

REGISTERED COMPANY NUMBER: 09519616 (England and Wales)
REGISTERED CHARITY NUMBER: 1161131

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024
FOR
CELTIC LEISURE**

Bevan Buckland LLP
Chartered Accountants
And Statutory Auditors
Ground Floor Cardigan House
Castle Court
Swansea Enterprise Park
Swansea
SA7 9LA

CELTIC LEISURE

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CELTIC LEISURE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Charities Act 2011 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 and Republic of Ireland (FRS 102) (effective 1 January 2019)".

OBJECTIVES AND ACTIVITIES

Objectives and activities

As a company limited by guarantee and a registered charity, Celtic Leisure (the Company) is committed to demonstrating the benefits it provides in the County Borough of Neath Port Talbot. This statement sets out the objectives, vision and values of the Charity.

Objectives

The overall aims of Celtic Leisure as set out in its Articles of Association are:

- The advancement and support of education, culture, arts and heritage.
- The provision or assistance in the provision of facilities for recreation or other leisure time occupation in the interest of social welfare, such facilities being provided to the public at large.
- The promotion and preservation of good health through community participation in healthy recreation.

Vision

That Celtic Leisure will be:

- The partner of choice for all organisations in Neath Port Talbot with a common purpose in the areas of physical literacy, culture, exercise sport and health.
- A leaner, fitter organisation that is equipped to withstand and adapt to an ever-changing economy and market; and
- An organisation that is fully engaged with its customers, communities and partners, and responsive to their needs.

Organisational Values

- We are an organisation that has high standards, and we will adopt the following values and principles in dealings with our customers, colleagues and partners, we will:
- Act with integrity and show respect.
- Be honest and open
- Listen, and put people at the heart of the decisions we make.
- Will be accountable for our actions.
- Endeavour to be fair and equal and be sensitive to the differences between people.

Public benefit

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

CELTIC LEISURE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

OBJECTIVES AND ACTIVITIES

Strategies for achieving objectives

Celtic Leisure ('the Company') is a non-profit distributing body registered as a charity. For the general public in the County Borough of Neath Port Talbot and its environs, the Company's objectives are to provide a range of services for recreation, cultural and leisure time occupation in the interests of social welfare; to advance the education of the public in leisure activities; and to promote and protect good health amongst the public by the encouragement of healthy lifestyles and participation in appropriate leisure and cultural activities.

Celtic Leisure is legally independent of the Council, although its objectives have been established to reflect those of the Council, with which it works in partnership to ensure that the leisure centres, swimming pools and Gwyn Hall make a full contribution towards achieving the objectives of the community plan.

The Company relies on both a management fee from the Council and income from activities charged to users of the facilities to cover its operating costs. Affordability and access to these facilities is important and is reflected in the Company's pricing policy.

Activities undertaken to achieve objectives

In the financial year ending March 2024, Celtic Leisure operated multiple leisure centres and swimming pools, a performing arts centre, a seasonal seafront activity and a couple of bowls venues.

Our activities are summarised below and are undertaken to further our charitable purposes for community benefit.

Advancement of Education, Culture, Arts & Heritage

By:

- providing the opportunity for children to be confident and proficient in water, through the provision of a structured learn to swim programme
- providing the opportunity for local children to learn to swim in an encouraging environment, by working in close association with Neath Port Talbot schools.
- providing a wide range of live events and films at the Gwyn Hall, to suit all tastes
- providing the opportunity for local amateur societies to perform in a professional venue.
- providing regular on stage live music performances
- providing a local facility for conferences and meetings
- providing a venue for frequent screenings of National Theatre Live performances
- providing a professional venue for local dance schools to both rehearse and perform live on stage
- promoting the use of the Welsh language in the Arts through live stage performances aimed at younger children
- providing a social and wellbeing provision by presenting recurring monthly quiz nights promoting cinematic themes
- providing a venue to host children's art exhibitions, by working with local schools.
- providing an environment for more relaxed cinema screenings to benefit individuals with learning difficulties autism and other cognitive disorders

Provision of Recreation Facilities to Promote Healthy Living & Wellbeing

Through:

