

REGISTERED COMPANY NUMBER: 03437923 (England and Wales)

REGISTERED CHARITY NUMBER: 1072638 (England and Wales)

**THE PANATHLON FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

TRUSTEES' REPORT

AND

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

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 2022

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THE PANATHLON FOUNDATION LIMITED

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2022**

TRUSTEES	A D Sutch C Chaytors A H Ghani D J Thompson G Lavelle J E Fieldhouse
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 (England and Wales)
INDEPENDENT EXAMINER	Cox Costello & Horne Chartered Accountants and Tax Advisors 26 Main Avenue Moor Park HA6 2HJ
CHIEF EXECUTIVE OFFICER	Ashley Iceton
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 2022**

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 2022. 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 (effective 1st January 2019) applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006.

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) Since 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. The return to 'face to face' activities in the last year has been rapid with a record number of events delivered in schools and the community.

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 and Schools**

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

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 5,013 (2021: 2,140) Young Leaders who contributed on average 5 hours each which is the equivalent to at least 25,000 (2021: 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	62,413	28,041
Running Imp	30	85,873	36,803
GE Website & Printing	20	11,730	2,933
Cox Costello & Horne	25	14,366	4,789
		<u>174,382</u>	<u>72,566</u>

THE PANATHLON FOUNDATION LIMITED (REGISTERED NUMBER: 03437923)**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022****ACHIEVEMENT AND PERFORMANCE****Charitable activities**

A summary statement on a year which has seen a recovery from the global pandemic which affected the last two years of fundraising and also delivery of our services.

The Panathlon Foundation has grown in size and impact, benefitting tens of thousands of young people with disabilities and special needs over the last 20 years. 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. The year 19/20 came to abrupt halt in March 2020 when the national lockdown occurred and Panathlon recorded its first fall in participation numbers year on year as we were only able to deliver 6 months of the years activities. Last year (20/21) with a mix of virtual and 'face to face' activities, we were able to report record participation figures despite the pandemic as the majority of these participants were taking part virtually - either at home in isolation or in school in small clusters and bubbles.

This year saw a more than anticipated return to 'face to face' participation and competitions held once again at neutral venues as schools welcomed the chance to leave the school grounds, and for many this was the first time in two years. This drove the record breaking 33,197 participants in 'face to face' competitors, with the additional 14,266 virtual participants, and the 5,013 young leaders, which saw a record breaking 52,476 participants in total.

This was only possible as we delivered 758 events in 42 English Counties and 7 local authority areas in Wales. Another record breaking statistic was that 2,078 schools were involved across those areas during the year, a massive rise since pre Pandemic.

The impact of Panathlon's record return to activity has been well documented to funders and the wider population with the addition of 81 examples and case studies in our news and impact sections of the Panathlon website www.panathlon.com

