

**Charity registration number 1162220**

**Company registration number 09323582 (England and Wales)**

**NEWPORT LIVE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

# NEWPORT LIVE

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# NEWPORT LIVE

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

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The trustees present their annual report and financial statements for the year ended 31 March 2023.

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 2022-23:

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  
Innovative**

**Passionate  
Inspiring**

**Team  
Inclusive**

#### 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.

# NEWPORT LIVE

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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### Pricing

Newport Live's pricing strategy for customers balances charitable and commercial objectives, whilst remaining aligned to Funding and Management Agreement contractual 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.

### New Chair and changes to the Board

Newport Live's Chair of the Board of Trustees changed at the Board meeting held on 15 March 2023. Founding Chair John Harhry retired, and the then Vice Chair Kevin Ward was selected by Trustees to take over the role. Our partners Newport City Council replaced their appointed Trustee, Cllr David Mayer with Cllr Yvonne Forsey on 22 June 2022. Natalie Jakomis retired as a Trustee on 28 June 2022 and this meant that there were two Trustee vacancies on the Board. The Board considered the skills, experience, qualities, gender and diversity required to reflect the customers and communities served by the charity. The decision by the Board was to focus the recruitment of the two new Trustees on diversification of the Board and seek to increase the number of female, global majority and ethnically diverse Trustees. Rusna Begum and Beverley Flood were appointed as Trustees and Non-Executive Directors on 15 March 2023 and brought with them a huge wealth of professional experience and passion to inspire colleagues, communities and the charity to increase engagement within the communities we serve and also those to whom we currently do not provide services.

The Board created a new Arts Advisory Panel to provide a balance of strategic arts and cultural advice to the Board. The Arts Advisory Panel was recruited with the leadership of Trustee Richie Turner who now chairs the Panel. Representation from the Arts Council of Wales, Newport City Council and a large number of artistic organisations spanning the length and breadth of the artistic community in the city, was achieved together with key appointments including disability and equality champions within the sector. The panel now meets in the same chronology as the Board Sub-Groups for Finance and HR, PR Marketing and Comms, and Strategy, feeding into the Board on a bi-monthly basis.

### Newport Centre Closure

The Newport Centre was opened in 1985 and served Newport and surrounding communities for 38 years, hosting her Majesty the Queen and rock stars including Elton John and Ed Sheeran. The swimming pool within the facility had not reopened after the Covid-19 pandemic due to structural failure; this alongside the redevelopment of the city centre drove a decision by our landlord to develop a new solution for leisure in the city centre and close the Newport Centre. Newport Live worked with Newport City Council to surrender the lease on the Newport Centre to allow the development of a new Coleg Gwent facility on that site and, importantly, for the offer of a lease on a newly developed leisure and wellbeing facility 100 metres from the current location. Significant work was completed during March 2023 to salvage and remove usable equipment and to relocate activities and users from the Newport Centre to other Newport Live-managed venues including the Riverfront Theatre, Active Living Centre and Newport International Sports Village facilities.

As part of the closure of the Newport Centre, a full staff consultation was undertaken for colleagues considered being at risk of redundancy. After all mitigations had taken place, including relocations to other Newport Live roles, unfortunately five colleagues were made redundant.

### Station

The Station gym facility was secured on a 3-year lease by Newport Live as part of the exit strategy from the Newport Centre and interim provision whilst the new facility is developed by Newport City Council. The facility was prepared for opening on 1 April 2023 in the Station Quarter on Cambrian Road in Newport. The Station Quarter provides a very large floor space for gym users and a small studio for aerobics type classes. Most importantly, the facility provides for business continuity for Newport Live members and customers who are then retained by Newport Live, and for new business development strategies to grow participation in preparation for moving to the new facility in approximately 24-30 months.



# NEWPORT LIVE

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

### FOR THE YEAR ENDED 31 MARCH 2023

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#### **Geraint Thomas National Velodrome of Wales - Dance Studio upgrade**

Newport Live applied successfully to Sport Wales for a grant to enlarge and improve the dance studio within the Velodrome. Works were started in August 2022 and completed in November 2022. The works have provided us with up to 10 additional users per class and the use of redundant space within the facility.

The works significantly improved the customer experience with new flooring, improved sound and lighting, and the ability to deliver virtual classes. This has increased the number of hours for which the room can be utilised.

