Company registration number 06859894 (England and Wales)

Charity registration number 1159832 (England and Wales)

ACTIVE LANCASHIRE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

ACTIVE LANCASHIRE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M B Cookson	
	Dr A Thornton	
	B Jones	
	D Roberts	
	K Moffitt	
	J Robinson	
	A Downard	(Appointed 20 June 2025)
	G Roby	(Appointed 20 June 2025)
	N Murray	(Appointed 31 July 2025)
	Z Jogi	(Appointed 31 July 2025)
	D Rawding	(Appointed 31 July 2025)
Secretary	S Oliver	(Appointed 01 April 2025)
Human Resources and Remuneration Committee	B Jones	
	Dr A Thornton	
	D Roberts	
	D Rawding	
Audit & Finance Committee	J Robinson	
	K Moffitt	
	N Murray	
	Z Jogi	
Key Management Personnel - Senior Leadership Team	A Leather	Chief Executive
	P Blythin	Director of Operations
	B Kay	Operations Manager
	M Stephenson	Operations Manager
	D Wright	Director of Operations
	S Oliver	Director of Operations
Charity number (England and Wales)	1159832	
Company number	06859894	
Registered office	Offices 3 & 4 Farington House Lancashire Enterprise Business Park Leyland Lancashire PR26 6TW	
Auditor	BK Plus Audit Limited Oakingham House Frederick Place High Wycombe Buckinghamshire HP11 1JU	

ACTIVE LANCASHIRE LIMITED

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ACTIVE LANCASHIRE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2026

The trustees present their annual report and financial statements for the year ended 31 March 2026.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)".

1. Welcome to our annual report

We are proud to present an overview of the collective impact achieved by Active Lancashire in 2025/26; our 25th year of operation. We remain focused on increasing activity levels for those who need it most, tackling inequalities and driving improvements in health and prosperity. Our efforts continue to address Place and System level inequalities in Lancashire, guided by our ten-year Decade of Movement Strategy. This vision ensures everyone in the county has access to and benefits from physical activity.

As a Trauma-Informed Organisation, we are equipped to support individuals with complex needs, empowering them to improve their health and lifestyle. In 2025/26, we continued to expand our Active Lancashire portfolio of activities, including our Learning Zone; offering high-quality training and development opportunities. Additionally, our Active Cycles Shop in Accrington grew, enabling us to sell bikes at reduced rates, recycle parts, and provide volunteering opportunities for people in recovery.

As an organisation we are about system change and behaviours; our strategic leadership continues to foster partnerships and innovative solutions to address health inequalities and improve local prosperity; particularly with the opportunities emerging through Local Government Review (LGR) and Devolution that we will see over the coming 12 months. In addition we welcome the continued investment from Sport England into our Network and the work of Active Lancashire; particularly the Place Universal Offer (PUO) and Preston Moves! Investment.

Adrian Leather, Chief Executive *"I extend my gratitude to our staff, partners, and trustees, as well as Sport England and Lancashire Local Authorities for their support. Together, we are making a substantial difference in Lancashire."*

Brian Cookson, Chair of the Board of Trustees *"We are thrilled to share the progress made in 2025/26, advancing physical activity access and addressing inequalities. Thank you to our dedicated team and partners for their commitment."*

2. Background to Active Lancashire as an organisation

Active Lancashire Ltd is a charitable company limited by guarantee. The trustees, who are also the directors of the company, are pleased to present their annual report together with the financial statements of the charitable company for the year ended 31 March 2026. This report serves the purpose of both a directors' report under company law and trustees' report under charity law. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (October 2019).

Structure, governance and management

The charitable company is limited by guarantee, registered in England and does not have a share capital. Active Lancashire is led by an independent Board, formed in 2009, governed under its Articles of Association in line with UKSport Tier 3 guidance. Lancashire County Council, as the sole owner of the charitable company, is entitled to appoint up to a maximum of 25% of the total number of trustees (3 individuals). The charity Board has committed to ensuring that the diversity of representation of directors reflects our communities. Active Lancashire is required to comply with UKSport code of Governance guidance through our Lottery funding arrangements through Sport England.

Structure, governance and management (continued)

The Board of Trustees meets to take decisions relating to every-day matters, supported by two Board Member led Committees. The Financial Controls Manual authorises the Chief Executive and managers to take decisions within approved limits. In appointing new trustees and replacing trustees who have completed their term of office, the Board, supported by the Chief Executive, considers its skills and any gaps through an annual review. As Company owner, Lancashire County Council ratifies the appointment of new trustees. New trustees receive an induction pack and training in the role and responsibilities of a trustee. Trustees through our quarterly Board meetings consider the major strategic, business and operational risks, which the charitable company faces, and actions to manage and mitigate these risks.

Pay policy for senior staff

The trustees with the support of the senior management team, direct, control, and operate the organisation on a day-to-day basis. All trustees give of their time freely and none received remuneration in the year. The pay of the senior staff is based on National Joint Council pay scales with the Chief Executive on an individual pay scale benchmarked against other voluntary sector executive salary levels. The senior staff are reviewed annually through an appraisal process and incremental increases on the relevant pay scale awarded based on satisfactory performance. The Chief Executive receives an annual appraisal by the Chair of the Board who reports accordingly to the Nomination & Remuneration Committee of the Board and can recommend an incremental rise on the Chief Executive’s pay scale.

Objects and activities of the Charitable Company

Active Lancashire is the lead for sport and physical activity on behalf of Sport England, which supports the Lancashire sub region. Our aim is to increase and sustain participation in, and widen access to, sport and physical activity across the county with particular focus on reducing inequalities and improving life opportunities. As the Active Partnership for Lancashire, we are an integral part of the Government's drive to increase levels of movement and engagement in physical activity and sport across England in line with Sport England’s “Uniting the Movement” strategy and more widely the Governments five Missions. We are the key bridge between local and regional networks and as such work closely with the Lancashire Sport England funded Place Partnerships; “TaAF” (Together an Active future) and the recently approved Blackpool Place partnership (Move More Blackpool).

3. Where is the work of the organisation focused?

Lancashire faces significant challenges at a locality Place level, although at a County level, system level outcomes and performance is good. Active Lancashire is focused on these inequalities and utilising the opportunities provided through activity to achieve long term, positive outcomes in a number of key areas:

- Life Expectancy: Blackpool has the lowest male life expectancy in England.
- Health Conditions: 21,442 people in Lancashire have five or more long-term health conditions.
- Suicide Rates: Higher than the national average.
- Obesity: 65.7% of adults in Lancashire are obese, compared to 64% nationally.
- Physical Inactivity: 27.7% of adults in Lancashire are inactive, above the national average of 25.7%.
- Economic Inactivity: 25% of Lancashire residents are economically inactive.
- Cultural Diversity: 21% of Lancashire's population is culturally diverse.