In summary some of the highlights of the last year -

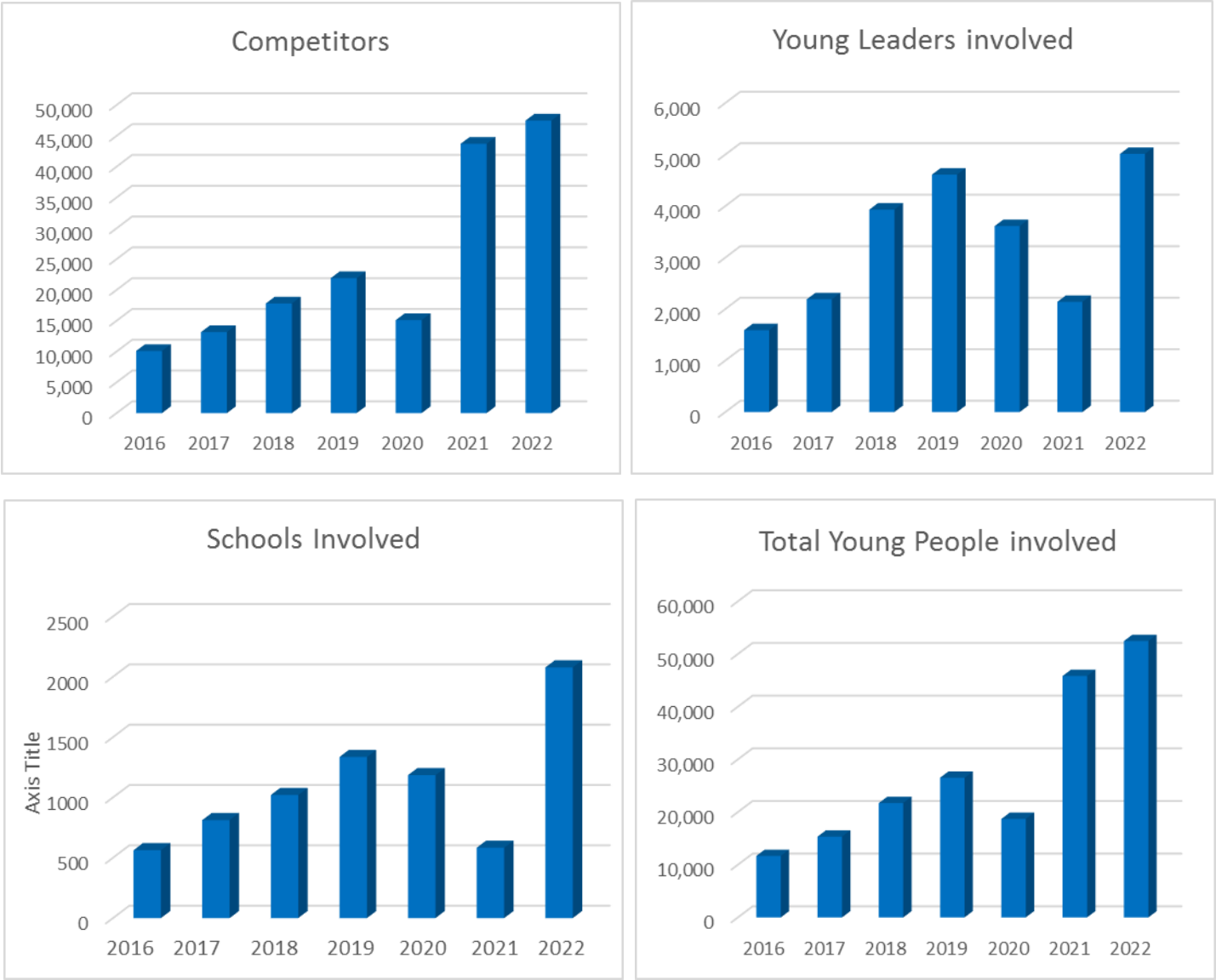
- 1 Charitable Income of £906,870 - this is the highest amount generated since inception of the charity. This was £189,327 up on the previous year £717,543. Expenditure for the year was £888,649 - up from £659,379 from the year before due to a huge increase in events delivered. This leaves a surplus of £18,221
- 2 A new 3 year agreement was signed with our main funding partner, St. James's Place Charitable Foundation, guaranteeing a £1m investment over the next 3 years
- 3 March 2021 saw the busiest month ever, with 115 events delivered involving over 5,000 young people from over 500 schools
- 4 52,476 participants throughout the year in total (33,197 face to face & 14,266 virtual) plus
- 5 5,013 Young Leaders involved
- 6 2,078 Schools involved across the year
- 7 A record breaking 758 events delivered in 42 English Counties and 7 Welsh Authority areas
- 8 Four meetings of the Panathlon Foundation Board took place throughout the year
- 9 Meetings held throughout the year with key funding partners including St. James's Place Charitable Foundation, The Jack Petchey Foundation, Woodland Group, BlueBay Asset Management, EQ Foundation and the Pentland Group
- 10 Fundraising events including participation in London Marathon, Royal Parks Half Marathon, Ride London, a corporate golf fundraising event, and many smaller events generated £44,291

Appropriate plans were put in place for the 2022-23 year.

