

**CIVIL SERVICE SPORTS COUNCIL LIMITED
AND SUBSIDIARIES**

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Society No. IP 9685R

Civil Service Sports Council Limited and Subsidiaries
Annual Report and Financial Statements
For the year ended 31 December 2024

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Civil Service Sports Council Limited and Subsidiaries

Board Report

For the year ended 31 December 2024

The Board present their report and the accounts for the year ended 31 December 2024.

Civil Service Sports Council Ltd and Subsidiaries

The Civil Service Sports Council Ltd and Subsidiaries made a group operating loss of £1,975,000 (2023: loss of £1,408,000) in 2024. The benefit of net non-operating income of £4,408,000, principally arising from investment returns, the revaluation of investment property and the profit on disposal of fixed assets resulted in a profit on ordinary activities before tax of £2,433,000 (2023: loss of £224,000).

The Group's Net Assets as of 31 December 2024 were £35,892,000 (2023: £33,661,000).

Civil Service Sports Council Ltd Business Review

The Civil Service Sports Council Ltd (CSSC) continues to provide sports and leisure opportunities for employees and retirees from the civil service and the wider public sector. In addition, each qualifying member can recruit up to six family members or friends as members.

CSSC's core business of providing sports and leisure opportunities for members made an operating loss of £2,007,000 (2023: operating loss of £1,165,000). CSSC experienced a further reduction in membership income in 2024 which was due to a continuation of the challenging economic landscape, where workforce changes and high inflation have created significant cost of living challenges. Membership fell from 124,749 at the end of 2023 to 123,217 at the end of December 2024, which reflected the continuing retention challenge towards the end of the year.

2024 was another challenging year for the entertainment and leisure industries. Increasing operating costs and less money in the pocket across the British public has resulted in fewer visits and trips, causing many families to closely examine how they spend money, stay active, and enjoy their free time. This impact has been felt across the sector, not least by several of our key partners and providers. However, the desire from many across society to find affordable and accessible recreation and wellbeing opportunities remains and CSSC continues to service that demand.

Recognising the strain that many of our commercial partners face represents an opportunity for us to work more closely together, to share our experiences and expand our existing relationships for mutual benefit. We are all looking for value and participation. We must remain vigilant however, to ever changing circumstances.

While CSSC has successfully navigated both the pandemic and the shift in working and social patterns, as well as the continuing cost of living challenges, we have been obliged to make some tough decisions. We have therefore had to refine our sports offering and have become more focused on our locally delivered volunteer programme of events and activities. These areas will continue to be closely monitored during 2025.

Civil Service Sports Council Limited and Subsidiaries

Board Report (Continued)

For the year ended 31 December 2024

CSSC progressed through significant governance changes during 2024, culminating in the recruitment of a new Board with a wide breadth of skills and experience, which will help CSSC going forward. We have taken steps to address inefficiency in our operating model and have further significant plans to execute over the next 24 months. We will continue to develop our brand profile and ensure we are the health and wellbeing membership organisation of choice across the Public Sector. Through our evolving offer, we hope to see an increase in our net membership, strengthening our offering and our community. We are, at heart, a member focused business. We seek to be agile and innovative in meeting member demands and reacting to changes in behaviour and consumption patterns.

CSSC continues its commitment to sustainability through our CSSC Green initiative and continues to work to our DE&I statement which has set the foundation for improving the diversity, inclusivity, and accessibility of CSSC’s member offer.

At the end of 2024, CSSC’s investment portfolio showed a market value of £20,984,000 (2023: £13,966,000), the uplift being largely due to the investment of surplus funds held within the Group in the investment portfolio. The fund is invested using ethical principles, the details of which are shown in note 11 of the financial statements. The Investment Committee has approved an investment strategy that will allow the portfolio to deliver an annual return to CSSC from 2025, whilst retaining the inflationary value of the portfolio.

CSSC Properties Ltd continues to provide an asset safeguarding and investment provision for Civil Service Sports Council Ltd by managing its portfolio of properties to generate income. This includes three of the freehold sites previously occupied the ROKO health clubs, which will now be held to provide investment income to the Group.

The Sports & Leisure Group Ltd which operated four health clubs under the ROKO brand, situated in Chiswick, Gillingham, Nottingham, and York, divested of these assets in December 2024 to Fraser Group (UK) Ltd. The sale proceeds cleared the entirety of their third party loan and allowed clearance to major creditors, including CSSC Properties, which saw unpaid rental and management fee invoices settled as a result of the sale. The residual Indoor Football business, previously operated by The Sports & Leisure Group Ltd, has been retained by the Group and will continue to trade under the direction of CSSC Properties Ltd.

Approved by the Board on

and signed on behalf of the Board on..... by

Simon Letts

Director

Civil Service Sports Council Limited and Subsidiaries

Board's Responsibilities Statement

For the year ended 31 December 2024

The Board's Responsibilities

The Board is responsible for preparing the financial statements in accordance with applicable law and regulations.

Legislation requires the Board to prepare financial statements for each financial year. Under that law the Board have elected to prepare the financial statements in accordance with FRS 102. Under Co-operative and Community Benefit Societies legislation the Board members 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 Council and of the profit and loss of the Council for the period. In preparing these financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable 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 Council will continue in business.

The Board members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Council and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the Council and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditors

So far as the Board is aware, there is no relevant audit information of which the Council's auditors are unaware. Additionally, the Board members have taken all the necessary steps that they ought to have taken in order to make themselves aware of all relevant audit information and to establish that the Council's auditors are aware of that information.

