

REGISTERED COMPANY NUMBER: 03437923 (England and Wales)
REGISTERED CHARITY NUMBER: 1072638

THE PANATHLON FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

Cox Costello & Horne
Chartered Accountants and Tax Advisors
26 Main Avenue
Moor Park
HA6 2HJ

THE PANATHLON FOUNDATION LIMITED

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FOR THE YEAR ENDED 31 AUGUST 2021**

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THE PANATHLON FOUNDATION LIMITED

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2021**

TRUSTEES	C Moloney (resigned 8.12.20) L Williams (resigned 14.5.21) A D Sutch C Chaytors A H Ghani D J Thompson G Lavelle J E Fieldhouse (appointed 26.3.21)
COMPANY SECRETARY	Kerry Secretarial Services Limited
REGISTERED OFFICE	Thaxted Room C/O Novotel London Stansted Airport Round Coppice Road Stansted Essex CM24 1SF
REGISTERED COMPANY NUMBER	03437923 (England and Wales)
REGISTERED CHARITY NUMBER	1072638
INDEPENDENT EXAMINER	Cox Costello & Horne Chartered Accountants and Tax Advisors 26 Main Avenue Moor Park HA6 2HJ
CHIEF EXECUTIVE OFFICER	Ashley Icceton
CHIEF OPERATING OFFICER	Tony Waymouth
HONORARY TREASURER	Mr S F M Barker

THE PANATHLON FOUNDATION LIMITED (REGISTERED NUMBER: 03437923)**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2021. The Trustees' Report is also a Directors' Report as required by s417 of the Companies Act 2006. In preparing these financial statements, the trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities (Accounts and Reports) Regulations 2008, the Charities Act 2011 (Group Accounts) Regulations 2015, the Charities Act 2011 and the Companies Act 2006. In addition, the trustees confirm that this document complies with the charity's governing document, including the guidance issued by the Charity Commission contained within: 'CC15d - Charity Reporting and Accounting: The Essentials' (applicable for periods ending on or after 1 November 2016), and 'Public Benefit: Reporting'.

The purpose of this document is to report on the charity's activities during the reporting period in order to meet its legal responsibilities as both a charity and a company limited by guarantee, and to demonstrate how the charity works toward achieving its objectives and aims.

OBJECTIVES AND ACTIVITIES**Objectives and aims**

The charity was established to promote the physical and personal development of young disabled people, through organising school sports competitions and by the provision of resources including coaching, training, equipment and sports leadership opportunities.

Significant activities

The principal activity of the charitable company during the reporting year, having due regard to public benefit, was the funding and organisation of various virtual and 'face to face' activities for children with special educational needs and disabilities (SEND). The Covid pandemic saw the charity offer many new online activities to keep children active at home or school using a blend of coaching, leadership and participation opportunities.

Public benefit

The trustees confirm they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

Donated goods, services and facilities**Volunteers**

The charity benefits greatly from the support of a number of volunteers throughout the year and their contribution is gratefully acknowledged.

Schools

The charity benefits from various schools who do not charge for facility hire and many thousands of hours from our 'Young Leaders' who give their time without cost to the charity. There were 2,140 Young Leaders who contributed on average 5 hours each which is the equivalent to at least 10,000 hours.

Suppliers/contractors

The charity benefits from various suppliers/contractors who do not charge and/or greatly discount their goods and services throughout the year. Listed below are some of those suppliers/contractors:

Supplier/contractor	Discount	Actual Spend	Saving
	%	£	£
Bilko Merchandising	31	16,087	7,227
Running Imp	30	49,668	21,286
GE Website & Printing	20	31,470	7,868
Trade Mark Lawyers	100	-	5,000
Cox Costello & Horne	25	14,757	4,919
		<u>111,982</u>	<u>46,300</u>

THE PANATHLON FOUNDATION LIMITED (REGISTERED NUMBER: 03437923)**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

STRATEGIC REPORT**Achievement and performance****Charitable activities**

A summary statement on a year which has been fundamentally different to any in the previous 25 years due to the global pandemic.

Year on year the Panathlon Foundation has grown in size and impact and has benefitted tens of thousands of young people with disabilities and special needs. Pre the COVID Pandemic we delivered over 400 events a year and were involving over 20,000 young people in 43 counties in England and North Wales.

We prepared for the year starting September 2020 - which was going to be fundamentally different to any previous year, by creating new resources including lots of on-line content, activity cards, YouTube videos and a virtual competition structure. As the virus meant pupils couldn't come to us, we acted swiftly to take Panathlon to the pupils, creating a programme of activities and competitions that could be run safely in school - and which could be participated in simultaneously by pupils isolating or shielding at home.

Despite the lockdowns and ever-changing regulations, the programme was an astounding success, drawing universal praise from staff and pupils at the 583 participating schools across 41 English counties, North Wales and Northern Ireland. Of the 45,845 pupils who took part, 35,194 participated in virtual events, 6,992 took part in in-school competitions led by visiting Panathlon staff, 2,140 were Young Leaders (older pupils internally trained to officiate and guide their younger peers during competition) and 1,519 took part in live events via Zoom, including inspiring Question & Answer sessions with Panathlon's patrons - Paralympians and international para-athletes.

