parent company, Places for People Leisure Management Ltd. ("PfPLM"). PfPLM subcontracts the management of its contracts gained through both negotiation and competitive tendering to the Company.

Where particular aspects of the strategy or specific KPIs apply exclusively to the Company and not to the broader Leisure Group, this distinction will be clearly noted. Similarly, when figures such as profit before tax are presented for the Leisure Group, the corresponding figures for the Company will also be provided for clarity and completeness.

Places for People Leisure Limited (the "Company") manages Local Authority-owned leisure facilities on behalf of its parent company, Places for People Leisure Management Ltd. ("PfPLM"). PfPLM subcontracts the management of its contracts gained through both negotiation and competitive tendering to the Company.

The Directors of PfPLM's immediate parent undertaking, PfPL (Holdings) Ltd., and its subsidiary undertakings including the Company, together "the Leisure Group", have jointly produced the Strategic Report and Directors' Report which is outlined in this Annual Report. Where particular aspects of the strategy or specific KPIs apply exclusively to the Company and not to the broader Leisure Group, this distinction will be clearly noted. Similarly, when figures such as profit before tax are presented for the Leisure Group, the corresponding figures for the Company will also be provided for clarity and completeness.

The Company is a wholly owned subsidiary within the Places for People Group ("the PfP Group").

Strategic Impact and Alignment

In FY25, Places Leisure continued to advance its alignment with the overarching Places for People Group vision to become the UK's leading physical activity and wellbeing social enterprise. This vision drives our Healthy Communities team, which has been strengthened to deliver a broad portfolio of impactful national programmes that align closely with the strategic priorities of major health partners including the NHS, Sport England and ukactive.

We have implemented more structured and formalised referral pathways with healthcare professionals, enabling us to connect with individuals who may not typically engage with traditional leisure services. This has diversified and expanded our participant base, ensuring equitable access to health-improving programmes.

In the year ended March 2025, 2,597 customers successfully completed a range of targeted health interventions such as Exercise Referral, Falls Prevention, and Cardiac Rehabilitation services. This has contributed to a more than doubling of Healthy Communities membership from 2,500 to 6,948 customers. Our delivery extended beyond leisure centres into the community through 614 sessions conducted in partnership with local authorities, schools, and charities, attracting approximately 10,000 participant visits in areas with elevated health needs.

The Healthy Communities Management Group has played a pivotal role in fostering cross-Group collaboration, promoting wellbeing initiatives for both communities and colleagues. Initiatives piloted during the year include the *Move Through Menopause* course and enhanced access to Places Leisure memberships for employees, supported by the development of a digital wellbeing hub. Collectively, these efforts underpin the creation of £161 million in social value across FY25, reinforcing our commitment to the triple bottom line of social, environmental, and financial sustainability.

Places for People Leisure Limited

Strategic Report

For the year ended 31 March 2025

Financial Performance

Profit before tax for the Leisure Group as disclosed in the statement of comprehensive income amounted to £5.4 million, reflecting a downturn in year on year performance across the business. However, the reported profit before tax contained a provision of £1.5 million following a post balance sheet event. With this provision excluded profit before tax would have been a strong £6.9 million (FY 2024: £5.8 million).

This provision was necessary after the failure of a subcontracted delivery partner, which required us, as the head contractor, to take over operations of the contract from 2 April 2025 for the remaining five months. The additional costs associated with this intervention impacted the reported results.

Despite this, turnover increased by 20%, driven by the onboarding of 12 new sites across two major contracts. Cost of sales rose by 22% and administrative expenses by 14%, reflecting the scale of expansion. Excluding the provision, the business delivered results ahead of expectations.

Cash holdings within our Leisure Centres decreased to £1.3 million (FY 2024: £2.6 million), while our investment into the wider Group reduced to £12.6 million (2024: £16.7 million). This reduction demonstrates more efficient cash utilisation, enabling the business to reduce external borrowing and directly fund investment in our facilities. This self-financing approach supports long-term sustainability by generating savings on future interest payments.

The Company reported a profit before tax of £nil for the year ended 31 March 2025 (2024: £nil). This result reflects the management fee income charged by the Company's immediate parent undertaking (PFPLM), in line with the agreement between the two parties for the provision of leisure management services that the Company performs on behalf of its parent undertaking for the Local Authorities.

Business Development and Diversification

Our business development strategy during FY25 was anchored in consolidating and expanding our influence within existing local authority contracts while actively pursuing new opportunities that complement the broader Places for People portfolio. Recognising the synergy between leisure services and the Group's housing and community service delivery, we strategically prioritise contract areas where integration can amplify social value outcomes.

We have also embraced innovative delivery models that embed leisure facilities within mixed-tenure residential developments, reflecting our *Because Community Matters* ethos. These integrated developments are designed to foster community cohesion and promote physical activity as an everyday lifestyle component. We continue to explore growth strategies, including technology-enabled service delivery and new partnership models, to deepen community impact and commercial sustainability.

This balanced approach positions Places Leisure to maximise its social enterprise mission while driving sustainable financial growth across diverse geographies.

Strengthening Local Authority Partnerships

Robust and collaborative relationships with local authorities are central to our delivery model. In FY25, we successfully secured contract extensions in Dorset and Rushmoor, reflecting local authority confidence in our operational excellence and social value contributions.

Significantly, two new 10-year contracts commenced during the year, further extending our footprint. On 1 April 2024, we began managing ten facilities in partnership with Northumberland County Council, including delivery of an integrated public health contract. Subsequently, on 1 October 2024, we initiated a partnership with Spelthorne Borough Council to operate the £50 million Eclipse Leisure Centre, one of the world's first and largest Passivhaus-certified leisure facilities, alongside Sunbury Leisure Centre.

These long-term agreements not only increase our operational scale but also enhance our ability to deliver sustained community benefits through improved health, wellbeing, and social engagement.

Places for People Leisure Limited

Strategic Report

For the year ended 31 March 2025

Portfolio Management and Capital Investment

At the financial year-end, Places Leisure managed 34 local authority partnerships across 105 sites, encompassing a diverse range of facilities including leisure centres, gyms, swimming pools, outdoor sports spaces, and community halls. These facilities serve as vital community hubs that promote health, fitness, and social cohesion.

Capital investment was a key focus in FY25, with an ambitious programme targeting both new developments and refurbishment of existing assets. Key projects included the opening of the state-of-the-art Eclipse Leisure Centre and upgrades to multiple gym facilities, complemented by the introduction of Costa cafés at select locations to enhance the customer experience.