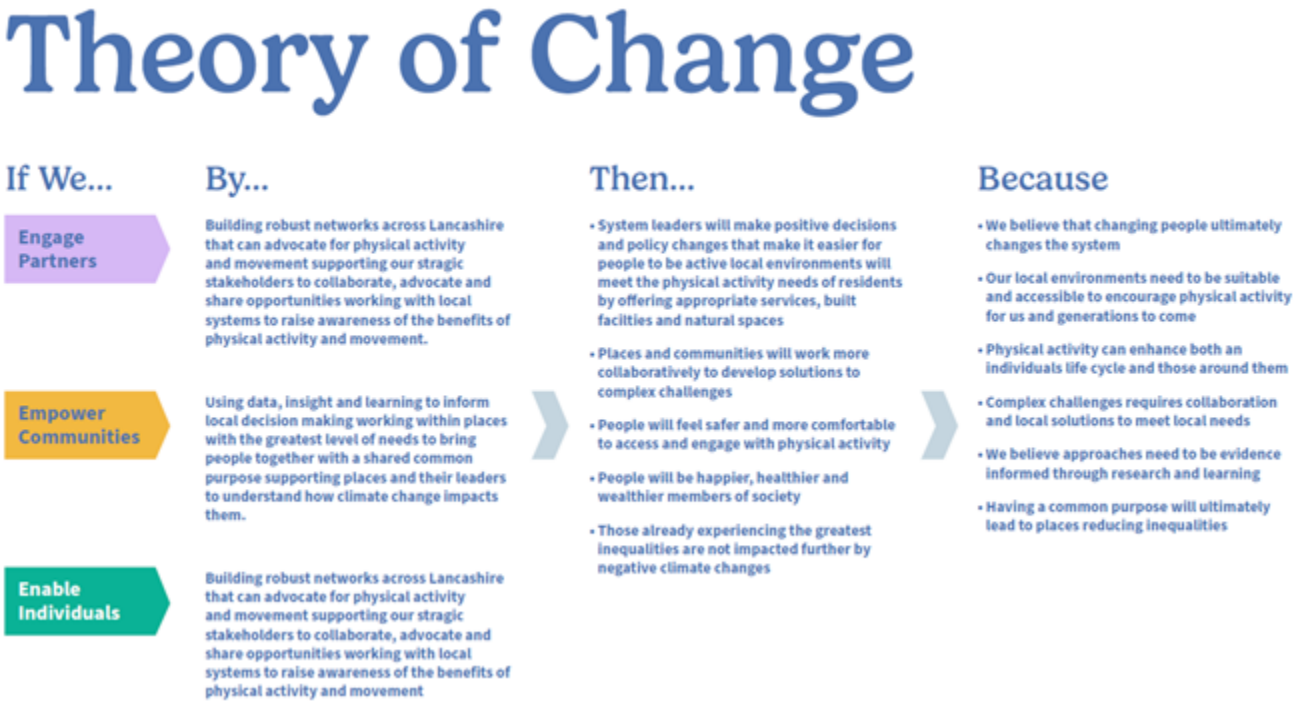
4. Our Strategy and vision for 2021-31

Active Lancashire, as one of 43 Active Partnerships nationwide, addresses challenges in areas of high deprivation, low physical activity, obesity, and unemployment. Our place-based approach prioritises five areas of greatest inequality: Blackpool, East Lancashire, Preston, Fleetwood, Morecambe and Skelmersdale in West Lancashire.

We aim to integrate physical activity into daily life, empowering residents to lead healthier, happier lives. Our collaborative leadership focuses on partnerships to address inequalities and improve health and prosperity.

ADecadeofMovement Active Lancashires Strategy

Vision: A future where everyone in Lancashire can access a physically active lifestyle.



Our organisational Values:

- Working Together
- Everyone Counts
- Forward Thinking
- Influencing Change
- Passion
- People First

Strategic Priorities:

- Improving Health
- Engaging Communities
- Training People
- Helping People Into Work
- Tackling Inequalities
- Educating Young People
- Sustainability

Creating System Change:

- Supporting employee health and wellbeing
- Upskilling workplaces and communities
- Promoting active schools
- Removing barriers to cycling
- Developing pathways to physical activity
- Leveraging lived experiences for opportunities
- Influencing policy and funding models

5. Our team

Our staff are appraised annually, reflecting on their commitment to live our organisational values and deliver the strategy of Active Lancashire.

6. Partnership activity

Active Lancashire are committed to providing strong and consistent leadership to our Place based, thematic and system level partnership networks. Our role is to facilitate and enable them to develop the quality and sustainability of their provision at a cluster and neighbourhood level, developing and sustaining collaborative relationships and initiatives.

Through this approach, we support and enable our partners to deliver high quality local provision and to securing the opportunities and resources that enable them to contribute effectively to supporting our strategy. We continue to develop and innovate in the scope and scale of our partnership activity and to maintain a focus on sport and physical activity, tackling inequalities and improving outcomes, particularly for disadvantaged groups, which reflects our strategic and charitable aims.

Our 2025/26 portfolio of work includes:

Services to clubs, coaches and volunteers

Research evidence indicates that a quality experience of sport, combined with positive and motivational support helps people sustain active lifestyles and positive emotional wellbeing. Active Lancashire focuses on supporting our workforce, including coaches and volunteers in our sports clubs and community provision to provide a quality offer, which is inclusive and reflects the needs of our communities. During 2025/26, our Sports Welfare Officers established peer support networks and mentoring services, generating £4,208 in social value within the first three months of activity.

Active Lancashire developed over 20 self-paced courses through our training hub, the “Learning Zone” over the last year. We increased the number of self funded Workplace Health Champion Courses, with our Hub supporting 940 champions embedded in business to drive activity.

Schools and the SPAR Lancashire School Games

We continue to grow and support our primary, secondary and specialist schools with their support to their pupils, families and local residents. In 2025/26 we engaged over 3500 young people in inclusive and mixed ability activities and sporting challenges working with our School games organiser network and NGBs. We continue to be supported by our long-term sponsor (since 2006) and supporter James Hall (SPAR Ltd) which enables the project to reach more young people from disadvantaged backgrounds. We also know more about the lives of young people; working across our school networks we engaged 12,485 young people in surveys about their levels of activity and lifestyles.

Schools and the SPAR Lancashire School Games (continued)



Cycle Recycle

Initially established as part of the More Positive Together project and with funding from Lancashire County Council this cycling engagement programme trains cycle repair workshop leaders and others to maintain donated cycles and put them in the hands of low income households.

Its activities include cycle recycling workshops, learn to ride sessions, road confidence sessions and guided rides. The project has to date returned nearly 500 cycles recovered from landfill to the road this year and provided training to over 40 individuals to maintain their cycles and cycle confidently on our Lancashire roads. Developments in 2025/26 include the further development of the Active Cycles “Shop” in Accrington and the development of partnerships with Lancashire prisons to refurbish the cycles. In total 1,800 bikes were saved from landfill; reducing emissions by 42 Tons of Co2.



Active Recovery

Active Recovery (previously our Challenge through Sport Initiative / CSI project) is a substance misuse recovery project for adults funded by a number of grants and income generation activity. Active Recovery enables us to provide advice and guidance through support workers with lived experience, using sport and physical activity to enhance the recovery of adults with addiction challenges. The project, which celebrated over 10 years of impact, supported over 700 beneficiaries to access over 1,800 sports and activity sessions, part of a peer level recovery package of support, which enable 112 people to access employment. This initiative also operates a community hub and charity shop in Accrington (Active Seconds), which benefited over 30 volunteers over the year, delivered nearly 100 activity sessions and supported 30 Medical student placements.



