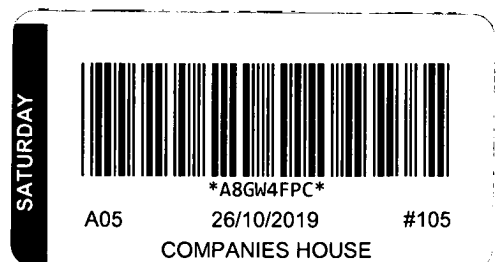


**COMPANY REGISTRATION NUMBER: 06337728**

**Bay Leisure Limited**  
**Company Limited by Guarantee**  
**Filleted Financial Statements**  
**For the year ended**  
**31 March 2019**



**Bay Leisure Limited**  
**Company Limited by Guarantee**  
**Financial Statements**  
**Year ended 31 March 2019**

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# **Bay Leisure Limited**

## **Company Limited by Guarantee**

### **Officers and Professional Advisers**

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#### **The board of directors**

R Thomas  
S Osborne  
J Charles  
R G Davies  
P Hawkins  
M K Williams

#### **Company secretary**

D J Evans

#### **Registered office**

Suite 4  
St Helens Rugby and Cricket Ground  
Bryn Road  
Swansea  
SA2 0AR

#### **Auditor**

Clay Shaw Thomas Ltd  
Chartered accountants & statutory auditor  
2 Oldfield Road  
Bocam Park  
Bridgend  
CF35 5LJ

#### **Bankers**

Barclays Bank Plc  
262 Oxford Street  
Swansea  
West Glamorgan  
SA1 3BR

**Bay Leisure Limited**  
**Company Limited by Guarantee**  
**Statement of Financial Position**  
**31 March 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	6	13,660	–
Investments	7	100	100
		<b>13,760</b>	100
<b>Current assets</b>			
Stocks	8	–	16,057
Debtors	9	2,854,138	2,757,119
Cash at bank and in hand		18,783	321,834
		<b>2,872,921</b>	3,095,010
<b>Creditors: amounts falling due within one year</b>	10	<b>232,175</b>	613,724
<b>Net current assets</b>		<b>2,640,746</b>	2,481,286
<b>Total assets less current liabilities</b>		<b>2,654,506</b>	2,481,386
<b>Provisions</b>			
Taxation including deferred tax	11	(960)	(5,272)
Other provisions	11	–	61,326
		<b>(960)</b>	56,054
<b>Net assets</b>		<b>2,655,466</b>	2,425,332
<b>Capital and reserves</b>			
Profit and loss account	15	2,655,466	2,425,332
<b>Members funds</b>		<b>2,655,466</b>	2,425,332

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

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

The statement of financial position  
continues on the following page.

**The notes on pages 4 to 11 form part of these financial statements.**

# **Bay Leisure Limited**

## **Company Limited by Guarantee**

### **Statement of Financial Position *(continued)***

**31 March 2019**

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These financial statements were approved by the board of directors and authorised for issue on ....~~30.9.19~~....., and are signed on behalf of the board by:



P Hawkins  
Director



M K Williams  
Director

Company registration number: 06337728

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**The notes on pages 4 to 11 form part of these financial statements.**

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# **Bay Leisure Limited**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements**

**Year ended 31 March 2019**

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#### **1. General information**

The company is a private company limited by guarantee, registered in England and Wales. The address of the registered office is Suite 4, St Helens Rugby and Cricket Ground, Bryn Road, Swansea, SA2 0AR.

#### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

#### **3. Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss.

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

##### **Consolidation**

The company has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

##### **Judgements and key sources of estimation uncertainty**

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

##### **(i) 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 estimates. See note 10 for the carrying amount of the property, plant and equipment and note 3 for the useful economic lives for each class of assets.

##### **(ii) Dilapidation provision**

Dilapidation provision is being accrued in order to meet the company's obligations for periodic large scale maintenance works and the replacement of assets when required. See note 16 for the net carrying amount of the provision.

# **Bay Leisure Limited**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements *(continued)***

#### **Year ended 31 March 2019**

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#### **3. Accounting policies *(continued)***

##### **Revenue recognition**

Turnover is derived from the principal activity of receipts from the management and operation of leisure activities. Certain income is received in advance of the expenditure to which it relates and as such is deferred until the expenditure is incurred.

##### **Income tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

##### **Operating leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

##### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

# **Bay Leisure Limited**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements *(continued)***

#### **Year ended 31 March 2019**

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#### **3. Accounting policies *(continued)***

##### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Motor vehicles	- 20% Straight Line
Equipment	- 10% - 33% Straight Line

##### **Investments**

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

##### **Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

##### **Government grants**

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.



# **Bay Leisure Limited**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements *(continued)***

#### **Year ended 31 March 2019**

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#### **3. Accounting policies *(continued)***

##### **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

##### **Financial instruments**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

##### **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

#### **4. Company limited by guarantee**

The company is limited by guarantee and therefore has no issued share capital.

# Bay Leisure Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2019

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##### 5. Employee numbers

The average number of persons employed by the company during the year amounted to 69 (2018: 125).