The overall cost of the project was £83,000. The project required a capital contribution from Newport Live of £5,000, which is excellent value, and the payback for the investment was recouped within 12 months for pay and play customers. This would be less through the allocation of memberships if target growth for group exercise classes is achieved.

#### **Active Travel Behaviour change programme – Momentwm**

Newport Live was commissioned in January 2023 by Newport City Council to commence the development of a new active travel behaviour change programme. The Burns Commission via Welsh Government and Transport for Wales provide the funding enabling us to establish behaviour change measures in and around the Newport area including: workplace travel planning/employer engagement, adult cycle skills & maintenance training and social prescribing of active travel. The initial two months of the project included planning and procurement of cycling equipment, bikes and e-bikes for the engagement. Recruitment of a new team to deliver the project had commenced at the end of the year.

#### **Riverfront Theatre and Arts Centre**

The Riverfront has continued to develop important arts and cultural programmes across the many artistic genres and is proud to reach audiences and engage across South Wales and beyond and is an Arts Council of Wales Arts Portfolio Wales organisation. The Riverfront offers the only cinema in the city centre and seeks to ensure cinema is accessible and affordable.

Several important projects were undertaken during the year, including the Music Masters 'I'm In' Programme and Race Council Cymru's Reverse Mentoring Programme. Both programmes challenge us to understand our current position and subsequently how we can continue to improve inclusion and diversity across the organisation, to improve engagement with communities across the city and support audience development. We are continuing to work to develop additional information to support those with access requirements to remove barriers to participation; this includes the installation of a new system for people with hearing impairments to simplify and improve the audio description system at the Riverfront. We have also supported the development of additional information including the filming of a video for a typical visit to the Riverfront for a person with additional mobility requirements, to continue our commitment to making the Riverfront as welcoming a theatre and arts centre as we can possibly make it.

A number of significant projects commenced during the year which included the procurement of a new ticketing solution, suitable to manage both Riverfront events as well as those across Newport Lives' wider portfolio and city-wide. During the period we were also able to secure sizable grant funding to improve the sustainability of the Riverfront including improvements to the lighting to reduce the building's carbon footprint and contribute to the city's Carbon Zero 2030 strategy.

Amongst a vast number of projects that were developed and delivered during the year were Wonderland, Cultivate, Bitcoin Boy, Big Splash Festival, How to Defeat Monsters (And Get Away With It) and the hugely important annual Pantomime (Robin Hood), all of which are hugely important in support of the Riverfront audience development plans, to ensure everyone in the city is able to engage with arts and cultural opportunities.

#### **Aquatics**

The Learn to Swim programme has continued to face a number of challenges, space being a major factor in respect of the volume of demand for swimming lessons versus the availability of pool space. This is both since the closure of Newport Centre and the further delays in the development of the replacement venue. The availability of suitably qualified swimming teachers, together with the retention of these individuals, has been the greatest challenge to the performance of the Learn to Swim programmes we delivered.

## NEWPORT LIVE

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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To support the programme opportunities there has been investment in skills through the development of a Train to Teach Programme, providing the opportunity to train to become a Swim Teacher, which focuses on providing training and mentoring of people into the industry along with the opportunity for employment to those in the programme.

We have also seen the appointment of a new Head Coach for the performance swimming programme which further supports the performance pathways of young people participating in the sport. Newport Live has also continued to develop programmes of leisure and lane swimming along with aqua-based classes to encourage participation, as we continue to inspire people to be happier and healthier.

Programmes to support communities across the city continue, including the important Welsh Government Free Swim Initiative for people aged 60-plus and 16 and under, with activities provided at both Newport International Sports Village and Active Living Centre. Our School Swimming programme also continues to encourage young people of primary school age to learn the important life skill.

#### **Health, Fitness and Wellbeing**

The joint UKactive and GoodBoost MSK hub at the Regional Pool & Tennis Centre was the only Welsh trial programme for people being referred with conditions where exercise can help with effective pain management. The programme attracted a wide range of service users each week with 60 adults using the scheme; the aim is for the programme to be embedded into Newport Live's core programme.

The GoodBoost programme has led to a further partnership with ABUHB Physiotherapy Service, Newport Muscular Skeletal Physiotherapy Department providing a 6-month pilot, whereby hosting pre or post-operative patients for physiotherapy in a de-medicalised setting.

