

Charity registration number 1162220

Company registration number 09323582 (England and Wales)

NEWPORT LIVE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

NEWPORT LIVE

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year ended 31 March 2022.

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 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

Newport Live was established for public benefit as set out in the Articles of Association which includes: -

- To provide or assist in the provision of both indoor and outdoor facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such by reason of their youth, age, infirmity or disability, financial hardship or social circumstances or to the public at large with the object of improving their conditions of life; and/or
- To promote community participation in healthy recreational activities; and/or
- To provide or assist in the provision of community facilities to be available to all sections of the community without distinction, including use for meetings, lectures, and classes and/or other forms of recreation and leisure time occupation with the object of improving the conditions of life for all those who use the facilities; and/or
- To promote the education of the public through the provision of facilities for performing arts; and/or such other charitable purposes as the Trustees in their absolute discretion may determine.

Vision, Mission and Values

Newport Live's mission, vision and values remained unchanged in 2021-22: -

The **Mission** for Newport Live is: -

"Be the People's First Choice for Sport, Leisure, Culture and Entertainment; delivering inspirational programmes and events; providing great value, in high quality facilities, with skilled and enthusiastic staff that create happier and healthier lives."

The vision provides the behaviours by which Newport Live employees, volunteers and Trustees engage and communicate with our customers and partners on a continual basis.

The **Vision** for Newport Live is:

"Inspiring People to be Happier & Healthier"

The values of the business and those which our employees demonstrate each and every day and with every customer experience remain as: -

Caring	Passionate	Team
Innovative	Inspiring	Inclusive

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Public Benefit

In setting and delivering our objectives and planning activities the Trustees confirm that they gave, and continue to give, careful consideration to the Charity Commission general guidance on public benefit and its supplementary public benefit guidance. Newport Live continues to embrace the use of commercial practices to deliver social outcomes and generate significant social value for the Newport, South East Wales and specific communities who share a sporting or cultural interest that we serve.

Pricing

Newport Live's pricing strategy for customers balances charitable and commercial objectives, whilst remaining aligned to Funding and Management Agreement requirements with our partner Newport City Council, which include priorities and policies, access to services and value for money being key drivers in establishing pricing. The policy of access for all is underpinned by a range of payment methods including a "pay as you play" philosophy for most activities, performances, and services we provide. Furthermore, we offer a comprehensive sector leading inclusive "concessionary" pricing offering discounts for qualifying residents as agreed with our partners Newport City Council, and funding partners where national pricing policies apply including National Exercise Referral and Free Swimming and 60 plus initiatives are delivered.

Programming & Service Delivery

2021-22 charitable business activities were significantly impacted once again by the Coronavirus pandemic, the UK and Welsh Government responses, lockdowns and restrictions which impacted upon the ability to operate, trade and deliver services to stakeholders, partners and our customers.

Wales went into a second lockdown at the end of our 2020-21 year of trading and the impact of this crossed over well into 2021-22. The commencement of the financial year saw indoor sport, leisure and cultural services remaining prohibited due to the second wave of Covid-19 and Welsh Government restrictions with a national level 4 lockdown continuing from 20 December 2020 through to 27 March 2021 when outdoor facilities for children's activities with Welsh National Governing Bodies for Sport were allowed. We started the new financial year with very little outdoor children's activity taking place and then on 26 April 2021 allowed outdoor group activity to return for up to 30 adults. From 3 May 2021, Newport Live were permitted to allow indoor activity to return subject to significant restrictions including social distancing. On 17 May 2021 we were able to reopen indoor activity for groups of 30 people in appropriately socially distanced environments and by the end of July this had increased to up to a maximum of 50 people.

Due to the requirement to maintain social distancing this had a significant impact upon business with limited capacities and unsustainable services if they were left in their substantively designed facilities. This meant that the charity had no options but to continue through the year to displace activities including group exercise classes into sportshalls and gyms remaining in sportshalls to allow mass participation to take place safely, as such sporting activities were curtailed, further displaced or simply unable to return for long periods of time.

Over the summer months the restrictions began to relax allowing the sector recovery and customers to return to activities, slowly and cautiously, all of which restricted the provision of services within indoor leisure settings. However, cultural and theatre use remained restricted and unable to return to The Riverfront Theatre and Arts Centre, however we quickly developed engaging programmes online and at home to ensure we could support our communities through arts and cultural activities.

Newport Live took an important and responsible decision at the cost to sport, physical activity and events, to extend the support for Aneurin Bevan University Health Board in the fight against Covid-19 through to March 2022 by extending the licence for the Mass Vaccination Centre to operate at Newport Centre, during the year a further 235,068 Covid-19 vaccinations were administered at Newport Centre.

Access to the Welsh Government Hardship fund via Newport City Council ceased on 31 March 2022

Long Covid Ministerial Visit

Newport Live hosted a visit by Eluned Morgan the new Welsh Government Minister for Health and Social Services to launch the Welsh Government's strategy for supporting people clinically and in community settings to overcome Long Covid. Newport Live's Geraint Thomas National Velodrome of Wales was chosen because of the groundbreaking Covid rehabilitation programme that we have been operating since May 2020 with Aneurin Bevan University Health Board. The visit attracted BBC and ITV to deliver broadcasts from the velodrome and further promoting the excellent work and partnerships that Newport Live are creating and leading.

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Newport City Council partnership - Covid bounceback

Newport Live at the Riverfront Theatre hosted a temporary Emergency Housing Office in the Theatre Art Gallery from 6 September 2020 to the end of the financial year to support Newport City Council with service transformation. Newport Live used the move to expand the user base of the Riverfront, welcoming new customers, which saw positive impact on engagement with programme and the Café facilities, as a secondary result Newport Live were able to recruit excellent colleagues who now work at the front of house, positively supported diversity work at the Riverfront and Newport Live.

Service Continuity

Newport Live continued to provide sport, physical activity, education and arts development services on behalf of Newport City Council and in partnership with many organisations including Welsh Government, Sport Wales, Arts Council of Wales and Office of the Gwent Police & Crime Commissioner to all wards within the city, throughout Gwent as part of the Active Gwent programme of sports development initiatives and nationally and regionally hosting major sporting and cultural events and participation opportunities at Newport International Sports Village, Newport Centre and the Riverfront Theatre and Arts Centre.

Newport Live's management agreement with Newport City Council contracts Newport Live to deliver the services of sport, leisure, cultural and arts activities at six different facilities which are owned by Newport City Council and leased to Newport Live for a period of 25 years. 2021-22 the services could not be fully delivered in accordance with the Funding and Management Agreement and Business Transfer Agreements due to the continuing impact and restrictions linked to Covid-19, Welsh Government rules and the provision of leisure and cultural services. The inability to deliver services due to continuing temporary Government legislation was as per the 2020-21 year, acknowledged by Newport City Council and support for the continued operation of the charity as a going concern was provided. Specifically support continued to be made available via Newport City Council from the Welsh Government Hardship Fund which was accessed by Newport City Council and available to Newport Live as a contracted partner delivering Council services.

The facilities operated by Newport Live in 2021-22 included:

- **Newport International Sports Village**; which comprises of:
 - **Regional Swimming Pool and Newport Tennis Centre**
 - **Geraint Thomas National Velodrome of Wales**
 - **Newport Stadium**
- **Newport Centre**
- **Active Living Centre**
- **Riverfront Theatre and Arts Centre** remained closed to the public until August 2021, it was used for a Coroners Court and associated digital broadcasts and in the two months prior to reopening to the public the building was used by Welsh National theatrical companies for rehearsal activities approved within the Government Covid-19 legislation. During this time the theatre, arts and cultural offer pivoted to a digital, at home and community provision.

Our **Connect Centre** was subleased to Newport City Council for the whole of 2021-22 and agreed through to July 2023 to rehome St Andrews Primary School who had suffered a structural failure within the school. Services delivered by Newport Live at the Connect Centre were relocated to other Newport Live assets and other community locations within the city. The subleasing of the facility to Newport City Council, demonstrated the public good that Newport Live seeks to achieve and demonstrates placing partnership at the heart of all we seek to achieve as a charity.

Partnerships

2021-22 and the Coronavirus impacted periods was survived through the strength of the Newport Live workforce but also through the strength of partnerships and community and social value generated. Newport Live worked hard to deliver solutions for and with partners in the city, wider Wales, and UK wide organisations. The Board of Newport Live continued to support and encourage proactive partnerships to survive the second wave of the Covid-19 pandemic, exiting the period as a viable and sustainable charitable organisation.

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Partnership working continued in 2021-22 working with Newport City Council, Welsh Government and Aneurin Bevan University Health Board to deliver services to local people and expedite the vaccination programme. This whilst returning to work with National Governing Bodies of Sport in their preparation for the Tokyo 2020 delayed games as well as local clubs, organisations, and customers able to return to participate in sport, physical activity, health and wellbeing activities as they were allowed to be reintroduced. The partnerships tested the most were those in the cultural sector where delays to indoor theatre, cinema and associated activities were delayed much longer than physical activity.

We worked with Newport Rugby and Rodney Parade Limited during early 2021 in order to support a move from Rodney Parade to Newport Stadium for the 2021-2022 Welsh Premiership Rugby season. This saw Newport Rugby play 12 matches at the Stadium and successfully support the club and our partners at The Dragons by reducing pitch loading at Rodney Parade. This fitted on alternative weekends to the existing football team and has seen increased revenue for the Newport International Sports Village. The partnership continued through to the end of the season and on into 2022-2023 season.

