

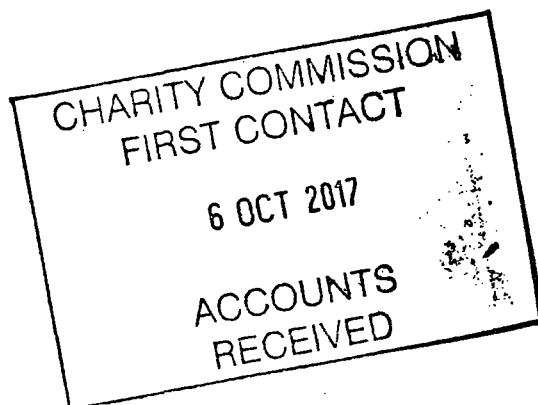
Company registration number: 8951503

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LIFE LEISURE TRUST T/A ANEURIN LEISURE
(A company limited by guarantee
and not having a share capital)

**REPORT OF THE TRUSTEES, STRATEGIC REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**



Broomfield & Alexander Limited
Chartered Accountants & Statutory Auditors
Waters Lane Chambers
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LIFE LEISURE TRUST T/A ANEURIN LEISURE

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**LIFE LEISURE TRUST T/A ANEURIN LEISURE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

Foreword from the Managing Director

I am pleased to report that Aneurin Leisure continues to make good progress in delivering our mission "To improve community life".

The Trust's National Exercise Referral scheme continues to provide considerable impact in transforming people's lives, who are faced with post chronic illness or preventing or slowing down the onset of such illness. Programme targets have been met for 2016/17 and closer links are being made with Health and community partners to position this programme at the heart of the community.

A number of facilities within the Trust are now 'dementia friendly' and this is pivotal due to this illness now being the most prevalent across the borough. Work is underway to create 'wellbeing' hubs which will enable improved access for both active and inactive families to engage with the multi-faceted programmes that are offered by the Trust.

Increased European funding has been achieved to further support Bridges into Work and Working Skills for Adults and whilst this work focuses on tackling local skills gaps, the programme has also made an impact on Polish families that have moved into the area. Work is underway to support Syrian families who are migrating to the area and the Trust's Life card membership scheme will be used to help the families to settle and integrate with local families and facilities.

When I reflect on progress throughout 2016/17, there have been two notable asset related changes, these include the improvement made to the Parc Bryn Bach café area with a new food offer and interior changes. Feedback from our customers has been very positive and catering income has increased since the change was made. The second change has been the successful community asset transfer of the Beaufort Theatre in partnership with Blaenau Gwent County Borough Council (BGCBC). This was carried out to consolidate the Arts into one asset, namely the Metropole Cultural and Conference Centre.

Investment in staff training and development continues to grow and this is reflected in very low absence levels, running at 1.9% at the end of March 2017. Growth in the Trusts' workforce has grown during this period with the recruitment of a Sales Manager with a proven track record in the private commercial sector, and a new Commercial Director will start with the Trust on 28 August 2017. Both posts will be a significant addition to the senior management team moving forward.

In terms of the operating model, the Trust will be moving to operating four strategic business units in 2017/18, those being Sport & Fitness, Outdoor Adventure Activity, Arts and Events and Catering and Hospitality. Libraries and Adult Community Learning sits within the Partnerships and Contract section and all services are supported by a range of central services.

To provide financial sustainability and make these business units competitive, investment in new systems will be required, in order to support staff to work at the required pace. It is very positive to report that such investment is occurring during times of austerity but this reflects the hard work, attention to detail and passion shown by the whole workforce, and due diligence undertaken by the Board of Trustees.

The Trusts' continued drive to improve commercial working practices amongst staff must be commended, as our customer care is improving and a new software package called "Net Promoter Score" has been introduced across the business to track customer feedback. Further plans are in place to implement "Call Manager" software, to improve the Trusts' efficiency in terms of answering customer calls and guiding them to the appropriate person.

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Moving forward into 2018, the Trust is currently working in partnership with BGCBC to develop a new Canadian Lodge facility at Parc Bryn Bach to support the Adventure Activity (AA) market. The principal customers will be schools on residential breaks, together with the wider AA and holiday market including corporate businesses. In 2016, Aneurin Leisure hosted a national sales team from a blue-chip company for 3 days and the feedback was excellent.

Considerable progress has been achieved during 2016/17 and the pace of change has improved again when compared to 2015/16. To report a budget surplus against the backdrop of an annual reduction in the contractual management fee, reductions in grant income and growing local competition and increases in utility costs is quite an achievement. Throughout this period, all staff have worked very hard and invested considerable effort to make Aneurin Leisure a success.

Finally, I would like to thank our chair, Mr Phil Hodgson, for his leadership and support to both myself and Trust colleagues between July 2014 and May 2017. My sincere appreciation and thanks also goes to the Board of Trustees for their active role within the organisation and my senior management team colleagues and members of the wider Aneurin Leisure workforce for their hard work and commitment throughout the year. We continue to work in partnership with Blaenau Gwent County Borough Council (BGCBC) and many external partners to ensure the primary objectives of the Trust are delivered.

Anthony Hughes
Managing Director

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
REPORT OF THE TRUSTEES
FOR THE PERIOD ENDED 31 MARCH 2017**

The trustees are pleased to present their annual directors' report which incorporates the strategic report together with the consolidated financial statements of the charity for the year ending 31 March 2017 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The accounts have been prepared in accordance with the accounting policies set out in the accounts and comply with the charity's Memorandum and Articles of Association, 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)" (as amended for accounting periods commencing from 1 January 2016).

OBJECTIVES AND ACTIVITIES

The objects of the charity, as set out in its Memorandum and Articles of Association, are:

- 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 with the object of improving their conditions of life;
- to promote community participation in healthy recreational activities;
- 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;
- to advance the education of the public in the arts through the provision of a theatre/ arts development;
- to advance education in the arts by the establishment and maintenance of an art gallery and/or museum;
- to advance the education of the public through the provision of a library;
- to provide, maintain and equip parks with the object of advancing public education, with particular regard to horticulture, arboriculture, wild plants and wildlife;
- to preserve buildings of historic or architectural importance;
- to develop the capacity and skills of members of the socially and economically disadvantaged community in such a way that they are better able to identify, and help meet, their needs and participate more fully in society; and,
- to pursue such other charitable purposes analogous to any of the above as the Trustees in their absolute discretion shall determine (together the "Objects").

To carry out any other charitable activity subject to the prior written consent of the Charity Commission for England and Wales.

Public benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. The Trust considers how planned activities support its vision of improving community life through Leisure, Learning and Culture which benefits the local population served by the charity. The Trust aims to deliver social outcomes that improve health and wellbeing whilst encouraging staff to strive to improve the quality of service delivery in a commercially sustainable way.

Some of the key activities undertaken in relation to the objects of the charity and to further the charities purpose for the public benefit are outlined on pages 4 - 11.

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
REPORT OF THE TRUSTEES
FOR THE PERIOD ENDED 31 MARCH 2017**

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Who used and benefited from our services

The Charitable Trust provides leisure, learning and cultural activities to the residents of Blaenau Gwent. Whilst some sections of the community are affluent, many are not and some 21 per cent of areas fall in the 10% most deprived areas in Wales and overall the majority of its areas are more deprived than the Wales average.

The Charitable Trust is responsible for the operation, management and development of the following:

- Three Sports Centres (including Sports Development)
- Four Learning Action Centres
- Six Libraries
- An Arts/Cultural Venue
- Bedwellty House & Park
- Parc Bryn Bach

By offering a wide range of products and activities, individuals of all ages can participate.

User/Footfall Statistics	2016/17	2015/16
Sports Centres	1,021,833	1,001,619
Libraries*	298,294	250,698
Cultural Venues	91,251	81,069
Bedwellty House**	111,397	
Parc Bryn Bach	468,681	379,262

*Ebbw Vale Library was closed for refurbishment from December 2014 and reopened in August 2016.

** Bedwellty House people counter was not in place in 2015/16.

Getting Young People Active

- The Trust has introduced a new initiative called Us Girls. This is aimed at getting young women and girls living in poverty in Wales, more active by providing them with sport and fitness opportunities in their local communities. The project was launched in Blaenau Gwent in September 2015 and in just over 18 months the project has engaged with over 350 hard to reach, inactive girls.
- Aneurin Leisure has a well-established Physical Literacy Programme throughout school and community settings. All primary schools were offered a six-week block of Multi Skills sessions for year 2/3 pupils during 2016/17. Of the 17 schools that signed up to the programme, over 300 pupils took part. Over 150 young people attended each of the four multi-skills festivals which take place at the end of the 6-week block. The festivals focus on skills that the pupils would have learnt during their school based sessions. The aim of the project is not only to develop fundamental skills but to signpost pupils into community sessions we host to continue the physical literacy journey.

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- The One More programme has been implemented in all secondary schools to move young people from sedentary to active to “hooked on sport”. Since the programme was introduced in 2015, there has been a reduction in the percentage of sedentary young people from 27% in July 2015 to 20% in July 2016, a decrease in active once or twice a week from 33% in July 2015 to 27% in July 2016 due to a significant increase in “Hooked on Sport” from 40% in July 2015 to 53% in July 2016.
- 2016/17 saw 577 individual participants in StreetGames, an increase of 238 from 399 in 2015/16. Strong links have been made with partner organisations including Blaenau Gwent Youth Service, Communities First, Tai Calon and South Wales Fire and Rescue. The Inspire Sports Instructors have been effectively utilised to develop new sessions, particularly in the Brynmawr/Nantyglo areas.

Support for National Health Initiatives Aimed at Improving Overall Wellbeing

The library service in Blaenau Gwent plays a key role in improving community life, by providing opportunities for people to lead healthier and happier lives. The service is working with healthcare partners such as NHS Wales (Aneurin Bevan University Health Board) and Public Health Wales. These partners deliver sessions in the libraries, including Stop Smoking and Living Well, Living Longer. By using our community locations, it has extended the reach for public health programmes and increased take-up from using our non-clinical, non-threatening environments.

MIND and GDAS (Gwent Drug and Alcohol Support) also work in partnership with the library service to provide one-to-one support, including counselling to library users suffering from mental health conditions and addictions. The service is also used to host venues for a wide range of support groups including Dementia, Autism and Carers Groups. Over 2016/17 there has been an increased demand for mental health support; as a result the service has delivered various sessions including Art therapy, Stress Awareness and taster sessions in relaxation techniques. The service also provides 2 CBT (Cognitive Behaviour Therapy) kiosks, supplied by the NHS, where users can access on-line mental health support.

The Trust is working with GP's across the borough using behavioural change programmes to support the health sectors preventative agenda. The National Exercise Referral Scheme (NERS) delivered through our facilities remains in high demand, supporting 792 people, referred by their GP during this 12-month period.

A Macmillan Cancer Information and Support Service is based in the library service, with a dedicated officer providing confidential support to people affected by cancer. This project is in the 4th year of funding and is now firmly embedded into our library provision. All libraries have supported national health campaigns over the year also promoting relevant stock and information. The service has also worked with preventative health programmes working with the National Exercise Referral Scheme and Communities First. A physical literacy programme was delivered at two libraries, targeting children through physical exercise and stories, working in partnership with Sports Development.