Looking ahead, our pipeline includes the development of the £25 million all-electric Epping Leisure Centre, scheduled for completion in winter 2025. We are also progressing plans for a new Outdoor Sports Centre in Mid Sussex and a gym facility in Edinburgh, integrated within a Places for People residential development, both scheduled to open in spring/summer 2025. These investments underscore our commitment to sustainable design, operational efficiency, and community-centred facilities.

Customer Experience and Brand Strength

Customer feedback and insight remain central to shaping our service delivery and brand strategy. Through continuous engagement and targeted health and wellbeing campaigns, we have successfully broadened our reach across diverse community segments, reinforcing Places Leisure as a trusted and accessible brand.

These initiatives have improved brand familiarity and perception, positioning us favourably within competitive local leisure markets. Our commitment to inclusivity, high-quality service, and community impact underpins this brand strength. We will maintain rigorous performance monitoring to ensure sustained customer satisfaction and alignment with our social impact objectives.

Digital Transformation and Data Insights

Our digital transformation agenda continues to deliver significant benefits, enhancing customer experience and operational effectiveness. The phased rollout of the Gladstone Leisure Management System has provided sites with timely access to rich operational and customer data, supporting data-driven decision-making at all levels.

As of March 2025, our mobile app attracted 196,000 unique monthly users and facilitated over 720,000 bookings, reflecting strong user adoption. Recent app enhancements have improved booking functionality and member engagement through features such as linked member booking, availability tracking, and push notifications.

Operational improvements include the implementation of a Jira-based service desk system in October 2024, which has streamlined colleague support workflows and improved service response times through automation and better data reporting. These digital investments underpin our strategy to deliver seamless, personalised customer journeys and efficient operational support.

People and Culture

With a workforce of approximately 7,540 colleagues across various roles, we recognise that attracting, developing, and retaining high-quality talent is critical to achieving our strategic objectives. In FY25, we continued to enhance colleague remuneration, recognition, and wellbeing, maintaining our commitment to paying the Real and London Living Wage as a minimum across all roles.

We expanded leadership development through the Flightpath programme, enabling line managers to access industry-leading management training. Wellbeing initiatives, including the *Time for Me* campaign and new digital resources, have supported mental health and resilience within our workforce.

Places for People Leisure Limited Strategic Report For the year ended 31 March 2025

Our workforce demographic includes 61% female and 15% ethnic minority colleagues, with ongoing efforts to improve diversity and inclusion through accessible recruitment channels and active business-wide networks.

The November 2024 Big Colleague Survey achieved a 96% participation rate, with an engagement score rising to 76%, reflecting positive sentiment regarding role satisfaction, leadership effectiveness, and organisational culture. Our People Plan for FY26 will continue to focus on capability development, inclusion, and cultural alignment to support our mission and business goals.

Environmental, Social, and Governance (ESG)

Environmental sustainability remains a key priority. During FY25, we expanded solar photovoltaic (PV) installations across our centres, now generating approximately 4 megawatts of electricity—enough to power around 2,300 homes annually. Energy efficiency projects, included pool covers and backwash wastewater savings.

Waste management improvements have led to 99.3% of our waste being either recycled or converted to energy, while our commitment to reducing single-use plastics has seen the introduction of dissolvable cleaning chemical sachets replacing traditional products.

The new Passivhaus-certified Spelthorne leisure centre exemplifies our drive for sustainable building design. Progress on the all-electric Epping Leisure Centre continues on schedule, with an expected opening in late 2025.

The Company's environmental impact, including energy usage and carbon emissions, is included within the ultimate parent company's consolidated SECR return and can be found within the PfP Group Annual Report.

Social value is increasingly embedded in contract evaluations, with many local authorities assigning 10% weighting to social impact criteria. Our social enterprise model ensures profits are reinvested to benefit communities. In FY25, we recorded £161 million in social value, comprising wellbeing benefits (£89 million), social and community development (£41 million), physical and mental health improvements (£30 million), and individual education (£1 million). We have set an ambitious target to increase social value to £200 million in FY26, leveraging our expanding programme reach.

Our governance framework supports effective risk management and operational excellence, guided by a culture of transparency and continuous improvement. We maintain ukactive's *Active Standard* certification, reflecting compliance with rigorous health, safety, safeguarding, and data protection standards.

Risk Management and Safety

Our risk management approach promotes a speak-up culture, encouraging vigilance in identifying and reporting risks across strategic, systemic, and operational domains. This aligns with the broader Places for People framework, ensuring comprehensive risk identification, assessment, and mitigation to safeguard our communities and operations.

We prioritise a positive and proactive safety culture, viewing every incident as an opportunity for learning and improvement. This is embedded within our Safety Quality Management System, which follows the PLAN, DO, CHECK, ACT cycle to balance risk control with behavioural safety initiatives.

Our continued achievement of the *Active Standard* certification evidences our commitment to high standards in safety, quality, and compliance.

The table below outlines the key strategic risks applicable to the Company, along with our mitigation strategies. This analysis does not include Group Strategic Risks, systemic and operational risks, or any unknown or immaterial risks and uncertainties.

Places for People Leisure Limited
Strategic Report
For the year ended 31 March 2025