The successful navigation by Newport Live throughout 2021-22 was possible through the support of a range of partners who the charity will continue to collaborate with, which are hugely important for the future.

Investment policy and objectives

To sustain and enhance the assets owned by and leased to Newport Live, the charity has invested capital funding into our infrastructure to deliver efficiencies and improvements. Such improvements are referenced later in this report within the Asset maintenance and Capital Investment section.

Achievements and Performance

Grant funding

Newport Live attracted grant funding of £3,369,503 (2021: £4,078,402) from sources and partners including the UK Government Coronavirus Job Retention Scheme, Newport City Council, Sport Wales, Welsh Government, Gwent Office of the Police & Crime Commissioner, Disability Sport Wales, Aneurin Bevan University Health Board, Arts Council of Wales and UK Government's Digital Culture Media and Sport department.

Grant funding included:

Sport Wales: £77,795 towards the refurbishment of the Dance Studio in the Geraint Thomas National Velodrome of Wales.

UK Government Digital Culture Media and Sport: £17,290 towards creating a Gigabit events digital infrastructure for the Geraint Thomas National Velodrome of Wales and wider Newport Live assets.

Aneurin Bevan University Health Board: £30,000 towards weight management health and wellbeing equipment at the Newport International Sports Village.

Arts Council of Wales: Cultural Recovery Fund: £250,000

The continuing presence and impact of the Coronavirus pandemic challenged the Board and Executive Management team to provide innovative and adaptive approaches to operating safely and trading through the UK and Welsh Government Covid-19 pandemic restrictions. Full indoor leisure service closures remained until May 2021, with gradual reopening and reducing restrictions through to the summer of 2021. A standstill budget was approved by the Board in February 2021 as part of the 2021-22 budget setting process in the midst of the Covid-19 pandemic, this was with the backdrop of continuing support from Newport City Council and Welsh Government through funding support to the sector whilst significantly restricted trading capability remained. During the year Newport Live continued to access the UK Government's Coronavirus Job Retention Scheme, Cultural Recovery Fund grants from the Arts Council of Wales, Sport Wales and the main line of financial support provided by via our strategic partner, Newport City Council, through the Welsh Government Hardship Fund. Our objectives were to complete 2021-22 in a no worse financial position than we started, this was successfully achieved thanks to partner and government support for the public and charitable sector.

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The principles of Newport Live's 2017-20 strategy were originally extended in the first year of the Coronavirus pandemic. These continued to be used during 2021-22 whilst the future for the sport, leisure and cultural sector remains vulnerable within Wales. The solid business and charitable operations were based on:

- Developing Participation and Sales
- Customer Service and Motivation
- Developing Partnerships
- Organisational Development
- Financial Sustainability
- Asset and Product Management

The average monthly number of Team Members employed during the year was 278 (2021: 316), this is a mix of full time, part time and casual employees. The majority of the year these colleagues were either fully or partially furloughed from their employment with Newport Live.

Health, Fitness & Wellbeing

Newport Live continued to develop its membership offer alongside welcoming pay and play customers. The focus remained on retention of existing members and acquisition of new members, alongside improvements in member engagement, through the Newport Live personal support offer as well as improvements to digital engagement including the Newport Live apps.

During 2021-22 Newport Live Health, Fitness & Wellbeing Members increased by 27%, which was reflective of a positive steps people were taking to improve mental and physical wellbeing through physical activity. The impact of the Covid-19 pandemic was a factor as people moved to be active or more active recognising the positive steps needed to look after one's health. Importantly, personal support continued to be included in the Newport Live membership, at no additional cost, an important interaction and engagement factor for members.

Newport Live concluded the expansion of the Pool and Tennis Centre Gym at Newport International Sports Village in March 2022. This included the expansion of the platform by 44m², increased electrical and data services. This allowed for all the Cardio Equipment to be relocated to the platform, meaning power and data can be run under the flooring ensuring all machines are powered and internet ready greatly increasing our training and user experiences on connected kit. Purchase and installation of additional functional and free weight kit further increases the experiences and options for our members in addition to programming options for our instructors was also concluded in the period. These were significant investments that will meet member demand and create a wider but more rounded training experience.

Innovative programmes continue to be developed throughout the period, this included support to those recovering from Covid-19. We further developed programmes in partnership with Aneurin Bevan University Health Board including the National GP Exercise Referral Scheme. We were able to welcome people from client groups that have additional requirements or were those classed as more vulnerable during the pandemic. This was hugely important as the negative impact on mental wellbeing when unable to access Newport Live facilities should not have been underestimated.

During the period, Newport Live has continued to work proactively with Aneurin Bevan University Health Board (ABUHB) to develop new programmes and initiatives. A new weight management programme was developed by Newport Live and ABUHB for delivery in our NISV gyms. The programme, to improve provision for patients requiring adapted equipment including the provision of bariatric chairs. ABUHB invested £30k with Newport Live to provide two new treadmills, two stair climbers and two upright bikes which will enhance the Velodrome and Pool & Tennis Centre gym offers for these clients with specific needs. Newport Live will have the benefit of this equipment for all other customers when the weight management programme is not taking place in the gyms. The investment further demonstrates the ever-strengthening partnership between Newport Live and the local health board in the delivery of wellbeing services for local residents.

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Newport Live has won the opportunity to be the Welsh leisure partner for the UK Innovation and Research funding application by UK Active to deliver high-quality, inclusive, consistent, accessible community health and wellbeing services for older adults with muscular skeletal conditions (with an initial focus on hip and knee surgery patients and older adults living with osteoarthritis) – with the emergence of a greater focus on “social prescribing” post Covid to focus on enhancing the wellbeing of the Welsh population and keeping people away from the NHS. The desired outcome is to create a high-impact, financially sustainable health & wellbeing service for older adults (and anyone with a health condition) in leisure centres. Initially Newport Live will identify 1-2 venues for the delivery of the programme and between 7-24 months, a further 3-4 venues will be added to the programme where the Escape Pain and Good Boost programmes will be delivered with the support of the Aneurin Bevan University Health Board.

Integrated Swim Programme

2021-22 saw the welcome return of more aquatics-based activities across our pools at Newport International Sports Village and Active Living Centre, sadly because of surveys during the period 2020-21 Newport Centre pool closed and did not reopen, which resulted in ongoing challenge with accommodating demand, throughout the period.

Work with the City of Newport Swimming & Waterpolo Club to review the ISP model continued to ensure that the model was effective and supported a welcome return of swimmers from the Learn 2 Swim pathway into the club environment. A lack of sanctioned competition during the pandemic did see a reduction in the number of swimmers engaging in the club programme, however throughout the year the team in partnership with the club were able to collaborate to secure the future of the club and ISP Programme.

There was a hugely negative impact on the opportunities for children to engage with the Learn 2 Swim Programme and develop the important life skill. At the start of 2021-22 there were just 816 children engaging in the programme, this was due to the restrictions on the number of children and adults who could access a pool space being capped at 30. In March 2022, we were teaching 1817 children to swim each week, an increase of 126% during the year. This will continue to grow, albeit with reduced capacities while the new facility for the city centre is developed.

The focus as we move to the future is to ensure we can support people to thrive in the sport, whether engaging to learn, seeing progression of their skills through to club or other aquatic based activities and sports, as well as seek to develop a workforce for the future including Swim Teachers and Lifeguards.

Recreationally, we have been able to further welcome people to the open sessions, which includes Group Exercise, Lane Swimming, Family Swim sessions and wider programmes, all have been adapted and amended as a result of Covid-19, however this will grow further as we enter 2022-23.

Free Swim Initiative

Newport Live has continued to deliver Welsh Government Free Swimming Initiative for people aged 60 plus and 16 and under. Aquatic activities were delivered at Active Living Centre and Newport International Sports Village's two pools.

Once again participation in Free Swimming during 2021-22 was impacted by Welsh Government operating restrictions, initially upon reopening of facilities a reduced customer confidence in some of the more vulnerable groups including the 60 plus.

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FOR THE YEAR ENDED 31 MARCH 2022

Cycling

The steps taken pre pre-pandemic to grow and develop the Newport Live cycling programme did take a step back due to the Covid-19 restrictions, however throughout the course of 2021-22 Newport Live saw numbers increase and a welcome return to a more regular track programmes, alongside the reintroduction of Children's Cycling.

Newport Live were successful with the Children Cycling programme, teaching children from balance bikes onto first pedals and mountain bike skills. Utilisation of the programme was regularly at above 90% capacity with further development the programme a focus for 2022-23.

Moving from children cycling to the track, Newport Live were able to welcome elite athletes to the velodrome, due to a flexible and determined approach. Newport Live were able to support Team GBs Olympic and Paralympic training camps ahead of Tokyo 2020 (hosted in 2021) alongside athletes from Singapore and Slovakia. Unfortunately, due to continuing protocols linked to the transmission of Covid 19, Newport Live were unable to offer spectator opportunities for local residents and the social impact and motivation from seeing Team GB heroes were not available on this occasion.

Newport Live also hosted the HSBC British National Track Championships from 27 – 30 January 2022, to great success and demonstrated Newport's ability to host national level track events, the first time this was held outside of Manchester. It was an extremely positive event from a Welsh rider perspective with several medals won on the track.

The focus moving forward will be to complete the rebrand of Newport Tennis Centre, alongside securing the recruitment of additional Level 1 and 2 tennis coaches with a view to growing the tennis programme further.