- the utilisation of our swimming pool facilities by local swimming and aquatic clubs for both training and competition.
- the use of our indoor gyms, sports and bowls halls by various clubs, schools, societies and individuals for re training and competitions
- the use of our two artificial football pitches by local junior and senior football and rugby teams
- the use of our outdoor athletic track by clubs and individuals allowing them to be involved in athletics at all abilities whether at a competitive level or just for pleasure
- the use of our facilities to undertake various shows to promote the interest of the wider non-sporting community outside of the leisure industry by hosting events such as dogs and bird shows
- the use of our facilities by various disabled groups

CELTIC LEISURE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

OBJECTIVES AND ACTIVITIES

Promotion of Good Health and wellbeing in The Community

Through:

- the provision of an extensive programme of exercise classes, helping a cross section of people keeping fit in an encouraging environment that promotes physical and emotional well-being
- working with local businesses as a corporate partner to offer health reviews to company staff
- utilising our trained gym instructors to deliver appropriate nutrition and diet advice of individuals
- the provision of a discounted pricing for individuals under 21 years of age helping to give easier a gym facilities and stop inactivity
- our presence at and sponsoring various community festivals being able to give advice to individuals on various ways in which to stay fit and healthy.
- our Carbon Reduction Programme in partnership with Neat Port Talbot Council, commenced in 2023-24, and is a long-term plan to significantly improve the energy and carbon performance of our facilities.

STRATEGIC REPORT

Achievement and performance

Fundraising activities

Celtic Leisure's fundraising activities throughout the financial year included sourcing funds through the range of available grants which in 2024 totaled £99,814 (2023: £47,716)

Financial review

Results

The Company continued facing a number of challenges in the financial year which had made it return a deficit of £257,958 (2023: £630,000 deficit) before defined benefit pension remeasurement adjustment for the year ended 31 March 2024. After considering actuarial gains of the Pension Fund (£280,000), the net movement of funds resulted in a surplus of £22,042.

The Company continues to target the External Income growth with 2024 results of £5,602,331 being 26% higher than in the prior year (2023: £4,125,260).

The challenges resulting from the adverse external factors and market conditions have been addressed by further enforcement of the ongoing partnership with NPTCBC as well as employment of consultancy services.

Reserves policy

The Company's reserves as at 31 March 2024 before accounting for any asset/liability from the Company's defined benefit pension scheme amounted to £458,113 (2023: £396,071).

However, after accounting for the Company's defined benefit pension scheme gains the net unrestricted funds totalled £778,113 (2023: £756,071).

In agreement with the Charity Commission's guideline, Celtic Leisure retains desired levels of reserves, exceeding £400,000, excluding the defined benefit pension scheme impact.

The Company has a favorable working capital provision, with a vast majority of its income being paid in advance of expenditure. The Company proactively monitors the levels of desired reserves with tools and strategies such as robust forecasting, corporate planning, maximization of income streams, portfolio expansion and market and competition monitoring.

CELTIC LEISURE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

STRATEGIC REPORT

Financial review

Going concern

In May 2024 Celtic Leisure's Board of Trustees (the Board) agreed to the request of the Neath Port Talbot County Borough Council (NPTCBC) to enter negotiations for Celtic Leisure to continue providing leisure services post the contract completion date, 31st March 2025.

Later in the year, in October 2024, the 5-year contract extension was formally agreed, and the Board entered ongoing negotiations regarding the terms of the new contract, this new contract will run to 1st April 2030.

Celtic Leisure is also planning to undertake a recruitment process to replace the current, retiring CEO with the intention of the new CEO being in place by 1st April 2025.

The indemnity agreement signed by the Board and NPTCBC remains in place until the commencement of the new contract, on 1st April 2025.

Expansion and improvement plans

The Company is actively seeking ways to improve its commercial portfolio. This is both, through the use of available resources to improve existing offers as well as through researching investment opportunities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

Charity constitution

Celtic Leisure is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

The Company is constituted under a Memorandum of Association dated 31 March 2015 and is a registered charity number 1161131.

The principal objects of the Company are:

- The advancement and support of education, culture, arts and heritage;
- The provision or assistance in the provision of facilities for recreation or other leisure time occupation in the of social welfare, such facilities being provided to the public at large; and
- The promotion and preservation of good health through community participation in health recreation.

The Trustees meet formally four times a year for regular business. Celtic Leisure seeks to have Trustees comprised as follows:

- Up to two representatives appointed by Neath Port Talbot County Borough Council; and
- Eight persons, who are not local authority persons defined by the Local Government and Housing Act, who represent the wider community which the Charity serves and are appointed by the Trustees.

