



**In review**

**Trustees annual report and financial statements  
for the period September 2020 - December 2021**



# Report of the trustees (incorporating the Directors' report and strategic report) for the period ended 31 December 2021

## Contents

➤ Reference and administrative details of the charity, its trustees and advisers .....	3
➤ Introduction .....	5
➤ Objectives and activities .....	6
➤ Achievements and performance .....	8
➤ Strategic plans .....	11
➤ Financial review .....	12
Reserves policy .....	
Investment policy .....	
Principal risks and uncertainties .....	
➤ Structure, governance and management .....	15
Governing document and constitution .....	
Objects of the charity .....	
Recruitment, appointment and induction of trustees .....	
Organisational structure .....	
Statement of Trustee's responsibilities .....	
Declarations of interest and related parties .....	
Appointment of external auditor .....	
➤ Independent Auditor's Report to the Members of Sportily .....	20
➤ Statement of financial activities incorporating an income and expenditure account .....	24
Balance sheet .....	
Cash flow statement .....	
Notes forming part of the financial statements .....	





## Reference and administrative details of the charity, its trustees and advisers

The trustees are pleased to present their annual report and financial statements of the Charitable Company for the period ended 31 December 2021 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

This financial period covering 1 September 2020 to 31 December 2021. This extended period enabled the alignment of the year end with that of the Gloucester Diocesan Board of Finance. This was reported to Companies House and the Charity Commission.

Sportily is a charitable company and a legal entity in its own right. Sportily is wholly owned by the Gloucester Diocesan Board of Finance, its sole corporate member.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Articles of Association, and 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) (effective 1 January 2019).

### Reference and administrative details of the charity, its trustees and advisers

Sportily is a charitable company limited by guarantee. It was first incorporated on 12 July 2005 and is governed by its Articles of Association adopted with effect from 28 January 2021 and amended by written special resolution dated 5 October 2021.

Registered name	Sportily Ltd ( <i>From 23/11/2021 onwards</i> ) OneLife Charity Ltd ( <i>Until 23/11/2021</i> ) Putting Sport Alongside Local Ministries ( <i>Until 24/3/2021</i> )	
Charity registration number	1111077	
Company registration number	0550991	
Country of incorporation	England and Wales	
Registered address	c/o Church House, College Green, Gloucester, GL1 2LY	
PSALMS Trustees (Until 28 Jan 2021)	Canon Ian Marsh	(Chair)
	Elizabeth Farley	(Company Secretary)
	Michael Hall	(Treasurer)
	Malcolm Brown	
	George Collins	
	Rev Trevor Kemp	
	Laura Mears	
	Francis Shaw	
	Rev John Thompson	
	Barrie Voyce	
	William Kingston	
Sportily Trustees (Since 28 Jan 2021)	Dean Stephen Lake - Chair ( <i>Resigned 18/1/2022</i> )	



Andrew Braddock  
Patricia Broadfoot  
Malcolm Brown  
Karen Czapiewski - Interim Chair *(From 25/2/2022)*  
William Kingston  
Francis Shaw  
Kevan Taylor

**Leadership Team (From 28 Jan 2021)**

Tim Hastie-Smith	Sportily Ambassador and Diocesan Missioner
David Thorpe	Chief Executive Officer
Chris Priddy	Chief Operating Officer
Rob French	Head of Sports Ministry <i>(Until 1/1/2022)</i>
Richard Witham	Head of Leadership Development
Natalie Burfitt	Pioneering Lead <i>(From 6/12/2021)</i>
Lucy Taylor	Diocesan Director of Communications and Engagement <i>(From 1/12/2021)</i>

**Company Secretary**

Elizabeth Farley	<i>(Resigned 28/1/2021)</i>
Chris Priddy	<i>(From 1/3/2021)</i>

**Bankers**

Lloyds Bank, Charlton Place, Charlton Road, Andover, Hants, SP10 1RE,

**Auditor**

Haysmacintyre LLP, 10 Queen Street Place, London, EC4R 1AG

**Insurance brokers**

Access Insurance

No trustees held any title to property belonging to the charity or served as a trustee for the charity in holding the title to property belonging to the charity.



## Introduction

The 2020-21 period was a significant 16 months of transition for the charity. We began as PSALMS (Putting Sport Alongside Local Ministries), before undertaking a merger arrangement with the Gloucester Diocesan Board of Finance (GDBF). This led to a temporary period of identification as 'OneLife', the working title for what followed the merger, as agreed by Bishop's Council in October 2020. In September 2021, following a period of research, prayer and consultation, especially amongst young people, Sportily was adopted as the name for the next phase in the life of the charity. Sportily, a legal entity in its own right, is now wholly owned by the Gloucester Diocesan Board of Finance, its sole corporate member.

I would like to express my sincere and deep thanks to: all the trustees of PSALMS, whose vision, faith, enthusiasm and commitment steered the charity through 15 wonderfully fruitful years; the Bishop's Council of Gloucester Diocese for supporting the merger, and the newly formed Sportily Board of Trustees and Sportily Leadership Team for their hard work in establishing the governance structures and frameworks required to enable us to continue the development of this work. This new chapter was celebrated at a Commissioning event with the Bishop of Gloucester at Viney Hill Christian Adventure Centre in October 2021.