THE PANATHLON FOUNDATION LIMITED (REGISTERED NUMBER: 03437923)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

ACHIEVEMENT AND PERFORMANCE
Charitable activities - continued



NB - Numbers dipped in 2020 and 2021 due to the Coronavirus Pandemic where events were cancelled from March 2020 onwards due to the national lockdown. The year 2021 was also affected resulting in the delivery of a mix of virtual and 'face to face' events. 2022 saw a return to more 'normal' activity and the return of many schools.'

THE PANATHLON FOUNDATION LIMITED (REGISTERED NUMBER: 03437923)**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

ACHIEVEMENT AND PERFORMANCE**Charitable activities - continued**

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

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 2016 to 2022. This shows the steady growth from 10,083 in 2016 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 addition of virtual activity in 2021 enabled a remarkable rise to 43,705 participants last year and this trend has increased further in the last 12 months to involve 47,476. This however shows a massive growth of 'face to face' participants from less than 7,000 to more than 33,000 in a year as we 'recovered from Covid' inactivity.

The Young Leaders Involved graph likewise reflects the growth of the young people actively involved in coach education and young leadership, from 1,590 in 2016 to 4,611 young leaders given practical experience in 2019. However, as a consequence of the COVID pandemic, due to the vast amount of events cancelled, this was reduced to 3,612 in 2020. The following year 2021 saw fewer schools involved but many deployed their young leaders within their own school environment. So an overall reduction to 2,140 young people benefitted in 2021. The return to many more events delivered in 2022 saw record breaking 5,013 young people as Young Leaders being involved throughout the year.

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 11,673 in 2016, through to an amazing 52,476 in the last year through the massive growth of the number of events delivered to 758 and the continued input of our virtual programme.

Schools Involved graph, also follows the trend for growing year on year between 2016 and 2019 when our curtailed year saw numbers drop. The graph plots the growth from 563 schools involved in Panathlon in 2016, through to 1,185 in 2019 and this would have increased further if not for the national lockdown interruption. Although there is a fall to 583 in 2021, due to the national lockdown closing many schools - we have more than bounced back with 2,078 involved in the last 12 months.

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 develop its on-going delivery methods and increase the number of young people accessing our activities. The charity has received long term support from the Jack Petchey Foundation, Woodland Group and St. James's Place Charitable Foundation, whose support during the last two years of difficult trading for charity has been very much welcomed and appreciated and enabled stability at a difficult time. Total support received during the year: Jack Petchey Foundation £100,478, St. James's Place Charitable Foundation £395,000 and Woodland Group £16,357. 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 15.

THE PANATHLON FOUNDATION LIMITED (REGISTERED NUMBER: 03437923)**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022****FINANCIAL REVIEW****Financial position**

The Statement of Financial Activities for the year ended 31 August 2022 and the Statement of Financial Position as at 31 August 2022 are set out on pages 9 and 10 respectively. The Statement of Financial Activities shows that the charity had net surplus of £18,221 in the year ended 31 August 2022 (2021: £58,164 as restated).

Income

The charity income is made up of income from donations, investment income and other income. Total income in the year was £906,870, which is 26,4% higher than the previous year (2021: £717,543 as restated).

Other income of £1,682 (2021: £35,945) 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 £888,649, which is 34,8% higher than the previous year (2021: £659,379 restated).

The variance is mainly due to increases in accommodation, meeting room hire & transport and games costs included in charitable activities. Total expenditure increased due to 'return to activity' and delivering 758 events this year as opposed to less than 200 the year previously, leading to a much greater cost in games costs and transport and accommodation costs for example. The costs of involving 33,197 children 'face to face' is much increased from the previous year of 6,992 seen 'face to face'.

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 £353,308 (2021: £335,087 as restated). Included within total reserves are unrestricted funds amounting to £272,548 (2021: £226,111 as restated) and restricted funds £80,760 (2021: £108,976 as restated). 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.