Auditors

In accordance with the Company's Articles, a resolution proposing that Moore Kingston Smith LLP be re-appointed as auditors of the company will be put at a General Meeting.

By Order of the Board

.....
Simon Letts
Director

Date:

Civil Service Sports Council Limited and Subsidiaries

Independent Auditor's Report to the Members of Civil Service Sports Council Limited and Subsidiaries

For the year ended 31 December 2024

Qualified opinion

We have audited the financial statements of Civil Service Sports Council Limited (the 'parent council') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise the Group Profit and Loss Account, the Group Statement of Comprehensive Income, the Council Profit and Loss Account, the Council Statement of Comprehensive Income, the Group Balance Sheet, the Council Balance Sheet, the Group Statement of Changes in Equity, the Council Statement of Changes in Equity, the Group Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matter described in the Basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the group and parent council's affairs as at 31 December 2024 and of the group and parent council's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for qualified opinion on the financial statements

With respect to membership income of one of the subsidiaries of the Council, ROKO Healthclubs Limited, having a membership income amount of £7,925,924 the audit evidence available to us was limited. This was because we were unable to have access to the membership database as the health clubs were sold. Owing to the nature of the company's records, we were unable to obtain sufficient appropriate audit evidence regarding the membership income by using other audit procedures. Consequently, we were unable to determine whether any adjustment to this amount was necessary.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the group and the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent council's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Board with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Board Members are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Civil Service Sports Council Limited and Subsidiaries

Independent Auditor's Report to the Members of Civil Service Sports Council Limited and Subsidiaries

For the year ended 31 December 2024

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

Except for the matter referred to in the basis for qualified opinion section of our report, we have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies

- the Group and the Council have not kept proper books of account, and not maintained a satisfactory system of control over its transactions, in accordance with the requirements of the legislation; or
- the revenue account, any other accounts to which our report relates, and the balance sheet are not in agreement with the Group's and Council's books of account; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Board

As explained more fully in the Board's Responsibilities Statement set out on page 7, the Board Members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board Members are responsible for assessing the Group and parent council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board Members either intend to liquidate the Group and parent council or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the financial statements

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

Civil Service Sports Council Limited and Subsidiaries

Independent Auditor's Report to the Members of Civil Service Sports Council Limited and Subsidiaries

For the year ended 31 December 2024

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities,

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the council.

Civil Service Sports Council Limited and Subsidiaries

Independent Auditor's Report to the Members of Civil Service Sports Council Limited and Subsidiaries

For the year ended 31 December 2024

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the council and considered that the most significant are Co-operative and Community Benefit Societies Act 2014, Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the council complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through

Use of our report

This report is made solely to the parent council's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and Section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken for no purpose other than to draw to the attention of the parent council's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the parent council and parent council's members as a body, for our work, for this report, or for the opinions we have formed.

Roger Ogden (Senior Statutory Auditor)
For and behalf of Moore Kingston Smith LLP
Chartered Accountants
and Statutory Auditors

Date

Moore Kingston Smith LLP
4 Victoria Square
St Albans
Hertfordshire
AL1 3TF

Civil Service Sports Council Limited and Subsidiaries

Group Profit And Loss Account

For the year ended 31 December 2024

	Note	2024			2023		
		Continuing £000	Discontinued £000	Total £000	Continuing £000	Discontinued £000	Total £000
Turnover	3	9,322	7,707	17,029	9,654	7,473	17,127
Cost of sales		(148)	(5,885)	(6,033)	(116)	(6,009)	(6,125)
Gross profit		9,174	1,822	10,996	9,538	1,464	11,002
Administrative expenses		(11,137)	(1,834)	(12,971)	(10,874)	(1,536)	(12,410)
Operating loss	6	(1,963)	(12)	(1,975)	(1,336)	(72)	(1,408)
Net interest payable		240	(1,216)	(976)	226	(695)	(469)
Dividends receivable	3	90	-	90	98	-	98
Gains on investments	11	1,963	-	1,963	1,280	-	1,280
Fair value gains on investment properties		1,967	-	1,967	240	-	240
Other gains and losses	25	44	1,320	1,364	35	-	35
Profit/(Loss) on ordinary activities before taxation		2,341	92	2,433	543	(767)	(224)
Tax charge	8	(829)	720	(109)	(559)	53	(506)
Profit/(Loss) for the year after taxation		1,512	812	2,324	(16)	(714)	(730)

See note 26 for further information on the discontinued operations.

The financial statements were approved and authorised by the Board for issue on

Signed by

.....
Matt Bazeley OBE
Secretary

.....
Simon Letts
Director

.....
Iain Kirkpatrick
Chair

Civil Service Sports Council Limited and Subsidiaries

Group Statement of Comprehensive Income

For the year ended 31 December 2024

Statement of Comprehensive Income

	Note	2024 £000 Total	2023 £000 Total
Profit/(Loss) for the year		1,512	(730)
Remeasurement loss recognised on defined benefit pension	22	(93)	(183)
		1,419	(913)
Total comprehensive income/(expenditure) for the year		1,419	(913)

The financial statements were approved and authorised by the Board for issue on

Signed by

.....
Matt Bazeley OBE
Secretary

.....
Simon Letts
Director

.....
Iain Kirkpatrick
Chair

Civil Service Sports Council Limited and Subsidiaries

Council Profit And Loss Account

For the year ended 31 December 2024

	Note	2024 £000	2023 £000
Turnover	3	8,470	8,903
Administrative expenses		(10,477)	(10,068)
		<hr/>	<hr/>
Operating loss	6	(2,007)	(1,165)
Interest receivable	3	65	95
Dividends receivable	3	6,090	498
Gains on investments	11	1,963	1,280
Dilapidation provision movement		-	35
Impairment of fixed asset investment	12	(4,427)	(3,591)
		<hr/>	<hr/>
Profit/(Loss) on ordinary activities before taxation		1,684	(2,848)
Tax charge	8	(408)	(506)
		<hr/>	<hr/>
Profit/(Loss) for the year after taxation	6	<u>1,276</u>	<u>(3,354)</u>