Area	Strategic Risk Description	Mitigation Strategy
Change in Outsourcing Policy	A changing political climate including changes to government policies may result in reduced outsourcing of, or the reversal of, leisure centre management contracts offered by local authorities, thereby causing a loss of significant business.	<ul style="list-style-type: none"> • Insourcing of leisure provision by local authorities hasn't yet happened to any significant degree with the contracting market remaining very buoyant. The financial benefits of outsourcing are well documented and supported by Sport England and wider industry stakeholders.
Economic Environment	Economic factors such as inflation, unemployment, high or rising interest rates, increasing cost of living, and fluctuations in consumer confidence may lower consumer discretionary spend, lowering demand for our services. This could impede our financial growth targets and our ability to invest in our leisure facilities with a view to maintaining the quality of our service provision.	<ul style="list-style-type: none"> • Diversify revenue streams and implement contingency plans to mitigate against economic fluctuations. • Conduct regular economic analyses to identify potential risks to mitigate and opportunities to exploit.
Regulatory Changes	Changes in government policy or legal requirements, particularly in health and safety, industry-specific standards and employment laws, may impact our operations. This could result in non-compliance, financial penalties, legal action, and reputational damage, affecting our brand health and profit.	<ul style="list-style-type: none"> • Monitor legislative updates and engage legal counsel and local authorities to ensure compliance. • Continuous implementation of internal training programmes to educate staff on regulatory changes and their implications.
Supply Chain Disruption	Environmental factors like natural disasters, climate change or geopolitical events could disrupt our supply chain. This could lead to a shortage of key resources or materials resulting in delays to service delivery and higher costs.	<ul style="list-style-type: none"> • Develop robust supply chain management protocols, including risk assessments and contingency plans. • Cultivate relationships with alternative suppliers and establish redundancy measures.
Social and Cultural Shifts	Changes in public opinion, cultural preferences, or demographic trends can significantly impact consumer behaviour and the demand for our services. This may result in reduced relevance and credibility, decreased customer loyalty, or reputational damage for our organisation. These shifts are driven by evolving social values, awareness, demographic changes, or cultural trends.	<ul style="list-style-type: none"> • Conduct regular market research and customer surveys to understand changing preferences and trends. Adapt marketing strategies and service offerings accordingly to remain relevant.

**Places for People Leisure Limited
Strategic Report
For the year ended 31 March 2025**

Financial Instruments	The Leisure Group's principal financial instruments comprise sterling cash and bank deposits, obligations under finance leases, and trade debtors and creditors arising from operations	<ul style="list-style-type: none"> • Credit risk is minimal as major debtors mainly comprise of Local Authorities who pay management fees in line with contractual terms. • Liquidity risk is managed closely by the Directors through a monthly review process. Capital investment projects are funded through cash and lease finance. • Price risk and foreign exchange risk is minimal. • The Leisure Group uses forward contracts to mitigate the risk of fluctuating gas and electricity prices. The wholesale value is monitored daily, and trigger points dictate our decision-making process. Additionally, we take advice from our energy broker's market intelligence department.
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Conclusion

In 2024/25, Places Leisure has made significant strides in expanding our reach, strengthening partnerships, and deepening our social impact. With new centres added in Northumberland and Spelthorne, and an expanded Healthy Communities programme, we have supported more people than ever to lead healthier lives.

Our continued investment in people, digital innovation, and infrastructure has enhanced both operational performance and customer experience. The £161 million in social value generated this year reflects our commitment to reinvesting in the communities we serve.

As we look ahead, we remain focused on our ambition to be the UK's leading physical activity and wellbeing social enterprise, empowering more communities to thrive through accessible, inclusive, and impactful services.

Approval

On behalf of the Board



Director: Andrew Winstanley
Date: 18/12/25

**Places for People Leisure Limited
Directors' Report
For the year ended 31 March 2025**

The Directors present their annual report and financial statements for the year ended 31 March 2025.

A review of the performance of the Company and the Leisure Group's business during the year, the principal risks and uncertainties facing the Company and the Leisure Group, and likely future developments are included in the Strategic Report.

As permitted by legislation, some of the matters normally included in the Directors' Report, have instead been included in the Strategic Report as the Board considers them to be of strategic importance.

Disclosures elsewhere in the Annual Report and consolidated financial statements are cross-referenced in this Directors' Report where appropriate.

Principal Activities

The principal activities of the Company are outlined in the Strategic Report.

The results are shown in the financial statements.

No dividends have been declared or paid in respect of the year ended 31 March 2025 (2024: £nil).

There have been no important events affecting the Company since the financial year end.

Principal Clients

In the year ended 31 March 2025 we worked in partnership with the following Local Authorities to manage their leisure facilities:

Amber Valley Borough Council	North Northamptonshire Council
Birmingham City Council	North Somerset District Council
Buckinghamshire Council	Northumberland County Council
Dartford Borough Council	Norwich City Council
Dorset Council	Rotherham Metropolitan Borough Council
Dover District Council	Rushmoor Borough Council
East Suffolk Council	Sandwell Metropolitan Borough Council
Eastleigh Borough Council	Sheffield City Council
Elmbridge Borough Council	Southampton City Council
Epping Forest District Council	Spelthorne Borough Council
Gosport Borough Council	Surrey Heath Borough Council
Hinckley and Bosworth Borough Council	Test Valley Borough Council
Horsham District Council	Tewkesbury Borough Council
Kingston Council	Wandsworth Borough Council
Maldon District Council	Wokingham Borough Council
Mid Sussex District Council	Wolverhampton City Council
Newport Pagnell Town Council	Wyre Forest District Council

Directors

The Directors who served the Company during the year are set out on page 1.

Throughout the year the Company has maintained qualifying third-party indemnity provisions for the Directors.

Political Donations

The Company has made no political donations during the year (2024: nil).

**Places for People Leisure Limited
Directors' Report
For the year ended 31 March 2025**

Financial Instruments

Details of financial instruments, including exposure to risk, management objectives and policies can be found in the Strategic Report on pages 5 to 7.

Engagement with Environment

Refer to the Sustainability section in the Strategic Report on page 5 for further details.

Engagement with Employees

Refer to the People section in the Strategic Report on page 4 for further details.

Disabled Persons

The Leisure Group's recruitment policy incorporates a fair commitment to a 'disability confident' approach. All candidates who declare a disability and who meet the minimum essential criteria for the role will be shortlisted and guaranteed an interview. Managers also receive training and guidance on how to apply reasonable adjustments during the recruitment process, to ensure candidates with a disability are given full opportunity to demonstrate their skills and ability. The Leisure Group takes appropriate steps to support those colleagues who become disabled during their employment, including the support of specialist occupational health advice for colleagues with underlying health conditions and additional training where this may be appropriate.

Modern Slavery Act

The Leisure Group is required to publish an annual statement for the purposes of the Modern Slavery Act 2015. The Leisure Group is completely opposed to modern slavery practices, and it is committed to ensuring that those practices are neither taking place in any part of the business nor, as far as the Group can exert influence, in its supply chain. The Leisure Group has adopted the PfP Group Modern Slavery Act Statement which is published on our website.

Streamlined Energy and Carbon Report

The Leisure Group's Streamlined Energy and Carbon Report ("SECR") has been included within the ultimate parent company's consolidated SECR Return and can be found within the PfP Group Annual Report.