FUTURE PLANS

The Panathlon Foundation approved a strategic plan for the years Sept 2021 to August 2024. This is also endorsed and part funded to the tune of £1m investment by St. James's Place Charitable Foundation, who are financially committed until Autumn 2024. This will continue to add stability to the charity and enable it to flourish and grow further in the three years ahead. 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 short term period.

Despite use of a small proportion of the charity's reserves in 2019/20 the Trustees are comforted that these set of financial statements add to last years (20/21) surplus (£58,164) with a further surplus of £18,221. This sees overall reserves rise to £353,308 which is largely in line with our policy of having reserves equivalent to 6 months of expenditure.

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.

Subsidiary

The charity's only subsidiary undertaking is Panathlon Challenge Limited and is wholly owned and registered in England and Wales. Any trading activities are run through the company although during the current and prior periods the company was dormant.

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.

THE PANATHLON FOUNDATION LIMITED (REGISTERED NUMBER: 03437923)

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 April 2021.

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 financial management of the charity is delegated to the Chief Executive Officer. Day to day operational issues are delegated to the Chief Operational Manager.

Key management and staff remuneration

The charity is committed to fairness in our remuneration practices and our remuneration policy follows these guiding principles:

- Transparency - openness about how remuneration is set with salary ranges in all job adverts;
- Rewarding performance - ensuring remuneration is commensurate with an individual's performance and contribution;
- Proportionality - fairness and consistency in line with appropriate internal and external references; and
- Effective recruitment and retention - enabling us to attract and retain valued staff.

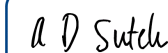
Subject to available funds, salaries are initially positioned between the median of the charitable and corporate sectors. Remuneration may vary depending on the job type and talent pool and is validated objectively using market comparators. This includes salary survey data from the charitable, private and public sectors. Guidance is sought from external professional advisers as appropriate. Our remuneration framework sets out clear pay bands and is openly available to our staff to engender fairness and transparency. We normally conduct an annual salary review, with increases awarded for individual performance.

We review our remuneration policy and positioning regularly to ensure we are paying appropriately to attract and retain skilled and experienced people, while making best use of supporters' donations.

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

Approved by order of the board of trustees on 10 May 2023 and signed on its behalf by:

DocuSigned by:



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A D Sutcliffe - Trustee

**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

I report to the trustees (who are also Directors for the purpose of company law) on my examination of the financial statements of the The Panathlon Foundation Limited ('the charitable company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and related notes.

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 trustees of the charitable company you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the Act and are eligible for independent examination, I report in respect of my examination of the charitable company's financial statements carried out under section 145 of the Charities Act 2011 ('the 2011 Act') and in carrying out my examination I have followed all the applicable 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 charitable company with bookkeeping services during the year ended 31 August 2022. 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 the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the financial statements 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 financial statements 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 financial statements to be reached.

DocuSigned by:

Cox Costello & Horne

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: 10 May 2023

THE PANATHLON FOUNDATION LIMITED**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

		Unrestricted fund	Restricted fund	31.8.22 Total funds	31.8.21 Total funds as restated
	Notes	£	£	£	£
INCOME FROM					
Donations	2	44,291	860,431	904,722	679,100
Investment income	3	466	-	466	2,498
Other income		<u>1,680</u>	<u>2</u>	<u>1,682</u>	<u>35,945</u>
Total		<u>46,437</u>	<u>860,433</u>	<u>906,870</u>	<u>717,543</u>
EXPENDITURE ON					
Raising funds	4	-	48,410	48,410	50,641
Charitable activities	5				
Panathlon Challenge		<u>-</u>	<u>840,239</u>	<u>840,239</u>	<u>608,738</u>
Total		<u>-</u>	<u>888,649</u>	<u>888,649</u>	<u>659,379</u>
NET INCOME/(EXPENDITURE)		46,437	(28,216)	18,221	58,164
RECONCILIATION OF FUNDS					
Total funds brought forward					
As previously reported		226,111	108,976	335,087	276,923
Prior year adjustment	11	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
As restated		<u>226,111</u>	<u>108,976</u>	<u>335,087</u>	<u>276,923</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>272,548</u></u>	<u><u>80,760</u></u>	<u><u>353,308</u></u>	<u><u>335,087</u></u>