The NERS officers are working closely with Hospice of the Valleys and the Macmillan Support Officer for Blaenau Gwent to identify referrals and provide a sustainable pathway for cancer patients to access a support service to exercise. The NERS officers are also working in partnership with Social Services and the Aneurin Bevan Health Board on Falls Prevention, to identify patients at risk of falling within a residential setting. The residents are referred into the programme via a health professional with weekly sessions provided for the tenants.

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Sports Centre Case Study

Teresa started visiting the Sports Centre in March 2014, attending a new early morning exercise class. The classes ended towards the summer, but Teresa kept going to the gym every morning continuing with the routine she had been taught. Teresa also had lots of support and motivation from her work colleagues who were willing to help, showing her new exercises and correcting her posture. A year passed and Teresa had lost just over 3 stone but sadly, everything stopped with the loss of her cousin at the age of 37.

It was September 2016 when Teresa started Les Mills BODYPUMP classes. Teresa said of the classes; *'the group are friendly and enthusiastic and the instructors motivate you and drive you when you feel like giving up'*. Teresa said; *'There's no going back for me, I feel amazing and the Les Mills classes are the best thing I have ever done, but with the determination to look and feel the way I did just over 2 years ago, I keep going and always push myself to give 100%. For the first time in my life I feel great, losing weight and getting fitter has set me free.'*

Supporting Basic Skills

The Trust's Adult and Community Learning has two externally funded employability projects, which contribute to raising skill levels and improving career prospects across Blaenau Gwent. Both projects have been extended until 2020 bringing the total value of the projects to £2,291,845.

- The first project delivered through Adult and Community Learning is "Working Skills for Adults 2". This project aims to provide qualifications and support to those individuals who are in low-skilled and seasonal employment to enable them to improve their job sustainability and prospects. As at the end of March 2017, the project has achieved its profiled number of 164 starts, with 73% already achieving a recognised qualification primarily in short courses, while the remaining 23% are enrolled on longer courses such as Supporting Teaching and Learning in Schools which will complete in June 2017. A small number of participants have engaged with informal courses such as confidence building or CV writing which does not enable a qualification to be achieved.
- Bridges into Work 2 is the second project which is delivered through Adult and Community Learning. Its aim is to engage with those who are economically inactive or have been unemployed for over 3 years and reside in non-Community First areas. The project commenced delivery in January 2016 and robust marketing and delivery plans are in place to ensure that the project will remain on target for its delivery profile until December 2019. The project has engaged with 174 individuals with 12.5% already securing sustainable employment, the project to the end of March 2017 has 38 individuals engaged in voluntary work placements across Blaenau Gwent
- The core purpose of Adult Community Learning is to enable adults to develop to play a full part in life and work by providing support primarily through a curriculum focussed on improving essential skills. The target group for Adult Community Learning are those individuals who are not in full time education, training or employment. The curriculum offered by Adult Community Learning is benchmarked against targets which are agreed across the Coleg Gwent partnership. Aneurin Leisure achieved a successful attainment rate of 92% against a benchmark of 92%, and the successful completion rate was 81% against a benchmark of 80% for the academic year 2015/2016.

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Adult Learning Case Study

Learner of the Year – Sarka Baran – Level 3 Supporting Teaching and Learning in Schools

Sarka came to the UK from the Czech Republic in 2016 and began her learning journey with Aneurin Leisure through Family Learning in September 2013, enrolling onto a craft course and English classes. Sarka had always wanted to work in a school and once she had completed an Essential Skills for Teaching Assistants course, she enrolled onto the Level 2 Teaching Assistant course in 2015, followed by the Level 3.

Gill Grenfell, who has been Sarka's tutor for the last 2 years, nominated Sarka for the Learner of the Year Award.

Tackling Inequalities

- The small authority of Blaenau Gwent is well served, with 6 libraries in each major town and community. They contribute directly to community cohesion by creating a sense of belonging for their users. In February 2017, the service held a LGBT consultation event, working in partnership with Umbrella Cymru. This event was held in conjunction with LGBT History month and demonstrated that the libraries are uniquely placed to deliver community engagement programmes. It also promoted equality and diversity with a strong message of what today's libraries have to offer.
- Over 2016/17 the library service has further developed their role as community hubs providing fully inclusive services for all. The Heritage Lottery funded project 'Blaenau Gwent in World War 1' delivered 40 sessions, bringing people together and proving a powerful source for social cohesion.
- All libraries in Blaenau Gwent offer a free universal service at the point of delivery. A large percentage of the community needs within Blaenau Gwent are those linked to tackling poverty; as a result many services are delivered to supporting this agenda.
- A new service 'Your Money Your Home' is being delivered in two libraries, working in partnership with the Wales Cooperative, providing financial inclusion support to private tenants in readiness for Universal Credit. The service has provided community space for NEST advice sessions, offering support to tackle fuel poverty. Various other financial literacy promotions have been delivered, including Tax Help for Older People and How to Save Money On-line, delivered in partnership with the Benefits Section of the local authority.
- During May 2016, the service introduced 'Food for Fines' working in partnership with the Trussell Trust. This campaign will now be held annually and sends a strong message about the service 'tackling poverty together'.
- Various literacy campaigns have been delivered through the library service during 2016/17 including the Summer Reading Challenge, Every Child a Member and Reading Ahead, contributing to raising literacy levels, which is one of Welsh Government's major priorities.
- Over 2016/17 the library service has continued to provide a very significant contribution to the digital inclusivity within the authority. The service became a signatory of the Digital Inclusion Charter, endorsed by Digital Communities Wales and as a result, Julie Griffiths AM, visited Blaina Library to meet job-seekers and volunteers with regards to the strong digital offer delivered by the service. In Feb 2017, the service came runner-up in the WVCA Digital Awards, sponsored by Digital Communities Wales. The service was commended for making a positive difference to the lives of people in Blaenau Gwent through tackling the digital divide in the borough.

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Library Case Study

Jo started using the library a few years ago when she first became interested in researching local and family history. She was encouraged to join a group of volunteers based in her local library working on a Heritage Lottery funded project 'Blaenau Gwent in World War 1'. Since this time, her knowledge, skills, confidence and general outlook on life has changed considerably. *'Joining the group has been a fantastic opportunity for me. I find it so rewarding helping people and I love feeling part of a team. Before, I was just stuck in the house, now I feel I have a purpose; it gives me routine to my life, which makes me feel better about myself. When I first started, I had very little confidence and found it difficult speaking to new people, but with the support of the group and the library, I can't believe how much I've changed. Now I love talking to people and getting involved with other things that are going on the library'*.

From her involvement in the library, she has recently supported library staff in hosting a 'Dementia Awareness Day' at her local library. Jo used her skills, to welcome customers and assisted with a reminiscence session. *'I loved helping with the Dementia Day, I really felt like I helped people, it was so rewarding'* Jo worked with the group and library staff to prepare old photographs and items from the local museum to initiate chat about old memories.

Partnerships and Community Engagement

- Aneurin Leisure libraries are trusted, safe places in the heart of our communities. Police surgeries are held in all libraries and Blaina Library is the Disability Hate Crime reporting centre. Our libraries provide informal meeting places for all ages and actively encourages access for all. Hard to reach communities are targeted with book deposits in various community venues, outreach promotional work to excluded groups and two mobile vehicles provide a home delivery to housebound customers.
- Over 2016/17 the service has further developed key partnerships to help deliver digital support within libraries, these include, Communities First, AgeCymru, Get Blaenau-Gwent On-line, Careers Wales, and the DWP (Department of Work and Pensions). The service delivers themed sessions and activities throughout the year, often using a personal 'hooks' to attract new users. Examples of sessions include, Tracing Your Family Tree, tablets and tea, Using social media, shopping on-line and various financial and health literacy on-line.
- All six libraries in Blaenau Gwent are recognised within the authority as ideal locations to engage with the community, due to their non-threatening, impartial environments. Various sessions have been held across all libraries including MP, AM and local Police surgeries.
- A new project working in partnership with the RNIB has been established with the home delivery service within Libraries. This new scheme provides an enhanced service to visually impaired customers, increasing their choice and availability of talking books. This has been welcomed by Social Services and has been a major contributing factor to the renewal of the £7,500 service level agreement paid to support this vulnerable user group.
- The library service has increased active membership by 20% over the year as a result of the opening of Ebbw Vale Library and various new membership campaigns, including on-line registration.

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- A formal user survey was conducted within the library service during October 2016. The library service remains popular with local residents, with a high percentage of users indicating their satisfaction in how the library improves their lives. Overall, users are greatly appreciative of library services and they clearly acknowledge that it has a direct impact on their lives. A high percentage of customers commented on how valuable the library has been in terms of tackling social isolation and helping with health information. 99% of users rate the service as very good, or good.
- The library service has demonstrated continued commitment to the National Bookstart scheme by maintaining the reach of 100% engagement within the borough. This ensures that children and families in Blaenau Gwent receive the all-important books and messages about the importance of starting reading early and how the service can help them to keep reading. This is vital in a deprived area, where many children do not get access to books.
- The library service has been commended by MALD for an '*enthusiastic, proactive approach to partnership work*' that enables the service to contribute significantly to national and local key agendas.
- The library service has a strong volunteer network within the service, which is managed following Welsh Public Library guidelines. Two volunteers were awarded certificates for providing services in the community by Nantyglo and Blaina Town Council. The service has engaged with 24 volunteers over 2016/17

Cultural Enrichment

Aneurin Leisure's Arts and Cultural Service ensure that activities are closely aligned to the Health and Wellbeing of Future Generations Act, working particularly to tackle mental wellbeing, dementia, obesity and diabetes in the region. The aim is to deliver a quality, accessible and varied range of arts and cultural events and activities that will challenge, entertain and develop audiences of all ages providing opportunities to expand horizons and enhance life.

- In 2016/17 Aneurin Leisure Arts Service held 63 professional performances and 72 amateur performances in its venues (The Metropole and Beaufort Theatres) with circa 12,000 people attending the shows. Performances included a mix of genres including children's drama, classical drama, theatre entertainment, music and dance. A particularly poignant drama production was *Revlon Girl*, which focussed on the lasting effect of The Aberfan disaster in its 50th anniversary year. This production has now gone on to be shown in Edinburgh Fringe Arts Festival in 2017 and is likely to win many awards.
- Arts Development has a strong tradition of arts participation across the borough and ensures that the service provides a variety of opportunities in which people may participate. In 2016/17 The Arts Service managed 579 participatory arts workshops and classes with 9,225 attendances.
- Inclusion for All was an area of work that was developed this year. One project was working with Taking Flight Theatre, helping them to develop partnerships with local schools. Their work specialises in raising awareness on how people with additional needs are able to actively participate in performing arts.
- Another project was to develop performance through the medium of Welsh, by working with Bro Helyg School (a Welsh medium school in Blaina) and Allan yn y Fan (a traditional Welsh folk music group) with the students being given the opportunity to perform on stage with the group, following a series of workshops. This project was sponsored by the Arts Council of Wales.