The Riverfront Theatre and Arts Centre

2021 started with the Riverfront remaining closed to the public and the team continuing with a strong digital, at home and community offer for engagement. This came through partnership and collaboration, with projects including Art of the Hill, Lost Connections as well as a Schools Film Project and a programme of film to support engagement with the LGBTI+ community.

Newport Live were successful in discussions with the Wales National companies and were able to welcome The National Theatre of Wales to The Riverfront during May and June 2021, this included five weeks of rehearsal and two weeks of live streamed performances. The National Dance Company of Wales also booked performances early in 2022. Ballet Cymru, were also welcomed to The Riverfront for rehearsals, performances and educational activities that ran from July 2021 through to the end of January 2022.

The Riverfront reopened to the public on 2 August 2021, and welcomed people to a newly refurbished foyer space, which included relocating the Box Office, increasing the bar service areas and introducing a dedicated merchandise shop further supporting an focus in increasing secondary spend. Across the 2021-22 period, The Riverfront welcomed audiences over 26,000 to over 100 shows, 200 films and 250 workshops.

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Whilst The Riverfront was unable to welcome the Big Splash back in the period, we were able to create a scaled down event in Splashtonbury, this included a series of Music on the Terrace free to attend events alongside craft activities in 'bubbles' as per the Covid-19 guidelines. –

During March 2022, International Women's Day, welcomed hundreds who celebrated with us, a day packed full of music, talks, workshops and stalls, this year themed around the subject 'Break the Bias', importantly welcoming larger groups to The Riverfront. Another important element to the programme was the Welsh Language music celebrations such as the Welsh Language Choir, who were able to perform as curtain raisers for selected events at The Riverfront.

During the 2021-22 period Newport Live were delighted to welcome a new Head of Theatre Arts and Culture to the charity. During this challenging time The Riverfront team worked to exceptional standards; an incredible team dynamic resulted in a collaborative supportive approach; embracing the charities values and ensuring strong engagement with theatre, arts and culture both in the Riverfront and across our communities was championed.

The Arts and Culture Advisory Panel to the Board has been established with clear terms of reference for the Group which align and complement the existing Board Sub Groups. The Chair of the Sub Advisory Group is Richie Turner and the creation of the group is especially important to maximise input and development of a vision and strategy required as part of the Arts Council Wales funding review which is expected to commence 2022 following a delay due to the Covid 19 pandemic.

Newport Wheels for All launched in June 2021, the inclusive cycling project is a partnership with Newport City Council and will offer a fantastic opportunity for people with varying abilities the opportunity to cycle on pathways at Tredegar Park. The pathway infrastructure at the park was adapted and extended to support Newport Wheels for All, which was hugely positive during the period. The opportunity to cycle for many of these customers had not previously been an option, the resulting removal of barriers to engagement should not be underestimated.

Tennis

Newport Tennis Centre saw a welcome return to tennis in early 2021, both the Junior and Adult programmes returned in April and May. The programme was restarted with signups to the coached Junior and Adult programmes a priority. Newport Live were able to move to pre-pandemic levels throughout the course of the year, with 237 Juniors engaging in the programme on a consistent weekly basis by March 2022.

The Tennis Team were able to secure a series of LTA events which ran during June 2021 including LTA Regional competitions for wheelchair and visually impaired events, in addition to an LTA Fast Four.

The LTA Regional Visually Impaired Tennis Competition was the first event of its kind at Newport Tennis Centre, it attracted 23 players from across the UK, competitors travelled from Scotland and London to take part. The event was hugely successful with competitors commenting on the facilities, staff, and setup. The event was supported by a wide range of volunteers from staff to young people within some of our existing programmes across Newport Live.

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The support of partners mentioned previously in Newport City Council and Arts Council of Wales was extremely important, as without this during such a challenging and difficult period, the Riverfront may not have survived, grant funding secured the future programme for the city, which has been a further positive and important factor in the ongoing recovery from Covid-19.

Following the initial flooding of the Orchestra Pit works have been undertaken separately to prevent the water ingress given the deficiencies identified. The Orchestra pit was fitted with an additional water pump and a warning system to identify the pumps switching on. This will give early warning to any future flooding issue and hopefully prevent similar consequences.

The Board were made aware of the actions of colleagues at the Riverfront Theatre who saved the life of a gentleman aged 79 who walked into the Riverfront complaining of not feeling well. He suffered a cardiac arrest and was revived by colleagues who acted quickly to deploy their First Aid training, undertake CPR and immediately use a defibrillator which delivered a shock which revived the gentleman before continuing with CPR.

The gentleman was taken to hospital in Cardiff received medical interventions and is now recovering well. As a result of the actions and the best possible outcome our colleagues and Newport Live received praise for actions by the Welsh Ambulance Service NHS Trust, a link to the press coverage can be found below. This event and the actions taken by colleagues demonstrates the learning from the Newport International Sports Village incident that took place in 2019, the recent Coroners Court experience and associated action plans implemented across all buildings and services delivered by Newport Live.

Alternative Education - Avenues

During 2021-22 we continued to deliver a significantly enhanced programme of alternative education for young people excluded or temporarily excluded from schools in the city. This was branded as 'Avenues' to further remove the label for the young people engaged in the programme.

In July 2021, Newport Live received formal confirmation that Newport City Council extended the contract to provide placements for pupils classed as demonstrating Social, Emotional and Behavioural Difficulties (SEBD) for a further academic year until 31 July 2022.

During the year, and due to the relocation of St Andrews School to the Connect Centre, the Avenues programme, team and pupils moved to a temporary venue at the Rivermead Centre, Rogerstone. The environment onsite was conducive to undertaking more outdoor based activities which was also a welcome change for the young people. Avenues then relocated to Newport Stadium in preparation for a September 2021 start of term.

The programme said its annual goodbye to year 11 pupils with some mixed emotions as several of these young people had been with us for 3 – 4 years. This group had achieved qualifications from awarding bodies such as Princes Trust Level 1 & 2, Personal & Social Development Level 1 & 2 Btec, ASDAN Life skills, alongside core subjects of Literacy, Numeracy and Science.

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There was further success as a result of Avenues engagement with one of the year 11 pupils putting his qualifications to good use by volunteering for the Cycling Team carrying out supervised bike maintenance on the Children's Cycling and Newport Wheels for All bikes. This is providing them with the opportunity to develop some wider employability skills and a potential casual employment route via Newport Wheels for All.

During March 2022 Avenues was required to undertake its annual quality assurance visit by Newport City Council. The visit was extremely positive with no formal recommendations or areas of improvement required. The process meant that Avenues retained its status of being a preferred supplier of green status. The process was also a good opportunity to check and challenge our thinking and processes with the sector specialists. While no formal recommendations were made, we still took the opportunity to revise processes based on wider discussion, progressing the offer into 2022-23.

Positive Futures

Positive Futures continues to be delivered in areas of deprivation throughout Newport and pan Gwent. The Office of the Police and Crime Commissioner and Sport Wales provide the majority of the funding with additional grants from the Welsh Government Communities and Children Grant, and Active Communities Network within Newport.

The staff team continued their regular engagement in face-to-face delivery with young people and delivering projects to ensure consistency in relationships. The ongoing impact of lockdown meant open access provisions were shut down, the team therefore reviewed the areas, that they were currently delivering in, how effective those sessions were and where priorities needed to be.

During the year 2021-22, sessions were delivered in Shaftesbury, Alway, Duffryn, Pill, Maesglas and Chem Park (Corporation Rd). Where possible additional sessions in areas including Somerton and Bettws were added to provision as the need for support and intervention increased during the year. All sessions continued to be regularly staffed by the same contracted staff who work to build relationships with the young people and provide a consistent approach to delivery. When restrictions eased and need for engagement increased a multi-agency model was adopted, where the Newport Live team were able to work alongside Youth Workers and Youth Justice Workers to be able to safely provide relevant staffing ratios.

In addition to open access opportunities Positive Futures focused on providing targeted support to identified groups of young people who are vulnerable to Child Criminal Exploitation and are at risk of involvement in anti-social behaviour. The Early Intervention Project was delivered in primary schools targeting year 5 and 6 pupils, in groups of 10 or sometimes as a whole class. These were pupils that the school were concerned in relation to behaviours and levels of need within the family environment. Areas including Ringland, Monnow, Tredegar Park, Maindee and Pill all saw the need with young people attending workshops in relation to social issues that were prevalent in the area and then attend a sport session with signposting opportunities to broader open access provision.

Referrals for engagement were also received via the Police, Social Services, Youth Justice Service and Schools.

The Levelling the Playing Field national disproportionality project continued to be strategically locally managed via Newport Live Positive Futures. Multi agency monthly meetings are held to discuss an action plan and innovative ways in which young people from ethnically diverse backgrounds can be supported. Strength based trauma inform training was provided and well received, further equipping the Newport Live Positive Futures team with the important skills to work with young people.

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ITV News have been really interested in the programme and what we are doing and aiming to achieve. A live broadcast took place from the Pill Friday Night Project in September 2021 with Positive Futures Ambassadors Leon Brown and Ashton Hewitt taking time out to be interviewed and advocate for the programme and what sport offers. As a result of the broadcast, attendance grew further, with 70+ young people accessing a Friday night.

During October 2021, Operation Bang continued, the multi-agency approach to the anti-social behaviour issues that increase during Halloween and Bonfire Night. Positive Futures led on operationally coordinating the diversionary element of the provision and strategically link into Police and Community Safety partners to highlight the importance of youth engagement opportunities to reduce issues.