The notes form part of these financial statements

THE PANATHLON FOUNDATION LIMITED (REGISTERED NUMBER: 03437923)**STATEMENT OF FINANCIAL POSITION
31 AUGUST 2022**

	Notes	31.8.22 £	31.8.21 as restated £
FIXED ASSETS			
Investments	12	2	2
CURRENT ASSETS			
Stocks	13	23,596	21,500
Debtors	14	4,165	37,070
Cash at bank		<u>407,976</u>	<u>376,282</u>
		435,737	434,852
CREDITORS			
Amounts falling due within one year	15	(82,431)	(99,767)
NET CURRENT ASSETS		<u>353,306</u>	<u>335,085</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		353,308	335,087
NET ASSETS		<u>353,308</u>	<u>335,087</u>
FUNDS	17		
Unrestricted funds		272,548	301,286
Restricted funds		<u>80,760</u>	<u>33,801</u>
TOTAL FUNDS		<u>353,308</u>	<u>335,087</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2022 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 10 May 2023 and were signed on its behalf by:

DocuSigned by:

A D Sutch

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A D Sutch - Trustee

DocuSigned by:

D J Thompson

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D J Thompson - Trustee

The notes form part of these financial statements

THE PANATHLON FOUNDATION LIMITED**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022**

		31.8.22	31.8.21 as restated
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	19	<u>31,228</u>	<u>92,500</u>
Net cash provided by operating activities		<u>31,228</u>	<u>92,500</u>
Cash flows from investing activities			
Interest received		<u>466</u>	<u>2,498</u>
Net cash provided by investing activities		<u>466</u>	<u>2,498</u>
Cash flows from financing activities			
New loans in year		<u>-</u>	<u>(369)</u>
Net cash provided by/(used in) financing activities		<u>-</u>	<u>(369)</u>
Change in cash and cash equivalents in the reporting period		31,694	94,629
Cash and cash equivalents at the beginning of the reporting period		<u>376,282</u>	<u>281,653</u>
Cash and cash equivalents at the end of the reporting period		<u><u>407,976</u></u>	<u><u>376,282</u></u>

The notes form part of these financial statements

THE PANATHLON FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022****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.

Exemption from 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 financial statements 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 financial statements and the results of the subsidiary undertaking are excluded from these financial statements.

Income

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. Gifts in kind 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.

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.

Income arises in the United Kingdom.

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.

THE PANATHLON FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022****1. ACCOUNTING POLICIES - continued****Expenditure - continued**

- Cost of raising funds include attributable 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 held for charitable activities are measured at cost.

Investments

Unlisted investments are included at historical cost less impairment.

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 - creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

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.

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.

THE PANATHLON FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022****1. ACCOUNTING POLICIES - continued****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 £3,479 (2021: £4,469 as restated).

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 concern income recognition and allocation of support costs:

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.

2. DONATIONS

	31.8.22	31.8.21 as restated
	£	£
Donations	832,156	632,800
Donated services and facilities	<u>72,566</u>	<u>46,300</u>
	<u>904,722</u>	<u>679,100</u>

THE PANATHLON FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022****2. DONATIONS - continued**

Analysis of donors:

	31.8.22	31.8.21
	£	£
St. James's Place Charitable Foundation	395,000	275,000
Jack Petchey Foundation	100,478	69,975
CVC Partners	46,742	50,000
Redevco Foundation	20,330	33,841
BlueBay Asset Management	28,500	25,000
EQ Foundation	25,000	25,000
Ovingdean Hall Foundation	25,000	25,000
Pentland Brands	27,000	17,544
Woodland Group	16,357	15,000
Peter Harrison Foundation	10,000	10,000
Peter Cuncliffe Foundation	4,335	3,602
Other smaller donors	133,414	82,838
	<u>832,156</u>	<u>632,800</u>