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- Aneurin Leisure also manages Parc Bryn Bach and Bedwellty House and Park. Bedwellty House and Park is a facility of historical significance open to the local community and supports a wide range of indoor and outdoor events.
- Parc Bryn Bach is a 340 acre Countryside Park on the outskirts of Tredegar. The park is a designated nature reserve, comprising of a mixture of grassed amenity areas and woodland, offering a diverse range of outdoor recreational opportunities, with a 76 hectare lake and visitor centre as its focal point.

Local Business Partnerships

The Arts Service continued with its partnership working with Tai Calon and Head4Arts (a regional arts organisation funded by Arts Council of Wales), in delivering 'Arts and Minds'; an Arts Council funded project in which creative visual arts, environmental design and community housing are working together for the regeneration of neighbourhoods located in Blaenau Gwent. As part of this project, The Metropole Cultural & Conference Centre hosted an all Wales conference for the six funded regions, which was sponsored by the Arts Council of Wales. This offered an opportunity to be able to showcase the partnership working and one of the flagship facilities managed by Aneurin Leisure.

- In the summer months, The Metropole worked with the local Rotary Organisation supporting local businesses in Abertillery by hosting a fashion show on stage in the Auditorium. All funds raised were contributed to the Charity, Water for Life.
- Aneurin Leisure continues to offer local, regional and national organisations discounted membership as part of our Life card membership scheme and our drive to improve health and well-being in the workplace. Corporate members are currently enjoying the corporate discounts in the area that Aneurin Leisure operates. This product combines reduced rates for i) gym memberships within our sport centres, ii) corporate hospitality and conferencing at Bedwellty House and Park and iii) Team Building at Parc Bryn Bach.

Facility Investment

- **Ebbw Vale Library**

Ebbw Vale Library re-opened in August 2016, following extensive refurbishment via the Welsh Government's Community Learning Libraries Grant of £250K. Alun Davis AM, officially opened the library in September 2016, following a very successful first month of opening with an overwhelming response of good reviews and feedback from the community and partners. A six-month evaluation report was submitted to Welsh Government in February 2017, which detailed the library exceeding all three performance targets. Since opening, the library has continued to be successful, with a new range of promotional activities and partners delivering services to users. During January 2017, Digital Communities Wales used Ebbw Vale Library to film a promotional video demonstrating the partnership work within the library and to capture the advantages of signing the Digital Charter.

Comments received;

- *Never felt the need to join the library before, didn't think it had anything to offer. I have been amazed at the services available all in fantastic surroundings. Had computer help today, my grand-daughter joined the reading challenge and I'm coming back for the Knit & Natter group. Will be a regular from now on.*
- *It's been transformed into a vibrant exciting space! The centre for the community! Well done to everyone involved. Thank you Welsh Government*

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- *A town without a Library is a town without a soul!!!*
- *I have recently moved to the area, I feel so fortunate to live in a town with a fab facility. Other areas are closing Libraries; Blaenau Gwent is opening a fab one.*
- *Absolutely Fab! Light and spacious, a beautiful addition to our town*
- *Wow! Money well spent*

Workplace Development

- Aneurin Leisure recognises and fully appreciates that our employees are the key to the success of the Trust. The Trust has c. 227 contracted employees and in addition utilises relief posts and is committed to the development, health and wellbeing of all.
- The Trust is working towards a planned, systematic approach to improving our organisational effectiveness, one that aligns strategy, people and processes to achieve our commitment to continuously improve our customers' experience which is essential to achieving this. The Trust links training and the performance appraisals to our values and strategic priorities.
- In 2016/17 the Trust created a partnership with TSW training to create a tailored training plan that is scheduled to be rolled out in 2017/18. This will enhance the current staff training and create pathways for professional progress and development.
- Job descriptions were reviewed, updated with job evaluation started in 2016/17 and will be completed during 2017/18.
- The Staff Incentive Scheme was reviewed during 2016/17, with the monthly incentive panel moved to a quarterly review panel with all employees being eligible to nominate colleagues to increase employee participation. Several employees received recognition and rewards for exemplary behaviour and excellent practices.
- During 2016/17 the child care voucher scheme has been revisited and will be relaunched and made available to eligible employees during 2017/18.
- In 2016/17 the Trust created a link with Chwarae Teg, to allow the opportunity to refine current working practices to strengthen the Human Resource and overall Business Strategy. As part of this relationship a staff survey was conducted. 221 Employees were invited to take part in Chwarae Teg's Business Culture survey that reflected on a number of key areas with 26% of employees responding to the survey. Positive aspects of the feedback included Management, Recruitment & Selection and Flexible Working. Aspects that require further focus were Business Diversity, Communication, Learning Development and Community and Environment. The results of the survey were shared with all staff and the survey undertaken again in a further 12 months to evaluate the impact of activities undertaken as part of the Chwarae Teg project.
- The Trust meets with the Trade Union on a regular basis and has an excellent working relationship.

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Equal Opportunities

The Trust's Statement on Equal Opportunities in Employment states:

- That individuals are recruited, selected, developed, promoted and treated on objective criteria having regard to relevant experience, potential, skills and abilities. In particular no applicant/employee will be placed at a disadvantage by requirements or conditions which are not necessary to the performance of the job or which constitutes any form of discrimination.
- That all officers and members making selection and promotion decisions undertake appropriate training in recruitment practices to ensure that they understand the need to promote equality of opportunity and eliminate any inconsistent treatment.
- That all job adverts make reference to our commitment to equality of opportunity and encourage applications from all sections of the community.

The Trust has an occupational health provision to assist the company to make reasonable adjustments when required to support employees with any temporary or permanent adjustments/disabilities, where possible to enable them to remain in work.

We will also aspire to achieve the Employment Service's Disability Symbol during 2018.

The Trust provides a weekly newsletter to staff which covers operational, performance and wellbeing information together with key developments affecting the Trust. An intranet was launched in the year for keeping staff up to date.

FINANCIAL REVIEW

The group has returned a surplus of £51,138 before FRS 102 adjustments for the 12 month period to 31 March 2017. The trading subsidiary, LLT limited has contributed £4,276 to the group surplus.

	£
Group surplus pre-FRS 102 adjustments	51,138
Less: FRS 102 pension scheme net service cost per actuary report	(896,000)
Less: FRS 102 pension scheme net interest cost per actuary report	(148,000)
Add: Employer pension scheme contributions	596,0000
Net expenditure per SOFA	(396,862)

On 1 October 2014 the Trust was admitted to the Greater Gwent Local Government Superannuation scheme (LGPS), a defined benefit scheme. The funding deficit accruing to 30 September 2014 in respect of employees relocating to Aneurin Leisure Trust was retained by Blaenau Gwent County Borough Council (BGCBC). The Trust is therefore only responsible for any increase in liabilities occurring after the transfer date, with the Authority acting as a guarantor for the previously accrued net deficit. The pension deficit on an FRS 17 basis on the 1st October 2014 is £4.432m and this deficit remains the obligation of BGCBC; an asset of £4.432m is included in these accounts to reflect this. The pension deficit on an FRS 102 basis as at 31st March 2017 has increased to £6.351m (31 March 2016 £3.959m).

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

As a result of the actuarial valuation of the pension scheme liability on an FRS 102 basis the Trust is reporting a total funds deficit of £1,553,968 of which £6,351,000 relates to the pension fund liability. Excluding the pension liability, the Trust's financial position is as follows:

	£
Total funds per balance sheet	(1,553,968)
Add: Pension liability	6,351,000
Less: BGCBC pension liability	(4,432,000)
Total funds excluding pension liability	159,375

Principal funding sources

Within the period the Trust received £3,392,636 as a management fee from Blaenau Gwent County Borough Council. Grant income for the period amounted to £1,466,429 and the majority of the remaining income was received from our customers.

The income is used to fund the operating costs of the facilities from which we deliver our charitable objectives.

Financial management

The Trust utilises key performance indicators (KPI) to assist in the financial management of the business. Some of the KPI measures include:

- Staff costs as a % of income: 58.8% (58.4%)
- Staff costs as a % of total resources expended*: 59.1% (59.8%)
- Net incoming resources as a % of total resources expended*: 0.6% (2.4%)

*The *total resources expended* value excluded FRS 102 pension scheme adjustments

Reserves policy

It is the Trust's policy to build up over time sufficient reserves to meet its charitable objectives on a sustainable basis and cover the risks that the Trust faces.

The Trust aims to build up reserves to fund working capital. All annual surpluses not allocated to fund working capital are available to fund investment in property and equipment to improve service quality. The Trust aims to maintain a minimum unrestricted reserve balance of £750,000, excluding any actuarial gains or losses.

At 31 March 2017 the Charity's restricted reserves amounted to a surplus of £205,658 and the unrestricted reserves amounted to a deficit £1,759,625 (of which £1,944,000 relates to the cumulative actuarial loss on the pension scheme at 31 March 2017). After excluding the actuarial pension loss, the unrestricted reserves amounted to a surplus of £159,375.

As at 1 October 2014 the pension deficit of £4,432,000 (FRS17 basis) is the responsibility of Blaenau Gwent County Borough Council.

Key risks

The Trust has a 20 year contract commencing 1 October 2014 with BGCBC with 5 yearly review points. As part of the contract the BGCBC service management fee is contracted to reduce each year for the first 5

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

years. The key challenge facing the Trust is to grow the income and control expenditure to support the contracted reduction in the management fee.

Failure to attract funding to invest in key assets will limit the Trust's ability to reduce its dependence on the management fee.

The Trust received £1.466m of grant income in the year, equating to 17.1% of total incoming resources. In the event that the grant income is reduced in future years associated expenditure currently funded by the grants would also need to be reduced.

PLANS FOR THE FUTURE

The Trust will be moving to operating four strategic business units in 2017/18, those being Sport & Fitness, Outdoor Adventure Activity, Arts & Events and Catering & Hospitality. Libraries and Adult Community Learning sit within the Partnerships and Contract section and all services are supported by a range of central services.

To make these business units competitive, investment in new systems will be required to support staff to work at the required pace. It's very positive to report that such investment is occurring during times of austerity but this reflects the hard work, attention to detail and passion shown by the whole workforce and due diligence undertaken by the Board of Trustees.

At Parc Bryn Bach we are considering the investment potential of lodge style accommodation for the schools and adventure activities market. Following an initial feasibility study in 2016 the Trust is working with BGCBC to explore potential funding options before commissioning detailed designs. We are also exploring the range of visitor attractions on offer at the park that will improve our customers' experience.

The Trust will continue to work in partnership with BGCBC in 2017/18 regarding the viability and funding of the investment proposals.

We plan to obtain further grant funding to ensure the sustainability of the Arts programme.

We will re-launch the Aneurin Leisure food and beverage brand across the whole business delivering consistently high standards and offering customers a quality experience in all catering outlets.

We plan to review our current sports and fitness customer offer to ensure we meet the demands of the grey market.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governance

Life Leisure Trust is a charitable company limited by guarantee as defined by the Companies Act (2006). The charity is governed by its Memorandum and Articles of Association which establishes the objects and powers of the charitable company.

