

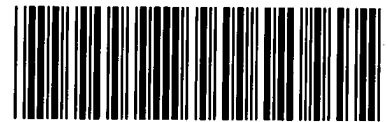
Welcome to Yorkshire

**Directors' report and financial
statements**

Registered number 02896762

30 September 2019

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Company information

Directors

P Box
J Athwal
J Mason
N Chance-Thompson
R Flint
R Jones
A Ollive
S Tahamtani
D Smith
C Les

Secretary

J Mason

Company number

02896762

Registered office

Dry Sand Foundry
Foundry Square
Holbeck
Leeds
LS11 5DL

Auditors

KPMG LLP
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

Bankers

Barclays Bank PLC
193 High Street
Northallerton
DL7 8LF

Directors' Report

The directors present their report and financial statements for the 18 month period ended 30th September 2019.

Principal activity

The principal activity of the company during the period was the promotion of Yorkshire through world-class marketing, PR and events. In addition, the company continued its role of championing and promoting tourism in Yorkshire and giving support to the tourism industry.

Performance and outlook

The directors report a deficit for the period of £71,857 (2018: surplus of £251,173). The directors recognise that the period has been one of significant challenge for the business with the resignation of the former Chief Executive and a subsequent review of governance and culture within the business. The costs associated with the leadership and governance changes in this period are £431,623 in termination payments, legal and professional costs. In addition, the overall deficit is reduced by a revaluation gain on the freehold property of £125,000. Before exceptional costs, an operating profit of £271,810 has been generated in the period (2018: profit of £265,173).

The directors were encouraged with the progress that the business has made following this reporting period with the appointment of a new Chairman in October 2019, a new Chief Executive in January 2020 and a wider refresh of the board completed by March 2020. The business was subsequently resized to represent the direction that the business was heading into a more cost effective and sustainable cost base. The directors anticipate a return to the successful delivery of services and a return to an overall surplus in the year to March 2021.

The Covid-19 pandemic impacted the business from March 2020 and continues to be a major disruption to the event calendar and the businesses that many of our members operate. Along with many businesses across a variety of sectors the business supported its members in the tourism industry with a period of free membership to bridge the initial lockdown period from April 2020 to the end of June 2020.

As a consequence of the pandemic, the directors were made aware at the end of May 2020 that a £1m tranche of funding expected to be received by the business from the North and West Yorkshire Business Rates Pool was not now available and this resulted in the directors undertaking a thorough review of the current and potential income streams and costs of the business to ensure that it was in a position to continue to trade. It was clear that without a new injection of funding the business would need to cease to trade. The directors held a series of meetings with Local Authority partners to obtain confirmation of both their confidence in the new direction of the business and their desire to fund the business in order for it to continue. The basis of these meetings was an extension of the current business model into new areas regarding the monetisation of the digital assets and in particular the audience of Yorkshire.com and the reach of the various social media channels.

A three year business plan, approved by the directors on 31 July 2020, was presented in these meetings. The business plan contains monthly cash flows through to March 2023 and is based on a lower reliance on funding from public sector bodies in future years, reduced levels of business and corporate membership resulting from the pandemic, an increase in commercial activity from digital platforms, but reflecting the lower cost based from the action already initiated prior to the pandemic. A number of sensitivities were run through the business plan which could in combination result in a deterioration in liquidity and should these sensitivities arise then the board would need to reconsider continuing to trade. The business plan as prepared was considered by the directors to be a balanced view with upside potential. However, the directors continue to look at liquidity options which would include the realisation of the freehold property to ensure that the business has sufficient reserves to mitigate such events and to invest in a platform to enhance the revenue potential of the digital assets beyond the business plan assumptions.

As a result of these meetings, commitments of funding were received that enabled the directors to conclude that the business has a viable future and therefore it was appropriate to continue as a going concern.