##### 6. Tangible assets

	Motor vehicles £	Equipment £	Total £
<b>Cost</b>			
At 1 April 2018	–	665,171	<b>665,171</b>
Additions	14,858	–	<b>14,858</b>
Disposals	–	(665,171)	<b>(665,171)</b>
<b>At 31 March 2019</b>	<b>14,858</b>	<b>–</b>	<b>14,858</b>
<b>Depreciation</b>			
At 1 April 2018	–	665,171	<b>665,171</b>
Charge for the year	1,198	–	<b>1,198</b>
Disposals	–	(665,171)	<b>(665,171)</b>
<b>At 31 March 2019</b>	<b>1,198</b>	<b>–</b>	<b>1,198</b>
<b>Carrying amount</b>			
<b>At 31 March 2019</b>	<b>13,660</b>	<b>–</b>	<b>13,660</b>
At 31 March 2018	–	–	–

##### 7. Investments

	Shares in group undertakings £
<b>Cost</b>	
<b>At 1 April 2018 and 31 March 2019</b>	<b>100</b>
<b>Impairment</b>	
<b>At 1 April 2018 and 31 March 2019</b>	<b>–</b>
<b>Carrying amount</b>	
<b>At 31 March 2019</b>	<b>100</b>
At 31 March 2018	100

# Bay Leisure Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2019

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#### 7. Investments *(continued)*

The interest in a subsidiary company which is incorporated and operated in Great Britain and registered in England and Wales is comprised as follows:

SUBSIDIARY COMPANY	Simply Leisure Ltd
PRINCIPAL ACTIVITY	Operation of leisure facilities
HOLDING	100 Ordinary £1 shares
% HELD	100

#### 8. Stocks

	2019	2018
	£	£
Goods for resale	—	16,057

#### 9. Debtors

	2019	2018
	£	£
Trade debtors	—	38,969
Amounts owed by group undertakings and undertakings in which the company has a participating interest	2,850,414	2,618,985
Other debtors	3,724	99,165
	<u>2,854,138</u>	<u>2,757,119</u>

Amounts owed by group undertakings are unsecured and have no fixed date of repayment. The interest rate on the loan is 3%.

#### 10. Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	27,479	154,973
Accruals and deferred income	149,510	231,699
Corporation tax	44,586	128,687
Social security and other taxes	11,925	81,665
Other creditors	(1,325)	16,700
	<u>232,175</u>	<u>613,724</u>

# Bay Leisure Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2019

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#### 11. Provisions

	Deferred tax (note 12) £	Dilapidation provision £	Total £
At 1 April 2018	(5,272)	61,326	<b>56,054</b>
Charge against provision	<u>4,312</u>	<u>(61,326)</u>	<b><u>(57,014)</u></b>
<b>At 31 March 2019</b>	<b><u>(960)</u></b>	<b><u>-</u></b>	<b><u>(960)</u></b>

Dilapidation provisions were previously being accrued in order to meet the company's obligations under its operating agreement for periodic large scale maintenance works and replacement of assets in line with the agreement with Swansea City Council. This agreement came to an end in September 2018.

#### 12. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	<b>2019</b> £	2018 £
Included in provisions (note 11)	<b><u>(960)</u></b>	<u>(5,272)</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	<b>2019</b> £	2018 £
Accelerated capital allowances	<b><u>(960)</u></b>	<u>(5,272)</u>

#### 13. Employee benefits

##### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £29,994 (2018: £37,597).

#### 14. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	<b>2019</b> £	2018 £
Recognised in other operating income:		
Government grants recognised directly in income	<u>-</u>	<u>13,333</u>

#### 15. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

# Bay Leisure Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2019

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##### 16. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2019	2018
	£	£
Not later than 1 year	6,000	–
Later than 1 year and not later than 5 years	2,500	–
	<u>8,500</u>	<u>–</u>

##### 17. Contingencies

Bay Leisure Limited acts as a guarantor in respect of the lease agreements for its subsidiary, Simply Leisure Limited.

##### 18. Summary audit opinion

The auditor's report for the year dated 22/10/2019, was unqualified.

The senior statutory auditor was Mr David Gwyn J. Williams B.A., F.C.A, for and on behalf of Clay Shaw Thomas Ltd.

##### 19. Related party transactions

During the year the company invoiced The City and County of Swansea £270,000 (2018: £337,996) in respect of management charges.

The above transactions are considered related due to the Management Agreement in place between the company and the Council for provision of community sports and leisure management services until 30 September 2018.

During the year the company received £3,390 (2018: £9,000) from Bay Sports Limited in relation to management charges. During the year the company also received £nil (2018: £1,400) from Bay Sports Limited in relation to the hire of the sports hall during the winter months. No balances were due to Bay Leisure Limited at the year end date (2018: £nil).

Included in debtors is an amount of £2,850,414 (2018: £2,618,985) due from Simply Leisure Ltd. Simply Leisure Ltd is a 100% subsidiary of Bay Leisure Limited. This loan is repayable on demand. The interest rate on the loan is 3%.

During the year the company received £37,500 (2018: £75,000) from Simply Leisure Ltd in relation to management charges. There was no outstanding balance at the year end date.

##### 20. Ultimate controlling party

In the opinion of the directors, there is no ultimate controlling party.