#### **Track Cycling**

The appointment of a new Cycling Manager at Newport Live in May 2022 saw positive impact made almost instantly with a review of the cycling programme at Newport Live including both Track and outdoor cycling programmes. A further appointment of a new role of Cycling Officer also saw the programme offer stabilised and able to develop further as we moved into the year.

Newport Live hosted the Youth and Junior Track Championships, a week-long event held 8-15 August and the British Cycling National Track Championships 26-29 January 2023. Both events and others in the calendar have a hugely positive impact across the city, not only at the Geraint Thomas National Velodrome of Wales, but also across tourism and the local economy.

#### **Tennis**

Alongside its Mini, Junior, Teen and Adult Programmes, Newport Live hosted County Access Squads which welcomed some of the best players in the county to the centre for coaching, inspiring others to progress in the sport.

Newport Tennis Centre was awarded Tennis Wales Competition of the Year Winner for its work in delivering Regional Disability Competitions. Newport Live has always placed an important emphasis on ensuring tennis and the centre is at the forefront of accessibility and was recognised for its work in bringing National Competitions for Wheelchair, Learning Disability and Visually Impaired players to the centre alongside hosting a range of weekly programmed sessions.

Other important developments during the period included the successful funding application to resurface the indoor courts at the Regional Pool & Tennis Centre with work to commence later in 2023, as well as discussions to provide a coached tennis programme on the newly-refurbished courts at Tredegar Park, an important partnership with Tennis Wales and Newport City Council.

#### **Community Sport & Wellbeing**

Several funded programmes naturally came to an end during the period including the Families First Programme, the Health and Active Project and the Alternative Education programme, Avenues.

## NEWPORT LIVE

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

The impact of the programmes that are managed across the community continue to see high levels of both importance and engagement; this includes programmes funded via Sport Wales delivering in community and club environments and those such as Positive Futures, using sport and physical activity as a tool to inspire and engage children and young people at risk of exploitation and involvement in the criminal justice system. This programme is in partnership with the Office of the Gwent Police and Crime Commissioner. This also links to work across Youth Justice and Preventions and other organisations including Levelling the Playing Field and the Alliance of Sport UK. Our work reaches those across our communities who would not traditionally engage with Newport Live within its venues but is sector-leading in removing barriers to participation.

Across our other areas of Sports Development, we continue to work to reach all children and young people across the city, through nursery and school settings as well as community engagement and disability sport. Specific one-off programmes include Operation Bang, Welly Walking, Pop Up Sport and Sport in the Park, all hugely important events in the annual calendar.

#### Financial review

Newport Live reported an overall surplus of £10,337,051. The underlying performance of the business, excluding the adjustments for the Local Government Pension Scheme (LGPS) resulted in a deficit of £1,498,949. This is made up of an unrestricted deficit of £1,402,645 (2022: £1,168,613) and a restricted deficit of £96,304 (2022: £290,774 deficit).

Once again, donations and legacies are made up of the value of the utility and notional rental costs incurred by Newport Live that are borne by Newport City Council.

Investment income includes the rentals received for accommodation let to third parties and includes Newport City Council's Education Department where the Connect Centre in Pillgwenlly is currently being used to temporarily house a primary school. Also included is interest receivable on bank deposits made during the period. 2022 included additional rental received from Aneurin Bevan University Health Board in respect of its rental of the Newport Centre for the purpose of operating a Mass Vaccination Centre during the Covid-19 crisis.

Income from charitable activities totalled £9,171,599 (2022: £8,370,496) as follows:

	2023	2022
	£000	£000
Operation of Sport, Leisure, Arts & Cultural activities	5,530	2,819
Management Fees	2,181	2,181
Grants	1,460	3,370
<b>Total</b>	<b>9,171</b>	<b>8,370</b>

The year to 31 March 2022 was heavily impacted by Covid-19 operating restrictions across the business with a return to close to pre Covid-19 income levels this year.

Management Fees remained consistent year-on-year with a cash-flat approach to this income from Newport City Council.

# NEWPORT LIVE

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

### FOR THE YEAR ENDED 31 MARCH 2023

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Grant income in 2022 included £1.5M of support under the Government's Hardship funding for Local Authorities together with a further £181k relating to the Coronavirus Job Retention Scheme (CJRS) with no such income in 2023. Funding from the Arts of Council of Wales in 2022 also included certain grants to assist during the Covid-19 pandemic including the Cultural Recovery Fund.