The management of the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

Organisational structure and decision-making policies

The board of Trustees, which can have up to 12 members, administers the Charity. The board normally meets quarterly. A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the Charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment and artistic performance related activity.

CELTIC LEISURE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Policies adopted for the induction and training of Trustees

It is Celtic Leisure's intention to make its Trustees aware of their duties and responsibilities as Trustees of the Charity. It is also our intention that as and when those legal responsibilities change the Trustees will be made aware of any such changes. In the future Trustees recruited to the Board will undergo an induction day and will meet key personnel during this session.

Key management remuneration

The arrangements for setting pay and remuneration of key management personnel is linked to the general staff pay award as agreed with Union Representatives. Consideration is given to the National Joint Council Pay Award for Local Government during these negotiations, and subject to affordability are ratified by the Board of Trustees.

Related party relationships

Two of our Trustees were appointed from our staff team and receive remuneration for their work with the charity. Any connection between a Trustee or senior manager of the Charity with a supplier or company who undertakes a service for the Charity must be disclosed to the full board of Trustees in the same way as any other contractual relationship with a related party. The trustees encourage members of staff to take on the role of trusteeship on behalf of the Charity.

Risk management

The Trustees review risk management across the year in their Board meetings:

- The Health & Safety Policy is reviewed and resigned annually.
- The risk register and the principal risks and uncertainties identified and movement in risk are highlighted during the year.
- The company has policies, systems and procedures to mitigate those identified risks

During 2023/24, the risk register was overhauled to include the proximity of the risks to the organisation as it gets closer to the end of the contract period, but also a review of the risks in relation to insourcing to Neath Port Talbot County Borough Council (NPTCBC). Discussions were had in relation to potential job losses at the Tata Steelworks and ways to mitigate this risk on memberships.

CL has been fortunate during 2023/24 to still have in place the indemnity agreement with NPTCBC which has continued to support the business as it continues to recover from the Covid pandemic.

Trustees' indemnities

Celtic Leisure currently provide for Trustee indemnity.

Engagement with employees and employment of individuals with a disability

The policy of Celtic Leisure is to consult and discuss with employees on matters likely to affect employees' interests.

Information on matters of concern to employees is given through such means as briefing meetings, notice boards and announcements through the companies Sage HR app.

Celtic Leisure is a disability confident organisation and continues to be part of the government's Disability Confident Employer Scheme offering employment opportunities to individuals with a disability provided they meet the shortlisting criteria.

Remuneration of Key Management Personnel

The arrangements for setting pay and remuneration of key management personnel is linked to National Pay Award. Consideration is given to the National Joint Council Pay Award for Local Government during these negotiations, and subject to affordability are ratified by the Board of Trustees.

CELTIC LEISURE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

09519616 (England and Wales)

Registered Charity number

1161131

Registered office

Aberavon Leisure And Fitness Centre
Princess Margaret Way
Port Talbot
SA12 6QW

Trustees

L A J Dineen
Mrs P L Fowler
Mr J A Stephens (resigned 25.9.24)
H H Worth
Mrs H Stockham (resigned 25.9.24)
D Smith
Mrs J Locke
G C Davies
B Anderson (appointed 25.9.24)
P Randall (appointed 25.9.24)

Company Secretary

Mrs H J Morris-Sayce

Auditors

Bevan Buckland LLP
Chartered Accountants
And Statutory Auditors
Ground Floor Cardigan House
Castle Court
Swansea Enterprise Park
Swansea
SA7 9LA

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Celtic Leisure for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

CELTIC LEISURE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; 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.

AUDITORS

In accordance with the company's articles, a resolution proposing that Bevan Buckland LLP be reappointed as an auditor of the company will be put at a General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on11.12.24..... and signed on the board's behalf by:


P L Fowler - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CELTIC LEISURE

Opinion

We have audited the financial statements of Celtic Leisure (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable 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 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Prior year Audit by Another Auditor

The financial statements of the Charitable Company for the period ended 31 March 2023 were audited by another auditor who expressed an unmodified opinion. We have reviewed the predecessor auditor's report and considered its implications on the current year's financial statements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CELTIC LEISURE

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CELTIC LEISURE

Our responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, and then, design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

We discussed our audit independence complying with the Revised Ethical Standard 2019 with the engagement team members whilst planning the audit and continually monitored our independence throughout the process.