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

Signed by

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Matt Bazeley OBE
Secretary

.....
Simon Letts
Director

.....
Iain Kirkpatrick
Chair

Civil Service Sports Council Limited and Subsidiaries
 Council Statement of Comprehensive Income
 For the year ended 31 December 2024

Statement of Comprehensive Income

	Note	2024 £000	2023 £000
Profit/(Loss) for the year		1,276	(3,354)
Remeasurement loss recognised on defined benefit pension schemes	22	(93)	(183)
Total comprehensive income/(expenditure) for the year		1,183	(3,537)

The financial statements were approved and authorised by the Board for issue on

Signed by

Matt Bazeley OBE Secretary	Simon Letts Director	Iain Kirkpatrick Chair
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Civil Service Sports Council Limited and Subsidiaries

Group Balance Sheet

For the year ended 31 December 2024

	Note	2024 £000	2023 £000
Fixed Assets			
Intangible assets	9	-	-
Tangible assets	10	13,826	20,577
Listed investments	11	20,984	13,966
		<u>34,810</u>	<u>34,543</u>
Current Assets			
Stock	13	78	54
Debtors falling due within one year	14	2,131	1,355
Cash at bank and in hand		3,444	9,913
		<u>5,653</u>	<u>11,322</u>
Creditors: Amounts falling due within one year	15	(2,621)	(10,534)
Net Current Assets		<u>3,032</u>	<u>788</u>
Total Assets less Current Liabilities		37,842	35,331
Provisions for Liabilities and Charges	16	(1,950)	(1,670)
Net Assets excluding Pension Asset/(Liability)		35,892	33,661
Pension Asset/(Liability)	22	-	-
Net Assets including Pension Asset/(Liability)		<u>35,892</u>	<u>33,661</u>
Capital and Reserves			
Called up share capital	18	6	6
Profit and loss reserve	19	35,886	33,655
		<u>35,892</u>	<u>33,661</u>

The financial statements were approved and authorised by the Board for issue on

Signed by

.....
Matt Bazeley OBE
Secretary

.....
Simon Letts
Director

.....
Iain Kirkpatrick
Chair

Society No. IP 9685R

Civil Service Sports Council Limited and Subsidiaries

Council Balance Sheet

For the year ended 31 December 2024

	Note	2024 £000	2023 £000
Fixed Assets			
Tangible assets	10	3,041	2,955
Listed Investments	11	20,984	13,966
Subsidiary Investments	12	11,032	15,459
		<u>35,057</u>	<u>32,380</u>
Current Assets			
Stock	13	78	37
Debtors falling due within one year	14	1,160	1,026
Cash at bank and in hand		1,016	2,576
		<u>2,254</u>	<u>3,639</u>
Creditors: Amounts falling due within one year	15	(1,218)	(1,475)
Net Current Assets		<u>1,036</u>	<u>2,164</u>
Total Assets less Current Liabilities		36,093	34,544
Provisions for Liabilities and Charges	16	<u>(634)</u>	<u>(268)</u>
Net Assets excluding Pension Asset/(Liability)		35,459	34,276
Pension Asset/(Liability)	22	<u>-</u>	<u>-</u>
Net Assets including Pension Asset/(Liability)		<u><u>35,459</u></u>	<u><u>34,276</u></u>
Capital and Reserves			
Called up share capital	18	6	6
Profit and loss reserve	19	35,453	34,270
		<u>35,459</u>	<u>34,276</u>

The financial statements were approved and authorised by the Board for issue on

Signed by

.....
Matt Bazeley OBE
Secretary

.....
Simon Letts
Director

.....
Iain Kirkpatrick
Chair

Society No. IP 9685R

Civil Service Sports Council Limited and Subsidiaries

Group Statement of Changes in Equity

For the year ended 31 December 2024

	Called-up £000	Profit and loss account £000	Total equity £000
At 1 January 2023	7	34,568	34,575
Loss for the year	-	(730)	(730)
Other comprehensive expenditure	-	(183)	(183)
Shareholding changes	(1)	-	(1)
At 31 December 2023	<u>6</u>	<u>33,655</u>	<u>33,661</u>
Profit for the year	-	1,512	1,512
Other comprehensive expenditure	-	(93)	(93)
At 31 December 2024	<u>6</u>	<u>35,074</u>	<u>35,080</u>

Civil Service Sports Council Limited and Subsidiaries

Council Statement of Changes in Equity

For the year ended 31 December 2024

	Called-up share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2023	7	37,807	37,814
Loss for the year	-	(3,354)	(3,354)
Other comprehensive expenditure	-	(183)	(183)
Shareholding changes	(1)	-	(1)
At 31 December 2023	<u>6</u>	<u>34,270</u>	<u>34,276</u>
Profit for the year	-	1,276	1,276
Other comprehensive expenditure	-	(93)	(93)
At 31 December 2024	<u>6</u>	<u>35,453</u>	<u>35,459</u>

Civil Service Sports Council Limited and Subsidiaries
Group Cash Flow Statement
For the year ended 31 December 2024