I would also express my thanks to 'Team Sportily'; all the volunteers, employees and placement students who, week in, week out, spend their time delivering such incredible work, using sport and physical activity as a means of connecting with children, young people and their families that they might try different sports, make new friends and encounter the Christian faith with others. Through this, it is our aim that they might experience life in all its fullness.

We have a wonderful foundation established on which to expand our provision and I, with the rest of the Sportily trustees, look to the future with great excitement and prayerful anticipation at all that is to come.

Please do follow our journey by joining the supporters mailing list [here](#), or consider joining the team by emailing [joinus@sportily.org.uk](mailto:joinus@sportily.org.uk).

**Karen Czapiewski:**  
Interim Chair



## Objectives and activities

The vision for Sportily has been agreed by the trustees to be:

**We are creating a network of fun-loving sport and activity groups, where all children, young people, and their families can try different sports, make new friends and encounter the Christian faith with others.**

The objects of the charity, as set out in our Articles of Association are listed on page 16.

### What we are about

Fluff it. Duff it. Score it. Smash it. Whatever you do, just give it a go. That's our motto for sport and for life. We're for jumping right in and going on new adventures together, as a team. We are a place for everyone to try different sports, make new friends and explore what life is all about.

Sportily believes in the transformative 'power of sport and active lifestyles' and recognises that sport and physical activity are a positive way to build integrated communities and help address societal issues such as poor health and wellbeing, social isolation and loneliness, delivering holistically healthier futures for all. We believe that being more active, like the Christian faith, can change lives for the good.

Sportily uses the word 'sport' to encompass all forms of physical activity, that aim to express or improve physical fitness, mental wellbeing and the formation of social relationships. Sportily locations use sport inclusively, to nourish and transform the wellbeing of both communities and individuals, with a strong emphasis on fun!

Working through partnerships with primary and secondary schools, churches and communities across Gloucestershire, our highly experienced, trained and qualified Sport and Faith Leaders and Coaches, lead a huge variety of sport and physical activity groups and residential camps for children, young people and families.

Sportily locations are places where everyone is encouraged, faith is explored, fullness of life experienced, leadership gifts are nurtured within our seven spaces community framework (Connect, Eat, Explore, Encounter, Serve, Contribute, Grow).

Across our network Sportily is developing innovative new ways to financially support our work. Earned income streams from activity provision, school provision, paid for programmes, operating community leisure facilities, stewardship giving, partnership support and charitable funding, all contribute.

### Audience (beneficiaries of the charity)

Our focus is children, young people and their families who are:

- Not churchgoers (the 95% not currently connected to church), but open to spirituality;
- Up for giving sports and physical activities a go – they may have played sports before or it may be their first time;
- Neither competitive sports players, nor uninterested in being active;
- Less affluent.
- Living near one of our locations.



### Key messages

**Try sports:** We are a place for anyone to try different sports and activities, and have an amazing time while doing it.

**Make friends:** We are a place to hang out with friends, make new friends and be part of a group.

**Explore faith:** We are a place to explore the Christian faith and what life is all about in a fun and open way – if you want to.

### The impact we seek to make (four strategic outcomes)

Sportily strives to see:

- Children and young people's lives, and their communities transformed through sport and physical activity;
- People of all ages, especially the young, exploring and encountering the Christian faith in creative ways with others;
- Contextually relevant new Christian communities established, primarily focused on younger generations who have had no significant engagement with church, with sport and physical activity at their core;
- Leadership gifts and vocational calling identified, nurtured and invested in.

Sportily's strategy centres around a belief in the transformative power of physical activity to bring holistic health, wellbeing and fullness of life to individuals of all ages and entire communities.

### Core activity

Sportily delivers the following activities to drive our four strategic outcomes:

- A diverse, wide range of high quality local sport and physical activity provision;
- School-based sport, wellbeing, and faith-based programmes;
- Investment in quality local sport and leisure facilities;
- Intentional integrated sessions where faith is openly explored and opportunities to respond provided;
- A leadership development programme which includes opportunities to gain experience through placements, volunteering or sessional worker opportunities;
- The creation of new Christian faith communities using our 7 spaces framework, to which people are invited.

In this financial period £554,317 was spent on delivery of our objectives.



## Achievements and performance

**Sept – Dec 2020:** After a summer filled with community sport being delivered in various forms across Gloucestershire, September saw the reintroduction of several Coronavirus restrictions. This inevitably hampered some of the momentum that had been building after the initial lockdown. Schools took varying approaches to outside organisations but in many instances we were seen as part of the school community and therefore allowed to continue the delivery of various sessions. October Half Term saw another significant time at our two day 'Take10@TRAC' sports event. Over the 2 days we were joined by 66 young people aged from 11-18, from 10 different areas around Gloucestershire. We focused the days on the theme of 'overcoming', exploring the different ways that faith might help us overcome challenges.