Corporate Governance

The PfP Group Board recognises the importance of maintaining high standards of corporate governance. The PfP Group's subsidiaries have governance arrangements appropriate to their size and field of activity. Whilst the Leisure Group operates a distinct business, its relationships with other parts of the PfP Group and the services it provides are integral to maintaining the cohesive nature of the PfP Group's overall offering. All of those governance arrangements feed into the PfP Group's governance structure.

The arrangements for delegating authority in respect of the Leisure Group exist within the context of a framework of delegated authority that consists of:

- (a) Matters reserved for the PfP Group Board;
- (b) General authority delegated to the PfP Group Executive;
- (c) Matters affecting the Company, the Leisure Group (including Places for People Leisure Limited and Places for People Leisure Management Ltd.) that are specifically reserved to the PfP Group Executive; and
- (d) Authority delegated to the senior management of the Leisure Group.

**Places for People Leisure Limited
Directors' Report
For the year ended 31 March 2025**

Corporate Governance (continued)

The framework of delegated authority operates as follows:

- (a) Matters that are reserved for the PfP Group Board may only be authorised by the PfP Group Board. Authorisation by the PfP Group Board can be obtained at a scheduled meeting of the PfP Group Board or, in urgent circumstances, between such meetings. In order to draw a need for authorisation to the attention of the PfP Group Board, it should be referred to the Group Company Secretary.
- (b) The PfP Group Board has authorised the PfP Group Executive to take action in connection with any matter that is not expressly reserved for the PfP Group Board up to specified limits. Those matters up to those limits may be the subject of decision by the PfP Group Executive. The PfP Group Executive may sub-delegate that authority, within agreed parameters, to management of any operating entity within the Leisure Group.
- (c) The senior management of the Leisure Group has its own schedule of delegations to empower relevant line management at different levels. The purpose of the schedule of delegations is to promote easy but consistent action in each of the PfP Group's operating companies and divisions.

The PfP Group has an Audit & Risk Committee, a Remuneration & Nominations Committee, a Development Committee and a Treasury & Investment Committee. The remit of those committees extends to the Group's business. The committees draw members from, and report to, the PfP Group Board. The PfP Group's subsidiary, Places for People Ventures Limited ("Ventures"), has a controlling interest in a number of subsidiaries within the PfP Group's non-social housing regulated businesses. To ensure that the non-social housing regulated businesses receive similar levels of scrutiny to that of the social housing regulated businesses, the Ventures Board comprises the same membership as that of the PfP Group Board. Management attends the Ventures Board to deliver the quarterly performance report which gives both the PfP Group executive and non-executive directors the opportunity to hear about and discuss the business. Regular meetings of the wider PfP Group Executive also enables management to collaborate and share knowledge with colleagues within the wider PfP Group.

For the year ended 31 March 2025, the PfP Group adopted the UK Corporate Governance Code (version 2018). Details of how the principles of the UK Corporate Governance Code have been applied throughout the overall PfP Group, bearing in mind the interdependency of each of its operating subsidiaries, can be found in its consolidated financial statements published at www.placesforpeople.co.uk.

In accordance with The Companies (Miscellaneous Reporting) Regulations 2018 the Leisure Group has not applied its own corporate governance code for the year ended 31 March 2025 as the Directors consider that the governance arrangements described above demonstrate that a robust governance framework already exists.

Section 172 Statement

In their discussions and decisions during the year ending 31 March 2025, the Directors have acted in good faith to promote the success of the Leisure Group for the benefit of its members as a whole, and in doing so have had regard to its stakeholders and the duties set out in section 172(1)(a)–(f) of the Companies Act 2006.

There are no external shareholders in the PfP Group – the ultimate parent company is limited by guarantee. Although the Leisure Group does not have shareholders in the traditional sense, the Directors recognise the importance of the Leisure Group engaging with its stakeholders at all levels and seeking to understand their views to ensure board decisions are made with due regard to their impact.

The following stakeholder groups have been identified as critical to the delivery of and influence over the Leisure Group's business model, the delivery of strategy and ultimately the Leisure Group's success – their interest and their link to the Leisure Group's strategy is illustrated below.

**Places for People Leisure Limited
Directors' Report
For the year ended 31 March 2025**

Section 172 Statement (continued)

Our stakeholders	Other relevant disclosures in the Strategic Report
Our stakeholders, customers, clients and communities	Impact – page 2 Managed Facility Portfolio – pages 3-4 Customers and Brand Health – page 4 Technology, Data and Insights – page 4 Environmental, Social, and Governance – pages 5 Risk – pages 5-7
Our partners	Broadening our Business – page 2-3 Local Authority Partners – page 3 Managed Facility Portfolio – pages 3-4 Environmental, Social, and Governance – pages 5 Risk – pages 5-7
Our people	Technology, Data and Insights – page 4 People – page 4 Risk – pages 5-7

Going Concern

The Leisure Group produce a consolidated strategic business plan each year for the next three-year cycle. This process includes review and challenge by the Directors, alongside consideration of principal risks and uncertainties. When the business plan is approved it is then used as the basis for monitoring business performance. The risks and mitigating actions are robustly assessed through the use of a comprehensive risk mapping process. Principal risks and uncertainties are set out in the Strategic Report.

The going concern assessment considers whether it is appropriate to prepare the financial statements on a going concern basis.

The Directors have reviewed the projected cash flows arising from the strategic business plan and have undertaken stress testing on two scenarios. The first scenario is based on the strategic business plan, updated with current performance and emerging trends. The severe but plausible scenario (“the second scenario”) models a range of adverse conditions that could materialise, impacting revenue, cost structures, contract renewals and liquidity over the going concern period. Such assumptions include the non-renewal of existing contracts, the failure to secure new contracts, membership and revenue volatility, operational and cost risk, as well as liquidity and financing risk.

The results of the stress testing showed that even in the second scenario the Leisure Group continued to have sufficient liquidity to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements.

PfPL (Holdings) Limited have confirmed their intention to provide further financial and other support to the Company, including not seeking repayment of amounts currently made available, for at least for the next twelve months from the date of approval of the financial statements.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Auditor

The auditor, MHA, previously traded through the legal entity MacIntyre Hudson LLP. In response to regulatory changes, MacIntyre Hudson LLP ceased to hold an audit registration with the engagement transitioning to MHA Audit Services LLP.