Overall expenditure totalled £12,062,542 in the year ended 31 March 2023 (2022: £11,146,262). Staffing costs remains the largest cost borne by Newport Live as it supported its colleagues during the ongoing cost of living crisis. Staff costs totalled £7,132,133 (2022: £6,973,190). The overall reduction is multi-faceted with a significant reduction in staffing levels as a result of the closure of the Newport Centre. Additional costs were incurred as Newport Live made two separate pay awards during the year to 31 March 2023 as referenced in more detail within the Employees section later in this report.

#### **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 funds
- To 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 has 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

#### **Governance**

Newport Live is a company limited by guarantee and a registered charity and is governed by its Articles of Association, established on 24 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 11 individuals comprised as follows:

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

# NEWPORT LIVE

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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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 2022-23 Newport City Council removed Cllr David Mayer and replaced him with Cllr Yvonne Forsey. All trustees receive induction training and on-going information with regard to the organisation including its powers and objects, and their duties and responsibilities to the Charitable Company.

Rusna Begum and Beverley Flood were also appointed to the Board and between them they bring a wealth of experience across community engagement and people management.

### **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 2022-23 continued to meet on a bi-monthly basis.

The Finance and Human Resources, Marketing and Communications, and the Strategy Subgroups also met and used technology to meet bi-monthly as appropriate. Subgroups and Board Members continued to provide professional support and advice at a strategic and operational level as and when required.

During 2022-2023, the Arts and Culture Advisory Panel was established. The purpose of this panel is:

- To advise the Board and Chief Executive in creating and shaping the Newport Live Theatre, Arts and Culture strategic objectives and plan.
- To offer direction into the future direction of The Riverfront Theatre & Arts Centre.
- To advise Newport Live on its contribution to the cultural direction of Newport, Gwent and Wales.
- To monitor, review and evaluate the cultural impact to continuously improve and maximise ongoing development of The Riverfront Theatre and Arts Centre.

### **Employees and employee engagement**

Newport Live shares 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 inclusion 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 is aware of financial pressures being faced by individuals and families during the ongoing cost of living crisis.

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 7 years of trading, Newport Live has maintained levels of remuneration to a standard that is affordable, one which retains staff and one where employees are able to live an affordable life. In 2023-24 Newport City Council's management fee paid to Newport Live will reduce by £217k, a year-on-year reduction of 10%. The annual rate of inflation (CPI) as of August 2023 stood at 6.4%. The Living Wage Foundation's Real Living Wage of £9.90 was applied from 1 April 2022. We are committed to attracting and retaining staff in order to maintain a Happy and Healthier workforce and the pay increase applied at the start of 2022-2023 was 3%. A second, in-year, pay award was also made as the Board reflected on the cost-of-living crisis being faced by Newport Live colleagues.



# NEWPORT LIVE

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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This was a further 4.04% or £1,925 per pay scale point, whichever was the greater. The Board-approved pay award for 2023-2024 was 3%. We continue to offer staff benefits such as:

- Final Salary Pension Scheme which as an employer we pay a 15.2% 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, and regularly reviewed this throughout 22-23 ensuring that there are:

- Regular Board and associated Board Sub-Group reviews of the principal risks and uncertainties that Newport Live faces;
- The establishment and timely reviews of policies and procedures in order to mitigate any risks identified; and
- 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 now that the charity has exited the Newport Centre, opened the Station interim facility and transition into the new facility without jeopardising the overall Newport Live charity.

The need for a succession planning strategy for Executive Team members and a development pathway for gifted and talented managers and leaders of the future.