Newport Live Positive Futures is currently represented at; Safer Newport, ASB Strategic group, ASB Op's and the newly formed pilot project at Llanwern HS Understanding the Triggers. The Senior Officers meets with the three local inspectors fortnightly to update each other on work taking place and issues arising.

Healthy and Active Newport (HAF) Programme

The Healthy and Active Newport project continued during the year; the project one of only 17 across Wales funded by Welsh Government, Sport Wales, and Public Health Wales at part of the national Healthy and Active Fund.

During the academic year 2021- 22 engagement was restricted due to Covid-19 and the challenges faced by the Healthy and Active Newport Schools. Newport Live teams were able to restart engagement from 20 September 2021. On average 16 weekly sessions took place across the schools. On average over 350 pupils were engaged each term, and over 300 pre project questionnaires completed with pupils. Importantly five volunteers were identified and supported weekly provision, we aim to continue to engage with volunteers in this way with the aim of providing further support once the project ends.

Newport Live has successfully secured an extension for the Healthy and Active Newport project which will support continuation through to the end of the academic year in July 2022.

Community Sports Development

Newport Live continue to see a hugely positive and important relationship with Sport Wales, work and input into Sport Wales' strategy, change management processes, support to the sector, and work around continuous improvement, insight, and learning and sharing locally, regionally, and nationally is very positively received.

Sport Wales funding for 2021/22 saw an increased programme of activity and opportunity across the city throughout the period. Over the Spring and Summer months the Newport Live team focused on helping to increase physical activity levels and improve mental wellbeing post-covid. Newport Live's work and reputation continues to be positive, and wider sharing meetings took place during the period with colleagues in Swansea, Cardiff, Merthyr, RCT, Carmarthenshire, and with Active Gwent colleagues.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2022*

During the period, an outcomes report was submitted to the Flying Start Management Team at Newport City Council, this highlighted areas of potential future collaboration and the offer to support in 2021-22 in childcare settings, as well as to Private Nursery settings and Primary Schools via Newport Live's physical literacy and active tots programme with foundation phase children.

Over 30 Primary Schools actively took part in direct sports coaching and wellbeing activities, including Daily Mile Destinations, Move and Motivate, Playmakers Training, and Get Active Monthly Challenges alongside the Healthy and Active Newport project.

Secondary Schools also requested support with sport, physical activity and wellbeing during 2021-22, in addition to the Young Ambassadors volunteer development work we've continued to provide to teachers supporting Welsh Baccalaureate and pupil development.

Work around the poverty agenda and 'holiday hunger' was an important activity, taking place ahead of the Summer Holidays to ensure that there was sufficient resources in people and funding to provide a mixture of sport and physical activity engagement opportunities to the public, to specific communities, to specific groups and families, and with a variety of partners in education, families first, flying start, local clubs and community associations, and health partners.

Work progressed with Sport Wales on the Be Active funding scheme, to ensure there was better connectivity to clubs locally on applications and then the awarded funding allocated to supported sports clubs and groups. Assessment of club's positions locally, post- covid commenced, with the Newport Live team reviewing feedback to support the future shaping of conversations of support to clubs as they started to recover post Covid-19 and provide activity to new and existing members in clubs, venues, parks and our facilities citywide.

The Insport Gold accreditation work continued to log progress online in the Disability Sport Wales hub where progress and case studies were submitted. It should be noted GOLD was a new award and Newport Live were in uncharted territory nationally, made steady progress. Some excellent work with Children's Centres across Gwent, and work with the Aneurin Bevan University Health Board is one such example of collaboration and influence with Health as a strategic partner, as well as further work internally, with Newport City Council and Education.

Sport & Support

The programme was launched successfully during the period, with both previous and new attendees participating in the programme held at our centres and in partnership with Newport MIND. Links with external partners were formulated allowing participants to access the session via a supported route. Distance travelled data has been collated via the Warwick Edinburgh Mental Wellbeing Scale tool. Participant feedback was extremely positive, we will continue to support people with their mental health and physical wellbeing through the important activity social group.

NEWPORT LIVE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Happier Healthier Men

During March 2022, Happier Healthier Men completed the first programme. The programme encourages men experiencing challenges with their mental wellbeing are engaged and supported through a series of workshops both physical activity based as well as conversation based behaviour change activities. This was well received but suffered from covid-19 restrictions early on which impacted on availability and the working status and commitment of several participants. The group reduced to 6 participants that attended twice weekly sessions addressing key issues and a physical activity session.

Two members completed the whole course and received an extended membership which they are actively using working closely with one of the fitness instructors at the pool on 1:1 personal support session in addition to attending group exercise classes at Newport Centre. Both participants have committed to supporting the delivery of group 2 as volunteers to ensure new participants receive the support they received via the programme, which will continue into 2022-23.

Newport Centre

The Newport Centre swimming pool did not reopen in 2020-21 after the first round of Covid 19 closures, due to the structural surveys and investigation works. In August 2021 the closure of the swimming pool was made permanent following the confirmation of the major structural works required and the timescales for the development of the new leisure facilities by our client at Newport City Council. The Newport Centre continued to operate as a dry side leisure facility throughout the year with gym, group exercise and other small events taking place alongside the Mass Vaccination Centre operating out of the main hall and events space within the building.

The installation works were predominantly completed on the main system during April and May 2021. The final element, which was the electronic display scoreboard, was delivered and installed during the last week of June 2021. The system came with a training package which allowed a number of staff and some external timing operators used to support galas to be trained.

Marketing, Public Relations and Communications

The priority for the marketing team over the year was to ensure continuing engagement for customers in keeping active and getting creative whilst preparing buildings and communications for reopening post pandemic. Work continued to deliver on the marketing strategy, a dashboard of KPIs to measure online engagement and reviews was created.

Substantial signage and rebranding was created and implemented across all Newport Live centres. This includes branding of the new wellbeing space at the Sports Village, improving reception areas and a review and consolidation of signage to support customers with directions and guidelines in our buildings.

New videography was created to support the re-opening, this included a new welcome back video, a new video for members joining to show more clearly what is included in membership as well as a welcome video to be used as part of the acquisition communications for the new corporate membership relationship including those via Gympass.

NEWPORT LIVE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Newport Live updated much of our artwork to provide a new vibrant and updated look. There are several different executions, and the campaign has been designed to;

- Highlight activity available in all facilities
- Show the range of services available
- Target different customer groups
- Show the benefit of exercise to wellbeing.
- Highlight the support we offer
- Highlight being in control of your health and wellbeing

A number of key offers were introduced with the aim of setting us apart from our competitors and really drive retention and acquisition during the period beyond Newport Lives re-opening. This included free health checks for all customers during May 2021, which allows people to reassess their levels of activity and goals after a period of being away from our facilities. This also highlights one of the key USPs vs our competitors.

The focus during the period remained on the need to ensure products and programmes across Newport Live were clearly promoted with customer journeys and pathways defined and communicated via digital and print platforms, on and off line.

Newport Live's website continued to develop and was received well following on from the launch during 2021-21. We saw engagement with new users to the website increase by 76% during the period April 2021 to March 2022, with 36,394 new website users.

Membership income for annual and monthly memberships at the beginning of the year was zero as all customers were "frozen", many cancelled and a large number did not "unfreeze" when services were able to recommence and are yet to return to participate. Income has been forecast and modelled on an on-going basis with pre Covid-19 levels not forecast to return until into 2022-2023, due to slow return of consumer confidence in a number of Newport Live business areas, including memberships only being at 80% of pre pandemic levels in December 21, lack of programme to attract to the Riverfront Theatre and the Welsh Government introduction of a Covid Pass for events, theatre and cinema. Many Newport Live customers e.g. National Governing Bodies of sport have continued to exclude spectators and as a result primary and secondary spend at Newport Live facilities has been lower than anticipated.

Throughout the Pandemic, Newport Live's strategic Partner Newport City Council continued to support us in numerous ways. The Funding & Management Agreement outputs were suspended during the year due to the inability of Newport Live to be able to deliver the standard service outputs. Newport City Council continued to provide Newport Live with a management fee throughout the period of suspension and Newport City Council Officers have attended regular update meetings working through our open-book accounting which evolved once the Welsh Government "Hardship Fund" access was agreed and the principle of working to not end the financial year in a worse position than the charity began. It was agreed that Newport Live would mitigate expenditure and claim the difference to the maintain financial performance as per the original budget.

Newport Live from April 2020 took full advantage of the UK Government's Coronavirus Job Retention Scheme (CJRS) by furloughing, initially, 97% of its employee base with 15 colleagues remaining in employment through to July 2020. Newport Live then utilised the Flexi-Furlough scheme to bring colleagues back to the workplace as and when required until September 2021 when the scheme ceased.

NEWPORT LIVE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

The Arts Council of Wales continued to support the operations at the Riverfront Theatre through ongoing liaison during this crisis. Newport Live has been able to secure additional funding from the Arts Council of Wales Resilience Fund to support a move to more digital based productions together with additional funding from the Arts Council of Wales' Recovery Fund. The latter revenue funding has been granted to support the Theatre and its operations during the period from 1 November 2020 to 31 March 2021 whilst Theatres had to remain closed. An additional capital grant was provided by ACW to upgrade and improve the Riverfront Theatre foyer, which included all measures to ensure COVID safety, a new revised bar layout, enhanced retail space and reconfigured box office and cafe supporting the long-term efficiency of the Riverfront.