The Trustees

The Trustees are also the Directors in accordance with the Companies Act 2006. The Board is made up of up to eleven Trustees consisting of one employee Trustee, up to two local authority Trustees and up to eight community Trustees.

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

Employee Trustees are appointed by the senior management team of the Trust for a period of three years.

The local authority, Blaenau Gwent County Borough Council, is entitled to nominate up to two individuals to the Board of Trustees and decide their period of appointment.

The community Trustees are appointed for a one-year period, with recruitment process as follows;

- Advert placed in local newspapers, on social media (linked-in & Twitter) within the Trust facilities, on the Trust website and other advertising resources as appropriate inviting applications. An information pack is provided outlining the duties and roles of a Trustee and the application process, together with information on the Trust.
- Applications will be shortlisted based on criteria specified within the personal specification and job description and assessment of the applicants' particular skills and expertise to cover both community interest and commercial/business knowledge (such as Finance, Human Resources, Sales and Marketing).
- The Interview/Appointment Panel will comprise of three members and wherever possible panels will have a gender/race balance. Panel members should include two Trustees (Chair and/or Vice Chair, or other Trustee), a Trust Senior Officer (Managing Director or Finance Director) with support from the Human Resources Director, where appropriate. In circumstances where there is a need to involve more than three members on an interview panel, then this should be discussed in advance and agreed with the Human Resources Director (it may be necessary on occasions for additional Members to sit in on a panel to observe the process for developmental purposes).
- The appointment of Trustees will be made by the Board of Trustees following recommendations from the Interview/Appointment Panel and be based on not only the assessment of whether individuals are suitable to be Trustees, but also achieve a balance of skills on the Board. For example, it is important to have a balance of business skills and also geographical locations as well as interests (leisure, arts, community education, libraries, overall wellbeing, etc.)
- The Interview/Appointment Panel will recommend to the Board of Trustees of their preferred option to appoint a Trustee and following agreement to proceed will confirm the offer to the selected candidate(s).
- The offer of appointment to be a member of the Board of Trustees will be subject to satisfactory references being obtained.
- All Trustees are provided with the following documentation on induction;
 - Declaration of Interests form
 - Rehabilitation of Offenders form
 - Equality & Diversity Monitoring form
 - Trustee Code of Conduct Policy
 - Trustee Confidentiality Policy
 - Health & Safety Policy
 - Equal Opportunities Policy
 - Memorandum and Articles of Association
 - Schedule of Matters

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

All Trustees are also members of the Charitable Trust which is limited by guarantee.

All Trustees receive induction training with regard to the organisation including its powers and objects and the Charitable Trust itself.

Trustees will be offered further training opportunities during their tenure.

Structure of the Charity

The Board of Trustees meets bi-monthly. The Charitable Trust operates a Finance sub-group to advise and report to the Board of Trustees.

A Managing Director is appointed to manage the day-to-day operations of the Charitable Trust, supported by a Senior Management Team.

Organisational Structure and Decision Making Process

The Board retains overall accountability for the management of the Charitable Trust.

The day-to-day operations of the Trust are managed by the Trust's Senior Management Team. The Senior Management Team is given strategic direction by the Board of Trustees (the Board) regarding the provision and operation of the services.

The Charitable Trust operates a business planning process whereby strategic priorities and targets directed by the Board and shared with Blaenau Gwent County Borough Council flow from the business plan into quarterly reports and an annual delivery plan. This is fully embedded and central to our planning and budgeting cycles and drives operational performance.

The quarterly reports and annual delivery plan are scrutinised by Blaenau Gwent County Borough Council's democratic process.

Remuneration of Key Management Personnel

Remuneration of Key Management Personnel is reviewed annually alongside the other employees of the company by the main Board as part of the annual budget setting process. Every three years benchmarking will be undertaken to ensure consistency with the marketplace.

Related Parties

The Charitable Trust has a relationship with Blaenau Gwent County Borough Council, who provides funding in the form of a management fee to enable the Charitable Trust to carry out its charitable objectives.

The Charitable Trust owns 100% of the ordinary share capital of LLT limited. LLT limited rents camping and caravanning pitches at Parc Bryn Bach.

Co-operation with other organisations

As a community based organisation operating throughout Blaenau Gwent, Aneurin Leisure structures large elements of its strategic planning and operational service delivery having due regard to partner aims and objectives, particularly Blaenau Gwent County Borough council. Work plans specifically identify how Aneurin Leisure will contribute to delivering on broader social agendas working with the health, education and voluntary sectors.

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

Risk Management

The Charitable Trust has developed a risk management plan to identify risks and risk mitigation measures at corporate level. The risk register is reviewed on a regular basis. The Trustees 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.

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISOR

Charity name: Life Leisure Trust

Trading name: Aneurin Leisure

Company registration number: 8951503

Charity registration number: 1159092

Registered office: Regain Building
Mill Lane
Ebbw Vale
NP23 6GR

		Date of Appt.	
Trustees:			
	Mrs Sian Hughes – Interim Chair	13/05/14	
	Mrs Donna Hardman	12/05/14	
	Mr Lyn Evans	12/05/14	
	Mrs Sharon Howell	12/05/14	
	Councillor Wayne Hodgins	03/03/17	
	Councillor Lee Parsons	25/05/17	
	Mr Meirion Morgan	24/08/17	
	Ms Tania Frowen	24/08/17	
	Professor Jennifer Ames	24/08/17	
	Mr Philip Hodgson – Chair	01/07/14	Resigned 05/05/17
	Mr Marc Bowen	12/05/14	Resigned 28/02/17
	Mrs Susan Lewis	12/05/14	Resigned 08/06/17
	Mr Barry Esterhuizen	03/02/16	Resigned 27/04/17
	Mr Steven Lewis	14/10/16	Resigned 31/05/17
	Councillor Keren Bender	03/03/17	Resigned 19/05/17

Specialist Advisor: Mr Mark Langshaw

Key Management Personnel:	Mr Anthony Hughes	Managing Director
	Mr Paul Beckett	Finance Director
	Mrs Nichola Morden-Tew	HR Director

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

Bankers:	Barclays Business Banking South Wales Team 3 rd Floor Windsor Court 3 Windsor Place Cardiff CF10 3ZL
Solicitors:	Capital Law LLP Capital Building Tyndall Street Cardiff CF10 4AZ
Auditors:	Broomfield and Alexander Limited Chartered Accountants and Statutory Auditors 1-3 Waters Lane Chambers Waters Lane Newport NP20 1LA

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

Statement of Trustees' Responsibilities

The trustees (who are also directors of Life Leisure Trust for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with 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).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the income and expenditure, of the charitable company and group for that period. 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

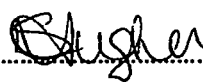
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Signed on behalf of the Board of Trustees

Mrs Sian Hughes
Interim Chair

Date 
28/09/2017

**REPORT OF THE INDEPENDENT AUDITORS
TO THE TRUSTEES OF LIFE LEISURE TRUST T/A ANEURIN LEISURE**

We have audited the financial statements of Life Leisure Trust for the year ended 31 March 2017 which comprise the Group and Parent Statement of Financial Activities, the Group and the Parent Charitable Company Balance Sheet, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report⁸ to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**REPORT OF THE INDEPENDENT AUDITORS
TO THE TRUSTEES OF LIFE LEISURE TRUST T/A ANEURIN LEISURE**

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2017, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report (including the Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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



Sarah Case FCA DChA
Senior Statutory Auditor
For and on behalf of
Broomfield & Alexander Limited
Chartered Accountants and Statutory Auditors
Waters Lane Chambers
1 – 3 Waters Lane
Newport
NP20 1LA

Date 28/9/17

Broomfield & Alexander Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

LIFE LEISURE TRUST T/A ANEURIN LEISURE
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2017

	Note	Unrestricted funds £	Restricted funds £	Total funds 2017 £	Total funds 2016 £
Income and endowments from:					
Donations and legacies	3	6,125	4,223	10,348	14,882
Charitable activities	4	7,621,178	911,119	8,532,297	13,551,446
Other trading activities	5	17,738	-	17,738	23,445
Total income and endowments		7,645,041	915,342	8,560,383	13,589,773
Expenditure on:					
Charitable activities	6	8,072,002	885,243	8,957,245	14,267,879
Total expenditure		8,072,002	885,243	8,957,245	14,267,879
Net income	7	(426,961)	30,099	(396,862)	(678,106)
Transfers between funds	15	(2,820)	2,820	-	-
Other recognised gains/(losses):					
Actuarial gains/(losses) on defined benefit pension schemes	16	(1,944,000)	-	(1,944,000)	1,465,000
Net movement in funds		(2,373,781)	32,919	(2,340,862)	786,894
Reconciliation of Funds					
Total funds brought forward	15,16	614,155	172,739	786,894	-
Total funds carried forward	16,17	(1,759,626)	205,658	(1,553,968)	786,894

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.

The notes on pages 27 - 57 form part of the financial statements

LIFE LEISURE TRUST T/A ANEURIN LEISURE
STATEMENT OF FINANCIAL ACTIVITIES - CHARITY ONLY
(Incorporating the income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2017

	Note	Unrestricted funds £	Restricted funds £	Total funds 2017 £	Total funds 2016 £
Income and endowments from:					
Donations and legacies	3	10,401	4,223	14,624	18,768
Charitable activities	4	<u>7,629,551</u>	<u>911,119</u>	<u>8,540,670</u>	<u>13,570,552</u>
Total income and endowments		<u>7,639,952</u>	<u>915,342</u>	<u>8,555,294</u>	<u>13,589,320</u>
Expenditure on:					
Charitable activities	6	<u>8,066,913</u>	<u>885,243</u>	<u>8,952,156</u>	<u>14,267,425</u>
Total expenditure		<u>8,066,913</u>	<u>885,243</u>	<u>8,952,156</u>	<u>14,267,425</u>
Net income	7	(426,961)	30,099	(396,862)	(678,105)
Transfers between funds	15	(2,820)	2,820	-	-
Other recognised gains/(losses):					
Actuarial gains/(losses) on defined benefit pension schemes	16	<u>(1,944,000)</u>	<u>-</u>	<u>(1,944,000)</u>	<u>1,465,000</u>
Net movement in funds		<u>(2,373,781)</u>	<u>32,919</u>	<u>(2,340,862)</u>	<u>786,895</u>
Reconciliation of Funds					
Total funds brought forward	15,16	<u>614,156</u>	<u>172,739</u>	<u>786,895</u>	-
Total funds carried forward	16,17	<u>(1,759,625)</u>	<u>205,658</u>	<u>(1,553,967)</u>	<u>786,895</u>

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.