Identifying and assessing potential risks related to irregularities.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- enquiring of management, including obtaining and reviewing supporting documentation, concerning the Company's policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- Discussing among the engagement team how and where fraud might occur in the Financial Statements and any potential indicators of fraud.
- obtaining an understanding of the legal and regulatory frameworks that the Company operates in, focusing on those laws and regulations that had a direct effect on the Financial Statements or that had a fundamental effect on the operations of the Company, The key laws and regulations we considered in this context included the UK Companies Act and relevant tax legislation.

Audit response to risks identified

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations;
- enquiring of management concerning actual and potential litigation and claims; performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments;
- assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and
- evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

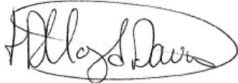
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CELTIC LEISURE

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Henry Lloyd Davies (Senior Statutory Auditor)
for and on behalf of Bevan Buckland LLP
Chartered Accountants
And Statutory Auditors
Ground Floor Cardigan House
Castle Court
Swansea Enterprise Park
Swansea
SA7 9LA

Date: 11/12/2024

CELTIC LEISURE

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	9,033,889	99,814	9,133,703	6,974,134
EXPENDITURE ON					
Charitable activities	4				
Charitable Activities		9,291,847	99,814	9,391,661	7,604,134
NET INCOME/(EXPENDITURE)		(257,958)	-	(257,958)	(630,000)
Other recognised gains/(losses)					
Actuarial gains on defined benefit schemes		280,000	-	280,000	4,760,000
Net movement in funds		22,042	-	22,042	4,130,000
RECONCILIATION OF FUNDS					
Total funds brought forward		756,071	-	756,071	(3,373,929)
TOTAL FUNDS CARRIED FORWARD		<u>778,113</u>	<u>-</u>	<u>778,113</u>	<u>756,071</u>

The notes form part of these financial statements

CELTIC LEISURE

**BALANCE SHEET
31 MARCH 2024**

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	10	161,652	-	161,652	26,802
CURRENT ASSETS					
Stocks	11	55,016	-	55,016	32,766
Debtors	12	769,399	-	769,399	861,935
Cash at bank		666,401	-	666,401	771,790
		<u>1,490,816</u>	<u>-</u>	<u>1,490,816</u>	<u>1,666,491</u>
CREDITORS					
Amounts falling due within one year	13	(1,194,355)	-	(1,194,355)	(1,297,222)
NET CURRENT ASSETS		<u>296,461</u>	<u>-</u>	<u>296,461</u>	<u>369,269</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		458,113	-	458,113	396,071
PENSION ASSET	16	320,000	-	320,000	360,000
NET ASSETS/(LIABILITIES)		<u>778,113</u>	<u>-</u>	<u>778,113</u>	<u>756,071</u>
FUNDS	15				
Unrestricted funds				778,113	756,071
TOTAL FUNDS				<u>778,113</u>	<u>756,071</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 11.12.24 and were signed on its behalf by:


P L Fowler - Trustee

The notes form part of these financial statements

CELTIC LEISURE
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	53,944	24,976
Net cash provided by operating activities		<u>53,944</u>	<u>24,976</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(159,333)	(60,986)
Net cash used in investing activities		<u>(159,333)</u>	<u>(60,986)</u>
Change in cash and cash equivalents in the reporting period		<u>(105,389)</u>	<u>(36,010)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>771,790</u>	<u>807,800</u>
Cash and cash equivalents at the end of the reporting period		<u><u>666,401</u></u>	<u><u>771,790</u></u>

The notes form part of these financial statements

CELTIC LEISURE

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024**

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES			
	2024	2023	
	£	£	
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(257,958)	(630,000)	
Adjustments for:			
Depreciation charges	24,843	34,184	
(Increase)/decrease in stocks	(22,250)	7,855	
Decrease/(increase) in debtors	92,176	(231,837)	
(Decrease)/increase in creditors	(102,867)	214,774	
Difference between pension charge and cash contributions	320,000	630,000	
Net cash provided by operations	<u>53,944</u>	<u>24,976</u>	
2. ANALYSIS OF CHANGES IN NET FUNDS			
	At 1.4.23	Cash flow	At 31.3.24
	£	£	£
Net cash			
Cash at bank	771,790	(105,389)	666,401
	<u>771,790</u>	<u>(105,389)</u>	<u>666,401</u>
Total	<u>771,790</u>	<u>(105,389)</u>	<u>666,401</u>