# NEWPORT LIVE

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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### Reference and administrative details

<b>Registered charity name</b>	Newport Live
<b>Charity number</b>	1162220
<b>Company registration number</b>	09323582
<b>Registered office</b>	Newport International Sport Village Regional Swimming Pool and Tennis Centre Newport Wales NP19 4RA
<b>Trustees</b>	D W Hayhoe J R Harrhy - resigned 15th March 2023 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 P A Tilley R M Turner J Hughes Y Forsey - appointed 23rd June 2022 R Begum - appointed 15th March 2023 B Flood - appointed 15th March 2023
<b>Secretary</b>	Martyn Seaward
<b>Key Management Personnel</b>	S Ward - Chief Executive M Seaward - Director of Finance and Resources N Sargeant - Director of Operations A Ovey - Commercial Director
<b>Auditors</b>	Azets Audit Services Ty Derw Lime Tree Court Cardiff Gate Business Park Cardiff CF23 8AB
<b>Bankers</b>	Barclays Bank plc 1-5 St David's Way 28 Working Street Cardiff CF10 2DP

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



**Mr K Ward**

Trustee

Dated: 15 November 2023

# **NEWPORT LIVE**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

### ***FOR THE YEAR ENDED 31 MARCH 2023***

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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

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### Opinion

We have audited the financial statements of Newport Live (the 'charity') for the year ended 31 March 2023 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 2023 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

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### **Responsibilities of trustees**

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

### **Auditor's responsibilities for the audit of the financial statements**

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

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

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

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### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Azets Audit Services*

**Craig Yearsley FCCA (Senior Statutory Auditor)**  
for and on behalf of Azets Audit Services

*12/12/2023*  
.....

**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 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
<b>Income from:</b>							
Donations and legacies	3	1,306,574	-	1,306,574	1,201,263	-	1,201,263
Charitable activities	4	7,734,919	1,436,678	9,171,597	6,525,740	1,844,756	8,370,496
Investments	5	85,422	-	85,422	115,116	-	115,116
<b>Total income</b>		<b>9,126,915</b>	<b>1,436,678</b>	<b>10,563,593</b>	<b>7,842,119</b>	<b>1,844,756</b>	<b>9,686,875</b>
<b>Expenditure on:</b>							
Charitable activities	6	10,529,560	1,532,982	12,062,542	9,010,732	2,135,530	11,146,262
<b>Net expenditure for the year/</b>							
<b>Net outgoing resources</b>		<b>(1,402,645)</b>	<b>(96,304)</b>	<b>(1,498,949)</b>	<b>(1,168,613)</b>	<b>(290,774)</b>	<b>(1,459,387)</b>
<b>Other recognised gains and losses</b>							
Actuarial gain on defined benefit pension schemes		11,836,000	-	11,836,000	3,438,000	-	3,438,000
<b>Net movement in funds</b>		<b>10,433,355</b>	<b>(96,304)</b>	<b>10,337,051</b>	<b>2,269,387</b>	<b>(290,774)</b>	<b>1,978,613</b>
Fund balances at 1 April 2022		(5,669,370)	269,188	(5,400,182)	(7,938,757)	559,962	(7,378,795)
<b>Fund balances at 31 March 2023</b>		<b>4,763,985</b>	<b>172,884</b>	<b>4,936,869</b>	<b>(5,669,370)</b>	<b>269,188</b>	<b>(5,400,182)</b>

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 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	11		215,300		191,965
<b>Current assets</b>					
Stocks	12	33,333		39,993	
Debtors	13	1,186,661		1,924,542	
Cash at bank and in hand		3,377,656		2,675,626	
		4,597,650		4,640,161	
<b>Creditors: amounts falling due within one year</b>	14	(2,280,081)		(2,262,308)	
Net current assets			2,317,569		2,377,853
<b>Total assets less current liabilities</b>			2,532,869		2,569,818
<b>Net assets excluding pension surplus/(deficit)</b>			2,532,869		2,569,818
<b>Defined benefit pension surplus/(deficit)</b>	17		2,404,000		(7,970,000)
<b>Income funds</b>					
Restricted funds	18		172,884		269,188
<u>Unrestricted funds</u>					
Designated funds	19	1,483,146		1,381,315	
General unrestricted funds		3,280,839		(7,050,685)	
			4,763,985		(5,669,370)
			4,936,869		(5,400,182)

## **NEWPORT LIVE**

### **BALANCE SHEET (CONTINUED)**

**AS AT 31 MARCH 2023**

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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 2023, 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 November 2023



Mr K Ward  
Trustee

**Company Registration No. 09323582**

# NEWPORT LIVE

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	23		716,608		241,909
<b>Investing activities</b>					
Purchase of tangible fixed assets		(100,000)		-	
Investment income received		85,422		115,116	
<b>Net cash (used in)/generated from investing activities</b>			(14,578)		115,116
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			702,030		357,025
Cash and cash equivalents at beginning of year			2,675,626		2,318,601
<b>Cash and cash equivalents at end of year</b>			3,377,656		2,675,626