The notes on pages 27 - 57 form part of the financial statements

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2017**

		2017	2016
	Note	£	£
Fixed assets:			
Tangible assets	9	90,190	29,116
Current assets:			
Stocks	11	33,394	40,287
Debtors	13	4,965,340	5,003,789
Cash at bank and in hand		436,775	602,774
		<u>5,435,509</u>	<u>5,646,850</u>
Liabilities:			
Creditors: Amounts falling due within one year	14	<u>(728,667)</u>	<u>(930,072)</u>
Net current assets		<u>4,706,842</u>	<u>4,716,778</u>
Total assets less current liabilities		<u>4,797,032</u>	<u>4,745,894</u>
Defined benefit pension scheme liability	20	(6,351,000)	(3,959,000)
Net (liabilities)/assets		<u>(1,553,968)</u>	<u>786,894</u>
The funds of the charity:			
Restricted income funds	15	205,658	172,739
Unrestricted income funds	16	159,374	141,155
Pension reserve	16	<u>(1,919,000)</u>	<u>473,000</u>
		<u>(1,759,626)</u>	<u>614,155</u>
Total charity funds	17	<u>(1,553,968)</u>	<u>786,894</u>

These financial statements were approved by the Board of Directors/Trustees on 28/09/2017


Mrs Sian Hughes
Interim Chair

The notes on pages 27 - 57 form part of the financial statements

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
CHARITY BALANCE SHEET
AS AT 31 MARCH 2017**

		2017	2016
	Note	£	£
Fixed assets:			
Tangible assets	9	90,190	29,116
Investments	10	<u>1</u>	<u>1</u>
		90,191	29,117
Current assets:			
Stocks	11	33,394	40,287
Debtors	13	4,983,047	5,026,204
Cash at bank and in hand		<u>420,278</u>	<u>580,359</u>
		5,436,719	5,646,850
Liabilities:			
Creditors: Amounts falling due within one year	14	<u>(729,877)</u>	<u>(930,072)</u>
Net current assets		<u>4,706,842</u>	<u>4716,778</u>
Total assets less current liabilities		4,797,033	4745,895
Defined benefit pension scheme liability	20	(6,351,000)	(3,959,000)
Net (liabilities)/assets		<u>(1,553,967)</u>	<u>786,895</u>
The funds of the charity:			
Restricted income funds	15	205,658	172,739
Unrestricted income funds	16	159,375	141,156
Pension reserve	16	<u>(1,919,000)</u>	<u>473,000</u>
		(1,759,625)	614,156
Total charity funds	17	<u>(1,553,967)</u>	<u>786,895</u>

These financial statements were approved by the Board of Directors/Trustees on 28/09/2017


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Mrs Sian Hughes
Interim Chair

The notes on pages 27 - 57 form part of the financial statements

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
CONSOLIDATED CASH FLOW STATEMENT
AS AT 31 MARCH 2017**

	Note	2017 £	2016 £
Net cash provided by operating activities	23	<u>(91,036)</u>	<u>632,793</u>
<i>Cash flows from investing activities:</i>			
Purchase of property plant and equipment		<u>(74,963)</u>	<u>(30,019)</u>
Net cash provided used in investing activities		<u>(74,963)</u>	<u>(30,019)</u>
Change in cash and cash equivalents in the reporting period		(165,999)	602,774
Cash and cash equivalents at the beginning of the reporting period	23	602,774	-
Cash and cash equivalents at the end of the reporting period	23	<u>436,775</u>	<u>602,774</u>

The notes on pages 27 - 57 form part of the financial statements

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1. ACCOUNTING POLICIES

Legal form

The charity is a company limited by guarantee incorporated in England and Wales, whose registered office is Regain Building, Mill Lane, Ebbw Vale, NP23 6GR.

Basis of preparation

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

No separate cash flow statement has been presented for the charity itself as the charity has taken advantage of the exemptions in paragraph 1.12 of FRS 102.

Frequency of reporting

The 2016 financial statements were prepared for an eighteen month period due to the group commencing trade on 1 October 2014 and preparing accounts to 31 March 2016. The 2017 financial statements have been prepared for a 12 month period, therefore comparative amounts in the financial statements and the related notes are not entirely comparable.

Reconciliation with previous Generally Accepted Accounting Practice and transition to FRS 102

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. No restatements were required.

The opening fund balances at the date of transition were not required to be restated in making the transition to FRS 102. The transition date was 1 April 2015.

Consistency of presentation

The gain on the defined benefit scheme for the period ended 31 March 2016 has been reclassified and split accordingly between actuarial gains on defined benefit pension schemes (shown on the face of the Statement of Financial Activities) and net pension costs, consisting of interest charges and current service costs of administering the pension scheme. These costs have now been classified within charitable activities.

Presentation of the accounts on a going concern basis

The charity reported a net unrestricted inflow before the actuarial loss on the defined benefit pension scheme and transfers of £21,039 for the year. This charity has sufficient free reserves and is monitoring results on a frequent basis. The trustees are of the view that that on this basis the

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1. ACCOUNTING POLICIES (continued)

charity is a going concern and there are no material uncertainties about the charity's ability to continue as a going concern.

Basis of consolidation

These consolidated financial statements include the financial statements of Life Leisure Trust Limited (the charitable company) and LLT Limited its wholly owned trading subsidiary, made up to 31 March 2017.

These financial statements consolidate the results of the charity and its wholly owned subsidiary on a line-by-line basis.

The trading results of the subsidiary are disclosed in note 10 to these financial statements.

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.

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

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

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

Turnover is the amount derived from ordinary activities, and stated after trade discounts, other sales taxes and net of VAT.

Resources expended recognition

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 is classified under the following activity headings:

- 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 department for which the expenditure was incurred.

An analysis has been provided for the charitable activities on a departmental basis.

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1. ACCOUNTING POLICIES (continued)

The departments are defined as follows:

- Training and Libraries
- Culture, Parks and Events
- Sports and Fitness
- Central Support Services

Costs where possible are attributed directly to the activity in which they relate. Where costs cannot be directly attributed to particular headings they have been allocated to activities based on income received in the year.

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

Netting off of income against expenditure

It is not the policy of the charitable company to show incoming resources net of expenditure.

Operating leases

The charity classifies the lease of gym equipment and motor vehicles as operating leases. Rental charges are charged on a straight line basis over the term of the lease.

Depreciation and Tangible Fixed Assets

Depreciation has been provided at the following rates in order to write down the cost, less estimated residual value, of all tangible fixed assets, by equal annual instalments or a reducing balance method over their expected lives.

Fixtures, fittings and equipment - 20% straight line

Plant and machinery - 20% straight line

Assets are capitalised at cost.

Impairment of Tangible 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).

Investments

Investments relate to 100% of the share capital of the charity's wholly owned trading subsidiary, recognised at cost.

Stocks

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based on the estimated selling price after taking into account all further costs and excess stocks that are slow moving.

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1. ACCOUNTING POLICIES (continued)

Service Concession Agreements

The charity has service contracts with Blaenau Gwent County Borough Council for the maintenance and operation of the various theatres, libraries, community centres, leisure centres and parks owned by the Local Authority to which it has lease and management service contracts.

Property, plant and equipment

The buildings and equipment at the various locations are to be leased to the charity as part of the overall contractual relationships with Blaenau Gwent County Borough Council (BGCBC) but BGCBC maintain ultimate control of these assets. Accordingly the access to which the charity has in the use of these assets is to enable it to operate the various venues so that the charity can provide the public service it is contracted to provide, not to effectively own these public service assets. These assets are therefore not recognised on the charity's Balance Sheet.

Any new assets purchased by the Trust remain the property of the Trust.

Receipts

The charity receives agreed management fee income from BGCBC each year which is decreased on an annual basis as per the terms of the Funding and Management Agreement

Taxation

As a registered charity, Life Leisure Trust 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.

Cash at bank and in hand

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

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

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1. ACCOUNTING POLICIES (continued)

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.

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.

Fund accounting

The charity has various types of funds for which it is responsible, and which require further disclosure. These are as follows:

Restricted funds are earmarked by the donor for specific purposes. Grant income received to fund capital expenditure is held in restricted reserves. The balance is transferred to unrestricted reserves in future years at the same rates as to match the depreciation charges of the related assets.

Revenue funds restricted by the donor are matched against expenditure as appropriate.

Unrestricted funds are expendable at the discretion of the trustees in furtherance of the objects of the charity. In addition to expenditure on the principal activities of the charity these funds can be held in order to fund capital expenditure.

Liabilities policy

Liabilities are recognised in the Statement of Financial Activities as they become payable.

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1. ACCOUNTING POLICIES (continued)

Pensions

Full details of the Trust's retirement benefit arrangements are set out in note 20 being the Local Government Pension Scheme (LGPS).

This is a funded pension scheme meaning that the employer and employee pay contributions which are invested in a separate fund.

The net asset or liability recognised in the Balance Sheet represents the present value of the pension scheme's liabilities less the fair value of the scheme's assets. Pension scheme assets are measured using market values. Pension scheme liabilities are measured using a project unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

The difference between these amounts represents the Trust's share of the surplus or deficit of the scheme as estimated by the actuary to the LGPS. The increase in the present value of the Trust's share of the liabilities of the LGPS expected to arise from employee service in the period is charged to staff costs. Actuarial gains and losses are recognised in the Statement of Financial Activities.

Blaenau Gwent County Borough Council (BGCBC) remain liable for the past service deficit that existed at the Trust's inception. The Trust is responsible for the LGPS movements after the commencement date; however the liability is indemnified by BGCBC.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. The following critical accounting estimates and judgements have been made:

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 9 for the carrying amount of the plant and equipment and above for the useful economic lives for each class of assets.

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 20, will impact the carrying amount of the pension liability.

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

3. INCOME FROM DONATIONS AND LEGACIES

Group	Unrestricted funds £	Restricted funds £	Year ended 31 March 2017 £	Period ended 31 March 2016 £
Donations	<u>6,125</u>	<u>4,223</u>	<u>10,348</u>	<u>14,882</u>
	<u>6,125</u>	<u>4,223</u>	<u>10,348</u>	<u>14,882</u>
Charity				
Donations	6,125	4,223	10,348	14,882
LLT Limited covenant	<u>4,276</u>	<u>-</u>	<u>4,276</u>	<u>3,886</u>
	<u>10,401</u>	<u>4,223</u>	<u>14,624</u>	<u>18,768</u>

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

4. INCOME FROM CHARITABLE ACTIVITIES

Group	Unrestricted funds £	Restricted funds £	Year ended 31 March 2017 £	Period ended 31 March 2016 £
Catering income	878,025	-	878,025	1,129,000
Class income	98,380	-	98,380	143,379
Educational income	91,521	-	91,521	84,787
Grants	555,310	911,119	1,466,429	2,581,097
Leisure centre income	1,810,113	-	1,810,113	2,603,650
Management fee	3,392,636	-	3,392,636	5,531,703
Park outdoor activities	96,500	-	96,500	269,994
Reorganisation funding & reimbursements	190,332	-	190,332	453,234
Room hire and rental	111,397	-	111,397	193,991
Sale of goods	79,556	-	79,556	79,383
Service Level Agreement	156,309	-	156,309	168,949
Shows and events	145,105	-	145,105	248,975
Sundry income	15,994	-	15,994	63,304
	<u>7,621,178</u>	<u>911,119</u>	<u>8,532,297</u>	<u>13,551,446</u>