Directors' Report *(continued)*

Directors

The following directors have held office during and subsequent to the period:

G Verity	(resigned 22 March 2019)
D Egan	(resigned 23 January 2020)
S Watts	(resigned 7 October 2019)
J Atchison	(resigned 12 March 2019)
T Ingilby	(resigned 21 December 2019)
D Smith	
K Stewart	(resigned 7 October 2019)
R McMillan	(resigned 18 April 2019)
R Cooper	(resigned 7 October 2019)
R Tonks	(resigned 12 March 2019)
C Les	
J Athwal	(appointed 10 December 2018)
S Brady	(appointed 10 December 2018, resigned 9 April 2019)
S Parnaby	(appointed 10 December 2018, resigned 25 June 2020)
N Chance-Thompson	(appointed 23 March 2020)
R Flint	(appointed 6 March 2020)
K Jones	(appointed 7 October 2019)
J Mason	(appointed 6 January 2020)
A Ollive	(appointed 23 March 2020)
S Tahamtani	(appointed 23 January 2020)
P Grace	(appointed 23 January 2020, resigned 29 June 2020)

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



Peter Box
Chairman

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WELCOME TO YORKSHIRE

Opinion

We have audited the financial statements of Welcome to Yorkshire ("the company") for the period ended 30 September 2019 which comprise the Profit and Loss Account, the Statement of Other Comprehensive Income, the Balance Sheet and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2019 and of its loss for the period then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 1.1 to the financial statements. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern basis of preparation

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditors report is not a guarantee that the company will continue in operation.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial period is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the 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 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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Clare Partridge (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA
2 February 2021

Profit and loss account

for the 18 month period ended 30 September 2019

	Note	18 months to 30 September 2019 £	2018 £
Turnover	1	8,249,089	4,065,002
Cost of sales		(4,159,356)	(1,389,722)
Gross profit		4,089,733	2,675,280
Administrative expenses		(3,817,923)	(2,410,107)
Exceptional costs	5	(431,623)	-
Operating (loss)/profit	3	(159,813)	265,173
Gain on revaluation of investment properties	7	125,000	-
Other interest receivable and similar income	2	-	-
Interest payable and similar charges	12	(5,000)	(14,000)
(Loss)/profit on ordinary activities before taxation		(39,813)	251,173
Tax on profit on ordinary activities		(32,044)	-
(Loss)/profit for the financial period / year		(71,857)	251,173

The profit and loss account has been prepared on the basis that all operations are continuing operations.

Statement of other comprehensive income

for the 18 month period ended 30 September 2019

	18 months to 30 September 2019 £	2018 £
(Loss)/profit for the financial period / year	(71,857)	251,173
Actuarial (loss)/gain on pension scheme	(186,000)	222,000
Total recognised losses and gains relating to the period / year	(257,857)	473,173

Balance sheet
at 30 September 2019

	<i>Note</i>	30 September 2019		31 March 2018	
		£	£	£	£
Fixed assets					
Tangible assets	6		35,762		112,393
Investment property	7		1,000,000		875,000
Investments	8		101		101
			<u>1,035,863</u>		<u>987,494</u>
Current assets					
Debtors	9	1,238,527		848,037	
Cash at bank and in hand		619,220		428,614	
		<u>1,857,747</u>		<u>1,276,651</u>	
Creditors: amounts falling due within one year					
Trade creditors	10	(594,289)		(286,988)	
Deferred income	10	(829,633)		(895,418)	
Other creditors	10	(240,246)		(102,440)	
		<u>(1,664,168)</u>		<u>(1,284,846)</u>	
Net current assets/(liabilities)			<u>193,579</u>		<u>(8,195)</u>
Total assets less current liabilities			<u>1,229,442</u>		<u>979,299</u>
Non current liabilities	11	(500,000)			
Pension scheme liability	12	(268,000)		(260,000)	
			<u>461,442</u>		<u>719,299</u>
Capital and reserves					
Revaluation reserve		458,069		333,069	
Profit and loss account		3,373		386,230	
			<u>461,442</u>		<u>719,299</u>
Shareholders' funds			<u>461,442</u>		<u>719,299</u>