# NEWPORT LIVE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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### 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 2024 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 2023

### 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 2023

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#### 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 2023

### 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 2023

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#### 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 2023

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### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Donated goods and services	1,306,574	1,201,263

#### **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 2023

### 4 Charitable activities

	2023 £	2022 £
Operation of sport, leisure, arts and cultural activities	5,490,025	2,819,497
Management fees	2,181,496	2,181,496
Grants	1,500,076	3,369,503
	<u>9,171,597</u>	<u>8,370,496</u>
Analysis by fund		
Unrestricted funds	7,734,919	6,525,740
Restricted funds	1,436,678	1,844,756
	<u>9,171,597</u>	<u>8,370,496</u>
<b>Grants</b>		
Sport Wales Core Programme	435,351	407,012
Welsh Government	384,785	258,532
Gwent Office of the Police and Crime Commissioner	181,000	181,000
Arts Council of Wales	194,961	481,539
Active Communities	-	(5,000)
Federation of Disability Sport Wales	18,763	11,279
Street Games	6,000	13,500
Positive Futures - Other	90,485	
Sport Wales - Other	-	11,605
Alliance of Sport	33,500	-
UK Youth	15,750	26,000
HMRC Coronavirus Job Retention Scheme	-	181,384
Leisure Hardship Fund	-	1,503,728
NCC - Summer of Fun & Winter of Well-being	139,481	130,060
UK Government - Kick Start	-	1,500
Velodrome Dance Studio	-	77,795
ACW Capital	-	50,000
Sports Development	-	39,569
	<u>1,500,076</u>	<u>3,369,503</u>

# NEWPORT LIVE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 5 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Rents receivable	68,168	115,037
Interest receivable	17,254	79
	<u>85,422</u>	<u>115,116</u>

### 6 Charitable activities

	2023	2022
	£	£
Staff costs	6,062,723	5,916,969
Depreciation and impairment	76,664	102,046
Other staff costs	187,907	130,576
Rent	650,091	648,113
Energy	739,549	610,372
NNDR	72,745	3,850
Water and sewage costs	39,310	71,202
Building maintenance	259,552	207,233
Cost of shows and productions	834,174	253,565
Cost of goods for resale	248,946	103,469
Tools, equipment and chemicals	288,556	243,137
Partner organisation costs	142,940	121,989
Other costs	4,057	4,714
	<u>9,607,214</u>	<u>8,417,235</u>
Share of support costs (see note 7)	2,447,327	2,721,791
Share of governance costs (see note 7)	8,001	7,236
	<u>12,062,542</u>	<u>11,146,262</u>
<b>Analysis by fund</b>		
Unrestricted funds	10,529,560	9,010,732
Restricted funds	1,532,982	2,135,530
	<u>12,062,542</u>	<u>11,146,262</u>

# NEWPORT LIVE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 7 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	1,069,410	-	1,069,410	1,056,221	-	1,056,221
Premises and equipment	198,513	-	198,513	259,582	-	259,582
Operational costs	308,957	-	308,957	251,630	-	251,630
Administration	598,922	-	598,922	844,133	-	844,133
Marketing and advertising	271,525	-	271,525	310,225	-	310,225
Audit fees	-	7,800	7,800	-	6,750	6,750
Board and trustee expenses	-	201	201	-	486	486
	<u>2,447,327</u>	<u>8,001</u>	<u>2,455,328</u>	<u>2,721,791</u>	<u>7,236</u>	<u>2,729,027</u>
Analysed between Charitable activities	<u>2,447,327</u>	<u>8,001</u>	<u>2,455,328</u>	<u>2,721,791</u>	<u>7,236</u>	<u>2,729,027</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 2023 amounted to £nil (2022: £318)

### 9 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Total employees	<u>297</u>	<u>278</u>
<b>Employment costs</b>	<b>2023 £</b>	<b>2022 £</b>
Wages and salaries	4,661,724	4,400,406
Social security costs	350,720	313,156
Other pension costs	2,119,689	2,259,628
	<u>7,132,133</u>	<u>6,973,190</u>



# NEWPORT LIVE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 9 Employees

(Continued)

#### Redundancy Costs

Redundancy costs contained in wages and salary costs above totalled £134,181 (2022: £2,188). Amounts outstanding at the year end totalled £129,291 (2022: £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 £403,819 (2022: £385,308).