The notes form part of these financial statements

CELTIC LEISURE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. CHARITY INFORMATION

Celtic Leisure is a private company limited by guarantee incorporated in England and Wales. The registered office is Aberavon Leisure and Fitness Centre, Princess Margaret Way, Port Talbot, Wales, SA12 6QW.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

The financial statements have been prepared under the historical cost convention, unless otherwise stated in the relevant accounting policy. The principal accounting policies adopted are set out below.

Going concern

In October 2024, the Local Authority held a cabinet meeting to make a decision regarding future of indoor leisure services. The current contract between Celtic Leisure and Neath Port Talbot County Borough Council is due to expire in Mar 2025 therefore a recommendation was put forward by NPTCBC to extend the contract by a further 5 years. The extension was agreed in principle by the Board. The formal legal agreement will not be signed until early 2025.

Should the contract not be legally signed, the current contract will run until 31 March 2025, where Celtic Leisure will be taken in-house by Neath Port Talbot County Borough Council.

Critical accounting judgements and key sources of estimation uncertainty

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.

Pension asset

The Company has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the asset or liability depend upon a number of factors, including life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension asset or liability in the balance sheet, as well as the appropriateness of the recognition of any asset. The assumptions reflect historical experience and current trends. When a scheme has surplus the asset to be recognised is calculated at the lower of the surplus in the defined benefit plan and the asset ceiling. The asset ceiling is the higher of the economic benefit that could be achieved from a refund of surplus on exiting the Fund, and the economic benefit from payment of future service contributions to the Fund below future expected Current Service Costs.

CELTIC LEISURE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

2. ACCOUNTING POLICIES - continued

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

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 the receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably. Income from grants is deferred only when the terms and conditions of the grant permit the income to be deferred to future periods.

Certain income is received in advance of the provision of the relevant service and as such is deferred until the service commences.

The management fee is an unrestricted fund which is available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company. The income is invoiced and recognised in the period to which it relates.

Expenditure

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

Expenditure is classified 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.

Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Expenditure on charitable activities which further the Charitable company's objectives, as well as any associated support costs. All expenditure is inclusive of irrecoverable VAT.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

CELTIC LEISURE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

2. ACCOUNTING POLICIES - continued

Expenditure

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

The company participates in a defined contribution pension scheme. Contributions to the scheme are charged to the profit and loss account as they fall due

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:

Leasehold improvements	Over the life of the lease
Plant and machinery	20% straight line or over the remainder of the council contract

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.

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.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

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

Fund accounting

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

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

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

Debtors

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

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

CELTIC LEISURE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

2. ACCOUNTING POLICIES - continued

Creditors and provisions

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

Financial instruments

The charitable company 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 company's balance sheet when the company 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.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Basic financial liabilities

Basic financial liabilities, including creditors, 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business 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.

CELTIC LEISURE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

2. ACCOUNTING POLICIES - continued

Derecognition of financial liabilities

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

3. DONATIONS AND LEGACIES

	2024	2023
	£	£
Grants	99,814	47,716
Leisure & cultural activities	5,602,331	4,125,260
Management Fees	3,431,558	2,801,158
	<u>9,133,703</u>	<u>6,974,134</u>

Grants received, included in the above, are as follows:

	2024	2023
	£	£
Sport Wales Grant	38,115	47,716
UKSPF Smaller Projects Grant	61,699	-
	<u>99,814</u>	<u>47,716</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 5)	Totals
	£	£	£
Charitable Activities	<u>8,778,305</u>	<u>613,356</u>	<u>9,391,661</u>

5. SUPPORT COSTS

	Support costs
	£
Charitable Activities	<u>613,356</u>

The auditor's remuneration amounts to an audit fee of £16,500 (2023 £13,000) and £3,500 for accountancy fees (2023 £2,000).