Also during the year Panathlon and our partners St. James's Place Charitable Foundation were awarded the 'Best Partnership with a National Children's Charity' prize at The Better Society Awards in December 2020.

The impact assessment reported delivered in August 2021 also reported, "It is not just numbers that have increased, Panathlon has made a clear difference to those involved and delivered against all its sought outcomes this academic year."

"Panathlon is praised for its leadership, flexibility, guidance and support offered during the pandemic."

In summary some of the highlights of the last year -

- 1 Charitable Income of £717,543 - this is down £1,282 on last year (£718,825) due to the on-going COVID crisis. Expenditure for the year was £659,379 - down from £731,066 from the year before due to a shift in delivery to virtual events. This leaves a surplus of £58,164 - a positive change from the deficit of £12,241 from the year before
- 2 45,845 participants in total (35,194 virtual, 6,992 in school, 1,519 Q&A)
- 3 2,140 Young Leaders involved
- 4 583 Schools involved across the year
- 5 Research for the year revealed 94% of teachers rated the charity's overall pandemic response and programme adaptation as 'excellent' or 'very good' (with the remaining 6% rating it 'good')
- 6 87% said it increased pupils' self-esteem and pride in themselves
- 7 Over 100 schools joined Panathlon for the first time and 79% of teachers said they've been able to engage more children than usual
- 8 75% said it created more inclusion through activities for SEND children
- 9 The number of pupils entered into the various activities within the Virtual programme was actually 55,150, although in the event 9,305 of those were unable to participate, principally due to reasons relating to Covid-19
- 10 Panathlon launched its podcast, "Panathlon People" to keep people in the Panathlon family up to date with all activity and inspiring stories from around the country

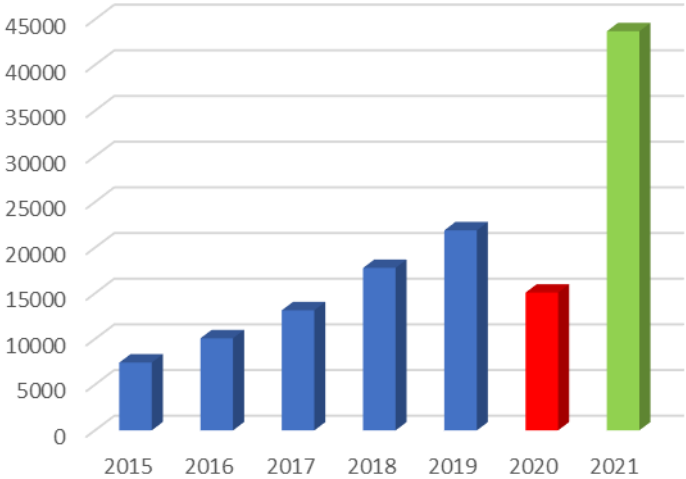
Appropriate plans were put in place for the 21-22 year following the research feedback where 91% of respondents suggested a 'blended approach' of virtual and 'face-to-face' events would be optimal for the year ahead.

THE PANATHLON FOUNDATION LIMITED (REGISTERED NUMBER: 03437923)

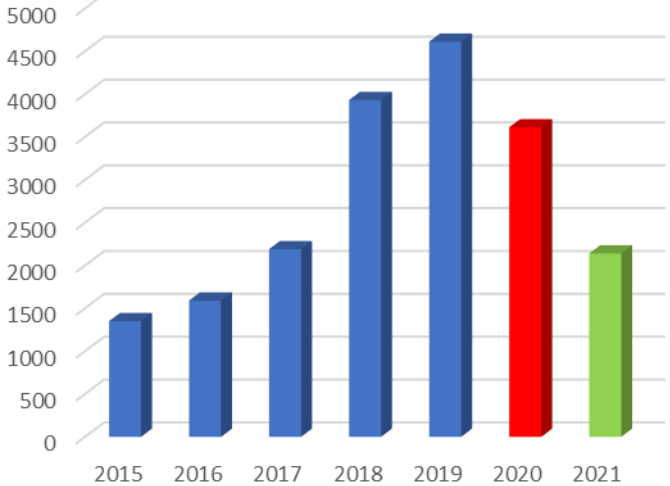
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIC REPORT
Achievement and performance
Charitable activities - continued