	Note	2024 £000	2023 £000
Net Cash Outflow from Operating Activities	25	<u>(3,367)</u>	<u>(680)</u>
Investing activities			
Interest received		189	231
Payments to acquire tangible fixed assets		(188)	(92)
Payments to acquire investments		(8,062)	(11,096)
Receipts from sales of investments		3,007	11,147
Receipts from sales of tangible fixed assets		8,118	274
Net cash flow from investing activities		<u>3,064</u>	<u>464</u>
Financing activities			
Interest paid		51	(700)
Repayment of long-term loans and finance		(6,992)	(210)
Net cash flow from financing activities		<u>(8,157)</u>	<u>(910)</u>
Decrease in cash and cash equivalents		<u><u>(6,432)</u></u>	<u><u>(1,126)</u></u>
Cash and cash equivalents at 1 January		<u>9,876</u>	<u>11,002</u>
Cash and cash equivalents at 31 December		<u><u>3,444</u></u>	<u><u>9,876</u></u>

Civil Service Sports Council Limited and Subsidiaries

Notes to the Financial Statements

For the year ended 31 December 2024

1 Accounting Policies

Company information

Civil Service Sports Council Limited is a limited company regulated under the Co-operative and Community Benefit Societies Act 2014, domiciled and incorporated in England and Wales. The registered office is Compton Court, 20-24 Temple End, High Wycombe, Buckinghamshire, HP13 5DR.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Co-operative and Community Benefit Societies Act 2014.

The financial statements are prepared in sterling, which is the functional currency of the Group. Monetary amounts in these financial statements are rounded to the nearest thousand pounds.

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

1.2 Basis of Consolidation

The Group financial statements consolidate the financial statements of Civil Service Sports Council Limited and its subsidiary undertakings drawn up to 31st December each year. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date upon which control passed. Acquisitions are accounted for under the acquisition method.

The results of the affiliated organisations are not consolidated as part of these financial results as these organisations are not under the control of CSSC. To the extent there are surplus assets in affiliated organisations, recognition of these in the financial statements of CSSC is only made in the event the members of the affiliated organisation are to cease operations and have elected to pass on those funds to CSSC.

The regulations of CSSC allows for affiliated organisations to be members of the society. CSSC has drawn up model constitutions for different types of affiliated organisations, including area associations and sport and recreational bodies. The constitutions make provision for the conduct of members, the management of the affiliated organisations and the holding of general meetings. Such organisations may be affiliated to CSSC only if they adopt the model constitution or a constitution approved by CSSC, which may or may not be a variation of the model constitution. Amendments to an affiliated organisation's constitution may subsequently be made, but only with the agreement of CSSC. If an affiliated organisation ceases to operate, then any surplus assets of that organisation will revert to CSSC. These provisions serve to safeguard the reputation of CSSC and ensure that appropriate governance arrangements are in place over the funds provided by CSSC. The activities of the affiliated organisations are however under the direction of its own management, with such management being elected by the members of the affiliate and therefore CSSC does not control the operations of the affiliated organisations.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.3 Goodwill accounting

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the income and expenditure account over its estimated economic life of 10 years.

Civil Service Sports Council Limited and Subsidiaries

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

1 Accounting Policies (Continued)

1.4 Going concern

Having made enquiries, the Board members have concluded that there is a reasonable expectation that the Council and the group have adequate resources to continue in operational existence for at least 12 months from the date of the audit report of these financial statements. The Council and the group therefore continue to adopt the going concern basis in preparing its financial statements.

1.5 Share subscriptions

Subscriptions for new shares are credited to share capital in the year in which they are received.

1.6 Turnover

Turnover is wholly attributable to the principal activity of the Group and arises solely within the United Kingdom.

Turnover comprises subscriptions, grants received, rental income, revenue from sales of property, membership fees, online shop sales, league fees and other operating charges less value added tax.

All income is recognised on the basis of the amount receivable for the year except as follows:

- revenue from sales of property is recognised at the point when the transaction is legally binding and the risks and rewards are passed to the purchaser;
- league fees are recognised when cash is received.

1.7 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

- | | | |
|---------------|---|---|
| Patents | - | over the useful economic life of 10 years |
| Website costs | - | over the useful economic life of 10 years |

1.8 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

- | | | |
|--------------------|---|---|
| Freehold property | - | 20 years straight line |
| Leasehold property | - | shorter of 25 years and the length of the lease |
| Equipment | - | computer equipment and motor vehicles 33 1/3% straight line
other equipment 10 - 33% straight line |

Included within leasehold property are football pitches which are depreciated using a rate of 14% per annum straight line.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

Civil Service Sports Council Limited and Subsidiaries

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

1 Accounting Policies (Continued)

1.9 Impairment of fixed assets

The need for any fixed asset impairment write down is assessed by comparing the carrying value of the asset against the higher of its realisable value and value in use.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the profit or loss account, unless the relevant asset is carried in at revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value at the reporting end-date. The surplus or deficit on revaluation is recognised in the profit and loss account.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets

1.11 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.12 Stock

Stock comprises physical stock and property which is held for development and is included at the lower of cost and realisable value.

1.13 Area capital contributions

Area capital contributions are accounted for in the income and expenditure account by instalments over the expected useful economic life of the assets to which they relate on a basis consistent with the depreciation policy.

1.14 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.15 Financial instruments

The Group 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 assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Civil Service Sports Council Limited and Subsidiaries

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

1 Accounting Policies (Continued)

1.15 Financial instruments (Continued)

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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 company 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.