CELTIC LEISURE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

5. SUPPORT COSTS - continued

Support costs, included in the above, are as follows:

Support costs

	2024 Charitable Activities £	2023 Total activities £
Insurance	194,877	159,930
Postage and stationery	39,809	43,231
Sundries	332,869	193,256
Accountancy and legal fees	45,801	33,649
	<u>613,356</u>	<u>430,066</u>

6. NET INCOME/(EXPENDITURE)

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

	2024 £	2023 £
Depreciation - owned assets	<u>24,483</u>	<u>34,184</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

During the year two trustees received remuneration from their employment with the charity but not for their services as a Trustee.

The Memorandum and Articles of Association of the charity provides the charity with the legal authority to make such payments.

The employees have two staff representatives on the Trustee board.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

8. STAFF COSTS

	2024 £	2023 £
Wages and salaries	<u>5,212,339</u>	<u>5,116,485</u>
	<u>5,212,339</u>	<u>5,116,485</u>

The average monthly number of employees during the year was as follows:

	2024	2023
Administration	23	22
Leisure	293	319
	<u>316</u>	<u>341</u>

CELTIC LEISURE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

8. STAFF COSTS - continued

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
£60,001 - £70,000	1	-
£90,001 - £100,000	1	-
£140,000 - £150,000	-	1
	<u>2</u>	<u>1</u>

Wages & salaries costs are split as below.:

	2024 £	2023 £
Wages and salaries	4,541,259	3,929,084
Social Security costs	263,658	255,566
Contribution to defined contribution pension schemes	67,422	171,835
Operating costs of defined benefit pension schemes	340,000	760,000
Total	<u>5,212,339</u>	<u>5,116,485</u>

Included within wages and salaries costs are redundancy payments totalling £nil (2023: £33,923). As at the current year end £nil remained outstanding (2023: £nil).

In regard to the above the charity was required to make a payment into the City and County of Swansea Pension Scheme of £nil (2023: £90,277).

Key management remuneration

Key management compensation includes members of senior management. The compensation paid or payable to key management for employee services totalled £349,214 (2023: £271,791).

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	6,974,134	-	6,974,134
EXPENDITURE ON			
Charitable activities			
Charitable Activities	7,604,134	-	7,604,134
NET INCOME/(EXPENDITURE)	(630,000)	-	(630,000)
Other recognised gains/(losses)			
Actuarial gains on defined benefit schemes	4,760,000	-	4,760,000
Net movement in funds	4,130,000	-	4,130,000

CELTIC LEISURE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	(3,373,929)	-	(3,373,929)
TOTAL FUNDS CARRIED FORWARD	<u>756,071</u>	<u>-</u>	<u>756,071</u>

10. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 April 2023	142,549	512,546	-	655,095
Additions	-	97,634	61,699	159,333
At 31 March 2024	<u>142,549</u>	<u>610,180</u>	<u>61,699</u>	<u>814,428</u>
DEPRECIATION				
At 1 April 2023	142,549	485,744	-	628,293
Charge for year	-	24,483	-	24,483
At 31 March 2024	<u>142,549</u>	<u>510,227</u>	<u>-</u>	<u>652,776</u>
NET BOOK VALUE				
At 31 March 2024	<u>-</u>	<u>99,953</u>	<u>61,699</u>	<u>161,652</u>
At 31 March 2023	<u>-</u>	<u>26,802</u>	<u>-</u>	<u>26,802</u>

11. STOCKS

	2024 £	2023 £
Stocks	<u>55,016</u>	<u>32,766</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade debtors	598,058	722,326
Other debtors	-	1,024
Prepayments and accrued income	171,341	138,585
	<u>769,399</u>	<u>861,935</u>

CELTIC LEISURE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	210,629	121,115
VAT	85,545	136,912
Other creditors	288,705	245,829
Accruals and deferred income	212,838	350,072
Accrued expenses	396,638	443,294
	<u>1,194,355</u>	<u>1,297,222</u>

Deferred income is included in the financial statements as follows:

	2024	2023
	£	£
Movements in the year:		
Deferred income at 1 April	261,719	144,805
Released from previous periods	(1,229,837)	(2,022,404)
Resources deferred in the year	1,180,956	2,139,318
	<u>212,838</u>	<u>261,719</u>

14. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2024	2023
	£	£
Within one year	428	3,623
Between one and five years	214	642
	<u>642</u>	<u>4,265</u>