In line with all other Local Authorities across Wales, Newport City Council was awarded funding by Welsh Government to mitigate their losses of income during the Coronavirus pandemic. Internal and outsourced leisure providers are able to claim loss of income after the mitigation of expenditure. Newport Live has been allowed to submit claims to Newport City Council for inclusion in their Hardship Fund claim on a quarterly basis to Welsh Government.

Financial performance for the year ended 31 March 2022

Newport Live has had a successful year in terms of trading through the Pandemic together with accessing additional funding from its key strategic partners. Significant effort has gone into managing our costs positively, creating savings across a number of our business areas, as a result we have returned an unrestricted trading surplus of £481,387 (2021: £569,151); a restricted deficit of £290,774 (2021: surplus of £409,639). We have also included a surplus on the defined pension scheme of £1,788,000 (2021: a deficit of £5,265,000)

Newport City Council has contractually agreed to underwrite any losses. The result of the combined position for the year is an overall surplus of £1,978,613 (2021: deficit of £4,286,210).

In 2019, the Newport Live Board agreed to create another Designated Unrestricted Reserve for maintaining and developing the estate. From the trading surplus of £481,387 (2021: £209,185) the Newport Live Board felt it prudent to set aside £441,819 (2021: £209,185) into this specific Designated Fund. This is to cover the cost of maintaining and developing the estate as the maintenance of a fully functioning and appropriate portfolio of property assets is fundamental to the success of Newport Live in the future.

Our current Reserves position shows unrestricted reserves as follows: General Fund £1,056,631 (2021: £787,220); Designated Fund allocated for organisational restructure £100,000 (2021: £100,000); Designated Fund allocated for business re-engineering £154,000 (2021: £154,000); Designated Fund allocated for the maintenance and development of the estate £962,308 (2021: £520,489) and a negative £7,970,000 (2021: negative £9,758,000) specific to the pension fund which Newport City Council has contractually agreed to underwrite. Newport City Council has agreed a plan with the pension trustees to fund this deficit over time.

NEWPORT LIVE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

The charity's free reserves (unrestricted current assets less designated funds) totalled £1,056,631 (2021: £787,220). The Board is confident that this is sufficient to cover the requirements detailed in the policy in the current reduced operating climate. Newport Live's balance sheet is in a positive position aligned with Board policy with bank and cash balances of £2.7m (2021: £2.3m).

Reserves policy

The Board is agreed that a reasonable level of unrestricted non-designated reserves is required between £600,000 and £800,000 for the following reasons:

- To absorb short-term setbacks such as loss or delays in funding and unforeseen expenditure requirements;
- To finance working capital needs, such as delays in receipts and to fund the anytime delays between developing projects, obtaining approval and funds being received
- To cover the working capital required to fund timing differences between expenditure and receipt of fundsTo cover the cost of investing in staff training and development to improve services and efficiency of the company and to help retain professional employees
- To cover the capital and revenue costs of developing new and existing services
- To allow for planning investments or similar new investments
- To allow for cyclical maintenance expenditure for which Newport Live has an obligation under property leases and the property maintenance matrix agreement with Newport City Council which is delivered on their behalf by Newport Norse their property joint venture partner

The Board have also agreed the creation of the following unrestricted designated reserves:

- £100,000 to be used for the costs associated with organisational restructuring
- £154,000 to be used for the costs associated with the undertaking of feasibility studies to ascertain the equipment and environment needs required to place the business at the forefront of service provision for the future.
- £962,308 to be used for the maintenance and development of Newport Lives' estate
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Future plans

The development of Newport Live's new strategy was halted by the Covid 19 pandemic. A large number of key strategic and operational objectives for 2021-22 remained undelivered due to the second wave of the Coronavirus pandemic and its impact. These objectives will remain constant in the Board's future plans and will transition into the 2022-2026 strategy. The pillars of the current strategy we work to are; Participation and Sales, Customer Service and Motivation, Developing Partnerships, Organisational Development, Financial Sustainability and Asset and Product Management.

NEWPORT LIVE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Newport Live's strategic and operational objectives for 2022– 23 will include:

1. To continue to navigate the second year of the Covid 19 pandemic and when practical to begin to rebuild the business delivery as UK and Welsh Government legislation allows.
2. To continue to partner Aneurin Bevan University Health Board for the operational delivery of a Mass Vaccination Centre based within the Newport Centre.
3. To partner with Newport City Council to develop requirements, specifications and plans for the new leisure facility to replace the Newport Centre, developing associated indicative business plans.
4. Work with Active Gwent and Sport Wales to establish Newport Live as a principal delivery partner for the operation of the regional delivery model for sports and physical activity (CSAP) aligned to the new Sport Wales strategy.
5. To create 5 year “core sport and physical activity” delivery plans to drive increases in participation in swimming, tennis, track cycling, health and fitness activities.
6. To continue to work with Newport City Council to utilise allocated Corporate Asset Management funding for 2022-23 and maximise available external match funding in order to maintain customer experiences, business continuity and quality of the assets.
7. To procure and replace Health and Fitness equipment across the Newport Live estate whilst also creating an enhanced digital fitness solution within facilities and community settings to provide a connected experience for customers to support their health, fitness and wellbeing goals and provide Newport Live with greater insight into customer behaviours.
8. Work with Newport City Council to agree the strategy by which the Funding and Management fee for services delivered by Newport Live is structured and aligned with the Newport Centre replacement leisure facility and transition the operation of the Newport Centre.
9. To review all areas of operational expenditure within the charity and create procurement and efficiency targets for the whole business which contribute to Strategic development priorities as established by the Strategy Subgroup of the Newport Live Board.
10. To support the Newport Live Board Advisory Group for the Arts and Cultural services to provide advice, guidance and strategy to the Newport Live Board and be a platform for Newport City Council to create a new Cultural Strategy.
11. To strengthen and grow our theatre and arts links in formal education and community settings, and to ensure full equality in, and access to, the arts and culture across the diverse communities in Newport.
12. To re-establish a great Theatrical programme for the Riverfront Theatre post Covid 19 pandemic and to use the wider programme as a stimulus for arts-in-health and wellbeing activities.
13. To maximise the digital benefits of Gigabit broadband network across all Newport Live buildings for the charity and the benefit of customers and stakeholders.
14. To continue the partnership with Newport City Council progressing towards Gold status of the Disability Sport Wales “Insport Award”, demonstrating further improve access to sport and physical activity services for residents of the City with disabilities.
15. Newport Live will continue to engage with Welsh Government Major Events Unit, Newport City Council and other key partner organisations to develop business plans for national and international events of cultural and sporting significance.
16. To develop a commercial, fundraising and sponsorship strategy leading to identifying sponsorship, charitable and grant aid sources of funding to enable Newport Live to create new sport, physical activity, artistic and cultural experiences which are sustainable for the City of Newport.

NEWPORT LIVE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2022*

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governance

Newport Live is a company limited by guarantee and a registered charity, and is governed by its Articles of Association, established on the 24th November 2014 and commenced trading on 1 April 2015 with a portfolio of five leisure facilities and one performing arts theatre.

In the event of Newport Live being wound up, Members are each required to contribute an amount not exceeding £1. The Members comprise the subscribers to the Memorandum, the Trustees and Newport City Council (as a corporate body).

Recruitment and appointment of new trustees

Unless otherwise determined by Newport Live, the Board shall consist of at least three and not more than eleven individuals comprised as follows:

- up to two Newport City Council (Local Authority) Trustees; and
- Up to nine Community Trustees.

Community Trustees shall at all times be in the majority. The Newport City Council Trustees are nominated by the Council who also determine their period of appointment. In selecting the Trustees, the Board shall consider the skills and expertise required of all Trustees to contribute to the success of Newport Live and, in particular, any specific skills identified from time to time by the Board.

The Trustees are all representatives of the local community and bring a wealth of experience, skills and expertise to the charity with representatives from Health, Housing, Business, Media, Local Government, Charity, Education, Community Organisations, and the Voluntary Sector.

In 2021-22 Newport City Council removed Cllr Majid Rahman and replaced him with Cllr Jason Hughes. All trustees receive induction training and on-going information with regard the organisation including its powers and objects, and their duties and responsibilities to the Charitable Company.

NEWPORT LIVE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2022*

Organisational structure

The Executive Team lead and engage in the leadership and operational delivery of Newport Live services. The Executive Team is challenged and guided with strategic leadership and direction from the board of Trustees (the Board) regarding the provision and operation of the services. The Board during the year created and recruited to the advisory Group for Arts and Culture to increase the strategic context of the Arts and deliver on key objectives agreed with the Arts Council of Wales.

The Board of Trustees in 2021-22 continued to meet during the Coronavirus 19 crisis on a bi-monthly basis. Due to the Welsh Government regulations this was limited to using digital technology before reverting to in person meetings in September 2021 which were infused with virtual options for Trustees who could not attend in person. The Finance and Human Resources, Marketing and Communications, and the Strategy Subgroup also met and used technology to meet bi-monthly. Subgroups and Board Members continued to provide professional support and advice at a strategic and operational level as and when required.

NEWPORT LIVE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Employees and employee engagement

Newport Live engages with employees, sharing information on its strategic and operational aims and objectives, performance and key performance indicators status through regular meetings involving Trustees and employees.

Newport Live remains committed to the principle of diversity and equality regardless of age, gender, ethnicity, race, disability, religion, gender reassignment or sexual orientation. These principles are reflected in Newport Live's approach to the recruitment, development and the promotion of trustees and employees.

The salaries of the charity's key management personnel are reviewed annually and benchmarked against other organisations operating in the same sector.