Classification of financial liabilities

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 group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies, 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Civil Service Sports Council Limited and Subsidiaries

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

1 Accounting Policies (Continued)

1.15 Financial instruments (Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.16 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.17 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end-date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.18 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Civil Service Sports Council Limited and Subsidiaries

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

1 Accounting Policies (Continued)

1.19 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.20 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the asset's fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.21 Defined benefit pension

Defined benefit asset/liability

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

Defined benefit interest

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

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

Defined benefit costs

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

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

Civil Service Sports Council Limited and Subsidiaries

Notes to the Financial Statements (continued)

For the year ended 31 December 2023

1 Accounting Policies (Continued)

2 Critical accounting estimates and judgements

In the application of the Group's accounting policies, the directors 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, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

2.1 Critical estimates

Fixed assets investments

The Company has reviewed the carrying value of its investments in CSSC Properties Limited and concluded that the carrying value was not supported by the net assets of that business. Accordingly, an impairment charge of £4,427,000 was recorded in the year ended 31 December 2024.

2.2 Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Property valuation

The Group uses the valuation performed by its independent valuers as the fair value of its investment properties. The valuation is based upon the key assumptions of estimated rental values and market based yields. With regard to redevelopments and refurbishments, future development costs and an appropriate discount rate are also used. In determining fair value the valuers make reference to market evidence and recent transaction prices for similar properties.

Receivables

The Group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

Civil Service Sports Council Limited and Subsidiaries

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

2.1 Critical judgements (Continued)

Dilapidation provision

Provisions have been made for dilapidations. These provisions are estimates and the actual costs and timing of future cash flows are dependent on future events. The difference between expectations and the actual future liability will be accounted for in the period when such determination is made.

Liability claim provision

A liability has been recognised in relation to warranties provided to the purchaser within the asset purchase agreement for the disposal of ROKO assets undertaken on 20 December 2024. The directors have considered the likelihood of a claim being made under these warranties and the potential timing of such a claim.

Depreciation

The annual depreciation charge for property, plant and equipment 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, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 10 for the carrying amount of the property, plant and equipment.

Deferred tax

Deferred tax is recognised when capital allowances claimed are in excess of the depreciation charge in the accounts. The directors assessed the way they had estimated the provision for deferred taxation in the year and in particular the way that the accelerated capital allowances are calculated and amended the way they had been calculated.

Defined benefit pension

The Group has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors including: life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. See note 23 for the disclosures relating to the defined benefit pension scheme.

3 Turnover

	Group		Council	
	2024 £000	2023 £000	2024 £000	2023 £000
	Total	Total	Total	Total
Sale of goods and provision of services	17,016	17,107	8,457	8,883
Grant income	13	20	13	20
	<u>17,029</u>	<u>17,127</u>	<u>8,470</u>	<u>8,903</u>
Other significant revenue				
Interest income	189	231	65	95
Dividends received	<u>90</u>	<u>98</u>	<u>6,090</u>	<u>498</u>

Civil Service Sports Council Limited and Subsidiaries

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

4 Employees

	Group		Council	
	2024 Number	2023 Number	2024 Number	2023 Number
The average number of employees during the year was:	224	216	80	79

	Group		Council	
	2024 £000	2023 £000	2024 £000	2023 £000
Salaries	5,413	5,030	3,208	2,907
Social security costs	482	430	342	313
Other pension costs	227	307	185	270
	<u>6,122</u>	<u>5,767</u>	<u>3,735</u>	<u>3,490</u>

5 Directors' remuneration

	Group		Council	
	2024 £000	2023 £000	2024 £000	2023 £000
Remuneration for qualifying services	143	128	143	128

6 Operating loss

Operating loss for the year is stated after charging:

	Group		Council	
	2024 £000	2023 £000	2024 £000	2023 £000
Fees payable to the company's auditors for the audit of the company's annual accounts	112	104	57	51
Fees payable to the company's auditors for accounting services	20	20	5	8
Fees payable to the company's auditors for taxation services	11	8	6	6
Depreciation of tangible fixed assets	779	773	83	78
Impairment of tangible fixed assets	-	550	-	-

Civil Service Sports Council Limited and Subsidiaries

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

7 Interest receivable and similar income

	Group		Council	
	2024 £000	2023 £000	2024 £000	2023 £000
Interest on bank deposits	189	231	65	95

8 Taxation

	Group		Council	
	2024 £000	2023 £000	2024 £000	2023 £000
Current tax				
UK corporation tax on profits/(losses) for the current period	5	367	42	259
Adjustments in respect of prior periods	24	130	-	(1)
Total current tax	29	497	42	258
Deferred tax				
Origination and reversal of timing differences	17	80	366	248
Total tax charge	109	506	408	506

The charge for the year can be reconciled to the profit/(loss) per the profit and loss account as follows:

	Group		Council	
	2024 £000	2023 £000	2024 £000	2023 £000
Profit/(Loss) before taxation on continued operations	2,341	(224)	1,684	(2,848)
Profit/(Loss) on ordinary activities before taxation multiplied by standard rate of corporation tax of 25% (2023 - 23.50%)	585	(53)	421	(669)
Effects of:				
Expenses not deductible	-	181	-	-
Income not taxable	-	(81)	-	-
Impairment	-	-	1,107	844
Capital allowances excess above depreciation	(13)	137	-	-
Non-mutual trading	(812)	(173)	(1,528)	(173)
Tax losses	204	(428)	-	(427)
Group Relief	-	106	-	-
Capital disposals	-	684	-	684
Other adjustments	42	(6)	42	-
Current tax charge	6	367	42	259
Adjustments in respect of prior periods		130		1
Deferred tax movement	17	9	366	248
Tax charge for the year	86	506	408	506