Approved by the Board for issue on 29 January 2021


Peter Box
Director

Company Registration No. 02896762

Statement of changes in equity
for the 18 month period ended 30 September 2019

	Revaluation reserve £	Profit and loss account £	Total equity
Balance at 1 April 2018	333,069	386,230	719,299
Loss for the period	-	(71,857)	(71,857)
Actuarial gains or losses on pension scheme assets	-	(186,000)	(186,000)
Revaluation gains or losses	125,000	(125,000)	-
	<hr/>	<hr/>	<hr/>
Balance at 30 September 2019	458,069	3,373	461,442
	<hr/>	<hr/>	<hr/>

Statement of changes in equity
for the year ended 31 March 2018

	Revaluation reserve £	Profit and loss account £	Total equity
Balance at 31 March 2017	333,069	(86,943)	246,126
Profit for the year	-	251,173	251,173
Actuarial gains or losses on pension scheme assets	-	222,000	222,000
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2018	333,069	386,230	719,299
	<hr/>	<hr/>	<hr/>

Notes to the financial statements

(forming part of the financial statements)

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

These financial statements were prepared in accordance with UK Generally Accepted Accounting Practice applicable to Smaller Entities (being Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("Section 1A of FRS 102") as issued in August 2014. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS102 in respect of the following disclosures: Cash Flow Statement and related notes. The presentation currency of these financial statements is sterling. The company has consistently applied all relevant accounting standards.

1.2 Going Concern

The financial statements are prepared on a going concern basis which the directors believe to be appropriate for the following reasons. The company raised funding of £1.16m in September 2020 from its Local Authority partners to meet the day to day working capital requirements based on the a Business Plan that the directors approved in July 2020. The Business Plan contains monthly cash flows forecast through to March 2022 and takes into account the following principles:

- The cessation of grant funding previously received under the North and West Yorkshire Business Rates Pool
- A reduced level of business members and corporate sponsors due to the Covid-19 pandemic which then slowly recovers from 2021 onwards
- New revenue stream being generated from the commercialisation of the digital assets of Yorkshire.com and the social media footprint
- A reduced cost based recently achieved after a period of restructuring completed in July 2020

Notwithstanding the company has reported a deficit of £71,857 for the 18 months to 30 September 2019 (Year to 31 March 2018: surplus of £251,173), and an operating cash outflow of £296,064 (Year to 31 March 2018: inflow of £205,163), the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The company raised funding of £1.16m in September 2020 from its Local Authority partners to meet the day to day working capital requirements. The Directors have prepared a cashflow forecast up to February 2022 considering the impact of the severe but plausible downside scenario of COVID- 19 to the company, which assumes continuance of membership fees at the financial year 2020/21 level and no income from events for the next 12 months.

The cashflow projection includes the extension of the £500,000 loan agreement to April 2022. This is secured on the investment property and currently due to be repaid on 6 November 2021. At the date of this report, the finalisation of the extension is at the final stage of negotiations and the Directors are confident this extension will be completed shortly after the signing of these financial statements. The directors are in the midst of disposing of its investment property and are currently in the final stages of negotiation, expecting to complete the sale by April 2021. The realisation of the investment property will provide reserves beyond the anticipated cash flow forecast as a contingency after repayment of the loan.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Notes (continued)

1.3 Turnover

Turnover represents amounts receivable for goods and services net provided in the period of VAT and trade discounts. Membership income is recognised over the period to which the membership relates on a straight line basis.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment 3 to 5 years straight line

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

Investment properties are stated at fair value less any subsequent impairment losses. Gains on revaluation are recognised through profit and loss account and transferred to revaluation reserve through equity.

1.6 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.7 Post retirement benefits

Defined contribution scheme

The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Defined benefit scheme

The assets of the scheme are held separately from those of the company.

Pension scheme assets are measured using market values. Pension scheme liabilities are measured using a projected 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 pension scheme deficit is recognised in full. The movement in the scheme surplus/deficit is split between operating charges, finance items and actuarial gains and losses.