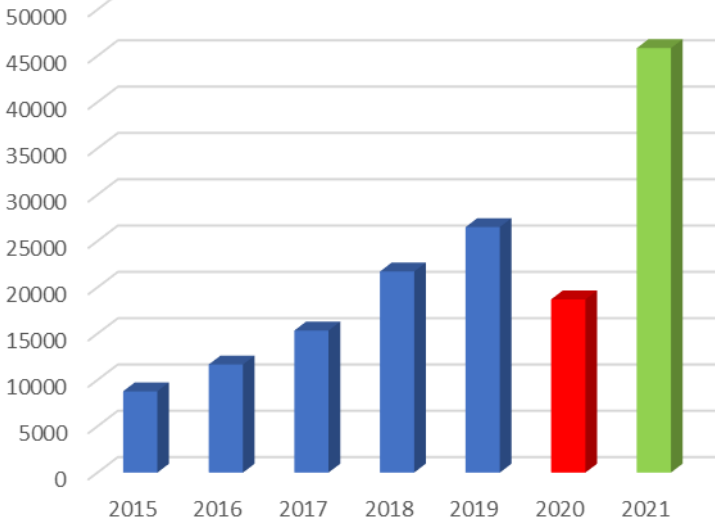
Competitors



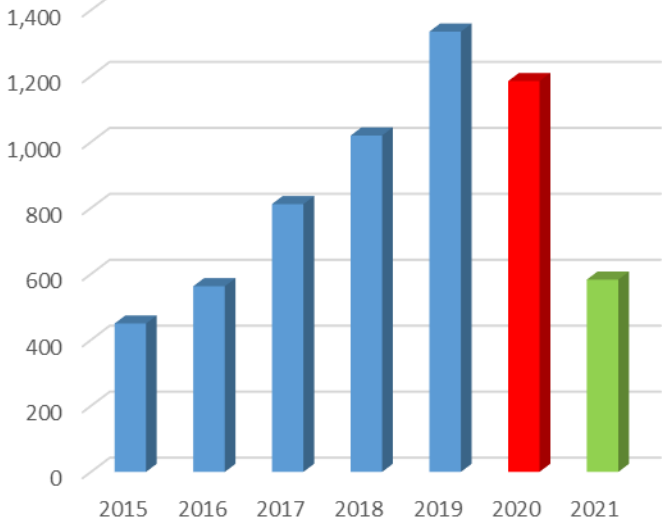
Young Leaders involved



Total Young People involved



Schools involved



Panathlon
“normal” delivery



Reduced numbers due to
cancelled events due to
Covid lockdown



Virtual Panathlon Year
Mix of on-line & 'face to face' events



THE PANATHLON FOUNDATION LIMITED (REGISTERED NUMBER: 03437923)

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

STRATEGIC REPORT

Achievement and performance

Charitable activities - continued

There has been a steady increase in the growth of competitors, young leaders and schools involved over recent years which can be seen in the blue bars on the graphs on the previous page.

However the impact in the year 2019/20 of COVID and the national lockdown - which struck at our peak time of operating - meant that unfortunately overall numbers of those able to participate (in red on previous page) were down on the previous year.

The year 20/21 saw Panathlon change its delivery entirely and offer a vast array of online activity to enable young people with SEND to still be able to participate in the Panathlon Challenge.

The Competitors graph shows the growth of the number of young people with SEND participating in Panathlon competitions - whether that be primary, secondary, football, swimming etc. over the period 2015 to 2021. This shows the steady growth from 7,426 in 2015 to 21,906 in 2019 and then the reduction to 15,091 the following year due to the cancellation of 200+ events due to the national lockdown. The new year, added in green, shows a remarkable rise to 43,705 participants due to the re-structuring of Panathlon's offering. This enabled many more young people to participate, albeit in a different way to the traditional method.

The Young Leaders Involved graph likewise reflects the growth of the young people actively involved in coach education and young leadership, from 1,350 in 2015 to 4,611 young leaders given practical experience in 2018/19. However, as a consequence of the COVID pandemic, due to the vast amount of events cancelled, this was reduced to 3,612 in 19-20. This year many of our on-line schools enjoyed our training courses and then deployed their young leaders within their own school environment. A fantastic 2,140 young people were still able to benefit from this in the proceeding twelve months.

Total Young People Involved graph shows the growth in the combined number of competitors and young leaders involved over the last 7 years, growing from a combined figure of 8,776 in 2015, through to an astonishing 45,845 in the last year through the massive growth of participants in our virtual activities during the pandemic. We appreciate that the number for the last twelve months reflects a change of delivery and therefore is difficult to compare to previous years.

Schools Involved graph, also follows the trend for growing year on year between 2015 and 2019 when our curtailed year saw numbers drop. The graph plots the growth from 450 schools involved in Panathlon in 2015, through to 1,185 in 2019 and this would have increased further if not for the national lockdown interruption. Although there is a fall this year to 583 - due to the national lockdown closing many schools - we were able to attract 100 new schools to our virtual activity.

Fundraising activities

During the difficult fundraising times of the pandemic, the Panathlon Foundation has continued to receive significant support from donors and charitable foundations which has enabled Panathlon to not only survive, but also, by changing its delivery methods, increase the number of young people accessing our activities. The charity has received long term support from the Jack Petchey Foundation and St. James's Place Charitable Foundation, both of which have enabled the charity to provide extensive additional opportunities throughout this difficult period for charities. Further longer term support has also been provided from the Woodland Group who have provided funds since 2011. Total support received during the year: Jack Petchey Foundation £96,647, St. James's Place Charitable Foundation £275,000 and Woodland Group £15,000. The rest of the income comes from a variety of sources; being a mixture of smaller charities and trusts, sponsors and a range of funders including individual donors and supporters. These can be seen in full on page 16.