Civil Service Sports Council Limited and Subsidiaries

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

9 Intangible fixed assets - Group

	Patents £000	Website £000	Goodwill £000	Total £000
Cost				
At 1 January 2024	37	7	1,784	1,828
Disposals	<u>(37)</u>	<u>(7)</u>	<u>(1,784)</u>	<u>(1,828)</u>
At 31 December 2024	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Depreciation				
At 1 January 2024	37	7	1,784	1,828
On Disposal	<u>(37)</u>	<u>(7)</u>	<u>(1,784)</u>	<u>(1,828)</u>
At 31 December 2024	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Book Value				
At 31 December 2024	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 1 January 2024	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Civil Service Sports Council Limited and Subsidiaries

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

10 Tangible Assets: Group

	Freehold property £000	Leasehold property £000	Investment property £000	Fixtures, Fittings and Equipment £000	Total £000
Cost/Valuation					
At 1 January 2024	6,402	19,545	7,163	6,166	39,276
Additions	132	-	-	56	188
Disposals	-	(18,364)	-	(5,814)	(24,178)
Transfer of class (note below)	(1,393)	-	1,393	-	-
Fair value adjustment in the year	-	-	1,914	-	1,914
At 31 December 2024	<u>5,141</u>	<u>1,181</u>	<u>10,470</u>	<u>408</u>	<u>17,200</u>
Depreciation					
At 1 January 2024	2,005	11,308	-	5,386	18,699
Charge for the year	58	433	-	288	779
On disposal	-	(10,764)	-	(5,340)	(16,104)
At 31 December 2024	<u>2,063</u>	<u>977</u>	<u>-</u>	<u>334</u>	<u>3,374</u>
Net Book Value					
At 31 December 2024	<u>3,078</u>	<u>204</u>	<u>10,470</u>	<u>74</u>	<u>13,826</u>
At 1 January 2024	<u>4,397</u>	<u>8,237</u>	<u>7,163</u>	<u>780</u>	<u>20,577</u>

The transfer of class in year relates to freehold properties which were previously occupied by a Group company which are now let to a third party following the disposal of the ROKO trade.

The leasehold property and fixtures and fittings held by ROKO were disposed of on 20 December 2024.

Tangible Assets: Council

	Freehold property £000	Leasehold property £000	Equipment £000	Total £000
Cost				
At 1 January 2024	4,916	789	339	6,044
Additions	140	-	29	169
At 31 December 2024	<u>5,056</u>	<u>789</u>	<u>368</u>	<u>6,213</u>
Depreciation				
At 1 January 2024	2,005	789	295	3,089
Charge for the year	58	-	25	83
At 31 December 2024	<u>2,063</u>	<u>789</u>	<u>320</u>	<u>3,172</u>
Net Book Value				
At 31 December 2024	<u>2,993</u>	<u>-</u>	<u>48</u>	<u>3,041</u>
At 1 January 2024	<u>2,911</u>	<u>-</u>	<u>44</u>	<u>2,955</u>

Included above are assets held under finance leases with the net book value of £204,000 (2023: £368,000) and depreciation £164,000 (2023: £185,000).

Civil Service Sports Council Limited and Subsidiaries

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

11 Long term investments - Group and Council	2024		2023	
	Fair Value £000	Cost £000	Fair Value £000	Cost £000
Listed investments	<u>20,984</u>	<u>18,313</u>	<u>13,966</u>	<u>12,973</u>
Investments movement:				
Market value at 1 January 2024	13,966			
Fair value changes	1,963			
Cash movements	(458)			
Purchases	8,520			
Sales proceeds	<u>(3,007)</u>			
Market value at 31 December 2024	<u>20,984</u>			

The following represent more than 5% of the portfolio:

Microsoft Corp £1,412,289 (6.8%)

Included in the market value of £20,984,000 above is £171,000 relating to cash (2023: £597,000).

The listed investments are invested in a sustainable portfolio managed by Barclays Private Bank Investment Management, who are a signatory of the Principles for Responsible Investment (PRI). The PRI is a framework and commitment for financial institutions to include environmental, social and governance considerations in their investing practices. This excludes, or limits, investment in controversial and nuclear weapons, fossil fuels, companies that fail to comply with the UN Global Compact Principles, Alcohol, Gambling, Tobacco, Adult Entertainment, Conventional Weapons and Civilian Firearms.

12 Fixed asset investments - Council	2024 £000	2023 £000
<i>Subsidiary undertakings</i>		
Cost		
Cost at 1 January and 31 December	<u>19,050</u>	<u>19,050</u>
Impairment		
Impairment at 1 January 2024	(3,591)	-
Impairment charge in year	<u>(4,427)</u>	<u>(3,591)</u>
Impairment at 31 December 2024	<u>(8,018)</u>	<u>(3,591)</u>
Net book value		
At 31 December 2024	<u>11,032</u>	<u>15,459</u>
At 1 January 2024	<u>15,459</u>	<u>19,050</u>

Investment impairment above relates to CSSC Properties Limited.

Investments

Civil Service Sports Council Limited's holdings in subsidiary companies which are registered and trading in England and Wales are as follows:

Subsidiary	Principal activity	Effective Holding %
CSSC Properties Limited	Property management	100
Rooftop Residential Limited **	Property investment and management	100
Yellowhammer Development Company Limited **	Property development	100
Fitness Management Solutions Limited *	Provision of fitness centres	100
The Sports and Leisure Group Limited (SLG) *	Development and operations of health and fitness clubs and small-sided soccer	100
ROKO Health Clubs Limited *	Leisure centre	100
Indoor Football Limited	Small-sided soccer	100

The companies marked with a * have taken advantage of the exemption from audit for the year ended 31 December 2024 as conferred by section 479A of the Companies Act 2006.