1.8 Key estimates and judgements

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The cost of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 12

Notes *(continued)*

2 Investment income

	18 months to 30 September 2019 £	31 March 2018 £
Bank interest	-	-

3 Operating profit / (loss)

	18 months to 30 September 2019 £	31 March 2018 £
Depreciation of tangible fixed assets		
- owned by the company	95,291	47,792
Defined contribution pension costs	197,784	55,939
<i>Auditor's remuneration:</i>		
Audit of these financial statements	38,500	11,500
Non audit services	7,640	-

Notes (continued)

4 Staff number and costs

The average number of persons employed by the company (including directors) during the period, analysed by category, was as follows:

	Number of employees	
	18 months to 30 September 2019	31 March 2018
Administration	50	46
	<u>50</u>	<u>46</u>

The aggregate payroll costs of these persons were as follows:

	18 months to 30 September 2019 £	31 March 2018 £
Wages and salaries	2,650,315	1,626,396
Social security costs	288,405	169,405
Other pension costs	258,105	119,478
	<u>3,196,825</u>	<u>1,915,278</u>

Directors' remuneration was paid in respect of directors of the company is as follows

	18 months to 30 September 2019 £	31 March 2018 £
Aggregate remuneration	<u>427,096</u>	<u>268,037</u>

During the period retirement benefits were accruing to 1 director (2018: 1) in respect of defined contribution pension schemes.

The highest paid director during the period received gross remuneration of £389,388 (2018: £243,453).

Notes (continued)

5 Exceptional expenditure

The company incurred non-recurring exceptional expenditure in the period including:

	18 months to 30 September 2019 £	31 March 2018 £
Staff termination costs	151,568	-
Legal and professional fees	280,055	-
	<u>431,623</u>	<u>-</u>

6 Tangible fixed assets

	Fixtures and fittings £
Cost or valuation	
At 1 April 2018	206,057
Additions	18,660
	<u>224,717</u>
At 30 September 2019	<u>224,717</u>
Depreciation	
At 1 April 2018	94,114
Charge for the year	95,291
	<u>189,405</u>
At 30 September 2019	<u>189,405</u>
Net book value	
At 30 September 2019	<u>35,762</u>
At 31 March 2018	<u>112,393</u>

Notes (continued)

7 Investment properties

	Investment properties £
<i>Valuation</i>	
At 31 March 2018	875,000
Valuation gain in the year	125,000
	<hr/>
<i>Net book value</i>	
At 30 September 2019	1,000,000
	<hr/>
At 31 March 2018	875,000
	<hr/>

The investment property was valued by Feather Smailes Scales LLP on 22 March 2019 at £1,000,000 on the basis of open market value with full vacant possession. The directors have reconsidered this valuation up to the date of signing and having considered other market information consider the valuation at the balance sheet date to be an appropriate and prudent reflection of market value.

8 Fixed asset investments

	Shares in group undertakings and participating interests £
<i>Cost or valuation</i>	
At 31 March 2018 and at 30 September 2019	101
	<hr/>
<i>Provisions for diminution in value</i>	
At 31 March 2018 and at 30 September 2019	-
	<hr/>
<i>Net book value</i>	
At 30 September 2019	101
	<hr/>
At 31 March 2018	101
	<hr/>

Investments at the balance sheet date comprise 100% of the issued share capital of Yorkshire Tourist Board Limited and Yorkshire.com Limited which are both dormant companies registered in England and Wales.

Notes (continued)

9 Debtors

	30 September 2019 £	31 March 2018 £
Trade debtors	491,721	557,539
Other debtors	746,806	290,498
	<u>1,238,527</u>	<u>848,037</u>

10 Creditors: amounts falling due within one year

	30 September 2019 £	31 March 2018 £
Trade creditors	594,289	286,988
Deferred income	829,633	895,418
Taxation and social security	161,689	102,440
Other creditors and accruals	78,557	-
	<u>1,664,168</u>	<u>1,284,846</u>

11 Creditors: amounts falling due in more than one year

	30 September 2019 £	31 March 2018 £
Other loans	500,000	-
	<u>500,000</u>	<u>-</u>

Under a Funding Agreement dated 6 November 2015, the company drew down a loan of £500,000 from North Yorkshire County Council in September 2019. The loan is secured against the investment property and accrues interest at 7%. Initial terms of the loan were for repayment on 6 November 2020. This has subsequently been extended until 6 November 2021.