THE PANATHLON FOUNDATION LIMITED (REGISTERED NUMBER: 03437923)**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

STRATEGIC REPORT**Financial review****Financial position**

The statement of financial activities for the year ended 31 August 2021 and the balance sheet as at 31 August 2021 are set out on pages 10 and 11. The statement of financial activities shows that the charity had net surplus of £58,164 in the year ended 31 August 2021 (2020: net deficit of £12,241).

Income

The charity income is made up of income from donations, investment income and other income. Total income in the year was £717,543, which is 0.2% lower than the previous year (2020: £718,825).

The negative variance is negligible in the current year.

Investment income for the year was £2,498 (2020: £1,467). The positive variance is attributable to higher average of funds held throughout the current year.

Other income of £35,945 (2020: £39,230) was grant income derived from the government coronavirus job retention scheme.

Expenditure

The charity expenditure is made up of raising funds and charitable activities.

Total expenditure in the year was £659,379, which is 10% lower than the previous year (2020: £731,066).

The variance is mainly due to a decrease in games costs included within charitable activities. As mentioned under the "achievement and performance" section, the COVID situation affected the charity's ability to run events, resulting in 200+ events been cancelled.

Reserves policy

The charity's policy is to build reserves up to the equivalent value of six months expenditure and currently has reserves amounting to £335,087 (2020: £276,923). Included within total reserves are unrestricted funds amounting to £188,617 (2020: £186,119) and restricted funds £146,470 (2020: £90,804). Restricted reserves must be spent on Panathlon Challenge events. Unrestricted reserves have been accrued from funds which have been donated without any restriction. Unrestricted reserves are funds which the trustees consider necessary to sustain the working capital requirements of Panathlon Challenge and the charity and that at this level the charity would be able to continue the current activities of the charity in the event of a significant drop in funding.

Financial and risk management objectives and policies

The trustees are responsible for ensuring that effective and adequate risk management and internal control systems are in place to manage the major risks to which the charity is exposed.

The trustees regularly assess the major risks to which the charity is faced with particular emphasis put on those risks concerning children. Several policies including Safeguarding were updated this year and the Board signed off policy updates in April 2021. The trustees consider that the charity has sufficient controls for an organisation of this size and are confident that controls are in place to monitor and minimise major risks. The controls are designed to provide reasonable, but not absolute assurance, against material misstatement or loss arising from major risks.

Future plans

The Panathlon Foundation approved a strategic plan for the year Sept 2020 to August 2021. This was a one year 'recovery plan' with income in place to enable a 'back to activity' plan which achieved remarkable results and kept funders happy and confident that Panathlon can cope and thrive through these changeable times. The year ahead - Sept 2021 to Aug 2022 - will continue the strategy of providing a blend of virtual and face to face events with schools. This also sees the partnership with from St. James's Place Charitable Foundation extend for a further three year period through to summer 2024 with over £1m being invested during this time. Likely income in the year ahead from St. James's Place will be circa £395,000. On-going positive discussions with another long term funder, the Jack Petchey Foundation, give further confidence and the trustees are re-assured that the two largest supporters have committed again for the following period. Despite use of a small proportion of the charities reserves in 2019/20 the Trustees are comforted that the deficit was less than anticipated and - due to the performance this year and reduced expenditure - reserves have increased by £58,164 during 20/21. This sees overall reserves rise to £335,087 which is in line with our policy of having reserves equivalent to 6 months of expenditure.

THE PANATHLON FOUNDATION LIMITED (REGISTERED NUMBER: 03437923)

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document and charity constitution

The Panathlon Foundation Limited ("Panathlon Foundation") is a charitable company limited by guarantee and not having a share capital, as defined by the Companies Act 2006, established under a Memorandum of Association on 22 September 1997, amended by special resolution passed 14 October 1998.

Panathlon Foundation was registered as a charity on 30 November 1998.

Membership

Membership under the Articles of Association is open to all persons who satisfy the membership requirements.

Individual voting members shall have limited liability and corporate members shall have no liability. Every individual voting member of the charitable company undertakes to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up.

Recruitment and appointment of new trustees

New trustees are recruited and appointed as and when required by the existing board of trustees. A skills analysis of current Board members was undertaken in March 2020 and a new recruitment policy agreed.

Trustees are appointed by the Board with a view to representing schools, local authorities, sport development agencies and businesses with links to sport.

A trustee induction process is thorough and documents, policies and previous are available to all Board members through a shared online drive.

The main Policies of the Panathlon Foundation were updated and signed off by the Board in March 2020.

Organisational structure

The charity has a board of trustees ("Board") representing various groups interested in the promotion of sports development in schools. The charity is governed by the Memorandum and Articles of Association. There are no specific restrictions imposed on the trustees by these documents.

The Board is responsible for the overall management and direction of the charity. The Board take all major financial, organisational and policy decisions. The Board meetings receive regular project progress reports and triannual financial management reports.