15. MOVEMENT IN FUNDS

	At 1.4.23	Net movement in funds	At 31.3.24
	£	£	£
Unrestricted funds			
General fund	396,071	62,042	458,113
Pension Reserve	360,000	(40,000)	320,000
	<u>756,071</u>	<u>22,042</u>	<u>778,113</u>
TOTAL FUNDS	<u>756,071</u>	<u>22,042</u>	<u>778,113</u>

CELTIC LEISURE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

15. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	9,033,889	(8,971,847)	-	62,042
Pension Reserve	-	(320,000)	280,000	(40,000)
	<u>9,033,889</u>	<u>(9,291,847)</u>	<u>280,000</u>	<u>22,042</u>
Restricted funds				
UKSPF Smaller Projects Grant	61,699	(61,699)	-	-
Sport Wales Grant	38,115	(38,115)	-	-
	<u>99,814</u>	<u>(99,814)</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u><u>9,133,703</u></u>	<u><u>(9,391,661)</u></u>	<u><u>280,000</u></u>	<u><u>22,042</u></u>

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	396,071	-	396,071
Pension Reserve	(3,770,000)	4,130,000	360,000
	<u>(3,373,929)</u>	<u>4,130,000</u>	<u>756,071</u>
TOTAL FUNDS	<u><u>(3,373,929)</u></u>	<u><u>4,130,000</u></u>	<u><u>756,071</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	6,974,134	(6,974,134)	-	-
Pension Reserve	-	(630,000)	4,760,000	4,130,000
	<u>6,974,134</u>	<u>(7,604,134)</u>	<u>4,760,000</u>	<u>4,130,000</u>
TOTAL FUNDS	<u><u>6,974,134</u></u>	<u><u>(7,604,134)</u></u>	<u><u>4,760,000</u></u>	<u><u>4,130,000</u></u>

Sport Wales Grant

Funding Received and used towards the provision of exercise classes aimed at individuals in 60+ age group.

UKSPF Smaller Projects Grant

CELTIC LEISURE

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 MARCH 2024**

15. MOVEMENT IN FUNDS - continued

Used to finance and upgrade of an outdated equipment in Gwyn Hall, the cinema and theatre operated by Celtic Leisure.

16. EMPLOYEE BENEFIT OBLIGATIONS

Defined benefit scheme

Celtic Leisure contributes to the City and County of Swansea Pension Scheme (which is a multi-employer defined benefit scheme).

The valuation of the fund and the pension costs are assessed with the advice of a qualified independent actuary, using the projected unit method. The most recent actuarial valuation of the City and County of Swansea Pension Fund (the 'Fund') was carried out at 31 March 2022.

In accordance with the requirements of FRS 102, a qualified independent actuary updated the results of the valuation based on information supplied by the scheme administrators, in order to ascertain the valuation of the scheme at 31 March 2022.

The amounts recognised in the Statement of Financial Activities are as follows:

	Defined benefit pension plans	
	2024	2023
	£	£
Current service cost	340,000	760,000
Net interest from net defined benefit asset/liability	(20,000)	100,000
Past service cost	-	-
	<u>320,000</u>	<u>860,000</u>
Actual return on plan assets	<u>-</u>	<u>-</u>

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

	Defined benefit pension plans	
	2024	2023
	£	£
Opening defined benefit obligation	15,980,000	24,390,000
Current service cost	340,000	760,000
Contributions by scheme participants	110,000	110,000
Interest cost	730,000	660,000
Actuarial losses/(gains)	(390,000)	(9,700,000)
Benefits paid	(500,000)	(240,000)
	<u>16,270,000</u>	<u>15,980,000</u>

CELTIC LEISURE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

16. EMPLOYEE BENEFIT OBLIGATIONS - continued

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

	Defined benefit pension plans	
	2024	2023
	£	£
Opening fair value of scheme assets	21,210,000	20,620,000
Contributions by employer	-	230,000
Contributions by scheme participants	110,000	110,000
Assets Interest Income	970,000	560,000
Benefits paid	(500,000)	(240,000)
Assets other remeasurement	1,990,000	(70,000)
	<u>23,780,000</u>	<u>21,210,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2024	2023
	£	£
Assets other remeasurement	1,990,000	(70,000)
	<u>1,990,000</u>	<u>(70,000)</u>