Children & Young People

Active Lancashire has continued to grow our portfolio of partners and projects supporting Children and Young People; this work is made possible through our Sport England Together Funding and also our relationship with TaAF. The focus of the work remains on developing the capacity and capability of our community based organisations to lead and sustain change for young people. Notable examples include our work with the Lancashire Madrassas, which has received several awards this year.

Pendle YES Hub

Our partnership project in Nelson Town Centre for Young People, celebrated its 4th years in supporting young people (16-24) to overcome barriers to accessing support to engage in training and employment opportunities has excelled in its third year of operation, engaging over 250 young people over the past year, with over 200 accessing employment over the past 12 months. This project with the DWP, Nelson Town Deal and the project has seen us lead and manage a “Hub” facility for young people, where they can access support from ourselves to get active and engage in fun and confidence building activities, along with support from local providers including Mind, Pendle Action and the DWP Job Centre.

Rossendale Works and Work Well

The project; a partnership between Rossendale Council, the DWP and Active Lancashire continues to grow, going from strength to strength; now in its 8th year of operation. We have worked hard with Rossendale Council to secure the projects future for successive years, assisting the Authority with Levelling Up and UK Shared Prosperity Fund applications. The project has supported over 392 adults with complex needs, of which 113 have entered into sustained employment over the past 12 months and has supported many more through volunteering and development activity.

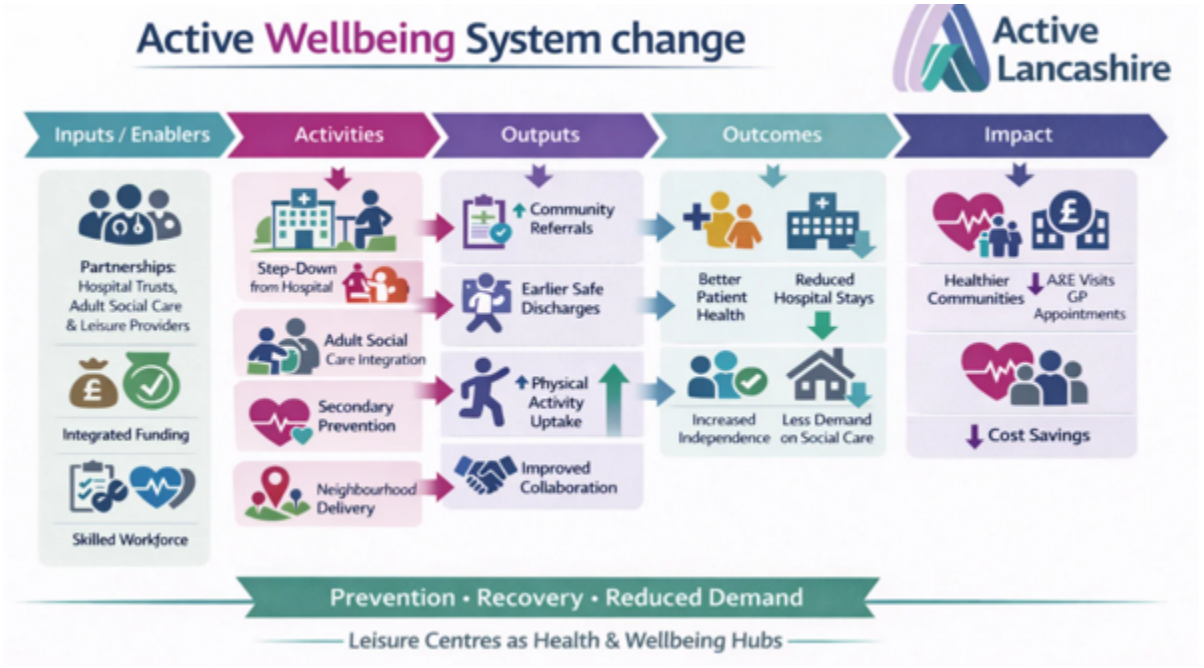
The experience of Rossendale Works has informed our partnership with the ICB, DWP and Preston City Council to lead the over coming health barriers to access employment project; “Work Well”. This project which will benefit some 700 adult during the period initially to March 2026, has engaged people with long term conditions and barriers to employment including offending backgrounds to access positive social networks and physical activity to subsequently engage in employment. The project has been recognised as a significant success in Lancashire in supporting people with long term conditions to achieve sustainable lifestyle changes.



Active Wellbeing Service (AWS)

Following a period of significant development working with Hospital Trusts, ICB colleagues and LCC Adult Social Care we have secured support from the ICS to develop a Business Case proposal for the AWS which will see a place-based prehabilitation and rehabilitation model integrating NHS Therapy services, Local authority leisure infrastructure with Community / neighbourhood delivery. The approach is being piloted across parts of Lancashire (e.g. Burnley, Preston, Pendle) with growing system traction and partnership maturity. We are working with the NHS Innovation team to develop a Business case for the L&SC Provider Collaborative, particularly focused on Falls Prevention, Service collocation and Outpatient pathways into Leisure provision, which would be self-funded by patients and part of an integrated neighbourhood health collaborative approach. This is a highly innovative and nationally leading piece of work, which will support the future sustainability of Leisure centres and address key NHS challenges; particularly patient discharge.

Active Wellbeing Service (AWS) (continued)



Family Centres

During 2025/26 we stepped up our support to family Centres; providing highly successful Multi Sport Training for over 40 centre staff across the County to enable more active participation, leading to improved family engagement, behaviours and access to further club and community support.



Social Value and Public benefit

Active Lancashire has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our objectives and activities and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the charitable company's aims and objectives. Using our internal Social Value modelling, we are able to evidence over £28M of social value; particularly focused around reduced health service demand and higher levels of productivity amongst our beneficiaries.

Achievements during 2025/26

During the past year we have a number of significant achievements we wish to see recognised:

Active Lancashire are national leaders in championing the impact on poor health and poor economic outcomes through enabling targeted physical activity in communities of identified need. Specially we have expertise in Drug and Alcohol Recovery, Employability and supporting patients to step down from Hospital patient pathways. We are using this expertise and relationships to inform preparations for the Lancashire Tier 2 LGR and emerging 2026 Devolution negotiations.

Active Lancashire has secured and developed strong Place partnerships which are enabling strong partnerships through our Place Universal Offer (PUO) in Morecambe, Fleetwood and Skelmersdale, alongside our three Place Partnership areas; TaAF, Preston Moves! and Move More Blackpool. To secure, lead and develop these partnerships has shown significant and consistent leadership from across the Active Lancashire team and Partnership base.

Active Lancashire has led on and developed a series of highly impactful local partnerships; notably Pendle YES Hub, Rossendale Works and Active Cycles. These projects reflect innovative thinking, partner commitment and leadership to pilot and develop the business case for a significant contribution of physical Activity to changing lives in target communities.

7. Financial review

The statement of financial activities for the year is set out on page 17. The charitable company's net expenditure before transfers and other recognised gains and losses was £175,937 (2025: (£330,462)). There are total reserves as at 31 March 2026 of £1,015,480 (2025 £1,002,543), of which £437,124 are unrestricted reserves, and £578,356 are restricted reserves.

The funding from Sport England to support the core infrastructure is maintained at £306,424 and is used to support Sport England's Primary Purpose requirements of working toward an active nation with a further £339,590 Sport England system Partner funding to support the leadership and engagement role with Children & Young People and Workforce Development.