**Places for People Leisure Limited
Directors' Report
For the year ended 31 March 2025**

Auditor (continued)

MHA will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Statement of Disclosure to Auditor

At the time of the approval of this report:

- So far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- The Directors have taken all steps that they are required to take as directors to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approval

On behalf of the Board



Director: Andrew Winstanley

Date: 18/12/25

**Places for People Leisure Limited
Directors' Responsibility Statement
For the year ended 31 March 2025**

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

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

Approval

On behalf of the Board



Director: Andrew Winstanley

Date: 18/12/25

**Places for People Leisure Limited
Independent Auditor's Report to the Members of Places for People Leisure Limited
For the year ended 31 March 2025**

Opinion

We have audited the financial statements of Places for People Leisure Limited (the 'company') for the year ended 31 March 2025 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the company's financial statements is applicable law 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 Company's affairs as at 31 March 2025 and of the Company's loss 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 Auditor Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

Places for People Leisure Limited
Independent Auditor's Report to the Members of Places for People Leisure Limited
For the year ended 31 March 2025

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Obtaining an understanding of the legal and regulatory frameworks in which the Company operates;
- Enquiry of management, those charged with governance to identify any instances of non-compliance with laws and regulations;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any instances of known or suspected instances of fraud;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale

**Places for People Leisure Limited
Independent Auditor's Report to the Members of Places for People Leisure Limited
For the year ended 31 March 2025**

- of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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 Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen Poleykett BA(Hons) FCA (Senior Statutory Auditor)

for and on behalf of MHA, Statutory Auditor
London, United Kingdom
Date: 18 December 25

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542)

Places for People Leisure Limited
Statement of Comprehensive Income
For the year ended 31 March 2025

	Note	2025 £000	2024 £000
Turnover	4	174,640	146,308
Cost of sales		<u>(148,254)</u>	<u>(123,034)</u>
Gross profit		26,386	23,274
Administrative expenses		<u>(26,139)</u>	<u>(23,155)</u>
Operating profit	5	247	119
Interest receivable		1	-
Interest payable and similar charges	7	<u>(248)</u>	<u>(119)</u>
Profit on ordinary activities before taxation		-	-
Tax credit/(charge) on profit on ordinary activities	8	(279)	(342)
(Loss)/profit on ordinary activities after taxation		<u>(279)</u>	<u>(342)</u>

All amounts relate to continuing operations.

The Company has no recognised profits or losses other than the results for the year as set out above.

The accompanying notes form part of these financial statements.

Places for People Leisure Limited (registration number: 08363432)
Statement of Financial Position
For the year ended 31 March 2025

	Note	2025 £000	2024 £000
Fixed assets			
Intangible assets	10	-	238
Tangible assets	11	<u>31,231</u>	<u>22,288</u>
		<u>31,231</u>	<u>22,526</u>
Current assets			
Stock	12	962	876
Debtors: amounts falling due after more than one year	13	3,280	30
Debtors: amounts falling due within one year	14	11,581	14,215
Cash at bank and in hand		<u>996</u>	<u>1,000</u>
		<u>16,819</u>	<u>16,121</u>
Creditors: amounts falling due within one year	15	<u>(26,841)</u>	<u>(37,939)</u>
Net current assets/(liabilities)		<u>(10,022)</u>	<u>(21,818)</u>
Total assets less current liabilities		<u>21,209</u>	<u>708</u>
Creditors: amounts falling due after more than one year	16	<u>(20,188)</u>	<u>(2,955)</u>
Provisions for liabilities and charges	17	<u>(3,695)</u>	<u>(148)</u>
NET LIABILITES		<u>(2,674)</u>	<u>(2,395)</u>
RESERVES			
Profit and loss account		<u>(2,674)</u>	<u>(2,395)</u>

The accompanying notes form part of these financial statements.

The financial statements were approved and authorised for issue by the board on 18th December 2025 and were signed on its behalf by:



Director: Andrew Winstanley

Places for People Leisure Limited
Statement of Changes in Equity
For the year ended 31 March 2025

	Profit and loss account £000
Balance at 1 April 2023	(2,053)
Loss for the year	<u>(342)</u>
Balance at 31 March 2024	(2,395)
Loss for the year	<u>(279)</u>
Balance at 31 March 2025	<u>(2,674)</u>

**Places for People Leisure Limited
Notes to the Financial Statements
For the year ended 31 March 2025**

1. General information

Places for People Leisure Limited ("the Company") is a private company limited by guarantee, registered in England and Wales. The registered number is 08363432 and the registered address is 305 Gray's Inn Road, London, England, WC1X 8QR.

2. Accounting policies

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 102, The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"), and the Companies Act 2006. The financial statements have been prepared under the historical cost convention. The functional and presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The Company is considered to be a public benefit entity and a qualifying entity for the purposes of FRS 102 and has applied the exemption available under FRS 102.1.11 and FRS 102.1.12 (preparation of a statement of cash flows and related notes).

The Company's ultimate parent undertaking, Places for People Group Limited, includes the Company in its consolidated financial statements, which are available to the public and may be obtained from 305 Gray's Inn Road, London, England, WC1X 8QR.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates significant to the financial statements, are disclosed in note 3.

Exemptions for qualifying entities under FRS 102

The Company is considered to be a qualifying entity [1.8] and has applied the exemptions available under FRS 102 [1.12] in respect of the following disclosures:

- Requirement to prepare a Statement of Cash Flows [section 7, 3.17(d)];
- Certain disclosure requirements in section 11 Basic Financial Instruments and section 12 Other Financial Instruments Issues in respect of financial instruments;
- Certain disclosure requirements in respect of share-based payments [section 36];
- Key management personnel compensation [33.7]; and
- Related party transactions [33.1A].

The Company has taken advantage of these exemptions on the basis that it is a qualifying entity and its ultimate parent undertaking, Places for People Group Limited, includes these disclosures in its consolidated financial statements.

Places for People Leisure Limited
Notes to the Financial Statements
For the year ended 31 March 2025

2. Accounting policies (continued)

Going concern

The Leisure Group produce a consolidated strategic business plan each year for the next three-year cycle. This process includes review and challenge by the Directors, alongside consideration of principal risks and uncertainties. When the business plan is approved it is then used as the basis for monitoring business performance. The risks and mitigating actions are robustly assessed through the use of a comprehensive risk mapping process. Principal risks and uncertainties are set out in the Strategic Report.

The going concern assessment considers whether it is appropriate to prepare the financial statements on a going concern basis.