3. INVESTMENT INCOME

	31.8.22	31.8.21 as restated
	£	£
Interest receivable	<u>466</u>	<u>2,498</u>

4. RAISING FUNDS**Raising donations and legacies**

	31.8.22	31.8.21 as restated
	£	£
Marketing costs - internal	11,050	12,479
Marketing costs - external	<u>37,360</u>	<u>38,162</u>
	<u>48,410</u>	<u>50,641</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support Costs (see note 6) £	Totals £
Panathlon Challenge	<u>790,752</u>	<u>49,487</u>	<u>840,239</u>

THE PANATHLON FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022****6. SUPPORT COSTS**

	Management £	Finance £	Governance costs £	Totals £
Panathlon Challenge	<u>32,075</u>	<u>1,345</u>	<u>16,067</u>	<u>49,487</u>

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

Analysis:**Management and finance**

	31.8.22	31.8.21 as restated
	£	£
Premises hire	11,300	12,240
Sundry, insurance, subscriptions, telephone, postage & stationery, donations and bank interest & charges	<u>22,120</u>	<u>20,802</u>
	<u>33,420</u>	<u>33,042</u>

Governance costs

	31.8.22	31.8.21 as restated
	£	£
Independent examiner's fees:		
- Examination fees	6,120	6,120
- Other services	8,216	8,637
Legal and professional fees	<u>1,731</u>	<u>2,082</u>
	<u>16,067</u>	<u>16,839</u>

7. NET INCOME/(EXPENDITURE)

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

	31.8.22	31.8.21 as restated
	£	£
Hire of plant and machinery	19,273	20,446
Premises hire	11,300	12,240
Independent examiner's fees	<u>6,120</u>	<u>6,120</u>

8. TRUSTEES' REMUNERATION AND BENEFITS**Trustees remuneration and benefits**

There were no trustees' remuneration or other benefits for the year ended 31 August 2022 nor for the year ended 31 August 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2022 nor for the year ended 31 August 2021.

THE PANATHLON FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022****9. WAGES**

	31.8.22	31.8.21 as restated
	£	£
Wages and salaries	213,797	235,604
Social security costs	17,234	22,154
Other pension costs	<u>14,114</u>	<u>17,234</u>
	<u>245,145</u>	<u>274,992</u>

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

	31.8.22	31.8.21 as restated
Charitable activities	<u>5</u>	<u>6</u>

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

	31.8.22	31.8.21 as restated
£60,001 - £70,000	<u>1</u>	<u>1</u>

Remuneration of key management personnel: The total remuneration paid to key management personnel was £245,145 (2021: £273,563 as restated) which relates to five individuals: chief executive officer, chief operating officer and three events/logistics managers. In the prior year, there were six individuals: chief executive officer, chief operating officer and four events/logistics managers.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Restricted fund	Total funds as restated
	£	£	£
INCOME FROM			
Donations	37,494	641,606	679,100
Investment income	2,498	-	2,498
Other income	<u>35,945</u>	<u>-</u>	<u>35,945</u>
Total	<u>75,937</u>	<u>641,606</u>	<u>717,543</u>
EXPENDITURE ON			
Raising funds	-	50,641	50,641
Charitable activities			
Panathlon Challenge	<u>35,945</u>	<u>572,793</u>	<u>608,738</u>
Total	<u>35,945</u>	<u>623,434</u>	<u>659,379</u>
NET INCOME	39,992	18,172	58,164
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>186,119</u>	<u>90,804</u>	<u>276,923</u>
TOTAL FUNDS CARRIED FORWARD	<u>226,111</u>	<u>108,976</u>	<u>335,087</u>

THE PANATHLON FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022****11. PRIOR YEAR ADJUSTMENT**

Adjustments have been made to the funds of the charity in respect of income pertaining to job retention scheme grants and associated wage costs. In the years ending 2020 and 2021 inclusively, income received from job retention scheme grants and associated wage costs were incorrectly classified as restricted funds of the charity. Job retention scheme grants and associated wage costs are considered to be unrestricted in nature and accordingly were to be classified as unrestricted funds.