Reserves policy

The trustees review the charitable company's requirements for reserves annually in the light of its main risks. The current policy is to hold sufficient unrestricted reserves to cover its statutory obligations in the event that it is wound up, being three months' staff costs, redundancy and the obligations associated with its office lease. The amount required as at 31 March 2026 was estimated to be £340,000 and this was met.

8. Plans for the future

During 2025/26 we updated our Strategy and implementation plan to improve the clarity of our messaging and underline our focus on Place based work. This focus on Place based work will see Active Lancashire lead on the Sport England funded Preston Place Partnership in collaboration with Preston City Council, alongside three Place Universal Offer supported areas (Fleetwood, Morecambe and Skelmersdale) working alongside Council and voluntary sector partners. In addition we intend to step up our leadership and skills development work, focused our Partnerships with Sport England System leadership projects in Blackpool and East Lancashire (Together an Active Future) which will form the core of a wider System leadership offer from the coming year.

8. Plans for the future (continued)

We will continue to support System and Place based development and delivery, built on our collaborative work and partnership offer. Over the coming 12 months we will specifically focus on our work to position our Local Authority Leisure Centres and services to provide joined up patient pathways working with health (e.g. Falls prevention and Cancer Rehabilitation service provision); our Active Wellbeing Service and is likely to feature as an ICB Workstream and Devolution proposal / Lancashire Growth Plan action to improve County level productivity through reducing Health related worklessness. Allied to this work, we continue to work with Local Authorities and Voluntary Sector organisations to position our sport and physical activity networks as providers of services to tackle economic inactivity. This work will see Active Lancashire replicating our System convenor and lead partner role to submit applications for the DWP funded Connect to Work programme; in support of the Government “Get Britain Working” mission and the “Get Lancashire Working” Strategic plan.

As an organisation we will prepare the options for our Board and Company owner to collaborate with the Sport England Lancashire Place Pilots and consider how we can be collectively considered and positioned within the emerging Local Government Reorganisation (LGR) and Devolution negotiations (from Summer 2026). These opportunities are likely to initiate considerable change in the organisation over the coming 12 to 36 months.

9. Risk management

The organisation maintains a corporate risk register that is reported to and discussed by trustees at each quarterly Board meeting and reviewed at regular Audit & Finance Committee meetings. This register reports on the predicted impact of the risk and actions required to mitigate the risks. In addition the organisation assesses risk at a project and individual level to reflect specific areas of risk including safeguarding, health and safety and operational activity. These operational risks are consolidated and reported through our Committee and Board structures as appropriate.

The organisation has over the last 12 months reviewed and updated its Risk Policy and Risk appetite statement to support the assessment of risks as well as support and inform strategic and operational decision making. These risks and our assessment of the risks have been scrutinised bi annually by the Company owner through the Lancashire County Council Member Scrutiny panel supported by the County Council legal and financial service team.

A key risk faced by the organisation continues to be the short term cycle of funding (e.g. 12 month period commitments on UKSPF) which Local Authorities administer on behalf of Government. These funding allocations are increasing reduced in value and are behind commissioning schedule, creating compounded risk for ourselves as employers of project dedicated staff and activities. We have sought to mitigate this risk by reducing the level of reliance on these short term grants, however our ability to secure alternate incomes from charitable activity including fund raising, grants and sponsorship has been largely unsuccessful during a competitive period and challenging wider economics. Our mitigations have been largely achieved through the downscaling and streamlining of the business, which may continue into 2025/26 subject to further project funding being secured.

Alongside the financial risk is the secondary key risk of key staff retention during this transition period for local Government and Active Lancashire. This period will be a key concern for staff wishing to be retained by the organisation and for the organisation to retain talented and valued staff that will maintain the momentum and continue to support increasingly valuable and significant place based leadership and activity across the whole of the County. The reality will be that continued efficiencies will be considered and implemented to reduce costs over the coming period.

9. Risk management (continued)

The key organisational risks currently identified for the immediate period are:

Sustainable funding: Core and project funding levels from Sport England being confirmed from October 2026 and then in the new funding cycle from April 2027. Changes and developments are likely informed by the treasury review, alongside the emerging revised priorities for the Department for Digital, Culture, Media and Sport (likely to see changes in School Sport funding) and Sport England strategies (new CEO of Sport England Simon Hayes from Summer 2025). Whilst the organisation is very well positioned to deliver its strategy (Updated spring 2025), funding from Sport England is currently falling in real terms, we hope this will be off set by the Preston Place Partnership funding and the Sport England Place Universal Offer (From Summer 2025 to March 2028). Major variances from our core funding are not expected but any significant changes will impact the resource and capacity of the organisation and will be considered by the Audit and Finance Committee.

Company owner Pension scheme liability: During 2024/25, the company owner has developed a deeper understanding of its liability and responsibilities as guarantor of the Local Government Pension Scheme of which Active Lancashire is an admitted member. The LGPS is now closed to new staff members to reduce the long term Company owner liability. The retained liability is being considered by the Company owner, to undertake a joint decision with the Active Lancashire Board to transfer the liability to a third party (e.g. to the new County Combined Authority) or subsume the liability within Lancashire County Council or to realise the liability (a payment would be required to exit the scheme). The decisions and potentially the future of the organisation are being closely considered by the Board and Company owner who will need to conclude the position ahead of the LGR process (anticipated 26-27 transition year).

Safeguarding: Projects supporting the health, social and well-being agenda often involve working with vulnerable adults. The Safeguarding Policy has been extended to cover safeguarding of vulnerable adults (including regulated activity) and has been reviewed by the HR & Remuneration Committee. Significant improvements in policy and practice have been made over the past year, however there are still a number of areas where further development and support of policy and practice is required across the wider team. The work of the Welfare and Inclusion Leadership (WIL) group and our Board safeguarding lead have been critical in understanding and assuring our safeguarding responsibilities and operational practice.

10. Fundraising

We have considered the requirements of the Charities (Protection and Social Investment) Act 2016 regarding disclosures concerning fundraising and fundraising standards and confirm that these do not apply.

Structure, governance and management

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

M B Cookson	
Dr A Thornton	
R Bailey	(Resigned 6 May 2025)
M Green	(Resigned 6 May 2025)
S Smith	(Resigned 6 May 2025)
R Davies	(Resigned 10 November 2025)
B Jones	
D Roberts	
K Moffitt	
J Robinson	
A Downard	(Appointed 20 June 2025)
G Roby	(Appointed 20 June 2025)
N Murray	(Appointed 31 July 2025)
Z Jogi	(Appointed 31 July 2025)
D Rawding	(Appointed 31 July 2025)

Auditor

In accordance with the company's articles, a resolution proposing that BK Plus Audit Limited be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.

M B Cookson

16 July 2026

ACTIVE LANCASHIRE LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2026

The trustees, who are also the directors of Active Lancashire Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

In preparing these financial statements, the trustees are required to:
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

In so far as the trustees are aware:
• there is no relevant audit information of which the auditor is unaware; and
• the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

ACTIVE LANCASHIRE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF ACTIVE LANCASHIRE LIMITED

Opinion

We have audited the financial statements of Active Lancashire Limited (the 'charity') for the year ended 31 March 2026 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2026 and of its incoming resources and application of resources, 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's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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 our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees report. We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 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; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Explanation as to the extent to which the audit was considered capable of detecting irregularities, including fraud

From the preliminary stage of the audit, we ensure our understanding of the entity is up to date. This includes, but is not limited to, current knowledge of their activities, the business and control environments, and their compliance with the applicable legal and regulatory frameworks. This information supports our risk identification and the subsequent design of audit procedures to mitigate those risks; ensuring that the audit evidence obtained is sufficient and appropriate to support our opinion.