Charity	Unrestricted funds £	Restricted funds £	Year ended 31 March 2017 £	Period ended 31 March 2016 £
Catering income	878,025	-	878,025	1,129,000
Class income	98,380	-	98,380	143,379
Educational income	91,521	-	91,521	84,787
Grants	555,310	911,119	1,466,429	2,581,097
Leisure centre income	1,810,113	-	1,810,113	2,603,650
Management fee	3,392,636	-	3,392,636	5,531,703
Park outdoor activities	96,500	-	96,500	269,994
Reorganisation funding & recharges	190,332	-	190,332	453,234
Room hire and rental	111,397	-	111,397	193,991
Sale of goods	79,556	-	79,556	79,383
Service Level Agreement	156,309	-	156,309	168,949
Shows and events	145,105	-	145,105	248,975
Sundry income	24,367	-	24,367	82,410
	<u>7,629,551</u>	<u>911,119</u>	<u>8,540,670</u>	<u>13,570,552</u>

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

4. INCOME FROM CHARITABLE ACTIVITIES (continued)

Grant income was received from the following sources:

Group and charity	Unrestricted funds £	Restricted funds £	Year ended 31 March 2017 £	Period ended 31 March 2016 £
Arts Council of Wales	6,440	145,382	151,822	348,830
Blaenau Gwent County Borough Council	-	-	-	1,000
Caerphilly County Borough Council	-	-	-	4,000
Coleg Gwent	178,020	-	178,020	518,179
Communities First	-	31,051	31,051	-
Department for Work and Pensions	-	20,417	20,417	14,583
Disability Sports Wales	-	20,418	20,418	30,161
European Social Fund	-	370,213	370,213	429,913
Football Association Wales	-	-	-	3,992
Heritage Lottery	-	7,490	7,490	116,352
Learning & Work Institute	-	2,000	2,000	-
Macmillan Cancer Project	-	19,742	19,742	20,709
Postcode Lottery	-	5,226	5,226	-
Public Health Wales	-	99,000	99,000	137,248
Sports Council Wales	81,100	165,849	246,949	450,191
Sports Lottery	-	1,405	1,405	-
Street Games	-	16,000	16,000	39,405
Tandem Grant	-	6,026	6,026	-
Torfaen County Borough Council	-	-	-	500
Tredeggar Town Council	-	-	-	1,000
Welsh Government	289,750	-	289,750	461,734
Wrexham County Borough Council	-	900	900	3,300
	<u>555,310</u>	<u>911,119</u>	<u>1,466,429</u>	<u>2,581,097</u>

Income by activity:

	Group* £	Charity** £
Training and libraries	1,119,799	1,119,799
Culture, parks and events	1,396,425	1,396,425
Sports and fitness	2,627,552	2,627,552
Central support services	<u>3,416,607</u>	<u>3,411,518</u>
	<u>8,560,383</u>	<u>8,555,294</u>

* Group income includes donations and subsidiary trading income.

**Charity income includes donations and excludes subsidiary trading income

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

5. OTHER TRADING ACTIVITIES

Group	Unrestricted funds £	Restricted funds £	Year ended 31 March 2017 £	Period ended 31 March 2016 £
Subsidiary trading operations	<u>17,738</u>	<u>-</u>	<u>17,738</u>	<u>23,445</u>
	<u>17,738</u>	<u>-</u>	<u>17,738</u>	<u>23,445</u>

6. EXPENDITURE ON CHARITABLE ACTIVITIES

Group	Direct £	Support £	Governance £	Year ended 31 March 2017 £	Period ended 31 March 2016 £
Business support	715,028	21,714	12,554	749,296	610,043
Catering costs	457,991	-	-	457,991	581,613
Depreciation	11,880	-	-	11,880	903
Events and show costs	273,893	-	-	273,893	384,447
External staff costs	234,428	-	-	234,428	408,699
Grants paid	-	-	-	-	31,844
Irrecoverable VAT	7,078	98,635	-	105,713	184,861
Other costs	443,922	6,622	-	450,544	1,168,428
Other staff costs	24,138	-	-	24,138	12,356
Defined benefit FRS 102 recognised pension costs (note 20)	-	1,044,000	-	1,044,000	1,773,000
Premises	1,107,380	6,623	-	1,114,003	1,854,175
Reorganisation costs	15,913	7,502	-	23,415	501,272
Social security	315,256	-	-	315,256	368,830
Wages and salaries	<u>3,466,859</u>	<u>685,829</u>	<u>-</u>	<u>4,152,688</u>	<u>6,387,408</u>
	<u>7,073,766</u>	<u>1,870,925</u>	<u>12,554</u>	<u>8,957,245</u>	<u>14,267,879</u>

LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

6. EXPENDITURE ON CHARITABLE ACTIVITIES (continued)

Charity	Direct £	Support £	Governance £	Year ended 31 March 2017 £	Period ended 31 March 2016 £
Business support	714,996	21,714	12,554	749,264	610,043
Catering costs	457,991	-	-	457,991	581,613
Depreciation	11,880	-	-	11,880	903
Events and show costs	273,893	-	-	273,893	384,447
External staff costs	234,428	-	-	234,428	408,699
Grants paid	-	-	-	-	31,844
Irrecoverable VAT	7,078	98,635	-	105,713	184,861
Other costs	438,865	6,622	-	445,487	1,168,974
Other staff costs	24,138	-	-	24,138	12,356
Defined benefit FRS102 recognised pension costs (note 20)	-	1,044,000	-	1,044,000	1,773,000
Premises	1,107,380	6,623	-	1,114,003	1,853,175
Reorganisation costs	15,913	7,502	-	23,415	501,272
Social security	315,256	-	-	315,256	368,830
Wages and salaries	3,466,859	685,829	-	4,152,688	6,387,408
	<u>7,068,677</u>	<u>1,870,925</u>	<u>12,554</u>	<u>8,952,156</u>	<u>14,267,425</u>

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

6. EXPENDITURE ON CHARITABLE ACTIVITIES (continued)

The Trust acted as an intermediary and passed grants over to the following institutions:

	Year ended 31 March 2017 £	Period ended 31 March 2016 £
Group and charity		
Torfaen County Borough Council	-	9,325
Caerphilly County Borough Council	-	10,204
Monmouthshire County Council	-	7,325
Newport Live	-	4,990
	<u>-</u>	<u>31,844</u>

Expenditure can be attributed to:

	Direct £	Support £	Governance £	Year ended 31 March 2017 £	Period ended 31 March 2016 £
Group					
Training and libraries	1,311,941	186,839	-	1,498,780	3,092,816
Culture, parks and events	2,157,095	88,823	-	2,245,918	3,271,676
Sports and fitness	2,662,709	634,056	-	3,296,765	5,812,560
Central support services*	942,021	961,207	12,554	1,915,782	2,090,827
	<u>7,073,766</u>	<u>1,870,925</u>	<u>12,554</u>	<u>8,957,245</u>	<u>14,267,879</u>

Charity

Training and libraries	1,311,942	186,839	-	1,498,781	3,092,816
Culture, parks and events	2,157,095	88,823	-	2,245,918	3,271,676
Sports and fitness	2,662,709	634,056	-	3,296,795	5,812,560
Central support services*	936,932	961,207	12,554	1,910,693	2,090,373
	<u>7,068,677</u>	<u>1,870,925</u>	<u>12,554</u>	<u>8,952,156</u>	<u>14,267,425</u>

*Costs related to FRS 102 valuation of the pension scheme have been charged to the support category within Central support services and are not allocated across the business.

Support costs have been allocated to the activities based on income received in the year.

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

7. NET INCOME/(EXPENDITURE)

Net incoming resources are stated after charging:

	Year ended 31 March 2017 £	Period ended 31 March 2016 £
Group and charity		
Depreciation	11,880	903
Operating leases	311,810	479,703
<i>Auditors Remuneration:</i>		
Audit fees	8,325	8,500
Accountancy services	<u>1,550</u>	<u>1,500</u>

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

8. STAFF COSTS

	Year ended 31 March 2017 £	Period ended 31 March 2016 £
Group and charity		
Wages and salaries	4,152,688	6,387,408
External staff costs	234,428	408,699
Social security costs	315,256	368,830
FRS 102 Pension service costs (see note 20)	896,000	1,498,000
Other staff costs	24,138	13,872
	<u>5,622,510</u>	<u>8,676,809</u>

External staff costs comprise agency, contractors and seconded staff and are not paid via the Trust's payroll.

Staff numbers:

	Year ended 31 March 2017 £	Period ended 31 March 2016 £
Group and charity		
Training and libraries	93	90
Culture, parks and events	111	69
Sports and fitness	161	124
Central support services	19	15
	<u>384</u>	<u>298</u>

The total number of persons utilised throughout the year comprised a mixture of both contracted and relief staff. A number of individuals have only worked minimal shifts to support events. Due to the nature of the business whereby the charity relies on relief staff it is not possible to provide a reliable estimate of FTE staff numbers.

Key management personnel

The key management personnel of the charity received benefits totalling £209,223 (2016: £214,765). These costs consist of gross pay, employers' national insurance contributions and employers pension contributions.

The number of employees whose emoluments amounted to over £60,000 for the period and to whom retirement benefits are accruing under a defined benefit scheme was:

	Year ended 31 March 2017 £	Period ended 31 March 2016 £
£60,000- £70,000	<u>1</u>	<u>1</u>

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

8. STAFF COSTS (continued)

The amount of employers pension contributions paid in respect of the above employee for the period was as follows:

	Year ended 31 March 2017 £	Period ended 31 March 2016 £
Total contributions	<u>8,741</u>	<u>12,529</u>

Transactions with Trustees

During the period Donna Hardman, as the staff Trustee, received remuneration from her employment with the charity but not for her services as a Trustee.

The Memorandum and Articles of Association of the charity (paragraph 19.1) provides the charity with the legal authority to make such payments.

The employee is a staff representative on the Trustee board.

No Trustees were reimbursed for expenses during the current or prior period.

Related Party transactions

During the period the charity recharged its wholly owned trading subsidiary LLT Limited £8,373 (2016: £19,105) for admin, staff time and maintenance costs.

LLT Limited gift aided £4,276 (2016: £3,886) to the charity during the period.

As at 31 March 2017 LLT Limited owed the charity £16,497 (2016: £22,415).

As at 31 March 2017 the charity owed LLT Limited £1,210 (2016: £nil).