Newport Live appreciates and values its workforce and are aware of financial pressures being faced by individuals and families during these unprecedented times as we exit the Covid pandemic, the surging prices of energy and other significant cost of living increases, plus now the uncertainty resulting from the Russia and Ukraine conflict which the impact and sanctions are increasing the cost of living around the world. Newport Live, being a not for profit and a registered charity, has a legal duty to manage its finances responsibly and set sustainable budgets for the future. Throughout our 6 years of trading, Newport Live has maintained levels of remuneration to a standard that is affordable, retain staff and where possible allowing employees to live an affordable life. In 2022-23 Newport City Council's management fee paid to Newport Live will remain the same cash value, as such the equivalent of a £125k reduction in funding. The annual rate of inflation (CPI) as of January 2022 stood at 5.5% up from 0.7% in January 2021. The Living Wage Foundation's Real Living Wage of £9.90 will be applied to employees from 1st April 2022. We are committed to attracting and retaining staff in order to maintain a Happy and Healthier workforce and the pay increase will be 3% for 22-23 for colleagues except the Executive Management Team who will not receive an increase, whilst we continue to offer staff benefits such as:

- Final Salary Pension Scheme which as an employer we pay an 16.8% contribution
- Free Health and Wellbeing Membership for permanent contracted staff members
- Discounts for staff at our food & beverage outlets

Risk management

The Trustees continue to have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees updated their risk management strategy in 2021-22, ensuring that there are:

- Regular Board and associated Board Sub Group reviews of the principle risks and uncertainties that Newport Live faces;
- The establishment and timely reviews of policies and procedures in order to mitigate any risks identified;
- The implementation of procedures designed to mitigate and manage such risks should they materialise.

The Trustees continue to identify significant risks to the business, a number remain constant and these include:

- The development of the new leisure facility associated design, business plan and transitional plans to successfully exit and transition from the Newport Centre without jeopardising the overall Newport Live charity.
- The need for a succession planning strategy for Executive Team members and development pathway for gifted and talented managers and leaders of the future.
- The return of customers following Covid 19 – pandemic and unknown behaviour change implications, especially with vulnerable groups and older customers of Newport Live, creating a risk to engagement, reducing social value and sustainable income sources.

NEWPORT LIVE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) ***FOR THE YEAR ENDED 31 MARCH 2022***

A significant and continuing risk is our ability to continue to secure grant funding from some of our key partner, especially with the uncertainty of public funding posts Covid – 19 and ending of government funding whilst restrictions remain a significant impact upon trading and the ability for customers to participate and sporting events and theatre audiences to return. Newport Live's business model requires partners in these sectors to be able to return and trade to meet the objectives and targets established within our business model for 22-23. We continue to work with our partners post the Covid – 19 pandemic to achieve recovery strategies with existing funders to innovate and deliver outcomes and proposals aligned to our and their strategies, developing new options for innovative and efficient, service delivery which are financially sustainable and generate significant social value for the partners and their customers, clients and stakeholders.

As mentioned throughout this report and continuing from the Trustees report of 2020-21, the ongoing management of Covid-19 and now the recovery of the charitable sport, leisure, physical activity and cultural sector is Newport Live's sole focus with day to day operational and strategic plans needing to evolve. The ending of the Coronavirus Job Recovery Scheme and the Welsh Government Hardship Fund means the journey to recovery requires careful navigation by the Trustees and Executive Team. Accessing the national funding has left Newport Live as a charity in a strong position to enter 22-23 and uncharted territories as services within Wales return to pre Covid regulations and indoor participation and leisure activities take place without the requirement to wear face coverings. The sectors within which Newport Live operate, especially Theatre now have a long way to go in building programmes of performances and building the confidence with the consumers to return to explore new activities for their wellbeing.

Furthermore, the risks surrounding the exit of the Newport Centre, development of the new leisure facility by Newport City Council remains the single biggest risk and focus of work by Newport Live together with the key project stakeholders including Newport City Council and their agents.

All these areas are included in the Newport Live Corporate Risk Register.

NEWPORT LIVE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Reference and administrative details

Registered charity name	Newport Live
Charity number	1162220
Company registration number	09323582
Registered office	Newport International Sport Village Regional Swimming Pool and Tennis Centre Newport Wales NP19 4RA

Trustees	D W Hayhoe J R Harrhy K D Ward S E Hazlehurst M J Butler D J Mayer - resigned 23rd June 2022 N Jakomis - resigned 28th June 2022 K M Dew AM Rahman- resigned 14th October 2021 P A Tilley R M Turner J Hughes - appointed 23rd November 2021 Y Forsey - appointed 23rd June 2022
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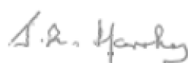
Secretary	Martyn Seaward
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Key Management Personnel	S Ward - Chief Executive M Seaward - Director of Finance and Resources N Sargeant - Director of Operations A Ovey - Commercial Director
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Auditors	Azets Audit Services Ty Derw Lime Tree Court Cardiff Gate Business Park Cardiff CF23 8AB
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Bankers	Barclays Bank plc 1-5 St David's Way 28 Working Street Cardiff CF10 2DP
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The trustees' report was approved by the Board of Trustees.



Mr J Harrhy

Trustee

Dated: 15 March 2023

NEWPORT LIVE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also the directors of Newport Live 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;
- make judgements and estimates that are reasonable and prudent; and
- 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.

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

NEWPORT LIVE

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NEWPORT LIVE

Opinion

We have audited the financial statements of Newport Live (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

NEWPORT LIVE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF NEWPORT LIVE

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.

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

NEWPORT LIVE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF NEWPORT LIVE

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 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

AZets Audit Services

Azets Audit Services

24 March 2023

**Chartered Accountants
Statutory Auditor**

Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
United Kingdom
CF23 8AB

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

NEWPORT LIVE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Donations and legacies	3	1,201,263	-	1,201,263	1,075,264	-	1,075,264
Charitable activities	4	6,525,740	1,844,756	8,370,496	4,039,310	3,364,880	7,404,190
Investments	5	115,116	-	115,116	3,589	-	3,589
Total income		7,842,119	1,844,756	9,686,875	5,118,163	3,364,880	8,483,043
Expenditure on:							
Charitable activities	6	9,010,732	2,135,530	11,146,262	5,229,012	2,955,241	8,184,253
Net (expenditure)/income for the year/ Net (outgoing)/incoming resources		(1,168,613)	(290,774)	(1,459,387)	(110,849)	409,639	298,790
Other recognised gains and losses							
Actuarial gain/(loss) on defined benefit pension schemes		3,438,000	-	3,438,000	(4,585,000)	-	(4,585,000)
Net movement in funds		2,269,387	(290,774)	1,978,613	(4,695,849)	409,639	(4,286,210)
Fund balances at 1 April 2021		(7,938,757)	559,962	(7,378,795)	(3,242,908)	150,323	(3,092,585)
Fund balances at 31 March 2022		(5,669,370)	269,188	(5,400,182)	(7,938,757)	559,962	(7,378,795)

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NEWPORT LIVE

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10		191,965		294,013
Current assets					
Stocks	11	39,993		39,993	
Debtors	12	1,924,542		1,142,009	
Cash at bank and in hand		2,675,626		2,318,601	
		<u>4,640,161</u>		<u>3,500,603</u>	
Creditors: amounts falling due within one year	13	<u>(2,262,308)</u>		<u>(1,415,411)</u>	
Net current assets			2,377,853		2,085,192
Total assets less current liabilities			2,569,818		2,379,205
Provisions for liabilities			<u>(7,970,000)</u>		<u>(9,758,000)</u>
Net liabilities			<u>(5,400,182)</u>		<u>(7,378,795)</u>
Income funds					
Restricted funds	17		269,188		559,962
<u>Unrestricted funds</u>					
Designated funds	18	1,381,315		1,032,023	
General unrestricted funds		<u>(7,050,685)</u>		<u>(8,970,780)</u>	
			<u>(5,669,370)</u>		<u>(7,938,757)</u>
			<u>(5,400,182)</u>		<u>(7,378,795)</u>

NEWPORT LIVE

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2022

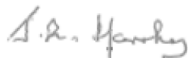
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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 15 March 2023



Mr J Harthy
Trustee

Company Registration No. 09323582

NEWPORT LIVE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	22		241,909		492,207
Investing activities					
Purchase of tangible fixed assets		-		(112,080)	
Investment income received		115,116		3,589	
Net cash generated from/(used in) investing activities			115,116		(108,491)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			357,025		383,716
Cash and cash equivalents at beginning of year			2,318,601		1,934,885
Cash and cash equivalents at end of year			2,675,626		2,318,601

NEWPORT LIVE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Newport Live is a private company limited by guarantee incorporated in England and Wales. The registered office is Newport International Sports Village, Regional Swimming Pool and Tennis Centre, Newport, NP19 4RA, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 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)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. 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

The trustees consider there are no material uncertainties about the charitable company's ability to continue as a going concern. The Board of Trustees have assessed the major risks to which Newport Live is exposed and whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability for Newport Live to continue as a going concern. The Board of Trustees made this assessment in respect of a period of 12 months from the date of the approval of these financial statements.

Newport Live holds significant cash balances, in addition it holds a reasonable level of unrestricted reserves (excluding the pension scheme deficit). In relation to the pension scheme deficit, Newport City Council entered into a legally binding agreement with Newport Live to underwrite the deficit on the scheme. The whole of the deficit included in these financial statements is fully underwritten by Newport City Council.