In response to the risks identified, specific to this entity, we designed procedures which included, but were not limited to:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance, if available;
- Reviewing financial statements disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale for significant transactions outside the normal course of business.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 the 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.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

16 July 2026

David Hynes (Senior Statutory Auditor)
For and on behalf of BK Plus Audit Limited

Statutory Auditor

Oakingham House
Frederick Place
High Wycombe
Buckinghamshire
HP11 1JU

ACTIVE LANCASHIRE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	Unrestricted funds 2026 £	Restricted funds 2026 £	Total 2026 £	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
Income from:							
Donations and legacies	**3**	-	14,417	14,417	-	21,517	21,517
Charitable activities	**4**	435,176	2,378,400	2,813,576	432,692	2,186,732	2,619,424
Other trading activities	**5**	-	97,577	97,577	-	97,816	97,816
Investments	**6**	2,760	-	2,760	3,323	-	3,323
Total income		437,936	2,490,394	2,928,330	436,015	2,306,065	2,742,080
Expenditure on:							
Raising funds	**7**	-	142,102	142,102	-	52,447	52,447
Charitable activities	**8**	361,487	2,248,804	2,610,291	566,968	2,453,127	3,020,095
Total expenditure		361,487	2,390,906	2,752,393	566,968	2,505,574	3,072,542
Net income/(expenditure)		76,449	99,488	175,937	(130,953)	(199,509)	(330,462)
Transfers between funds	**17 & 18**	93,447	(93,447)	-	108,693	(108,693)	-
Other recognised gains and losses:							
Actuarial gains/(losses) on defined benefit pension schemes	**16**	(152,000)	-	(152,000)	899,000	-	899,000
Change in value of reimbursement asset	**16**	(11,000)	-	(11,000)	(984,000)	-	(984,000)
Net movement in funds	**10**	6,896	6,041	12,937	(107,260)	(308,202)	(415,462)
Reconciliation of funds:							
Fund balances at 1 April 2025		430,228	572,315	1,002,543	537,488	880,517	1,418,005
Fund balances at 31 March 2026		437,124	578,356	1,015,480	430,228	572,315	1,002,543

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 20 to 38 form part of these financial statements.

ACTIVE LANCASHIRE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Fixed assets					
Tangible assets	**13**		10,618		10,710
Current assets					
Debtors	**14**	333,222		248,990	
Cash at bank and in hand		1,140,605		1,170,672	
		1,473,827		1,419,662	
Creditors: amounts falling due within one year	**15**	(468,965)		(427,829)	
Net current assets			1,004,862		991,833
Total assets less current liabilities			1,015,480		1,002,543
Defined benefit pension liability	**16**		-		-
The funds of the charity					
Restricted income funds	**17**		578,356		572,315
Unrestricted funds	**18**		437,124		430,228
			1,015,480		1,002,543

The notes on pages 20 to 38 form part of these financial statements.

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2026.

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

The financial statements were approved by the trustees on 16 July 2026

M B Cookson

Company registration number 06859894 (England and Wales)

ACTIVE LANCASHIRE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Cash flows from operating activities					
Cash absorbed by operations	**22**		(25,211)		(958,981)
Investing activities					
Purchase of tangible fixed assets		(7,616)		(6,982)	
Investment income received		2,760		3,323	
Net cash used in investing activities			(4,856)		(3,659)
Net cash generated from financing activities			-		-
Net decrease in cash and cash equivalents			(30,067)		(962,640)
Cash and cash equivalents at beginning of year			1,170,672		2,133,312
Cash and cash equivalents at end of year			1,140,605		1,170,672

The notes on pages 20 to 38 form part of these financial statements.

1 Accounting policies

Charity information

Active Lancashire Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Offices 3 & 4 Farington House, Lancashire Enterprise Business Park, Leyland, Lancashire, PR26 6TW.

The charitable company is a company limited by guarantee and became a registered charity on 07 January 2015. The sole member of the company is Lancashire County Council and in the event of the company being wound up, the liability in respect of the guarantee is limited to £1.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1 Accounting policies **(Continued)**

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	33.3% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Corporation tax

The Active Lancashire Limited is a registered charity and as such its income and gains falling within Section 505(1)(e) Income and Corporation Taxes Acts 1988 or Section 256 of Chargeable Gains Acts 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Fund Accounting

General funds are funds that are available for use at the discretion of the Board in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors or that have been raised by the charity and which have not been designated for other purposes. The costs of raising and administering such funds are charged against the specific fund. The aim of each restricted fund is set out in the notes to the financial statements.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The present value of the defined benefit asset depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. Any changes in these assumptions, which are disclosed in note 16, will impact the carrying amount of the pension asset.

The trustees do not believe that there are any other estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

3 Income from donations and legacies

	Restricted funds 2026 £	Restricted funds 2025 £
Sponsorship income	14,417	21,517

4 Income from charitable activities

	Unrestricted funds 2026 £	Restricted funds 2026 £	Total 2026 £	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
Sport England funding	306,427	741,869	1,048,296	306,424	513,653	820,077
Other project funding	80,349	859,095	939,444	77,868	709,254	787,122
Local authority funding	48,400	749,923	798,323	48,400	951,317	999,717
Course fees	-	27,513	27,513	-	12,508	12,508
	435,176	2,378,400	2,813,576	432,692	2,186,732	2,619,424

5 Income from other trading activities

	Restricted funds 2026 £	Restricted funds 2025 £
Other income	97,577	97,816

6 Income from investments

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Interest receivable	2,760	3,323

7 Expenditure on raising funds

	Restricted funds 2026 £	Restricted funds 2025 £
Fundraising and publicity		
Research, marketing and promotion	4,163	1,950
Premises and office costs	6,376	2,802
Rent and rates	15,879	4,031
Staff training	663	900
Travel expenses	1,821	562
Project delivery costs	13,760	7,123
Wages and salaries	96,180	32,032
Depreciation and impairment	3,260	3,047
	142,102	52,447

All costs of raising funds were attributable to restricted funds.

8 Expenditure on charitable activities

	2026	2025
	£	£
Direct costs		
Wages and salaries	1,557,809	1,761,426
Depreciation and impairment	4,397	7,156
Premises and office costs	49,120	53,623
Rent and rates	18,263	37,138
Staff training	6,468	20,298
Travel expenses	22,835	32,409
Project delivery costs	988,974	1,060,517
Research, marketing and promotion	58,175	96,030
Exceptional pension adjustment (note 16)	(163,000)	(85,000)
	2,543,041	2,983,597
Share of support and governance costs (see note 9)		
Support	60,250	29,498
Governance	7,000	7,000
	2,610,291	3,020,095
Analysis by fund		
Unrestricted funds	361,487	566,968
Restricted funds	2,248,804	2,453,127
	2,610,291	3,020,095

9 Support costs allocated to activities

	2026	2025
	£	£
Support and governance costs	67,250	36,498
Analysed between:		
Audit and accountancy	7,188	7,000
Legal and professional fees	60,062	29,498
	67,250	36,498

All of the above expenditure is directly attributable to the promotion of sport.