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

9. TANGIBLE FIXED ASSETS

Group and Charity	Plant and machinery £	Computer equipment £	Fixtures and fittings £	Motor vehicle £	Total £
Cost					
At 1 April 2016	25,994	-	4,025	-	30,019
Additions	16,503	4,674	27,161	26,625	74,963
Disposals	(2,620)	-	-	-	(2,620)
At 31 March 2017	<u>39,877</u>	<u>4,674</u>	<u>31,186</u>	<u>26,625</u>	<u>102,362</u>
Depreciation					
At 1 April 2016	903	-	-	-	903
Charge for the year	6,003	1,296	3,693	888	11,880
Depreciation on disposals	(611)	-	-	-	(611)
At 31 March 2017	<u>6,295</u>	<u>1,296</u>	<u>3,693</u>	<u>888</u>	<u>12,172</u>
Net Book Value					
At 31 March 2017	<u>33,582</u>	<u>3,378</u>	<u>27,493</u>	<u>25,737</u>	<u>90,190</u>
At 31 March 2016	<u>25,091</u>	<u>-</u>	<u>4,025</u>	<u>-</u>	<u>29,116</u>

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

10. FIXED ASSET INVESTMENTS

**Investments
in Group
undertakings
£**

Cost as at 31 March 2016 and 31 March 2017 1

Life Leisure Trust owns 100% of the ordinary share capital of LLT Limited, a company registered in England and Wales, company number 09236541. LLT Limited rents camping and caravanning pitches at Bryn Bach Park.

The results of the company for the year ended 31 March 2017 can be found below:

	Year ended 31 March 2017 £	Period ended 31 March 2016 £
<u>Profit and Loss Account</u>		
Turnover	17,738	23,445
Admin expenses	(13,462)	(19,559)
Gift aid to Life Leisure Trust T/A Aneurin Leisure	(4,276)	(3,886)
Operating profit	<u>-</u>	<u>-</u>
 <u>Balance Sheet</u>		
Current assets:		
Cash at bank and in hand	16,498	22,416
	<u>16,498</u>	<u>22,416</u>
Current liabilities:		
Amounts owed to group undertakings	(16,497)	(22,415)
	<u>(16,497)</u>	<u>(22,415)</u>
 Net current assets	 <u>1</u>	 <u>1</u>
 Capital and reserves:		
Called up share capital	1	1
	<u>1</u>	<u>1</u>

The results above are included in the consolidated accounts.

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

11. STOCK

	2017	2016
Group and charity	£	£
Shop items	15,032	15,422
Food and bar	18,362	24,865
	<u>33,394</u>	<u>40,287</u>

12. FINANCIAL INSTRUMENTS

Group	2017	2016
	£	£
<i>Carrying amount of financial assets</i>		
Measured at amortised cost	<u>5,284,300</u>	<u>5,508,147</u>
<i>Carrying amount of financial liabilities</i>		
Measured at amortised cost	414,663	614,228
Measured at fair value through profit and loss	<u>6,351,000</u>	<u>3,959,000</u>
	<u>6,765,663</u>	<u>4,573,228</u>
 Charity		
<i>Carrying amount of financial assets</i>		
Measured at amortised cost	<u>5,285,510</u>	<u>5,508,147</u>
<i>Carrying amount of financial liabilities</i>		
Measured at amortised cost	415,873	614,226
Measured at fair value through profit and loss	<u>6,351,000</u>	<u>3,959,000</u>
	<u>6,766,873</u>	<u>4,573,226</u>

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

13. DEBTORS

Group	2017	2016
	£	£
<i>Amounts falling due within one year:</i>		
Trade debtors	63,235	125,782
Prepayments and accrued income	468,068	425,778
Other debtors	<u>2,037</u>	<u>20,229</u>
	533,340	571,789
<i>Amounts falling due after one year:</i>		
Underwritten pension balance	<u>4,432,000</u>	<u>4,432,000</u>
	4,965,340	5,003,789
 Charity	 2017	 2016
	£	£
<i>Amounts falling due within one year:</i>		
Trade debtors	63,235	125,782
Amounts due from subsidiary undertakings	17,707	22,415
Prepayments and accrued income	468,068	425,778
Other debtors	<u>2,037</u>	<u>20,229</u>
	551,047	594,204
<i>Amounts falling due after one year:</i>		
Underwritten pension balance	<u>4,432,000</u>	<u>4,432,000</u>
	4,983,047	5,026,204

The underwritten pension balances relates to the deficit on the LGPS scheme prior to the Trust's inception (see note 20).

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
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14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Group	2017	2016
	£	£
Trade creditors	4,507	64,700
Accruals and deferred income	548,869	680,289
Social security and other taxes	175,291	185,083
	<u>728,667</u>	<u>930,072</u>
 Charity	 2017	 2016
	£	£
Trade creditors	4,507	64,700
Accruals and deferred income	548,869	680,289
Social security and other taxes	175,291	185,083
Amounts due to subsidiary undertakings	1,210	-
	<u>729,877</u>	<u>930,072</u>

Contained in the accruals and deferred balance above is deferred income in relation to weddings, activities and ticket sale income which will take place during the 2017/18 financial year.

Contained in the balance is also grant income received in advance of the period to which it relates.

Group and Charity	2017	2016
	£	£
Balance brought forward	80,079	-
Income received in the year	1,473,109	1,521,592
Released to income	(1,466,430)	(1,441,513)
Balance carried forward	<u>86,758</u>	<u>80,079</u>

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

15. RESTRICTED FUNDS

Group and charity	At 1 April 2016 £	Income £	Expenditure £	Transfers £	At 31 March 2017 £
Donations	-	4,223	(4,223)	-	-
Arts Council of Wales	120,119	145,382	(151,038)	(5,889)	108,574
Blaenau Gwent County Borough Council	612	-	-	(612)	-
Communities First	-	31,051	(31,051)	-	-
Department for Work and Pensions	1,930	20,417	(22,347)	-	-
Disability Sports Wales	-	20,418	(21,405)	987	-
European Social Fund	-	370,213	(302,684)	-	67,529
Football Association Wales	1,638	-	-	(1,638)	-
Heritage Lottery	28,359	7,490	(41,738)	5,889	-
Learning & Work Institute	-	2,000	(1,294)	-	706
Macmillan Cancer Project	-	19,742	(19,742)	-	-
Postcode Lottery Trust	-	5,226	(5,227)	1	-
Public Health Wales	-	99,000	(99,448)	448	-
Sports Council Wales	-	165,849	(161,323)	3,634	8,160
Sports Lottery	-	1,405	-	-	1,405
Street Games	18,581	16,000	(17,501)	-	17,080
Tandem grant	-	6,026	(6,026)	-	-
Torfaen County Borough Council	500	-	-	-	500
Wrexham County Borough Council	1,000	900	(196)	-	1,704
Total funds	172,739	915,342	(885,243)	2,820	205,658

Arts Council of Wales funding was received for delivery of community arts projects within the four Local Authority areas of Blaenau Gwent, Torfaen, Merthyr Tydfil and Caerphilly.

Blaenau Gwent County Borough Council funding was received for the delivery of the Sports Leaders Award programme. This programme has successfully concluded.

Communities First funding was received to deliver a community outreach exercise programme within the Ebbw Fach valley.

Department for Work and Pensions funding was received to improve employment prospects for long term unemployed individuals and groups.

Disability Sports Wales funding was received for the provision of quality sporting and physical activity opportunities for disabled people at grass roots level.

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

15. RESTRICTED FUNDS (continued)

European Social Fund grant was received to achieve two main objectives:

- i. engage, support and prepare the economically inactive in deprived areas, by teaching them the relevant skills to gain sustainable employment.
- ii. increase the relevant skills of those individuals currently employed with limited skills.

Football Association funding was received as a contribution towards the facility costs of a football project, in collaboration with Newport County Football Club. This programme has successfully concluded.

Heritage Lottery funding was received to achieve four main objectives:

- i. enhancing educational activities within the local heritage attractions.
- ii. delivering the 'Blaenau Gwent in the 1st World War' project, which includes working with volunteers and the community. This project has successfully concluded.
- iii. providing exposure to the arts via the History and Mystery project.
- iv. to deliver a series of workshops to young people in the community on local history via the Voice and Identity project

Learning & Work Institute funding was received to deliver promotional activities during the Adult Learners' week.

Macmillan Cancer Support funding was received to provide free advice on benefits available to patients as well as giving support to patients, their families and carers.

Postcode Lottery Trust funding was received to further enhance the biodiversity value of Parc Bryn Bach through activities such as installing two bee hives, planting native trees and installing bird and bat boxes. This project is being undertaken in partnership with Blaenau Gwent County Borough Council, Groundwork Wales and Western Power.

Public Health Wales funding was received to facilitate the implementation and maintenance of exercise schemes, with the view of improving the health and wellbeing for patients aged 16 and over at risk of chronic disease.

Sports Council Wales funding was received to achieve six objectives:

- i. to set up a buggy walker group for new parents/carers to meet weekly and enjoy an exercise class with their child via the Sports Lottery Community Chest Grant.
- ii. increase regular participation in sport, improve opportunities for all and develop talented athletes via the LAPA project.
- iii. provide free swimming to eligible participants via the Free Swim Grant.
- iv. to support the delivery of the 'Coaches for the Future' programme.
- v. to develop sports clubs via the 'Thriving Clubs' project.
- vi. to improve the health, happiness and confidence of children by increasing their participation in physical activity via the Physical Literacy project.

Sports Lottery funding was received on behalf of "Friends of Six Bells" to develop a community tennis programme.

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
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15. RESTRICTED FUNDS (continued)

Street Games funding was received to deliver the 'Door-step Sport' and 'Us Girls Initiative' as well as the 'Sports Leaders Awards'.

Tandem Grant funding was received to support long-term cooperation, knowledge development and networking opportunities between cultural managers across the EU and beyond.

Torfaen County Borough Council funding was received to co-ordinate a programme of contemporary dance for young people via the Valleys Dance project. This programme has successfully concluded.

Wrexham County Borough Council funding was received to achieve three main objectives:

- i. delivery of 'Every Child a Member' scheme with the libraries.
- ii. delivery of the 'Summer Reading Challenge'.
- iii. delivery of the 'Rugby Stories' project. This project has successfully concluded.