No adjustment is required to the brought forward funds. Overall reserves of the charity are unaffected.

12. FIXED ASSET INVESTMENTS

	Shares in group undertaking £
COST LESS IMPAIRMENT	
At 1 September 2021 and 31 August 2022	<u>2</u>
NET BOOK VALUE	
At 31 August 2022	<u>2</u>
At 31 August 2021	<u>2</u>

13. STOCKS

	31.8.22	31.8.21 as restated
	£	£
Consumables	<u>23,596</u>	<u>21,500</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.22	31.8.21 as restated
	£	£
Amount owed by group undertaking	661	661
Other debtors	-	3,089
Prepayments and accrued income	<u>3,504</u>	<u>33,320</u>
	<u>4,165</u>	<u>37,070</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.22	31.8.21 as restated
	£	£
Trade creditors	23,496	10,079
Other creditors	3,479	4,469
Accruals and deferred income	<u>55,456</u>	<u>85,219</u>
	<u>82,431</u>	<u>99,767</u>

Certain trade creditors have a retention of title clause over unsold stock items.

Included in accruals and deferred income is deferred income of £30,050 (2021: £71,972 as restated). Deferred income comprises funds received by: P Watlington £3,050, Aspen Insurance UK £20,000 and Essex CC £7,000. 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 2022

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted fund	31.8.22 Total funds	31.8.21 as restated Total funds
	£	£	£	£
Investments	2	-	2	2
Current assets	272,546	163,191	435,737	434,852
Current liabilities	-	(82,431)	(82,431)	(99,767)
	<u>272,548</u>	<u>80,760</u>	<u>353,308</u>	<u>335,087</u>

17. MOVEMENT IN FUNDS

	At 1.9.21 £	Prior year adjustment £	Net movement in funds £	At 31.8.22 £
Unrestricted funds				
General fund	226,111	-	46,437	272,548
Restricted funds				
Panathlon Challenge	108,976	-	(28,216)	80,760
	<u>335,087</u>	<u>-</u>	<u>18,221</u>	<u>353,308</u>
TOTAL FUNDS				

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	46,437	-	46,437
Restricted funds			
Panathlon Challenge	860,433	(888,649)	(28,216)
	<u>906,870</u>	<u>(888,649)</u>	<u>18,221</u>
TOTAL FUNDS			

Comparatives for 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
	<u>276,923</u>	<u>58,164</u>	<u>335,087</u>
TOTAL FUNDS			

THE PANATHLON FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022****17. 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	75,937	(35,945)	39,992
Restricted funds			
Panathlon Challenge	641,606	(623,434)	18,172
	<u>717,543</u>	<u>(659,379)</u>	<u>58,164</u>
TOTAL FUNDS			

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 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.

18. RELATED PARTY DISCLOSURES

Except for key management remuneration, there were no related party transactions for the year ended 31 August 2022 nor for the year ended 31 August 2021.

19. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.8.22 £	31.8.21 as restated £
Net income for the reporting period (as per the Statement of Financial Activities)	18,221	58,164
Adjustments for:		
Interest received	(466)	(2,498)
Increase in stocks	(2,096)	-
Decrease/(increase) in debtors	32,905	(5,163)
(Decrease)/increase in creditors	<u>(17,336)</u>	<u>41,997</u>
Net cash provided by operations	<u>31,228</u>	<u>92,500</u>

THE PANATHLON FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022****20.. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.9.21 £	Cash flow £	At 31.8.22 £
Net cash			
Cash at bank	<u>376,282</u>	<u>31,694</u>	<u>407,976</u>
	<u>376,282</u>	<u>31,694</u>	<u>407,976</u>
Total	<u><u>376,282</u></u>	<u><u>31,694</u></u>	<u><u>407,976</u></u>

21. 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.