The Directors have reviewed the projected cash flows arising from the strategic business plan and have undertaken stress testing on two scenarios. The first scenario is based on the strategic business plan, updated with current performance and emerging trends. The severe but plausible scenario ("the second scenario") contains assumptions including an increase in energy prices, an increase in repairs and maintenance costs, a possible downturn in income due to reduced membership numbers and the failure to secure new contracts or extensions to existing contract terms which have been captured in the first scenario.

The results of the stress testing showed that even in the second scenario the Leisure Group continued to have sufficient liquidity to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements.

PfPL (Holdings) Limited have confirmed their intention to provide further financial and other support to the Company, including not seeking repayment of amounts currently made available, for at least for the next twelve months from the date of approval of the financial statements.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Turnover

Turnover represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers in the period.

Turnover is mainly comprised of activities income, shop, bar and catering income, management fee income from Local Authorities, other income and management fee income from parent undertaking.

Activities income includes revenue from courses and membership subscriptions. Membership subscription income is recognised upon receipt. Where payments for courses and annual memberships are received in advance, the income is deferred and recognised over the period in which the related services are delivered.

Shop, bar and catering income is recognised on the sale of goods.

Management fee income from Local Authorities is recognised over the period to which the service relates, in line with the requirements of each Local Authority contract. The Company recognises revenue associated with certain transactions by reference to the stage of completion of the transaction at the end of the reporting period. Income is recognised when it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Management fee income from parent undertaking represents amounts agreed by the two parties for the provision of leisure management services performed by the Company on behalf of the parent undertaking to the Local Authorities.

Places for People Leisure Limited
Notes to the Financial Statements
For the year ended 31 March 2025

2. Accounting policies (continued)

Finance and operating leases

i. Finance leases

Where the Company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. Finance leases are capitalised as tangible fixed assets and depreciated over the estimated useful life. Assets are assessed for impairment at each reporting date.

The capital element of lease obligations is recorded as a liability on inception of the arrangement. Lease payments are apportioned between capital repayment and finance charge, using the effective rate method, to produce a constant charge on the balance of the capital repayments outstanding. The finance lease liability is secured against the assets to which it relates.

ii. Operating leases

Where the Company enters into a lease which does not entail transferring substantially all the risks and rewards of ownership of an asset, the lease is treated as an operating lease. Payments under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term.

Interest payable and similar charges

Interest payable and similar charges is recognised as interest accrues using the effective interest rate.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the Statement of Financial Position date, except as otherwise required by FRS 102.

Intangible fixed assets

Goodwill represents the difference between the amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the share of the identifiable assets and liabilities of the acquiree. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Comprehensive Income over its useful economic life, which is deemed to be the life of duration of the management contract which is 8 years.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

- Leasehold improvements - the remaining duration of the management contract or the lease of property
- Office and major equipment - 3-10 years or the remaining duration of the management contract

Places for People Leisure Limited
Notes to the Financial Statements
For the year ended 31 March 2025

2. Accounting policies (continued)

Stock

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell. Costs include all costs incurred in bringing each product to its present location and condition, and is measured using the weighted average cost method. At the end of each reporting period, inventories are assessed for impairment. If an item of inventory is impaired, the identified inventory is reduced to its selling price less costs to complete and sell, and an impairment charge is recognised in the Statement of Comprehensive Income. Where a reversal of the impairment is recognised, the impairment charged is reversed up to the original impairment loss, and is recognised as a credit in the Statement of Comprehensive Income.

Impairment

At each balance sheet date, non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. The Company defines cash generating units as leisure centres except where it is not sufficiently large enough in size and it is more appropriate to consider individual assets. This approach supports effective appraisal of contracts as it aligns with the management and operation of the business.

If there is an indication of impairment, the recoverable amount of the asset is compared to the carrying amount of the asset. The recoverable amount is the higher of the fair value less costs to sell and value in use. The value in use is normally assessed using discounted cash flow techniques for all future cash flows to generate the net present value.

If the recoverable amount is estimated to be lower than the carrying amount, the carrying is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Comprehensive Income.

Financial instruments

The Company has elected to apply the provisions of sections 11 and 12 of FRS 102. Financial assets and liabilities are offset, and the net amounts presented in the financial statements when there is a legally 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. Concessionary loans are initially measured at the amount paid or received and subsequently adjusted for any accrued interest receivable or payable.

i. Debtors and creditors

Debtors and creditors with no stated rate and receivable or payable within one year are recorded at the transaction price. Any losses arising from impairment in relation to debtor balances and derecognition in relation to creditor balances are recognised in the Statement of Comprehensive Income.

ii. Cash at bank and in hand

Cash at bank and in hand include all cash at bank and in hand balances, net of outstanding bank overdrafts.

Accruals and deferred income

Accruals and deferred income represents amounts not yet invoiced by suppliers.

Places for People Leisure Limited
Notes to the Financial Statements
For the year ended 31 March 2025

2. Accounting policies (continued)

Provisions

A provision is recognised where there is a present obligation, whether legal or constructive, as a result of a past event for which it is probable that a transfer of economic benefits will be required to settle the obligation and that the economic benefit can be measured reliably.

Pensions

i. 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 Company pays fixed contributions into a separate entity. Once the contributions have been paid, the Company has no further obligations. The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

ii. Defined benefit pension plan

The Company's intermediate parent company, PfPL (Holdings) Ltd., operates a defined benefit pension scheme, called the Places for People Leisure Pension Scheme, for certain employees. FRS 102 disclosures in respect of this scheme are disclosed in that company's financial statements. As the scheme is funded on a group basis, it is not possible for the Company to identify its share of the surplus or deficit. Therefore, contributions to the pension scheme are charged to the Statement of Comprehensive Income as incurred.

3. Critical accounting judgements and estimates

In the application of the Company's accounting policies, which are described in Note 2, management are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Management base these on historical experience and on various factors, including expectations of future events that are believed to be reasonable under the circumstances.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements include:

i. Trade debtors

The Company regularly assesses the recoverability of its trade debtors. The Company monitors the collection of debtors and reviews the recoverability of debts taking into account factors such as breach of contract. Where collection is thought not to be realistic, the amount impaired is provided for in the Statement of Comprehensive Income.

ii. Dilapidations provision

Provisions for the possible future costs due for leased premises are made according to the current best estimates of costs that the Company is obligated to pay. The provision recognised for each premise is reviewed periodically and updated based on the facts and circumstances available at that time.