Notes (continued)

12 Pension costs

Defined contribution

	30 September 2019 £	31 March 2018 £
Contributions payable by the company for the period	197,784	55,939

Defined benefit

The company participates in a local government pension scheme, administered by North Yorkshire County Council. The local government pension scheme is a defined benefit scheme based on final pensionable salary.

Welcome to Yorkshire stopped admitting new members to the defined benefit scheme in 2010.

The actuarial information indicates that there was a deficit in the pension fund at 30 September 2019 of £268,000 (2018: deficit of £260,000).

The following information is based upon a full formal actuarial valuation of LGPS as at 31 March 2019 projected forward to 30 September 2019 by a qualified independent actuary. In valuing the liabilities of the pension fund at 30 September 2019, mortality assumptions have been made as indicated below.

The assumptions relating to longevity underlying the pension liabilities at the balance sheet date are based on standard actuarial mortality tables and include an allowance for future improvements in longevity. The assumptions are equivalent to expecting a 65-year old to live for a number of years as follows:

- Current pensioner aged 65: 21.9 years (male), 25.1 years (female).
- Future retiree upon reaching 65: 23.6 years (male), 26.9 years (female).

The principal actuarial assumptions are that the discount rate will be 2.4%, the rate of increase in salaries 3.45%, the rate of increase in pensions in payment 2.2%, and the inflation rate 2.2%.

Value of scheme assets and liabilities

	30 September 2019 £	31 March 2018 £
Market value of assets	11,574,000	9,937,000
Present value of scheme liabilities	(11,842,000)	(10,197,000)
Deficit in scheme	(268,000)	(260,000)
Related deferred tax liability	-	-
Net pension asset/(liability)	(268,000)	(260,000)

Notes (continued)

12 Pension costs (continued)

Movement in the period / year:

	30 September 2019 £	31 March 2018 £
Deficit in scheme at 1 April 2018	(260,000)	(604,000)
Current and past service cost	(106,000)	(42,000)
Interest cost	(5,000)	(14,000)
Employer contributions	289,000	178,000
Actuarial gain / (loss)	(186,000)	222,000
	<hr/>	<hr/>
Deficit in scheme at 30 September 2019	(268,000)	(260,000)
	<hr/>	<hr/>

The total charge to the profit and loss account in the period totalled £111,000 (2018: £56,000).

13 Financial commitments

At 30 September 2019 the company was committed to making the following payments under non-cancellable operating leases.

	30 September 2019 £	31 March 2018 £
Operating leases which expire:		
Between one to two years	-	-
Between two and five years	418,366	488,168
In over five years	-	-
	<hr/>	<hr/>
	418,366	488,168
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14 Control

The company, being limited by guarantee, has no share capital. Every member is liable to contribute a sum not exceeding £1 in the event of the company being wound up whilst still a member or within one year thereafter. The members are not entitled to any distribution of the income or property of the company and, in the unlikely event of the winding up or dissolution of the company, any surplus remaining shall be transferred to some other institution having objectives similar to those of the company.

The directors consider that no one party has control over the company.

15 Related party transactions

In line with the company's constitution the Board of Directors comprises of certain directors who representatives of local government bodies. The directors are of the opinion that these representative directors do not have sufficient controlling influence over any transactions between the two parties. Therefore no related party transactions are disclosed in respect of this.

In 2018 the company was awarded a provision of services contract with Yorkshire 2019 Limited who are responsible for delivering the 2019 UCI Road World Championships. The value of these transactions in the year amounted to turnover of £247,447 and amounts owed to the company of £nil at the year end. Both companies had common directors in the period up to the resignation of Sir Gary Verity.

In the period a director repaid £44,413 of amounts received in prior periods to the company.