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

	2023 Number	2022 Number
£60,000 - £70,000	-	1
£70,000 - £80,000	1	1
£80,000 - £90,000	1	-
£100,000 - £110,000	1	1

### 10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### 11 Tangible fixed assets

	Improvements to property £	Equipment £	Total £
<b>Cost</b>			
At 1 April 2022	51,360	648,237	699,597
Additions	-	100,000	100,000
At 31 March 2023	51,360	748,237	799,597
<b>Depreciation and impairment</b>			
At 1 April 2022	24,401	483,231	507,632
Depreciation charged in the year	9,197	67,468	76,665
At 31 March 2023	33,598	550,699	584,297
<b>Carrying amount</b>			
At 31 March 2023	17,762	197,538	215,300
At 31 March 2022	26,959	165,006	191,965

# NEWPORT LIVE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 12 Stocks

	2023 £	2022 £
Finished goods and goods for resale	33,333	39,993

### 13 Debtors

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Trade debtors	527,543	1,133,563
Other debtors	11,750	11,750
Prepayments and accrued income	647,368	779,229
	1,186,661	1,924,542

### 14 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Other taxation and social security		125,413	82,083
Deferred income	15	551,124	428,803
Trade creditors		95,510	239,424
Other creditors		-	50,427
Accruals		1,508,034	1,461,571
		2,280,081	2,262,308

### 15 Deferred income

	2023 £	2022 £
Other deferred income	551,124	428,803

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
<b>Deferred income is included within:</b>		
Current liabilities	551,124	428,803
<b>Movements in the year:</b>		

# NEWPORT LIVE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

15	Deferred income	(Continued)	
	Deferred income at 1 April 2022	428,803	123,172
	Released from previous periods	(428,803)	(553,180)
	Resources deferred in the year	551,124	858,811
	Deferred income at 31 March 2023	551,124	428,803
	Provisions for liabilities	2023	2022
		£	£

### 17 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

	2023	2022
	%	%
Discount rate	4.75%	2.75
Expected rate of increase of pensions in payment	2.95%	3.15
Expected rate of salary increases	3.45%	3.45

##### Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2023	2022
	Years	Years
Retiring today		
- Males	18	20.5
- Females	23	23.2
Retiring in 20 years		
- Males	21	21.8
- Females	25	25.1

# NEWPORT LIVE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 17 Retirement benefit schemes

(Continued)

Amounts recognised in the profit and loss account:

	2023 £	2022 £
Current service cost	1,879,000	2,049,000
Net interest on defined benefit liability/(asset)	235,000	214,000
Total costs	2,114,000	2,263,000

Amounts taken to other comprehensive income:

	2023 £	2022 £
Actual return on scheme assets	64,000	(908,000)
Less: calculated interest element	463,000	311,000
Return on scheme assets excluding interest income	527,000	(597,000)
Actuarial changes related to obligations	(12,363,000)	(2,841,000)
Total costs/(income)	(11,836,000)	(3,438,000)

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

	2023 £	2022 £
Present value of defined benefit obligations	(1,696,000)	24,419,000
Fair value of plan assets	(708,000)	(16,449,000)
(Surplus)/deficit in scheme	(2,404,000)	7,970,000

Movements in the present value of defined benefit obligations:

	2023 £
Liabilities at 1 April 2022	7,970,000
Current service cost	1,879,000
Benefits paid	(129,000)
Contributions from scheme members	249,000
Actuarial gains and losses	(12,363,000)
Interest cost	698,000
At 31 March 2023	(1,696,000)

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

# NEWPORT LIVE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 17 Retirement benefit schemes

(Continued)

Movements in the fair value of plan assets:

	2023 £
Fair value of assets at 1 April 2022	-
Interest income	463,000
Return on plan assets (excluding amounts included in net interest)	(527,000)
Benefits paid	(129,000)
Contributions by the employer	652,000
Contributions by scheme members	249,000
At 31 March 2023	708,000

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

	2023 £	2022 £
Equity instruments	559,320	13,323,690
Debt instruments	21,240	2,631,840
Property	120,360	493,470
Cash	7,080	-
	708,000	16,449,000