The companies marked with a ** are currently in the process of being liquidated and as a result are exempt from audit for the year ended 31 December 2024

Civil Service Sports Council Limited and Subsidiaries

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

13 Stock	Group		Council	
	2024 £000	2023 £000	2024 £000	2023 £000
Properties and physical stock	78	54	78	37

14 Debtors	Group		Council	
	2024 £000	2023 £000	2024 £000	2023 £000
Trade debtors	179	538	78	115
Amounts owed by group undertakings	-	-	337	314
Prepayments and accrued income	537	474	515	258
Other debtors	1,415	343	230	339
	<u>2,131</u>	<u>1,355</u>	<u>1,160</u>	<u>1,026</u>

15 Creditors: Amounts falling due within one year	Group		Council	
	2024 £000	2023 £000	2024 £000	2023 £000
Trade creditors	508	401	124	157
Taxation and social security	252	455	-	114
Corporation tax	293	538	42	256
Other creditors and accruals	1,568	2,148	1,052	948
Hire purchase and finance leases	-	181	-	-
Bank loans due within one year	-	6,811	-	-
	<u>2,621</u>	<u>10,534</u>	<u>1,218</u>	<u>1,475</u>

16 Provisions for Liabilities & Charges	Group		Council	
	2024 £000	2023 £000	2024 £000	2023 £000
Dilapidation provision	30	30	20	20
Liability claim provision	200	-	-	-
Deferred tax provision	1,720	1,640	614	248
	<u>1,950</u>	<u>1,670</u>	<u>634</u>	<u>268</u>

Civil Service Sports Council Limited and Subsidiaries

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

16 Provisions for Liabilities & Charges (Continued)

	Note	Group 2024 £000	Council 2024 £000
Deferred tax provision			
At 1 January 2024		1,640	248
Movement		80	366
At 31 December 2024	17	<u>1,720</u>	<u>614</u>

17 Deferred tax

Group	Accelerated capital allowances £000	Revaluations £000	Total £000
Deferred tax liability at 31 December 2023	441	1,199	1,640
Credit/(Debit) to profit or loss	(441)	521	80
Deferred tax liability at 31 December 2024	<u>-</u>	<u>1,720</u>	<u>1,720</u>
Council	Accelerated capital allowances £000	Revaluations £000	Total £000
Deferred tax liability at 31 December 2023	-	248	248
Charge to profit or loss	-	366	366
Deferred tax liability at 31 December 2024	<u>-</u>	<u>614</u>	<u>614</u>

18 Share Capital

	2024 £000	2023 £000
Allotted, called up and fully paid 123,221 (2023: 124,749) Ordinary shares of £0.05 each	<u>6</u>	<u>6</u>

The shares have limited rights, they carry no entitlement to dividend, are not repayable and do not participate in winding up.

Civil Service Sports Council Limited and Subsidiaries

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

19 Reserves	Group 2024 £000	Council 2024 £000
Profit and loss reserve		
At 1 January 2024	33,655	34,270
Profit for the year	2,324	1,276
Remeasurement of pension scheme assets and liabilities	(93)	(93)
At 31 December 2024	<u>35,886</u>	<u>35,453</u>

20 Ultimate parent company and controlling party

At 31 December 2024, there was no ultimate controlling party.

21 Related party transactions

The Board is responsible for approval of the level of funding and other support provided by CSSC to various affiliate bodies. Some of the members of the Board also oversee affiliate bodies that are in receipt of funding and other support from CSSC. However, decisions on the levels of funding and other support from CSSC are made by the Board or its Committees, and thus no individual member of the Board is in a position to influence the proportion of funding and other support provided to the affiliated body they oversee compared to the total amounts allocated to affiliated bodies as a whole.

22 Pensions

The Council makes annual contributions to a defined benefit pension scheme established under an irrevocable Deed of Trust for its employees. The scheme is managed by trustees accountable to the pension scheme members.

Contributions to the Scheme by the Council have been revised in accordance with the recommendations of the actuary in their triennial valuation as at 31 December 2022. The Council contributions during the year amounted to £260,000 (2023: £260,000).

The amounts recognised in the Group Balance Sheet are as follows:

	2024 £000	2023 £000
Fair value of assets	10,074	9,806
Present value of funded obligations	<u>(6,018)</u>	<u>(6,359)</u>
Surplus	<u>4,056</u>	<u>3,447</u>
	Note a)	

Note a)

The amount was not recognised on the balance sheet. The movement in the year is included in the remeasurement loss recognised on the defined benefit pension scheme shown within the Statement Of Comprehensive Income.

Civil Service Sports Council Limited and Subsidiaries

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

22 Pensions (Continued)

Pension valuation is based on various actuarial assumptions outlined below. The changes in the assumption during 2024 resulted in an increase to the asset by £609,000 between 31 December 2023 and 31 December 2024 and a debit to other comprehensive income of £93,000 in the year to 31 December 2024.