Previous period

Group and charity	As at 1 October 2014	Income £	Expenditure £	As at 31 March 2016
	£			£
Arts Council of Wales	-	348,830	(228,711)	120,119
Blaenau Gwent County Borough Council	-	1,000	(388)	612
Caerphilly County Borough Council	-	4,000	(4,000)	-
Coleg Gwent	-	518,179	(518,179)	-
Department for Work and Pensions	-	14,583	(12,653)	1,930
Disability Sports Wales	-	30,161	(30,161)	-
European Social Fund	-	429,913	(429,913)	-
Football Association Wales	-	3,992	(2,354)	1,638
Heritage Lottery	-	116,352	(87,993)	28,359
MacMillan Cancer Project	-	20,709	(20,709)	-
Public Health Wales	-	137,248	(137,248)	-
Sports Council Wales	-	450,191	(450,191)	-
Street Games	-	39,405	(20,824)	18,581
Torfaen County Borough Council	-	500	-	500
Tredeggar Town Council	-	1,000	(1,000)	-
Welsh Government	-	461,734	(461,734)	-
Wrexham County Borough Council	-	3,300	(2,300)	1,000
Total funds	-	2,581,097	(2,408,358)	172,739

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

16. UNRESTRICTED FUNDS

Group	As at 1 April 2016 £	Income £	Expenditure £	Transfers £	Actuarial losses on defined benefit pension scheme £	As at 31 March 2017 £
General fund	141,155	7,645,041	(7,624,002)	(2,820)	-	159,374
Defined benefit pension scheme	473,000	-	(448,000)	-	(1,944,000)	(1,919,000)
	<u>614,155</u>	<u>7,645,041</u>	<u>(8,072,002)</u>	<u>(2,820)</u>	<u>(1,944,000)</u>	<u>(1,759,626)</u>

Charity

General fund	141,156	7,639,952	(7,618,913)	(2,820)	-	159,375
Defined benefit pension scheme	473,000	-	(448,000)	-	(1,944,000)	(1,919,000)
	<u>614,156</u>	<u>7,639,952</u>	<u>(8,066,913)</u>	<u>(2,820)</u>	<u>(1,944,000)</u>	<u>(1,759,625)</u>

Previous period

Group	As at 1 October 2014 £	Income £	Expenditure £	Actuarial gains on defined benefit pension scheme £	As at 31 March 2016 £
General fund	-	11,008,676	(10,867,521)	-	141,155
Defined benefit pension scheme	-	-	(992,000)	1,465,000	473,000
	<u>-</u>	<u>11,008,676</u>	<u>(11,859,521)</u>	<u>1,465,000</u>	<u>614,155</u>

Charity

General fund	-	11,008,223	(10,867,067)	-	141,156
Defined benefit pension scheme	-	-	(992,000)	1,465,000	473,000
	<u>-</u>	<u>11,008,223</u>	<u>(11,859,067)</u>	<u>1,465,000</u>	<u>614,156</u>

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

17. NET ASSETS

Group	Unrestricted funds £	Restricted funds £	2017 £
Fixed assets	90,190	-	90,190
Current assets	797,851	205,658	1,003,509
Pension debtor	4,432,000	-	4,432,000
Current liabilities	(728,667)	-	(728,667)
Pension deficit	(6,351,000)	-	(6,351,000)
Total funds	(1,759,626)	205,658	(1,553,968)

Charity

Fixed assets	90,190	-	90,190
Investments	1	-	1
Current assets	799,061	205,658	1,004,719
Pension debtor	4,432,000	-	4,432,000
Current liabilities	(729,877)	-	(729,877)
Pension deficit	(6,351,000)	-	(6,351,000)
Total funds	(1,759,625)	205,658	(1,553,967)

Previous year

Group	Unrestricted funds £	Restricted funds £	2016 £
Fixed assets	29,116	-	29,116
Current assets	1,042,111	172,739	1,214,850
Pension debtor	4,432,000	-	4,432,000
Current liabilities	(930,072)	-	(930,072)
Pension deficit	(3,959,000)	-	(3,959,000)
Total funds	614,155	172,739	786,894

Charity

Fixed assets	29,116	-	29,116
Investments	1	-	1
Current assets	1,042,111	172,739	1,214,850
Pension debtor	4,432,000	-	4,432,000
Current liabilities	(930,072)	-	(930,072)
Pension deficit	(3,959,000)	-	(3,959,000)
Total funds	614,156	172,739	786,895

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

18. OPERATING LEASES

The group had the following operating leases in place as at 31 March 2017:

	Land and buildings	Other	Total 2017	Total 2016
Group and Charity	£	£	£	£
Due less than 1 year	-	90,723	90,723	96,927
Due 2-5 years	-	221,087	221,087	382,776
	<u>-</u>	<u>311,810</u>	<u>311,810</u>	<u>479,703</u>

19. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the Board of Trustees and management team who are responsible for the strategic and operational decisions of the charity.

20. PENSIONS

The company operates a pension scheme providing benefits based on pensionable pay.

The assets of the scheme are held separately from those of the charity. The contributions are determined by a qualified actuary based on triennial valuations using the projected unit method. The most recent valuation was as at 31 March 2017 which has been updated to reflect conditions at the balance sheet date. The assumptions that have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rate of increase in salaries and pensions.

There were no amounts outstanding in relation to pension contributions during the current or prior period. Regular employer contributions during the period totalled £513,207 (2016: £752,784).

Local Government Superannuation Scheme (LGPS)

The company participates in the 'Torfaen County Borough Council (Greater Gwent) pension scheme which is a defined benefit scheme based on pensionable salary. Certain employees of the company participated in the scheme prior to the company's inception and, as such, assets or liabilities attributable to these individuals were identified at the transfer date i.e. 1st October 2014. As part of the agreement, liability for the proportion of the debt attributable to these employees that relates to the pre-transfer period rests with Blaenau Gwent County Borough Council (BGCBC). Gains and losses relating solely to the period since transfer are recognised in the income statement and statement of other comprehensive income. However, the deficit is underwritten by BGCBC. Pension funding is based on funding advice from the scheme actuary based on a different set of assumptions. The FRS 102 valuation does not impact on the level of contribution that the company and hence ultimately BGCBC has to make.

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

20. PENSIONS (continued)

Changes in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability for year end 31 March 2017

Amounts recognised in the Balance Sheet and the Statement of Financial Activities are as follows:

	Assets £(000)	Obligations £(000)	Net (liability)/ asset £(000)
Period ended 31 March 2017			
Fair value of plan assets	12,711	-	12,711
Present value of funded liabilities	-	(16,670)	(16,670)
Opening Position as at 31 March 2016	<u>12,711</u>	<u>(16,670)</u>	<u>(3,959)</u>
Service cost			
Current service cost	-	(882)	(882)
Past service cost (including curtailments)	-	(14)	(14)
Total Service Cost	<u>-</u>	<u>(896)</u>	<u>(896)</u>
Net interest			
Interest income on plan assets	470	-	470
Interest cost on defined benefit obligation	-	(618)	(618)
Total net interest	<u>470</u>	<u>(618)</u>	<u>(148)</u>
Total defined benefit cost recognised in Profit or (Loss)	<u>470</u>	<u>(1,514)</u>	<u>(1,044)</u>
Cash flows			
Plan participants' contributions	225	(225)	-
Employer contributions	596	-	596
Benefits paid	(98)	98	-
Expected closing position	<u>13,904</u>	<u>18,311</u>	<u>(4,407)</u>
Remeasurements			
Changes in demographic assumptions	-	(471)	471
Changes in financial assumptions	-	4,187	(4,187)
Other experience	-	740	(740)
Return on assets excluding amounts included in net interest	2,512	-	2,512
Total remeasurements recognised in Other Comprehensive Income (OCI)	<u>2,512</u>	<u>4,456</u>	<u>(1,944)</u>
Fair value of plan assets	16,416	-	16,416
Present value of funded liabilities	-	(22,767)	(22,767)
Present value of unfunded liabilities	-	-	-
Closing Position as at 31 March 2017	<u>16,416</u>	<u>(22,767)</u>	<u>(6,351)</u>

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

20. PENSIONS (continued)

The major categories of plan assets as a percentage of total plan assets are as follows:

Using the most recent asset split and allowing for index returns, where required, on each asset category, the estimated split of assets as at 31 March 2017 is as shown below:

Period Ended	31 March 2017	31 March 2016
Equities	81%	79%
Bonds	17%	17%
Property	2%	3%
Cash	0%	1%

The financial assumptions, as described in the accompanying report, are summarised below:

Period Ended	31 Mar 2017 % p.a.	31 March 2016 % p.a.
Pension Increase Rate	2.4%	2.2%
Salary Increase Rate	2.8%	3.7%
Discount Rate	2.7%	3.6%

Life expectancy is based on the Funds' VitaCurves with improvements in line with CMI 2015 with a peaked long term rate of 1.25% p.a.

The average future life expectancies at age 65 are summarised below:

	Males	Females
Current Pensioners	21.5 years	23.9 years
Future Pensioners*	23.6 years	26.1 years

*Figures assume members aged 45 as at the last formal valuation date.

SENSITIVITY ANALYSIS

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31 March 2017	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount £(000)
0.5% decrease in Real Discount Rate	14	3,244
0.5% increase in the Salary Increase Rate	4	911
0.5% increase in the Pension Increase Rate	10	2,257

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
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21. CONTINGENT ASSET

During the reporting period, the trust made an insurance claim relating to the damage incurred to Ebbw Vale Leisure Centre due to flooding. Loss of income to the trust is currently unknown at the balance sheet date.

The insurance claim is currently on going and the insurance provider has advised a settlement will be offered, however the amount is currently unknown. No accrued income has been recognised in these financial statements as no settlement has been offered.

22. POST BALANCE SHEET EVENTS

On 2nd April 2017, the running of the Beaufort Theatre was transferred from the Trust to Blaenau Gwent County Borough Council.

23. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017 £	2016 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	(2,340,862)	786,894
<i>Adjustments for:</i>		
Depreciation charges	11,880	903
(Gains)/losses on disposal	2,009	-
(Increase)/decrease in stocks	6,893	(40,287)
(Increase)/decrease in debtors	38,449	(5,003,789)
Increase/(decrease) in creditors	2,190,595	4,889,072
Net cash provided by/(used in) operating activities	<u>(91,036)</u>	<u>632,793</u>
 Analysis of Cash and Cash Equivalents		
Cash in hand	<u>436,775</u>	<u>602,774</u>
Total Cash and Cash Equivalents	<u>436,775</u>	<u>602,774</u>

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

24. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY

Group	Unrestricted funds £	Restricted funds £	Period ended 31 March 2016 £
Income and endowments from:			
Donations and legacies	14,882	-	14,882
Charitable activities	10,970,349	2,581,097	13,551,446
Other trading activities	23,445	-	23,445
Total income and endowments	11,008,676	2,581,097	13,589,773
Expenditure on:			
Charitable activities	11,859,521	2,408,358	14,267,879
Total expenditure	11,859,521	2,408,358	14,267,879
Net income/(expenditure)	(850,845)	172,739	(678,106)
Other recognised gains/(losses)			
Actuarial gains/(losses) on defined benefit pension schemes	1,465,000	-	1,465,000
Net movement in funds	614,155	172,739	786,894
Reconciliation of Funds			
Total funds brought forward	-	-	-
Total funds carried forward	614,155	172,739	786,894

**LIFE LEISURE TRUST T/A ANEURIN LEISURE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

24. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY (continued)

	Unrestricted funds £	Restricted funds £	Period ended 31 March 2016 £
Charity			
Income and endowments from:			
Donations and legacies	18,768	-	18,768
Charitable activities	<u>10,989,455</u>	<u>2,581,097</u>	<u>13,570,552</u>
Total income and endowments	<u>11,008,223</u>	<u>2,581,097</u>	<u>13,589,320</u>
Expenditure on:			
Charitable activities	<u>11,859,067</u>	<u>2,408,358</u>	<u>14,267,425</u>
Total expenditure	<u>11,859,067</u>	<u>2,408,358</u>	<u>14,267,425</u>
Net income/(expenditure)	(850,844)	172,739	(678,105)
Other recognised gains/(losses):			
Actuarial gains/(losses) on defined benefit pension schemes	<u>1,465,000</u>	-	<u>1,465,000</u>
Net movement in funds	614,156	172,739	786,895
Reconciliation of funds			
Total funds brought forward	-	-	-
Total funds carried forward	<u>614,156</u>	<u>172,739</u>	<u>786,895</u>