10 Net movement in funds

	2026	2025
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	7,188	7,000
Depreciation of owned tangible fixed assets	7,657	10,203

11 Trustees

The trustees were not paid and did not receive any other benefits from employment with the charitable company in the year (2025: £nil). Trustees were reimbursed out of pocket expenses during the year, totalling £nil (2025: £179). No trustee received payment for professional or other services supplied to the charitable company (2025: £nil).

12 Employees

The average monthly number of employees during the year was:

	2026 Number	2025 Number
	35	43

The average number of full time equivalent employees during the year was 32 (2025: 38).

Employment costs	2026 £	2025 £
Wages and salaries	1,653,989	1,793,458

Redundancy and termination payments totalling £31,970 were made in the reporting period. At the balance sheet date, this amount remained unpaid.

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2026 Number	2025 Number
£60,000 to £70,000	1	1
£80,001 to £90,000	1	-
£90,001 to £100,000	1	1

Of the employees whose remuneration exceeded £60,000, there are 3 employees (2025: 2) accruing benefits under defined benefit pension schemes.

The key management personnel comprise the trustees, the Chief Executive, the Director of Business, the Operations Managers (x3), the Director of Operations (x2) and the Director of Finance. The total employee benefits of the key management personnel, including National Insurance and pension contributions, were £695,590 (2025: £650,068).

13 Tangible fixed assets

	Computers
	£
Cost	
At 1 April 2025	62,351
Additions	7,616
Disposals	(6,814)
At 31 March 2026	63,153
Depreciation and impairment	
At 1 April 2025	51,692
Depreciation charged in the year	7,657
Eliminated in respect of disposals	(6,814)
At 31 March 2026	52,535
Carrying amount	
At 31 March 2026	10,618
At 31 March 2025	10,710

14 Debtors

	2026	2025
Amounts falling due within one year:	£	£
Trade debtors	171,383	78,801
Prepayments and accrued income	161,839	170,189
	333,222	248,990

15 Creditors: amounts falling due within one year

	2026	2025
	£	£
Other taxation and social security	51,188	43,875
Trade creditors	30,881	98,807
Other creditors	23,904	28,340
Accruals and deferred income	362,992	256,807
	468,965	427,829

16 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

16 Retirement benefit schemes **(Continued)**

Defined benefit schemes

On 1 April 2010 the charitable company was admitted into a multi-employer defined benefit scheme, operated through Lancashire County Council. The assets of the scheme are administered by trustees in a fund independent from the charitable company.

FRS 102 Section 28 Employee Benefits requires the use of actuarial techniques to assess the present value of future pension liabilities. In accordance with FRS 102, the charge for the scheme has been calculated on the sum of the cost of benefits accruing in the year, the increase in the value of benefits already accrued and the expected return on net assets. The charitable company's contribution to the scheme during the year amounted to 16% of pensionable salaries and its expected contribution to the scheme for the year ending 31 March 2026 is £187,357. At the year-end £20,305 (2025: £24,406) was owed to the scheme in respect of contributions.

Lancashire County Council guarantees any pension scheme deficit crystallising if the charitable company is wound up or leaves the scheme. As there is a surplus in the year, this has not been recognised as it is deemed to not be recoverable, therefore no corresponding liability is required from Lancashire County Council.

Key assumptions

	2026 %	2025 %
Discount rate	6.4	5.9
Expected rate of increase of pensions in payment	3	2.7
Expected rate of salary increases	4.4	4.1
Inflation assumption	2.9	2.6

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2026 Years	2025 Years
Retiring today		
- Males	21.1	21.1
- Females	23.6	23.6
Retiring in 20 years		
- Males	22.3	22.3
- Females	25.4	25.4

Amounts recognised in the profit and loss account *Costs/(income):*	2026 £	2025 £
Current service cost	121,000	154,000
Net interest on defined benefit liability/(asset)	(100,000)	(34,000)
Total costs	21,000	120,000

16 Retirement benefit schemes **(Continued)**

Amounts recognised in other comprehensive income	**2026**	**2025**
Costs/(income):	**£**	**£**
Actual return on scheme assets	(178,000)	(159,000)
Less: calculated interest element	300,000	231,000
Return on scheme assets excluding interest income	122,000	72,000
Actuarial changes related to obligations	30,000	(971,000)
Effect of changes in the amount of surplus that is not recoverable	11,000	984,000
Total costs	163,000	85,000

The amounts included in the balance sheet arising from the charity's obligations in respect of defined benefit plans are as follows:

	2026	**2025**
Liabilities/(assets):	**£**	**£**
Present value of defined benefit obligations	3,749,000	3,405,000
Fair value of plan assets	(5,349,000)	(4,994,000)
Surplus in scheme	(1,600,000)	(1,589,000)
Restriction on scheme assets	1,600,000	1,589,000
Total liability recognised	-	-

Movements in the present value of defined benefit obligations	**2026** **£**
Liabilities at 1 April 2025	3,405,000
Current service cost	121,000
Benefits paid	(87,000)
Contributions from scheme members	80,000
Actuarial gains	30,000
Interest cost	200,000
At 31 March 2026	3,749,000

16 Retirement benefit schemes **(Continued)**

Movements in the fair value of plan assets	**2026** **£**
Fair value of assets at 1 April 2025	4,994,000
Interest income	300,000
Return on plan assets (excluding amounts included in net interest)	(122,000)
Benefits paid	(87,000)
Contributions by the employer	184,000
Contributions by scheme members	80,000
At 31 March 2026	5,349,000

The actual return on plan assets was £178,000 (2025 - £159,000).

Fair value of plan assets	**2026** **£**	**2025** **£**
Equity	6,000	5,000
Bonds	-	5,000
Property	75,000	60,000
Cash	53,000	75,000
Other	5,215,000	4,849,000
	5,349,000	4,994,000

17 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2025	Incoming resources	Resources expended	Transfers	At 31 March 2026
	£	£	£	£	£
School Games - Delivery	20,140	34,416	(34,126)	(1,000)	19,430
Workforce Development-Learning Zone	9,207	112,954	(106,666)	(4,315)	11,180
School Games - Capacity	-	25,000	(24,688)	(312)	-
Research & Insight	30,756	2,429	(22,208)	6,250	17,227
MarComms Budget	19,817	-	(26,126)	19,980	13,671
Active Recovery	66,218	2,640	(70,561)	63,355	61,652
Active Lives Survey	-	20,148	(19,648)	(500)	-
CGL North & Central Substance Misuse Project	2,874	111,722	(85,984)	(10,118)	18,494
CYP Innovation Fund	31,045	12,500	(6,208)	-	37,337
Active Seconds Community Hub	87,987	63,727	(103,855)	(47,859)	-
Business Health Matters	16,861	-	(8,622)	(8,239)	-
Pendue Youth Employment Service Hub	20,840	128,595	(130,951)	(7,970)	10,514
Children & Young People	1,354	232,608	(222,774)	(11,170)	18
Active Cycles Initiative	7,112	46,031	(44,053)	(730)	8,360
Office of Health Improvement & disparities		80,000	(70,020)	(9,980)	-
Preston UK Prosperity Fund		117,000	(110,480)	(6,520)	-
Health Coaches Training	52,522	141,872	(122,953)	(14,000)	57,441
Pendue UK Prosperity Fund	576	361,920	(336,594)	(25,902)	-
Rossendale UK Prosperity Fund	56,595	84,241	(96,748)	(14,000)	30,088
ESWO Sports Welfare Officers	43,003	109,200	(101,654)	(3,911)	46,638
Community & Employability	81,396		(25,593)	9,351	65,154
Cancer Alliance Funding	9,500		(2,055)	(7,445)	-
We are With You Funding	14,512	-	(2,601)	(11,912)	(1)
Preston Work Well ICB Funding		510,312	(504,631)		5,681
Preston Place Partnership		122,452	(50,949)		71,503
Place Universal Offer		147,727	(59,557)	(2,000)	86,170
North West Cluster (SE Funding)		22,900	(601)	(4,500)	17,799
	572,315	2,490,394	(2,390,906)	(93,447)	578,356