Day to day management and operational issues (including approval of purchase orders and invoices) are delegated to the Chief Executive Officer.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 22 February 2022 and signed on the board's behalf by:

DocuSigned by:


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A D Sutch - Trustee

THE PANATHLON FOUNDATION LIMITED

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

The trustees (who are also the directors of The Panathlon Foundation Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE PANATHLON FOUNDATION LIMITED (REGISTERED NUMBER: 03437923)**

Independent examiner's report to the trustees of The Panathlon Foundation Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2021.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

As permitted by Direction 2, issued by the Charity Commission the firm for which I work has provided the Company with bookkeeping services during the year ended 31 August 2021. As a consequence I have followed the requirement of the FRC's Ethical Standard when undertaking this assignment.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

DocuSigned by:

Cox Costello & Horne

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Michael F Cox FCA

Institute of Chartered Accountants in England and Wales

Cox Costello & Horne

Chartered Accountants and Tax Advisors

26 Main Avenue

Moor Park

HA6 2HJ

Date: 22 February 2022

THE PANATHLON FOUNDATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted fund £	Restricted fund £	31.8.21 Total funds £	31.8.20 Total funds £
INCOME FROM					
Donations	2	37,494	641,606	679,100	678,128
Investment income	3	2,498	-	2,498	1,467
Other income		-	35,945	35,945	39,230
Total		39,992	677,551	717,543	718,825
EXPENDITURE ON					
Raising funds	4	-	50,641	50,641	49,906
Charitable activities	5				
Panathlon Challenge		-	608,738	608,738	681,160
Total		-	659,379	659,379	731,066
NET INCOME/(EXPENDITURE)		39,992	18,172	58,164	(12,241)
RECONCILIATION OF FUNDS					
Total funds brought forward		186,119	90,804	276,923	289,164
TOTAL FUNDS CARRIED FORWARD		226,111	108,976	335,087	276,923

The notes form part of these financial statements

THE PANATHLON FOUNDATION LIMITED (REGISTERED NUMBER: 03437923)**BALANCE SHEET
31 AUGUST 2021**

	Notes	31.8.21 £	31.8.20 £
FIXED ASSETS			
Investments	11	2	2
CURRENT ASSETS			
Stocks	12	21,500	21,500
Debtors	13	3,750	6,064
Prepayments and accrued income		33,320	25,474
Cash at bank		<u>376,282</u>	<u>281,653</u>
		434,852	334,691
CREDITORS			
Amounts falling due within one year	14	<u>(99,767)</u>	<u>(57,770)</u>
NET CURRENT ASSETS		<u>335,085</u>	<u>276,921</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>335,087</u>	<u>276,923</u>
NET ASSETS		<u>335,087</u>	<u>276,923</u>
FUNDS	16		
Unrestricted funds		226,111	186,119
Restricted funds		<u>108,976</u>	<u>90,804</u>
TOTAL FUNDS		<u>335,087</u>	<u>276,923</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2021.

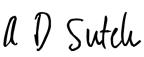
The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 22 February 2022 and were signed on its behalf by:

DocuSigned by:

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A D Sutch – Trustee

DocuSigned by:

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D J Thompson – Trustee

REGISTERED CHARITY NUMBER: 1072638

The notes form part of these financial statements

THE PANATHLON FOUNDATION LIMITED**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	31.8.21 £	31.8.20 £
Cash flows from operating activities			
Cash generated from operations	19	<u>92,500</u>	<u>(65,548)</u>
Net cash provided by/(used in) operating activities		<u>92,500</u>	<u>(65,548)</u>
Cash flows from investing activities			
Interest received		<u>2,498</u>	<u>1,467</u>
Net cash provided by investing activities		<u>2,498</u>	<u>1,467</u>
Cash flows from financing activities			
New loans in year		(369)	-
Loan repayments in year		<u>-</u>	<u>6,492</u>
Net cash (used in)/provided by financing activities		<u>(369)</u>	<u>6,492</u>
Change in cash and cash equivalents in the reporting period		94,629	(57,589)
Cash and cash equivalents at the beginning of the reporting period		<u>281,653</u>	<u>339,242</u>
Cash and cash equivalents at the end of the reporting period		<u>376,282</u>	<u>281,653</u>

The notes form part of these financial statements

THE PANATHLON FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021****1. ACCOUNTING POLICIES****Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102 2nd edition) 'Accounting and Reporting by Charities: Statement of Recommended Practice' applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Preparation of the financial statements on a going concern basis

The financial statements are drawn up on the going concern basis which assumes the charity will continue in operational existence for the foreseeable future. The Board of Trustees have given due consideration to the working capital and cash flow requirements of the charity. The Board of Trustees consider the charity's current and forecast cash resources to be sufficient to cover the working capital requirements of the charity for at least 12 months from the date of signing the financial statements.

Preparation of consolidated financial statements

The financial statements contain information about The Panathlon Foundation Limited as an individual company and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Under the Charities Act 2011 and Charities Act 2011 (Group Accounts) Regulations 2015, a parent charity must prepare consolidated accounts including all its subsidiary undertakings where their preparation is either a requirement of company law or where the gross income of the group after consolidation adjustments, the parent charity and its subsidiary undertakings together, exceeds the threshold set by the regulations, currently £1,000,000. The Board of Trustees consider there is no statutory requirement to prepare group accounts and the results of the subsidiary undertaking are excluded from these financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In preparing these financial statements, the Board of Trustees have made judgements, estimates and assumptions that affect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The key areas that are deemed to be material for these financial statements is as follows:

Income recognition

An appropriate proportion of income, sufficient to cover future costs, is deferred to future periods when the charity has obligations extending to future periods. As a result, judgement is required in assessing the extent and associated costs of fulfilling those future obligations. The charity uses historical experience and forecast activity levels in determining the appropriate amount of income to recognise in the current period and how much to defer to future periods.