# NEWPORT LIVE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 18 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:

	Balance at 1 April 2021	Movement in funds		Balance at 1 April 2022	Movement in funds		Balance at 31 March 2023
	£	Incoming resources	Resources expended	£	Incoming resources	Resources expended	£
ACW (Sound System)	15,303	-	-	15,303	-	-	15,303
Finance and administration - Sport Wales (Comm Chest)	-	3,812	3,812	-	3,812	3,812	-
Free swim	10,597	92,850	103,447	-	92,850	92,850	-
Integrated Swimming Programme - Equipment	21,176	-	-	21,176	-	-	21,176
Theatre	-	481,539	481,539	-	194,961	194,961	-
5 x 60	85,414	179,550	264,964	-	207,889	207,889	-
Positive Futures	17,556	130,800	148,356	-	130,800	130,800	-
Disability Sport	6,874	11,279	18,153	-	18,763	18,763	-
Families First	49,528	163,029	212,557	-	226,000	205,902	20,098
Street Games	7,234	13,750	20,984	-	13,750	13,750	-
Police Crime Commissioners	25,946	181,000	206,946	-	181,000	181,000	-
Active Communities	104,914	13,500	13,500	104,914	13,500	13,500	104,914
HMRC Coronavirus Job Retention Scheme	-	181,384	181,384	-	-	-	-
Sport Wales - Other	150,395	11,605	162,000	-	-	-	-
Healthy and Active Funds	65,025	95,303	160,328	-	238,433	227,040	11,393
NCC Youth Council Funding	-	26,000	26,000	-	15,750	15,750	-
NCC - Winter/Summer Funding	-	130,060	130,060	-	99,170	99,170	-
UK Government - Kick Start	-	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	-
	559,962	1,844,756	2,135,530	269,188	1,436,678	1,532,982	172,884

## NEWPORT LIVE

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

#### 18 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 2023

#### 18 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 2023

#### 19 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 2021 £	Transfers £	Balance at 1 April 2022 £	Transfers £	Balance at 31 March 2023 £
Business re-engineering	154,000	-	154,000	-	154,000
Structural re-organisation	100,000	-	100,000	-	100,000
Maintenance and development of the estate	520,489	441,819	962,308	69,299	1,031,607
Fixed asset fund	257,534	(92,527)	165,007	32,532	197,539
	<u>1,032,023</u>	<u>349,292</u>	<u>1,381,315</u>	<u>101,831</u>	<u>1,483,146</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 2023

### 20 Analysis of net assets between funds

Fund balances at 31 March 2023 are represented by:

Tangible assets  
Current assets/(liabilities)  
Provisions and pensions

	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £
	-	197,539	17,761	215,300	-	165,007	26,958	191,965
	876,839	1,285,607	155,123	2,317,569	919,315	1,216,308	242,230	2,377,853
	2,404,000	-	-	2,404,000	(7,970,000)	-	-	(7,970,000)
	3,280,839	1,483,146	172,884	4,936,869	(7,050,685)	1,381,315	269,188	(5,400,182)

# NEWPORT LIVE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 21 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:

	2023 £	2022 £
Within one year	50,688	50,688
Between two and five years	13,054	67,584
	<u>63,742</u>	<u>118,272</u>

#### 22 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 £4,470,538 (2022: £5,930,929) were received from, and purchases of £394,392 (2022: £563,054) 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 £3268,942 (2022: £931,193) were owed to Newport Live by Newport City Council and Newport Live owed Newport City Council £nil (2022: £10,693).

#### 23 Cash generated from operations

	2023 £	2022 £
Surplus for the year	(1,498,948)	(1,459,385)
Adjustments for:		
Investment income recognised in statement of financial activities	(85,422)	(115,116)
Depreciation and impairment of tangible fixed assets	76,664	102,046
Difference between pension charge and cash contributions	1,462,000	1,650,000
Movements in working capital:		
Decrease in stocks	6,660	-
Decrease/(increase) in debtors	737,881	(782,533)
(Decrease)/increase in creditors	(104,548)	541,266
Increase in deferred income	122,321	305,631
<b>Cash generated from operations</b>	<u>716,608</u>	<u>241,909</u>

#### 24 Analysis of changes in net funds

The charity had no debt during the year.