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	2024	2023
	£	£
Equities	16,460,000	15,010,000
Government bonds	210,000	190,000
Multi Asset Credit	500,000	450,000
Cash	140,000	1,550,000
Other	5,710,000	3,200,000
Property	760,000	810,000
	<u>23,780,000</u>	<u>21,210,000</u>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2024	2023
Discount rate	4.70%	4.60%
Future salary increases	4.10%	4.10%
Future pension increases	2.60%	2.60%
CPI Inflation	2.60%	2.60%
Pension Accounts Revaluation Rate	2.60%	2.60%

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

CELTIC LEISURE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

16. EMPLOYEE BENEFIT OBLIGATIONS - continued

	2024 Years	2023 Years
Retiring today		
-Males	21.7	22.2
-Females	22.4	22.9
Retiring in 20 years		
-Males	24.3	24.7
-Females	25.3	25.8

Amounts taken to other comprehensive income:

	2024 £	2023 £
Actual return on scheme assets	(2,960,000)	(490,000)
Less: calculated interest element	970,000	560,000
	(1,990,000)	70,000
Actuarial changes related to obligations	(390,000)	(9,700,000)
Effects of changes in the amount of surplus that is not recoverable	2,100,000	4,870,000
	(280,000)	(4,760,000)

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

	2024 £	2023 £
Present value of defined benefit obligations	(16,270,000)	(15,980,000)
Fair value of plan assets	23,780,000	21,210,000
	7,510,000	5,230,000
Restriction on scheme assets	(7,190,000)	(4,870,000)
Total asset/(liability) recognised	320,000	360,000

Defined contribution scheme

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.

The charge to the profit or loss in respect of defined contribution schemes was £407,422 (2023 £931,835).

CELTIC LEISURE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

17. RELATED PARTY DISCLOSURES

The Trustees of Celtic Leisure are related parties. Trustees' emoluments are disclosed in note 7 to the financial statement's. Two Trustees holding office during the year ended 31 March 2024 (2023: 2) were contributing members for the defined benefit pension scheme.

The employer's pension contribution for these members was at the rate of 12.9% (2023: 12.9%). The aggregate employer's contributions in respect of the two Trustees was £4,915 for the year ended 31 March 2024 (2023 £7,950). The employers contribution for 2024 in respect of the highest paid Trustee £2,624 (2023 : £4,394).

A Trustee is also a director of a related party, Sales to this company was £9,731 (2023: £10,089) and purchases £23,430 (2023: £11,983). These transactions took place at arms length.

Celtic Leisure has received income of £3,641,248 (2023: £2,801,158) from Neath Port Talbot Council in the year ended 31st March 2024, of this £3,431,558 relates to management fees (2023 £2,801,158). Expenditure from Neath Port Talbot Council totalled £395,477 (2023: £95,831) included within the amount this year is an amount for the services of an interim CEO from the council.

18. POST BALANCE SHEET EVENTS

In September 2024, Celtic Leisure board of Trustees reviewed the future of the charity with the current contract with Neath Port Talbot Council due to run until 31 March 2025. A proposal was put to the cabinet of the local authority for review with an extension to the contract of 5 years to run until 31 March 2030. The cabinet approved the proposal in October 2024, with the final legal agreement to be signed in early 2025.

The current CEO, Paul Walker is to step down from his role, Celtic Leisure will begin the search for a new CEO to run in-line with the new contract until March 2030.

19. MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the Charitable company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as maybe required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

CELTIC LEISURE

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024**

	2024 £	2023 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Grants	99,814	47,716
Leisure & cultural activities	5,602,331	4,125,260
Management Fees	3,431,558	2,801,158
	<u>9,133,703</u>	<u>6,974,134</u>
Total incoming resources	9,133,703	6,974,134
EXPENDITURE		
Charitable activities		
Wages	5,212,339	5,116,485
Supplies & service costs	935,158	758,276
Premises costs	2,605,965	1,265,123
Plant and machinery	24,843	34,184
	<u>8,778,305</u>	<u>7,174,068</u>
Support costs		
Support costs		
Insurance	194,877	159,930
Postage and stationery	39,809	43,231
Sundries	332,869	193,256
Accountancy and legal fees	45,801	33,649
	<u>613,356</u>	<u>430,066</u>
Total resources expended	9,391,661	7,604,134
Net expenditure	<u>(257,958)</u>	<u>(630,000)</u>

This page does not form part of the statutory financial statements