Allocation of support costs

Allocation of support costs involves an appropriate proportion of staff time and estimated costs. As a result, judgement is required in assessing the extent of staff time and associated costs. The charity uses historical experience and forecast activity levels in determining the appropriate amounts to be allocated.

Volunteers

The value of the contribution of the thousands of hours donated by its unpaid volunteers has not been reflected in these accounts. The SORP does not permit the accounting for such contributions due to the inherent uncertainty in applying an accurate and reliable financial measurement in accordance with the SORP.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. Income received in advance of a service is deferred until the criteria for income recognition are met. Income arises in the United Kingdom.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

THE PANATHLON FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES - continued**Income**

Gifts in kind are valued at estimated value to the charity. They are included in the charity's financial statements if the estimated value is in excess of £500.

Interest receivable on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Unrestricted charitable donations are recognised in the financial statements when the charitable donation has been received, or if, before receipt, there is sufficient evidence to provide the necessary certainty that the donation will be received and the value of the incoming resources can be measured with sufficient reliability.

Donated professional services and facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised. On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. A further analysis of this expenditure is given in the notes to the financial statements.

- Cost of raising funds comprises the costs of commercial trading and their associated support costs.
- Expenditure on charitable activities includes the costs of the charity's services undertaken to further the purpose of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Support costs, which include general management, payroll administration, budgeting and accounting, information technology, and human resources, are apportioned based on the estimated amount of time spent by the support area on each activity category.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Investments

Unlisted investments are included at cost as an approximation to market value.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors - trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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

Creditors and provisions - creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

THE PANATHLON FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021****1. ACCOUNTING POLICIES - continued****Taxation**

The charity is an institution within the meaning of the Charities Act 2011 and as such is a charity within the meaning of Section 506(1) of the Taxes Act 1988. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains within categories covered by Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied exclusively to charitable purposes. The charity receives no similar exemption in respect of Value Added Tax.

The charity is an institution which is established for charitable purposes within the meaning of the Charities Act 2011 and as such is a charity within the meaning of Para 1 of Schedule 6 to the Finance Act 2010. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Sections 478-488 of the Corporation Tax Act 2010 (formerly enacted in Section 505 of the Income and Corporation Taxes Act 1988) or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes. The charity receives no similar exemption in respect of Value Added Tax. For this reason, the charity is generally unable to recover input VAT it suffers on goods and services purchased. The charity is not registered for VAT, as the trustees consider the charity's sources of income are exempt from VAT. VAT is included within the attributable cost under resources expended.

Fund accounting

Unrestricted funds are donations and other income received or generated and can be used in accordance with the charitable objectives at the discretion of the trustees. Designated funds are included within unrestricted funds and are earmarked by the trustees for particular purposes.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Expenditure which meets these criteria is charged to the fund together with a fair allocation of management and support costs.

Transfers are made from unrestricted to restricted funds to cover any overspends on restricted projects during the year where the cost will not be met by the funder. Transfers between restricted funds and from restricted to unrestricted funds are made with the permission of the funder.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Leasing commitments

Rentals payable under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

Pension costs

The charity makes contributions into the personal retirement schemes of certain staff. Contributions by the charity and staff are determined by mutual agreement.

From 1 April 2015, under the Pensions Act 2008, the charity must put certain staff into a pension scheme and contribute towards it. This is called automatic enrolment. To comply with automatic enrolment laws, the charity signed a participation agreement with a pension provider by which staff become members of an independently administered pension plan. The charity and staff make contributions as specified in the plan.

In the aforementioned schemes, staff contract directly with the pension company, and assets of those schemes are held separately from those of the charity. The charity acts as agent in collecting and paying over staff pension contributions. Once the contributions have been paid, the charity as employer has no further obligations.

The charity's contributions are charged to the Statement of Financial Activities in the period to which they relate. At the reporting date, outstanding contributions amounted to £4,469 (2020: £3,510).