The charity meets its day-to-day working capital requirements through cash generated from operations and grant funding received from its fund providers, such as Sports Wales and Arts Council of Wales. As a result, the charity is dependent on the continued support of the aforementioned fund providers and on an annual rolling basis thereafter. The charity has secured funding from such providers until the year ended 31 March 2023 and for this reason the Board of Trustees continue to adopt the going concern basis 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.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors 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.

NEWPORT LIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

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.

Income from government and other grants, whether capital or revenue grants, is recognised when the charitable company has entitlement to the funds, any performance obligations attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and not deferred. Management fee income is recognised on the same basis.

Income received in advance of a theatrical performance, event date, or provision of another specified service, including membership subscriptions, is deferred until the criteria for income recognition are met.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Donated professional services, donated assets and donated facilities are recognised as income when the charitable company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charitable company of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services, donated assets and donated facilities are recognised on the basis of the value of the gift to the charitable company which is the amount the charitable company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market. For donated services and donated facilities, a corresponding amount is then recognised in expenditure in the period of receipt. Donated assets are depreciated over the life of the asset.

1.5 Expenditure

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

Expenditure on charitable activities includes all costs relating to the furtherance of the charity's objectives as stated in the trustees' report and their associated support costs.

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

The charitable company has only one charitable activity and therefore all support and governance costs have been allocated to this activity.

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving public accountability of the charitable company and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with apportionment of overhead and support costs.

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:

Improvements to property	5-24 years straight line
Equipment	1-5 years straight line

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.

NEWPORT LIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Tangible fixed assets include some donated assets which are recognised on the basis of the value of the gift to the charitable company which is the amount the charitable company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market.

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 Stocks

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

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 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.

1.10 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.

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 charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

NEWPORT LIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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.

1.11 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.

Retirement benefits to employees of the charitable company are provided by the Local Government Pension Scheme ('LGPS'). This is a defined benefit scheme and the assets are held separately from those of the charitable company. A defined benefit plan defines the pension benefit the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

NEWPORT LIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.13 Taxation

As a registered charity, Newport Live is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

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.

Critical judgements

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimate, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 10 for the carrying amount of the property plant and equipment, and above for the useful economic lives for each class of assets.

Impairment of debtors

The charitable company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 12 for the net carrying amount of the debtors.

Defined benefit pension scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 16, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 March 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

NEWPORT LIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donated goods and services	1,201,263	1,075,264

Donated goods and services

Donated services relate to rent and utilities provided by Newport City Council to the trust.

NEWPORT LIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

	2022 £	2021 £
Operation of sport, leisure, arts and cultural activities	2,819,497	1,144,292
Management fees	2,181,496	2,181,496
Grants	3,369,503	4,078,402
	<u>8,370,496</u>	<u>7,404,190</u>
Analysis by fund		
Unrestricted funds	6,525,740	4,039,310
Restricted funds	1,844,756	3,364,880
	<u>8,370,496</u>	<u>7,404,190</u>
Grants		
Sport Wales Core Programme	407,012	437,252
Welsh Government	258,532	305,573
Gwent Office of the Police and Crime Commissioner	181,000	181,000
Arts Council of Wales	481,539	271,496
Active Communities	(5,000)	17,500
Federation of Disability Sport Wales	11,279	19,842
Street Games	13,500	13,750
Sport Wales - Other	11,605	206,567
Newport City Council	-	45,000
UK Youth	26,000	-
HMRC Coronavirus Job Retention Scheme	181,384	1,911,894
Leisure Hardship Fund	1,503,728	668,528
NCC - Summer of Fun & Winter of Well-being	130,060	-
UK Government - Kick Start	1,500	-
Velodrome Dance Studio	77,795	-
ACW Capital	50,000	-
Sports Development	39,569	-
	<u>3,369,503</u>	<u>4,078,402</u>

NEWPORT LIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

5 Investments

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Rents receivable	115,037	2,530
Interest receivable	79	1,059
	<u>115,116</u>	<u>3,589</u>

6 Charitable activities

	2022 £	2021 £
Staff costs	5,916,969	3,880,936
Depreciation and impairment	102,046	104,827
Other staff costs	130,576	53,063
Rent	648,113	646,268
Energy	610,372	475,264
NNDR	3,850	3,288
Water and sewage costs	71,202	71,452
Building maintenance	207,233	90,920
Cost of shows and productions	253,565	31,206
Cost of goods for resale	103,469	11,000
Tools, equipment and chemicals	243,137	125,113
Partner organisation costs	121,989	132,390
Other costs	4,714	185,581
	<u>8,417,235</u>	<u>5,811,308</u>
Share of support costs (see note 7)	2,721,791	2,366,245
Share of governance costs (see note 7)	7,236	6,700
	<u>11,146,262</u>	<u>8,184,253</u>
Analysis by fund		
Unrestricted funds	9,010,732	5,229,012
Restricted funds	2,135,530	2,955,241
	<u>11,146,262</u>	<u>8,184,253</u>

NEWPORT LIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

7 Support costs

	Support costs £	Governance costs £	2022 Support costs £	Governance costs £	2021 £
Staff costs	1,056,221	-	1,056,221	1,648,572	1,648,572
Premises and equipment	259,582	-	259,582	27,316	27,316
Operational costs	251,630	-	251,630	38,515	38,515
Administration	844,133	-	844,133	579,627	579,627
Marketing and advertising	310,225	-	310,225	72,215	72,215
Audit fees	-	6,750	6,750	-	5,600
Accountancy	-	-	-	-	1,100
Board and trustee expenses	-	486	486	-	-
	<u>2,721,791</u>	<u>7,236</u>	<u>2,729,027</u>	<u>2,366,245</u>	<u>2,372,945</u>
Analysed between Charitable activities	<u>2,721,791</u>	<u>7,236</u>	<u>2,729,027</u>	<u>2,366,245</u>	<u>2,372,945</u>

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Trustees' expenses for the year ended 31st March 2022 amounted to £318 (2021: £nil)

9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Total employees	<u>278</u>	<u>316</u>
Employment costs	2022 £	2021 £
Wages and salaries	4,400,406	4,017,078
Social security costs	313,156	258,212
Other pension costs	2,259,628	1,254,218
	<u>6,973,190</u>	<u>5,529,508</u>

NEWPORT LIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

9 Employees

(Continued)

Redundancy Costs

Redundancy costs contained in wages and salary costs above totalled £2,188 (2021: £14,964). Amounts outstanding at the year end totalled £nil (2021: £nil).

Key Management Personnel

The key management personnel of the charity are as detailed in the Trustees report. The total employee benefits (including salary, employer's national insurance, pension and benefits in kind) of the key management personnel of the charity were £385,308 (2021: £324,616).

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

	2022 Number	2021 Number
£60,000 - £70,000	1	1
£70,000 - £80,000	1	1
£100,000 - £110,000	1	-
	<u> </u>	<u> </u>

10 Tangible fixed assets

	Improvements to property £	Equipment £	Total £
Cost			
At 1 April 2021	51,360	648,237	699,597
At 31 March 2022	<u>51,360</u>	<u>648,237</u>	<u>699,597</u>
Depreciation and impairment			
At 1 April 2021	15,204	390,382	405,586
Depreciation charged in the year	9,197	92,849	102,046
At 31 March 2022	<u>24,401</u>	<u>483,231</u>	<u>507,632</u>
Carrying amount			
At 31 March 2022	<u>26,959</u>	<u>165,006</u>	<u>191,965</u>
At 31 March 2021	<u>36,157</u>	<u>257,856</u>	<u>294,013</u>

11 Stocks

	2022 £	2021 £
Finished goods and goods for resale	<u>39,993</u>	<u>39,993</u>

NEWPORT LIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

12 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	1,133,563	649,909
Other debtors	11,750	11,750
Prepayments and accrued income	779,229	480,350
	<u>1,924,542</u>	<u>1,142,009</u>

13 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Other taxation and social security		82,083	230,280
Deferred income	14	428,803	123,172
Trade creditors		239,424	367,830
Other creditors		50,427	-
Accruals		1,461,571	694,129
		<u>2,262,308</u>	<u>1,415,411</u>

14 Deferred income

	2022 £	2021 £
Other deferred income	<u>428,803</u>	<u>123,172</u>

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	<u>428,803</u>	<u>123,172</u>
Movements in the year:		
Deferred income at 1 April 2021	123,172	292,228
Released from previous periods	(553,180)	(385,383)
Resources deferred in the year	<u>858,811</u>	<u>216,327</u>
Deferred income at 31 March 2022	<u>428,803</u>	<u>123,172</u>

NEWPORT LIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Provisions for liabilities	Notes	2022 £	2021 £
Retirement benefit obligations	16	7,970,000	9,758,000
		<u>7,970,000</u>	<u>9,758,000</u>

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.