17 Restricted funds **(Continued)**

Previous year:	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
	(51,447)	(1,082,537)	879,796	170,060	(84,128)
School Games - Delivery	24,374	36,468	(39,258)	(1,444)	20,140
Workforce Development-Learning Zone	3,677	109,386	(106,231)	2,375	9,207
United Together	20,845	-	(7,242)	(13,603)	-
School Games - Capacity	-	25,000	(25,000)	-	-
Research & Insight	58,574	11,400	(47,594)	8,376	30,756
MarComms Budget	52,324	900	(51,810)	18,403	19,817
CSI-Get Healthy Get Active	123,925	2,680	(96,489)	36,102	66,218
Active Lives Survey	5,274	20,150	(25,067)	(357)	-
CGL North & Central Substance Misuse Project	5,545	75,000	(76,891)	(780)	2,874
CYP Innovation Fund	42,553	14,175	(25,683)	-	31,045
Opening Up Schools Facilities	28	33,745	(30,398)	(3,375)	-
CSI Community Hub	74,763	76,388	(52,313)	(10,851)	87,987
Business Health Matters	11,898	950	(9,672)	13,685	16,861
Regional Social Prescribing	9,124	9,805	(17,311)	(1,618)	-
Pendue Project New 2021	23,063	107,733	(127,957)	7,161	10,000
LCC Healthy Weight Service	-	10,000	-	(10,000)	-
BHM Sales & Marketing	56	13,077	(24,760)	13,343	1,716
Children & Young People	41,471	212,763	(220,051)	(11,090)	23,093
Blackburn Public Health CSI	29,211	32,573	(26,024)	(32,458)	3,302
MPT Steps	62,572	1,877,871	(1,743,165)	(131,514)	65,764
Smoking Cessation Project	55,449	51,730	(32,500)	(61,908)	12,771
Make Every Contact Count	26,513	51,000	(20,489)	(25,547)	31,477
NHS Health Screening Care	247,558	-	(130,640)	(24,857)	92,061
Iceland Unit	8,390	53,113	(39,865)	11,215	32,853
Office of Health Improvement	4,686	57,535	(43,780)	(18,441)	-
Young Justice in Sport Fund	91	-	1,266	(1,357)	-
NCS Targeted Community Experience	-	45,169	(41,252)	(3,917)	-
Preston UK Prosperity Fund	-	180,989	(174,614)	(6,375)	-
PAM Self-management training course	-	50,000	(18,236)	(10,000)	21,764
Health Coaches Training	-	40,000	(18,849)	(8,000)	13,151
Pendue UK Prosperity Fund	-	53,402	(52,813)	-	589
Rossendale UK Prosperity Fund	-	81,000	(39,581)	(11,021)	30,398
Sports Welfare Officers	-	54,600	(21,101)	(900)	32,599
	880,517	2,306,065	(2,505,574)	(108,693)	572,315

17 Restricted funds **(Continued)**

New Projects in 2025/26 Financial Year

Preston Place Partnership
The purpose of the Preston Place Partnership funding is to look at systemic approaches to addressing physical inactivity in Preston. The funding supports stakeholders and communities to come together to identify key themes and areas that need to be addressed to remove barriers and provide enablers to help people across Preston become more active. The funding is part of Sport England's £250m place investment and is currently at a Development stage, with a few to supporting an application for a full award.

Place Universal Offer
The Place Universal funding is part of Sport England's £250m place investment programme and is designed to support areas across Lancashire that are not currently receiving Place Partnership investment from Sport England to help address physical inactivity. The funding aims to provide an offer to all none Place Partnership areas to look at how they can look to bring about systemic change to support their communities to be more active. Some target areas, which have high levels of deprivation, have been identified for some specific work, these are Fleetwood, Morecambe and Skelmersdale.

North West Cluster
The NW Cluster is funding provided by SE to support Active Partnerships and Place Partnerships to undertake system leadership and developmental work which enables shared learning and collaboration. The funding has been allocated to Active Lancashire on behalf of the NW partners.

Change of Project Names

Challenge through Sport Initiative Get Healthy Get Active – **Change to Active Recovery**

CSI Community Hub – **change to Active Recovery – Active Seconds Hub**

Projects from 2024/2025 that have now closed or been merged

Opening up Schools Facilities – Closed, no further funding

Regional Social Prescribing – Closed, no further funding

BHM Sales & Marketing – closed project ended

Smoking Cessation Project - closed – funding ended

NHS Health Screening Care – closed - funding ended

NCS Targeted Community Experience – closed at end of 2024/25 – Funding ended

Health Check Pilot support – closed – no further funding

Multi-Sport Facilities Funding – closed – one off funding

Moving Communities Funding - closed – one off funding

Sports Awards – event no longer taking place

Projects descriptions

Purpose of the restricted funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or by the terms of an appeal for particular projects.

School Games – Delivery – Sport England project and sponsorship to pay for the resources, promotion and delivery of the School Games Events.

17 Restricted funds **(Continued)**

Purpose of the restricted funds (continued)

Workforce Development Learning Zone – Largely Sport England funding aligned to the Primary system partner contract to support Workforce Development. The Learning zone is the current workforce development officer offering an online platform of training courses to support improved health & wellbeing and workplace health and the delivery of grass roots physical activity.

School Games – Capacity – Sport England project to contribute to the salary costs of the project officer responsibility for organising the school games event.

Research & Insight – Research and Insight budget supporting the training and research projects of the Research & Insight officer and contributes towards student assistants for research projects. Funded by commissioned work for partners and projects.

MarComms Budget – The fund represents the marketing and communications elements of a number of projects. Marketing budgets have been pooled from across a number of projects to pay for marketing and communication and its activities with promotional products, training, equipment and research. Bringing together these allocated funds allows for transparency of spend and efficiency of resources. Transfers have therefore been made from various other restricted funds to reflect this.

Challenge Through Sport Initiative (CSI) Get Healthy Get Active – The CSI project is funded and supported by various partners to pay for support workers and project manager and activities to use sport and physical activity to enhance recovery of adults with drug, alcohol and other dependency problems.

Active Lives Survey – Sport England funding to facilitate a new school-based Active Lives Survey for Children and Young People to measure participation in sport and physical activity among children in school years 1 to 11.