2. DONATIONS

	31.8.21	31.8.20
	£	£
Donations	632,800	604,722
Donated services and facilities	46,300	73,406
	<u>679,100</u>	<u>678,128</u>

THE PANATHLON FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021

2. DONATIONS - continued

Analysis of donors:

	31.8.21 £	31.8.20 £
St. James's Place Charitable Foundation	275,000	240,000
Jack Petchey Foundation	69,975	128,350
CVC Partners	50,000	-
Redevco Foundation	33,841	-
Scottish Power Foundation	-	30,000
MCKS Charitables	-	25,000
BlueBay Asset Management	25,000	-
EQ Foundation	25,000	-
Ovingdean Hall Foundation	25,000	-
LNER	-	18,000
Pentland Brands	17,544	15,678
Woodland Group	15,000	15,000
Peter Cuncliffe	3,602	11,443
Peter Harrison Foundation	10,000	-
Investigo	-	1,860
Other smaller donors	82,838	119,391
	<u>632,800</u>	<u>604,722</u>

3. INVESTMENT INCOME

	31.8.21 £	31.8.20 £
Interest receivable - trading	<u>2,498</u>	<u>1,467</u>

4. RAISING FUNDS

Raising donations and legacies

	31.8.21 £	31.8.20 £
Marketing costs - internal	12,479	25,906
Marketing costs - external	<u>38,162</u>	<u>24,000</u>
	<u>50,641</u>	<u>49,906</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Panathlon Challenge	<u>558,857</u>	<u>49,881</u>	<u>608,738</u>

THE PANATHLON FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021****6. SUPPORT COSTS**

	Management £	Finance £	Governance costs £	Totals £
Panathlon Challenge	<u>32,182</u>	<u>860</u>	<u>16,839</u>	<u>49,881</u>
Governance costs			31.8.21 £	31.8.20 £
Independent examiner's fees:				
- Examination fees			6,120	6,120
- Other services			8,637	7,373
Legal and professional fees			<u>2,082</u>	<u>7,350</u>
			<u>16,839</u>	<u>20,843</u>
Panathlon Challenge			31.8.21 £	31.8.20 £
Other operating leases - premises			12,240	13,091
Sundry, insurance, subscriptions, telephone, postage & stationery, donations and bank interest & charges			<u>20,802</u>	<u>23,368</u>
			<u>33,042</u>	<u>36,459</u>

Support costs have been allocated based on the appropriate combination of staff costs/time and transaction volumes.

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.8.21 £	31.8.20 £
Hire of plant and machinery	20,446	21,360
Other operating leases	12,240	13,091
Independent examiner's fees	<u>6,120</u>	<u>6,120</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

No remuneration was paid to the trustees, and no payments were made to third parties on behalf of the trustees.

Trustees' expenses

The charity trustees were reimbursed expenses during the reporting period £nil (2020: £155). The nature of those expenses were travel and subsistence and resulted from governance meetings held during the reporting year.

THE PANATHLON FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021****9. STAFF COSTS**

	31.8.21	31.8.20
	£	£
Wages and salaries	234,175	223,625
Social security costs	22,154	16,399
Other pension costs	17,234	9,286
	<u>273,563</u>	<u>249,310</u>

The average monthly number of employees during the year was as follows:

	31.8.21	31.8.20
	6	7
Charitable activities	<u>6</u>	<u>7</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.8.21	31.8.20
	1	-
£60,001 - £70,000	<u>1</u>	<u>-</u>

Remuneration of key management personnel: The total remuneration paid (including employers NI and employers pension) to key management personnel was £273,563 which relates to six individuals: chief executive officer, chief operating officer and four events/logistics managers (2020: £249,310 paid to seven individuals: chief executive officer, chief operating officer, four events/logistics managers and one part time fundraiser).

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME FROM			
Donations	57,043	621,085	678,128
Investment income	1,467	-	1,467
Other income	<u>-</u>	<u>39,230</u>	<u>39,230</u>
Total	58,510	660,315	718,825
EXPENDITURE ON			
Raising funds	-	49,906	49,906
Charitable activities			
Panathlon Challenge	-	681,160	681,160
	<u>-</u>	<u>681,160</u>	<u>681,160</u>
Total	<u>-</u>	<u>731,066</u>	<u>731,066</u>
NET INCOME/(EXPENDITURE)	58,510	(70,751)	(12,241)
RECONCILIATION OF FUNDS			
Total funds brought forward	127,609	161,555	289,164
	<u>127,609</u>	<u>161,555</u>	<u>289,164</u>
TOTAL FUNDS CARRIED FORWARD	<u>186,119</u>	<u>90,804</u>	<u>276,923</u>

THE PANATHLON FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021

11. FIXED ASSET INVESTMENTS

	Shares in group undertaking £
MARKET VALUE	
At 1 September 2020 and 31 August 2021	<u>2</u>
NET BOOK VALUE	
At 31 August 2021	<u>2</u>
At 31 August 2020	<u>2</u>

There were no investment assets outside the UK.

12. STOCKS

	31.8.21 £	31.8.20 £
Stocks	<u>21,500</u>	<u>21,500</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.21 £	31.8.20 £
Amount owed by group undertaking	661	292
Other debtors	<u>3,089</u>	<u>5,772</u>
	<u>3,750</u>	<u>6,064</u>

The amount due from the group undertaking is unsecured, attracts no interest, has no fixed repayment terms and considered payable on demand.

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.21 £	31.8.20 £
Trade creditors	10,079	17,762
Other creditors	4,469	3,510
Accruals and deferred income	<u>85,219</u>	<u>36,498</u>
	<u>99,767</u>	<u>57,770</u>

Certain trade creditors are secured against the value of goods concerned.