Defined benefit schemes

Key assumptions

	2022 %	2021 %
Discount rate	2.75	2.05
Expected rate of increase of pensions in payment	3.15	2.80
Expected rate of salary increases	3.45	3.10
	<u></u>	<u></u>

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2022 Years	2021 Years
Retiring today		
- Males	20.5	20.7
- Females	23.2	23.4
	<u></u>	<u></u>
Retiring in 20 years		
- Males	21.8	22.1
- Females	25.1	25.4
	<u></u>	<u></u>

Amounts recognised in the profit and loss account:

	2022 £	2021 £
Current service cost	2,049,000	1,160,000
Net interest on defined benefit liability/(asset)	214,000	109,000
	<u></u>	<u></u>
Total costs	2,263,000	1,269,000
	<u></u>	<u></u>

NEWPORT LIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

16 Retirement benefit schemes

(Continued)

Amounts taken to other comprehensive income:

	2022 £	2021 £
Actual return on scheme assets	(908,000)	(3,379,000)
Less: calculated interest element	311,000	255,000
Return on scheme assets excluding interest income	(597,000)	(3,124,000)
Actuarial changes related to obligations	(2,841,000)	7,709,000
Total costs/(income)	(3,438,000)	4,585,000

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

	2022 £	2021 £
Present value of defined benefit obligations	24,419,000	24,578,000
Fair value of plan assets	(16,449,000)	(14,820,000)
Deficit in scheme	7,970,000	9,758,000

Movements in the present value of defined benefit obligations:

	2022 £
Liabilities at 1 April 2021	24,578,000
Current service cost	2,049,000
Benefits paid	(119,000)
Contributions from scheme members	227,000
Actuarial gains and losses	(2,841,000)
Interest cost	525,000
At 31 March 2022	24,419,000

The defined benefit obligations arise from plans which are wholly or partly funded.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

16 Retirement benefit schemes

(Continued)

Movements in the fair value of plan assets:

	2022
	£
Fair value of assets at 1 April 2021	14,820,000
Interest income	311,000
Return on plan assets (excluding amounts included in net interest)	597,000
Benefits paid	(119,000)
Contributions by the employer	613,000
Contributions by scheme members	227,000
	<hr/>
At 31 March 2022	16,449,000
	<hr/> <hr/>

The fair value of plan assets at the reporting period end was as follows:

	2022	2021
	£	£
Equity instruments	13,323,690	12,004,200
Debt instruments	2,631,840	2,519,400
Property	493,470	296,400
	<hr/>	<hr/>
	16,449,000	14,820,000
	<hr/> <hr/>	<hr/> <hr/>

NEWPORT LIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			Movement in funds		
	Balance at 1 April 2020	Incoming resources	Resources expended	Balance at 1 April 2021	Incoming resources	Resources expended	Balance at 1 April 2021	Incoming resources	Resources expended
	£	£	£	£	£	£	£	£	£
ACfW (Sound System)	15,303	-	-	15,303	-	-	15,303	-	15,303
Finance and administration - Sport Wales (Comm Chest)	-	3,812	(3,812)	-	3,812	3,812	-	3,812	-
Free swim	-	92,850	(82,253)	10,597	92,850	103,447	-	92,850	-
Integrated Swimming Programme - Equipment	21,176	-	-	21,176	-	-	21,176	-	21,176
Theatre	-	271,496	(271,496)	-	481,539	481,539	-	481,539	-
5 x 60	16,168	209,790	(140,544)	85,414	179,550	264,964	-	179,550	-
Positive Futures	-	130,800	(113,244)	17,556	130,800	148,356	-	130,800	-
Disability Sport	1,347	19,842	(14,315)	6,874	11,279	18,153	-	11,279	-
Families First	1,285	163,560	(115,317)	49,528	163,029	212,557	-	163,029	-
Street Games	234	13,750	(6,750)	7,234	13,750	20,984	-	13,750	-
Police Crime Commissioners	-	181,000	(155,054)	25,946	181,000	206,946	-	181,000	-
Active Communities	94,810	17,500	(7,396)	104,914	13,500	13,500	104,914	13,500	104,914
HMRC Coronavirus Job Retention Scheme	-	-	-	-	181,384	181,384	-	181,384	-
Sport Wales - Other	-	206,567	56,172	150,395	11,605	162,000	-	11,605	-
Healthy and Active Funds	-	142,013	76,988	65,025	95,303	160,328	-	95,303	-
NCC Youth Council Funding	-	-	-	-	26,000	26,000	-	26,000	-
NCC - Winter/Summer Funding	-	-	-	-	130,060	130,060	-	130,060	-
UK Government - Kick Start	-	-	-	-	1,500	1,500	-	1,500	-
ACW - Dance Studio Capital Fund	-	-	-	-	50,000	-	50,000	50,000	-
Sports Wales – Dance studio capital funding	-	-	-	-	77,795	-	77,795	77,795	-
	150,323	1,104,400	(910,181)	559,962	1,844,756	2,135,530	269,188	1,844,756	269,188

NEWPORT LIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

17 Restricted funds (Continued)

ACfW (Sound System)

This relates to a grant provided for the purchase of capital equipment.

Finance and administration

This relates to fees for administration of Sport Wales Community chest.

Free swim

This relates to the compensation for the loss of income and management for the Free Swim Programme.

Integrated Swimming Programme - Equipment

This relates to funding to support the purchase of replacement equipment.

Tennis

This relates to funding to support the costs of the development of the Tennis Programme.

Theatre

This relates to funding to pay for costs of the "Big Splash" festival of arts, and other grants to pay for the celebration of various events.

5 x 60

This relates to the provision of sports development activities in schools, the community, clubs and festivals.

Positive Futures

This relates to funding to support the Local Authority Partnership Agreements outreach projects assisting with anti-social behaviour issues.

NEWPORT LIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

17 Restricted funds	(Continued)
Disability Sport	This relates to funding to support the cost of employing a Disability Sports Officer.
Families First	This relates to funding to support a programme to support children, young people and their families through healthy living and well-being.
Street Games	This relates to funding to support the provision of a range of activities to personally develop minority groups.
Police Crime Commissioner	This relates to funding to support the provision of activities (mainly sport) to develop younger people with the aim of reducing anti-social behaviour and educational attainment.
Active Communities	This relates to funding to support the provision of a range of activities to personally develop 16-25 year olds.
Serious Organised Crime Prevention	This relates to funding to support the provision of activities (mainly sport) to develop younger people with the aim of reducing serious organised crime and improving educational attainment.
Youth Crime Prevention Fund	This relates to funding to support the Local Authority Partnership Agreements outreach projects assisting with anti-social behaviour issues.
HMRC Coronavirus Job Retention Scheme	Funding received to cover wages and salary costs during the pandemic.
Sport Wales - Other	This relates to the funding to support the recovery and innovation within the activities operated by Newport Live.
Healthy and Active Fund	Funding received from Welsh Government to fund the Health and Active project.

NEWPORT LIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2020	Transfers	Balance at 1 April 2021	Transfers	Balance at 31 March 2022
	£	£	£	£	£
Business re-engineering	154,000	-	154,000	-	154,000
Structural re-organisation	100,000	-	100,000	-	100,000
Maintenance and development of the estate	311,304	209,185	520,489	441,819	962,308
Fixed asset fund	-	257,534	257,534	(92,527)	165,007
	<u>565,304</u>	<u>466,719</u>	<u>1,032,023</u>	<u>349,292</u>	<u>1,381,315</u>

Business re-engineering

To be used for costs associated with the undertaking of feasibility studies to ascertain the equipment and environment needs required to place the business at the forefront of service provision in the future.

Structural re-organisation

To be used for the costs associated with organisational restructuring.

Maintenance and development of the estate

To be used for the maintenance and development of Newport Live's Estate.

Fixed asset fund

Represents the unrestricted net book value of the charity's fixed assets.

Transfers

Transfers relate to additional amounts being transferred to the maintenance and development of the estate fund during the year as well as the designation of the unrestricted net book value of the charity's fixed assets.

NEWPORT LIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

19 Analysis of net assets between funds	Unrestricted funds		Designated funds		Restricted funds		Total		Unrestricted funds		Designated funds		Restricted funds		Total	
	2022	£	2022	£	2022	£	2022	£	2021	£	2021	£	2021	£	2021	£
Fund balances at 31 March 2022 are represented by:																
Tangible assets	-		165,007		26,958		191,965		-		257,534		36,479		294,013	
Current assets/(liabilities)	919,315		1,216,308		242,230		2,377,853		787,220		774,489		523,483		2,085,192	
Provisions and pensions	(7,970,000)		-		-		(7,970,000)		(9,758,000)		-		-		(9,758,000)	
	(7,050,685)		1,381,315		269,188		(5,400,182)		(8,970,780)		1,032,023		559,962		(7,378,795)	

NEWPORT LIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

20 Operating lease commitments

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:

	2022 £	2021 £
Within one year	50,688	54,000
Between two and five years	67,584	121,500
	<u>118,272</u>	<u>175,500</u>

21 Related party transactions

Newport City Council acts as the principal funder and a member of Newport Live. During the year grants, management fees and other services amounting to £5,930,929 (2021: £4,990,534) were received from, and purchases of £563,054 (2021: £257,718) were made to Newport City Council. The grants and management fees did not have any performance related conditions attached to them. At the year-end date, amounts totalling £931,193 (2021: £595,267) were owed to Newport Live by Newport City Council and Newport Live owed Newport City Council £10,693 (2021: £150,587).

22 Cash generated from operations

	2022 £	2021 £
Surplus/(deficit) for the year	(1,459,385)	298,790
Adjustments for:		
Investment income recognised in statement of financial activities	(115,116)	(3,589)
Depreciation and impairment of tangible fixed assets	102,046	104,827
Difference between pension charge and cash contributions	1,650,000	680,000
Movements in working capital:		
(Increase)/decrease in stocks	-	234
(Increase) in debtors	(782,533)	(671,267)
Increase in creditors	541,266	252,268
Increase/(decrease) in deferred income	305,631	(169,056)
Cash generated from operations	<u>241,909</u>	<u>492,207</u>

23 Analysis of changes in net funds

The charity had no debt during the year.