The amounts recognised in the Group Income Statement and Statement of Comprehensive Income are as follows:

	2024	2023
	£000	£000
<i>Recognised in Income Statement</i>		
Current service costs	113	93
Interest on liabilities	280	285
Interest on assets	(436)	(424)
Administration expenses	189	123
Total	146	77
<i>Taken to other comprehensive income</i>		
Loss/(gain) on scheme assets in excess of interest	90	(397)
Experience losses on liabilities	243	124
Losses from changes to demographic assumptions	(6)	(137)
(Gains)/losses from changes to financial assumptions	(843)	10
Gain not recognised due to restricted asset	609	583
	93	183

Reconciliation of assets and Defined Benefit Obligation

The change in the assets over the period:

	2024	2023
	£000	£000
Fair value of assets at 1 January	9,806	9,006
Interest on assets	436	424
Company contributions	239	260
Contributions by Scheme participants	69	60
Benefits paid	(197)	(218)
Administration costs	(189)	(123)
Return on plan assets less interest	(90)	397
Fair value of assets at 31 December	10,074	9,806

The change in the Defined Benefit Obligation over the period:

Defined Benefit Obligation at 1 January	6,359	6,142
Current service costs	113	93
Contributions by Scheme participants	69	60
Interest costs	280	285
Benefits paid	(197)	(218)
Experience loss on defined benefit obligation	243	124
Changes to financial assumptions	(843)	10
Changes to demographic assumptions	(6)	(137)
Defined Benefit Obligation at 31 December	6,018	6,359

Net pension asset at 31 December **4,056** **3,447**

Civil Service Sports Council Limited and Subsidiaries

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

22 Pensions (Continued)

Actuarial assumptions	2024	2023
Discount rate	5.50% p.a.	4.45% p.a.
Inflation assumption (RPI)	3.40% p.a.	3.25% p.a.
Inflation assumption (CPI)	3.20% p.a.	3.05% p.a.
RPI max 5% pension increases	3.20% p.a.	3.25% p.a.
CPI max 2.5% pension increases	2.05% p.a.	2.45% p.a.
Salary increases	3.20% p.a.	3.05% p.a.
Mortality table	110% of S3PMA 105% of S3PFA	110% of S3PMA 105% of S3PFA
Mortality projections	CMI 2024 projections with long-term rate of improvement of 1.25% p.a., an initial addition parameter of 0.25% p.a. and 2020, 2021 and 2024 weight parameters of 25%	CMI 2023 projections with long-term rate of improvement of 1.25% p.a., an initial addition parameter of 0.25% p.a. and 2020, 2021 and 2022 weight parameters of 25%
Tax free cash	90% of members exchange the maximum proportion of their pension for cash at retirement, using current cash commutation factors (adopted July 2018)	90% of members exchange the maximum proportion of their pension for cash at retirement, using current cash commutation factors (adopted July 2018)

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

Asset category	2024	2023
Equities	66.0%	59.0%
Bonds	15.0%	15.0%
Index linked gilts	17.0%	23.0%
Cash	2.0%	3.0%
	100%	100%

Projected Profit & Loss account to 31 December 2025

	£000
Current service costs	113
Administration costs	189
Interest on liabilities	280
Interest on assets	(436)
Total	146

Sensitivity of the value placed on the liabilities

Adjustment to assumptions	Approximate effect on liabilities
	£'000
Discount rate decreased by 0.1% p.a.	92
Inflation increased by 0.1% p.a.*	57
Salary increase assumption increased by 0.1% p.a.	16
No allowance made for cash commutation	(44)

Civil Service Sports Council Limited and Subsidiaries

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

23 Operating lease commitments

At 31 December 2024 the company had the following future minimum lease payments under non-cancellable operating leases which fall due as follows:

	Group		Council	
	2024	2023	2024	2023
	£000	£000	£000	£000
Within one year	95	542	88	96
Between two and five years	149	1,946	121	180
Within more than five years	175	6,068	-	20
	<u>419</u>	<u>8,556</u>	<u>209</u>	<u>296</u>

24 Contingent liabilities

The Civil Service Sports Council (CSSC) has provided statutory guarantees to Rooftop Residential Limited, Yellowhammer Development Company Limited and Fitness Management Solutions Limited in accordance with section 479A of the Companies Act 2006. Statutory guarantees cover all outstanding debts and liabilities of these companies as at 31 December 2021 and apply until such time as all such debts and liabilities are satisfied in full. It is not possible to quantify the amount of any such future claims were they to arise.

Civil Service Sports Council Limited and Subsidiaries

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

25 Notes to the statement of cash flows

(a) Reconciliation of profit/(loss) to net cash outflow from operating activities

Note	2024 £000	2023 £000
Group profit/(loss) for the year	2,341	(224)
Adjustments to reconcile profit/(loss) for the year to net cash flow from operating activities:		
(Profit)/Loss on revaluation of investments - listed investments	(1,963)	(1,280)
(Profit)/Loss on revaluation of investments - property	(1,914)	10
Depreciation and impairment of tangible fixed assets	779	1,323
(Profit)/Loss on disposal of fixed assets	(44)	54
Difference between pension charge and cash contributions	(93)	(183)
Shares forfeited	-	(1)
Provision movement	200	(300)
Net finance costs	(240)	469
Working capital movements		
Increase in debtors	(776)	(344)
Increase in stocks	(24)	(3)
Decrease in creditors	(639)	(455)
Taxation		
Corporation tax (paid)/received	<u>(994)</u>	<u>254</u>
Net cash outflow from operating activities	<u><u>(3,367)</u></u>	<u><u>(680)</u></u>

(b) Cash and cash equivalents

	At 31 December 2024 £000	At 31 December 2023 £000
Cash and cash equivalents comprise the following;		
Bank overdraft	-	(37)
Cash at bank and in hand	<u>3,444</u>	<u>9,913</u>
Total	<u><u>3,444</u></u>	<u><u>9,876</u></u>

26 Discontinued Operations

On 20 December 2024, the Group sold the trade and assets of its subsidiaries, ROKO Health Clubs Limited and The Sports and Leisure Group Limited. This focuses the Group's activities on its civil service membership and its Indoor Football site.