Included in accruals and deferred income is deferred income of £71,972 (2020: £14,350). Deferred income comprises funds received by: A Clark £1,000, A Tranmer £1,000, UK Online Redevco £20,330, Ansfield £900, Essex CC £2,000, CVC £46,742. The deferred income will be expended during the following financial year.

THE PANATHLON FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted fund £	31.8.21 Total funds £	31.8.20 Total funds £
Investments	-	2	2	2
Current assets	226,111	208,741	434,852	334,691
Current liabilities	-	(99,767)	(99,767)	(57,770)
	<u>226,111</u>	<u>108,976</u>	<u>335,087</u>	<u>276,923</u>

16. MOVEMENT IN FUNDS

	At 1.9.20 £	Net movement in funds £	At 31.8.21 £
Unrestricted funds			
General fund	186,119	39,992	226,111
Restricted funds			
Panathlon Challenge	90,804	18,172	108,976
TOTAL FUNDS	<u>276,923</u>	<u>58,164</u>	<u>335,087</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	39,992	-	39,992
Restricted funds			
Panathlon Challenge	677,551	(659,379)	18,172
TOTAL FUNDS	<u>717,543</u>	<u>(659,379)</u>	<u>58,164</u>

Comparatives for movement in funds

	At 1.9.19 £	Net movement in funds £	At 31.8.20 £
Unrestricted funds			
General fund	127,609	58,510	186,119
Restricted funds			
Panathlon Challenge	161,555	(70,751)	90,804
TOTAL FUNDS	<u>289,164</u>	<u>(12,241)</u>	<u>276,923</u>

THE PANATHLON FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021****16. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	58,510	-	58,510
Restricted funds			
Panathlon Challenge	660,315	(731,066)	(70,751)
TOTAL FUNDS	<u>718,825</u>	<u>(731,066)</u>	<u>(12,241)</u>

Purpose of unrestricted funds:

To ensure our work is protected from the risk of disruption at short notice due to a lack of funds, whilst at the same time ensuring we do not retain income for longer than required.

Purpose of unrestricted designated funds:

Trustees, at their discretion, may earmark part of unrestricted funds for specific activities, without restricting or committing the funds in a legal sense. The designation may be cancelled by the trustees if they later decide that the charity does not need these funds for a specified purpose.

Purpose of restricted funds:

These funds relate to unspent money from donations and other incoming sources where the funder has specified what the money must be spent on and the trustees do not have the power to use the funds for other purposes.

Restricted funds are to be utilised as follows:

- To promote the physical and personal development of young disabled people, through organising school sports competitions and by the provision of resources including coaching, training, equipment and sports leadership opportunities.

Funds held at the reporting date will be expended in the following financial year.

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2021.

18. ULTIMATE CONTROLLING PARTY

The charitable company is limited by guarantee and has no share capital. The charitable company is controlled by its members as a group and consequently there is no single controlling party.

At the reporting date, in the trustees' opinion, there is no ultimate controlling party. There has been no change between the reporting date and date of approval of the financial statements.

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

	31.8.21 £	31.8.20 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	58,164	(12,241)
Adjustments for:		
Interest received	(2,498)	(1,467)
Increase in stocks	-	(21,500)
Increase in debtors	(5,163)	(9,270)
Increase/(decrease) in creditors	<u>41,997</u>	<u>(21,070)</u>
Net cash provided by/(used in) operations	<u>92,500</u>	<u>(65,548)</u>

THE PANATHLON FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021****20.. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.9.20 £	Cash flow £	At 31.8.21 £
Net cash			
Cash at bank	<u>281,653</u>	<u>94,629</u>	<u>376,282</u>
	<u>281,653</u>	<u>94,629</u>	<u>376,282</u>
Total	<u>281,653</u>	<u>94,629</u>	<u>376,282</u>

21. FINANCIAL INSTRUMENTS

The charity has the following basic financial instruments:

	31.8.21	31.8.20
	£	£
Financial assets measured at amortised cost	<u>376,943</u>	<u>281,945</u>
Financial liabilities measured at amortised cost	<u>27,795</u>	<u>43,420</u>

Financial assets measured at amortised cost comprise cash at bank and amount owed by group undertaking.

Financial liabilities measured at cost comprise trade creditors, other creditors and accruals (excluding deferred income).

22. IMPACT OF THE COVID 19 PANDEMIC

At the reporting date of these financial statements, the outbreak of Covid-19 has negatively affected economic conditions regionally and globally, disrupted operations and affected supply chains. There is a risk that we will see an adverse impact on the charity sector and its operations. During the year, the funding levels and cashflow were affected which was mitigated to some extent by additional funding generated from Covid-19 support grants and HMRC grants through the job support scheme. The charity is doing everything it can to ensure operational continuity and protecting staff and the communities it serves, which is the overriding priority. At this point in time, the trustees have reviewed the financial forecasts for the short term (up to one year) and are satisfied that the charity's ability to operate as a going concern is not in doubt.

23. COMPANY LIMITED BY GUARANTEE

The charitable company is limited by guarantee and has no share capital. Every member of the charity undertakes to contribute to the assets of the company in the event of its being wound up, for payments of the debts and liabilities of the company, such amount as may be required, not exceeding £10.