Places for People Leisure Limited
Notes to the Financial Statements
For the year ended 31 March 2025

3. Critical accounting judgements and estimates

iii. Onerous contract provision

The Company operates long term contracts with Local Authorities. The performance of the contracts is monitored to assess if unavoidable costs of meeting the obligations under the contract exceed the economic benefit expected to be received under it. Where this is the case, the timing of its cash flows and the discount rate used to establish the net present value of the obligations under the contract requires management's judgement and is recognised as a provision.

iv. Going concern

In order to assess whether it is appropriate for the Company to be reported as a going concern, management apply judgement, having undertaken appropriate enquiries and having considered the business activities and the Company's principal risks and uncertainties as set out in the Strategic Report. In arriving at this judgement there are assumptions and estimates involved in calculating future cash flow projections. This includes management's expectations of customer demand, Local Authority support and timing and quantum of future capital expenditure. Management have undertaken stress-testing on different scenarios as outlined in Note 2. As a result of these considerations the financial statements have been prepared on a going concern basis.

4. Turnover

All turnover arose within the United Kingdom.

Turnover can be broken down as follows:

	2025	2024
	£000	£000
Activities income	159,829	134,035
Shop, bar and catering income	11,423	8,834
Management fee income from Local Authorities	1,239	2,218
Other income	2,149	1,221
	<u>174,640</u>	<u>146,308</u>

5. Operating profit

Operating profit is stated after charging:

	2025	2024
	£000	£000
Depreciation of tangible fixed assets:		
- Owned by the company	4,898	3,773
- Held under finance leases	970	641
(Gain)/Loss on disposal of tangible fixed assets	(53)	32
Amortisation of intangible fixed assets	141	137
Impairment of tangible fixed assets	(110)	-
Impairment of intangible fixed assets	97	
Auditor's remuneration	53	51
Other pension costs (note 6)	1,646	1,047
Operating lease rentals:		
- Land and buildings	163	182
- Other operating leases	253	258
	<u>16,380</u>	<u>16,380</u>

Last year's auditors' remuneration was borne by another group undertaking.

Places for People Leisure Limited
Notes to the Financial Statements
For the year ended 31 March 2025

6. Employees and directors

Employees

Staff costs were as follows:

	2025	2024
	£000	£000
Wages and salaries	75,933	59,528
Social security costs	4,211	2,952
Other pension costs	1,646	1,047
	<u>81,791</u>	<u>63,527</u>

The average monthly number of employees including the Directors, based on headcount, during the year was as follows:

	2025	2024
	No.	No.
Frontline Staff	7,433	6,214
Support Staff	28	26
	<u>7,461</u>	<u>6,240</u>

The average monthly number of employees including the Directors, based on FTE, during the year was as follows:

	2025	2024
	No.	No.
Frontline Staff	2,494	1,673
Support Staff	27	26
	<u>2,521</u>	<u>1,699</u>

During the year, the Company revised its methodology for reporting average employee count to better reflect the composition and structure of the workforce. The updated approach provides a more representative view of those with direct revenue generating capacity.

Comparative figures for the prior year have been restated, where applicable, to ensure consistency and improve transparency in reporting.

Directors

The services of the Directors are incidental to the Company and are disclosed in the financial statements of Places for People Group Limited.

7. Interest payable and receivable and similar charges

	2025	2024
	£000	£000
Interest payable on finance leases	248	119
Interest receivable	1	0
	<u>1</u>	<u>0</u>

Places for People Leisure Limited
Notes to the Financial Statements
For the year ended 31 March 2025

8. Taxation

a) Analysis of tax charge/(credit) in the period

	2025	2024
	£000	£000
Current tax		
UK corporation tax charge on profit for the year	-	-
Adjustments in respect of previous periods	-	58
Total current tax charge/(credit)	<u>-</u>	<u>58</u>
Deferred tax		
Origination and reversal of timing differences	249	284
Adjustments in respect of prior periods	30	-
Total deferred tax charge/(credit)	<u>279</u>	<u>284</u>
Tax charge/(credit) on profit on ordinary activities (note b)	<u>279</u>	<u>342</u>

b) Factors affecting tax charge/(credit) for the period

The tax assessed for the year is different from the standard rate of corporation tax in the UK of 25% (2024: 25%). The differences are explained below:

	2025	2024
	£000	£000
Profit on ordinary activities before tax	<u>-</u>	<u>-</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 25% (2024: 25%)	-	-
Effects of:		
Fixed asset differences	302	238
Expenses not deductible for tax purposes	2	-
Adjustments to brought forward values	(30)	46
Other tax adjustments, reliefs and transfers	(25)	-
Adjustments in respect of prior periods – deferred tax	30	58
Tax charge/(credit) on profit on ordinary activities (note a)	<u>279</u>	<u>342</u>

Places for People Leisure Limited
Notes to the Financial Statements
For the year ended 31 March 2025

9. Deferred tax

	2025	2024
	£000	£000
At beginning of year	30	552
(Charged)/credited to profit and loss account	(279)	(284)
Other tax adjustments	-	(238)
At end of year	(249)	<u>30</u>

The deferred taxation liability balance is made up as follows:

	2025	2024
	£000	£000
Fixed Assets timing differences	(1,651)	(186)
Short term timing differences	129	35
Losses and other deductions	1,273	181
	(249)	<u>30</u>

10. Intangible assets

	Goodwill
	£000
Cost	
At 1 April 2024 and at 31 March 2025	<u>1,125</u>
Amortisation	
At 1 April 2024	887
Amortisation charged in the year	141
Impairment	97
At 31 March 2025	<u>1,125</u>
Net book value	
At 31 March 2025	<u>-</u>
At 31 March 2024	<u>238</u>

Places for People Leisure Limited
Notes to the Financial Statements
For the year ended 31 March 2025

11. Tangible assets

	Leasehold improvements	Office and major equipment	Total
	£000	£000	£000
Cost			
At 1 April 2024	21,314	18,282	39,596
Additions	5,466	9,288	14,754
Transfers	-	-	-
Disposals	-	(222)	(222)
At 31 March 2025	26,780	27,348	54,128
Depreciation			
At 1 April 2024	8,023	8,984	17,007
Charge for year	2,911	2,964	5,875
Transfers	-	-	-
Eliminated on disposal	-	(175)	(175)
At 31 March 2025	10,934	11,773	22,707
Impairment			
At 1 April 2024	289	12	301
Charge for year	(98)	(12)	(110)
At 31 March 2025	191	-	191
Net book value at 31 March 2025	15,656	15,575	31,231
Net book value at 31 March 2024	13,002	9,286	22,288

All leasehold improvements are in respect of short leasehold properties.