CGL North & Central Substance Misuse Project – This is part of the Challenge Through Sport Initiative(csi) work funded by CGL engaging people in physical activities and referring into other support services to support recovery from substance misuse.

Children and Young People (CYP) Innovation Fund – Support the innovation and administration of CYP activity and capacity funding.

CSI Community Hub - The shop will build on the CSI projects physical activity roots to sell second-hand goods to encourage people to begin their wellbeing journeys. Donations are received from local organisations and people in the community. All proceeds from the store go directly back into the project itself, allowing for their team of support workers to continue carrying out life-changing initiatives for the benefit of Lancashire residents. The space also will help support the delivery of the project, with a designated area to carry out meetings, training and physical activity sessions.

Business Health Matters - This is a project designed to improve the skills of people in employment across Lancashire and help them retain employment. The project will provide basic skills, level 2 and level 3 qualifications to participants. These qualifications will be delivered by project partners and a big focus of the project will be the delivery of level 2 and level 3 Workplace Health Champion qualifications. Active Lancashire is the project lead.

Pendle Youth Employment Service (YES) Hub – funded largely by the Pendle New Town Deal - A project in Partnership with Pendle Borough Council to establish and maintain a Youth Employment Hub working alongside DWP Colleagues and a range of local delivery partners. Young People are referred from the work coaches and supported in depth with a range of local opportunities and services that support Young People age 16-25 on that employment journey.

17 Restricted funds **(Continued)**

Purpose of the restricted funds (continued)

Children & Young People - Sport England funding aligned to the primary role, to have a strong understanding of young people (people and place), and work with local structures to develop and deliver positive experiences for young people (over 5) in order to increase the number of children and young people who have a positive attitude towards sport and physical activity. Working in local places should also support the priorities, in particular of tackling inequalities and reducing inactivity.

Active Cycles Initiative – initiative to recycle old bikes either donated by the community or recovered from refuse centres using volunteers and the prison community. The recycled bikes are then sold at an affordable price or provided to community groups to support and improve physical activity and access to employability opportunities.

OHID – Office for Health Improvement & Disparities - From Harm to Hope is a 10-year drugs strategy acting upon the recommendations of an independent Drugs Review. The Department of Health and Social Care is providing funding to improve services across the country in line with the ambitions of the 2021 drug strategy which focuses on delivering three strategic priorities: Breaking drug supply chains, Delivering a world-class treatment and recovery system, Achieving a generational shift in demand for drugs. The strategy and subsequent funding to tackle drugs is designed to cut crime and reduce both the supply and demand for drugs by getting more people into treatment, breaking the cycle of crime driven by addiction and keeping drug related violence out of neighbourhoods across the country. Lancashire has been recognised as an area of greatest need and has received funding through the Supplementary Substance Misuse Treatment and Recovery Grant (SSMTRG) 2022-2025 to improve the treatment offer in the county and to ensure that better access to treatment is fast tracked for the poorest and most vulnerable.

Preston UKSPF – A fund from Preston City Council to deliver the Move Forward Project. This will support Preston residents who are economically inactive to achieve outcomes to move closer to the labour market. This will be delivered by a number of partners.

Health Coaches Training - This funding is to organise and administer Health Coach Training including Personalised Care Patient Activation training (PAM) and Making Every Contact Count (MECC), across the Lancashire and South Cumbria ICB footprint. The training provides participants from health, local authorities and the VCFSE with the skills to support a person to positively change behaviours relating to their health.

Pendle UKSPF - A fund from Pendle Borough Council to deliver the Move Forward Project. This will support Pendle residents who are economically inactive to achieve outcomes to move closer to the labour market. This will be delivered by a number of partners.

Rossendale UKSPF – A funding stream to specifically support those who are Economically Inactive in the Rossendale Area. The fund will cover Active Lancashire Internal Staff costs to deliver the project on behalf of Rossendale BC.

ESWO Sport Welfare Officers - In response to the Whyte Review (2022), which questioned the level of safeguarding responsibility delegated to volunteers at regional/local level, Sport England's (SE) policy response is to fund a professional national network of Sport Welfare Officers (SWO) in England until March 2027. Active Lancashire have received investment for two (FTE) County Sport Welfare Officer posts who will be part of a wider network of Officers who will add capacity and expertise to the existing safeguarding role across Active Partnerships. They will provide training, support and guidance to a range of clubs and groups across the county to create an effective welfare culture.

MPT Communities & Employability – Fund to continue the engagement with partners and initiatives evolving from the concluded ESF funded More Positive Together and MPT Steps projects.

Cancer Alliance Funding - To increase awareness of screening programmes and increase the confidence of the public to recognise any signs and symptoms. This will be achieved through cross partnership working and engaging people with lived experience.

17 Restricted funds **(Continued)**

Purpose of the restricted funds (continued)

We are With You Funding - Project intended to give young people and the services a voice to feedback on the strengths and weaknesses of the young people treatment services and partners. This will be done through activity events organised with partners across Lancashire. The information will be used to improve the services.

Preston Work Well ICB Funding - A new pilot project that aims to help people with low physical health and health conditions to start and stay in work. This service is free and voluntary, and as part of the offer, participants will have access to a Work and Health Coach/Mentor. Together, they will agree realistic and reasonable next steps that can form part of a personalised support plan. This can include helping you to improve your physical and or mental health. Work and Health Coaches will consider the full range of available local support and provide signposting, tailored to individual need.

There are no designated funds as at year end.

18 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2025	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 March 2026
	£	£	£	£	£	£
General funds	430,228	437,936	(361,487)	93,447	(163,000)	437,124

Previous year:	At 1 April 2024	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 March 2025
	£	£	£	£	£	£
General funds	537,488	436,015	(566,968)	108,693	(85,000)	430,228

During the year, transfers of £93,447 (2025: £108,693) were made between funds. This transfer reflects the use of restricted funding to cover certain overhead and support costs, recorded in unrestricted expenditure. The use of restricted funds for this purpose is permitted under the terms of the respective funding agreements.

19 Analysis of net assets between funds

	Unrestricted funds 2026 £	Restricted funds 2026 £	Total 2026 £
At 31 March 2026:			
Tangible assets	10,618	-	10,618
Current assets/(liabilities)	426,506	578,356	1,004,862
	437,124	578,356	1,015,480

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 March 2025:			
Tangible assets	3,077	7,633	10,710
Current assets/(liabilities)	427,151	564,682	991,833
	430,228	572,315	1,002,543

20 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2026 £	2025 £
Within one year	15,056	15,060
Between two and five years	14,101	29,157
	29,157	44,217

21 Related party transactions

During the year, the charitable company received funding of £112,250 (2025: £127,400) from Lancashire County Council, and paid £19,873 (2025: £34,395) to Lancashire County Council for the use of conference facilities and other services.

22	Cash absorbed by operations	2026 £	2025 £
	Surplus/(deficit) for the year	175,937	(330,462)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(2,760)	(3,323)
	Depreciation and impairment of tangible fixed assets	7,657	10,203
	Difference between pension charge and cash contributions	(163,000)	(85,000)
	Movements in working capital:		
	(Increase)/decrease in debtors	(84,232)	23,796
	Increase/(decrease) in creditors	41,187	(574,195)
	Cash absorbed by operations	(25,211)	(958,981)