Included within the net book value of £31,230,651 (2024: £22,287,841) is £3,452,613 (2024: £4,215,604) relating to assets held under finance leases. The depreciation charged in the year in respect of such assets amounted to £969,621 (2024: £640,920).

12. Stock

	2025	2024
	£000	£000
Goods for resale	962	876

There is no significant difference between the replacement cost of stock and the carrying amounts.

Places for People Leisure Limited
Notes to the Financial Statements
For the year ended 31 March 2025

13. Debtors: amounts falling due after more than one year

	2025	2024
	£000	£000
Amounts owed by group undertakings	3,280	-
Deferred tax (note 9)	-	30
	<u>3,280</u>	<u>30</u>

Amounts owed by group undertakings include concessionary loans of £3,279,748 (2024: £nil) which are interest-free, unsecured and repayable in the period after 31 March 2026 at the discretion of the lender.

14. Debtors: amounts falling due within one year

	2025	2024
	£000	£000
Trade debtors	2,742	2,272
Amounts owed by group undertakings	-	3,263
Social security and other taxes	1,346	212
Prepayments and accrued income	7,312	8,287
Corporation tax	181	181
	<u>11,581</u>	<u>14,215</u>

Amounts owed by group undertakings are unsecured, interest-free, have no fixed date of repayment and are repayable on demand.

15. Creditors: amounts falling due within one year

	2025	2024
	£000	£000
Trade creditors	1,909	2,447
Amounts owed to group undertakings	11,425	22,324
Accruals and deferred income	11,912	12,025
Obligations under finance leases	1,595	1,143
	<u>26,841</u>	<u>37,939</u>

Amounts owed to group undertakings are unsecured, interest-free, have no fixed date of repayment and are repayable on demand.

Places for People Leisure Limited
Notes to the Financial Statements
For the year ended 31 March 2025

16. Creditors: amounts falling due after more than one year

	2025	2024
	£000	£000
Amounts owed to group undertakings	18,606	1,492
Deferred tax (note 9)	249	-
Obligations under finance leases	1,333	1,463
	<u>20,188</u>	<u>2,955</u>

Amounts due to group undertakings include concessionary loans of £18,606,000 (2024: £1,492,000) which are interest-free, unsecured and repayable in the period after 31 March 2026 at the discretion of the lender.

17. Provisions for liabilities and charges

	Onerous contract provision	Dilapidations provision	Total
	£000	£000	£000
At 1 April 2024	-	148	148
Incurred during the year	1,450	2,107	3,557
Utilised in the year	-	(10)	(10)
Released in the year	-	-	-
At 31 March 2025	<u>1,450</u>	<u>2,245</u>	<u>3,695</u>

Dilapidations provision

Provisions for the possible future costs due for leased premises are made according to the current best estimates of costs that the Company is obligated to pay. The provision recognised for each premise is reviewed periodically and updated based on the facts and circumstances available at that time. At the end of the financial year, Places for People Leisure Management Ltd released its dilapidation provision relating to the Southampton contract following a post-balance sheet event. Due to the subcontractor entering administration, operational responsibility for the final five months of the contract transferred from Places for People Leisure Management Ltd to Places for People Leisure Ltd. As a result, the associated obligations also transferred, and the provision is now within the Company's accounts. This change had no impact on the reported financial results.

Onerous contract provision

The Company operates long term contracts with Local Authorities. The performance of the contracts is monitored to assess if unavoidable costs of meeting the obligations under the contract exceed the economic benefit expected to be received under it. Where this is the case, the timing of its cash flows and the discount rate used to establish the net present value of the obligations under the contract requires management's judgement and is recognised as a provision.

18. Company limited by guarantee

The company is incorporated as a company limited by guarantee having no share capital and, in accordance with the Memorandum of Association, the members of the Company are liable to contribute up to £1 each in the event of the Company being wound up.

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19. Operating lease commitments

At 31 March 2025 the Company had commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2025	2024	2025	2024
	£000	£000	£000	£000
Expiry date:				
Less than one year	129	172	136	216
Between one to five years	394	861	40	171
More than five years	98	419	-	-
	<u>621</u>	<u>1,452</u>	<u>175</u>	<u>387</u>

The land and buildings commitments mainly relate to rent charges on a gym owned by Places for People Homes Limited, a PFP Group company. Other commitments mainly relate to payments for leased office equipment such as photocopiers.

20. Finance lease commitments

Obligations under finance leases are payable as follows:

	2025	2024
	£000	£000
Less than one year	1,595	1,143
Between one to five years	1,333	1,463
	<u>2,928</u>	<u>2,606</u>

Where the Company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. Finance leases are capitalised as tangible fixed assets and depreciated over the estimated useful life. Assets are assessed for impairment at each reporting date.

The capital element of lease obligations is recorded as a liability on inception of the arrangement. Lease payments are apportioned between capital repayment and finance charge, using the effective rate method, to produce a constant charge on the balance of the capital repayments outstanding. The finance lease liability is secured against the assets to which it relates.

21. Capital commitments

At 31 March 2025 the Company had capital commitments as follows:

	2025	2024
	£000	£000
Contracted for but not provided in these financial statements	<u>2,945</u>	<u>2,678</u>

Capital commitments mainly relate to fitness and other equipment required for the operation of the leisure facilities.

22. Contingent liabilities

The Company is working with its advisers to resolve issues raised by HMRC relating to the Company's use of the VAT sporting exemption in its business. Based on expert advice received, management's best estimate of any potential liability is nil. There does however remain the possibility of a resulting liability to the Company which, due to a range of possible outcomes, it is not practicable to quantify reliability at the time of preparing these statements.

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24. Immediate parent company and ultimate controlling party

The Company's immediate parent undertaking is Places for People Leisure Management Ltd., a company registered in England and Wales.

The company's intermediate parent undertaking is PfPL (Holdings) Ltd., a company registered in England and Wales, which is the smallest group which draws up financial statements including the company results.

The largest group for which group financial statements are drawn up is headed by Places for People Group Limited, a company registered in England and Wales, which is the ultimate parent undertaking and controlling party. A copy of these financial statements is available from the company's registered office at: 305 Gray's Inn Road, London, England, WC1X 8QR.