**Jan- April 2021:** Many of the key activities that had been planned during this period were either paused or abandoned due to the national lockdown. Some provision shifted to online delivery. Weekly gatherings for people to participate with groups, games and fitness classes were delivered. Weekly content was produced and shared which included a faith based 'thought for the week', sporting moments and sporting challenges. We also provided holiday activity packs during February and Easter holidays.

When schools reopened in March 2021 we supported in various ways and began to explore opportunities to re-engage practically. Schools took a mixed approach to allowing outside organisations in which meant our engagement with schools varied significantly across the network.

**May- Aug 2021:** By this stage it was clear that the future of sports provision was not going to be centred around online activity and we were able to deliver practical sports sessions in local communities again. These took various forms in different locations but included a mixture of detached sessions and organised community sport sessions. We were able to relaunch sports holiday clubs in several locations during May half term and in the summer holidays, with numbers remaining modest. One highlight was the opportunity to run Pulse Games school sports day events in eight primary schools across the network. This represented a significant step forward in our ability to practically engage once again.

During the summer we reduced the TRAC residential to a 48-hour non-residential gathering. The joy to have an opportunity to gather was hugely encouraging for all who attended and lots of fun was had by all through a wide range of activities.

**Sept- Dec 2021:** We implemented the use of a new online booking system for many of the sessions which is working well. This has also helped us transition more sessions to becoming income generating. Failure to pre-book doesn't prevent people from attending but does aid communication and discount codes are offered to those who may need them.

The launch of the Minchinhampton Gym has been a particular highlight of the period, with a clear sense of community beginning to grow, opportunities to explore faith on a day-to-day basis and positive steps towards financial sustainability.

### Covid19

Throughout the period, risk assessments were carried out in relation to COVID-19, with the charity adhering to Government, Church of England and National Youth Agency advice and guidance.





Procedures and mitigations were regularly reviewed and the team were supported to deliver activities in accordance with these. At times when lockdown was enforced, or isolation required, the team have been able to work from home undertaking planning work or delivering online sessions. When working from home protocols were active, the Painswick office was largely shut and team meetings took place on Zoom. Line managers kept in touch regularly with their team members to ensure that people were supported and not isolated in their work.

The charity made use of the furlough scheme (Coronavirus Job Retention Scheme). Nine members of staff were furloughed for differing lengths of time and the financial assistance the charity received is noted in the accounts.

### Team Sportily

Our work is only made possible due to the commitment made by Team Sportily volunteers. Over 80 volunteers actively work alongside our employed Sport and Faith Leaders and Coaches.

We have not included in our financial statements the value that volunteers bring through the time which they dedicate to our work, but we thank them for their generosity.

### Locations, pilots and trials

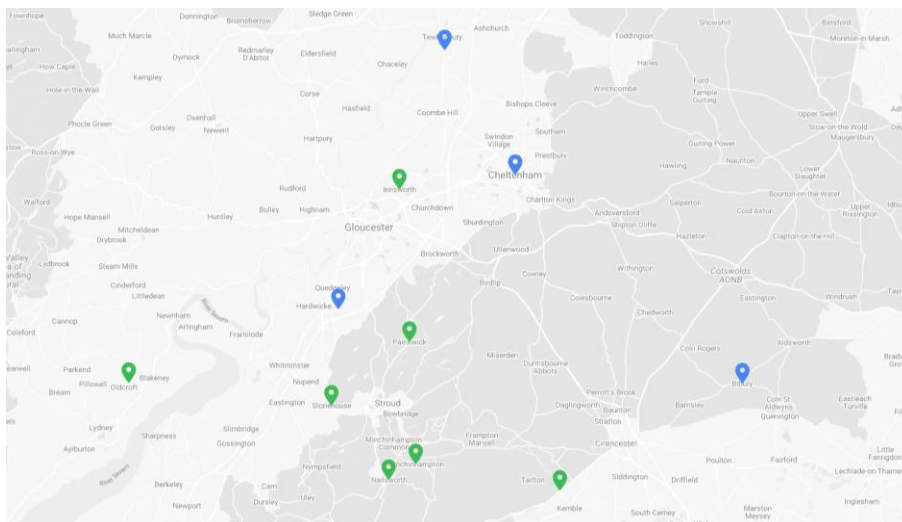
Sportily is currently active in the following locations (Green marker on map):

Beacon, Minchinhampton, North Glosucester, Nailsworth, Stonehouse, Thameshead and Viney Hill

Sportily has been undertaking trial or pilot work in the following locations (Blue marker on map):

Bibury, Hunts Grove and Kingsway, Priors Park and West Cheltenham.

Across all these areas we work with a wide range of partners, schools and many local churches. We are grateful to all of them for their support and partnership.



### Safeguarding

A Service Level Agreement between the Gloucester Diocesan Board of Finance and Sportily was initiated on 1 October 2021. The Agreement will run for an initial three year period and will be reviewed annually by the trustees. The Agreement covers:

- Advice on all aspects of safeguarding legislation, statutory provisions, national church



requirements and good practice in safeguarding responsibilities of Sportily.

- Leading on, and reporting to Sportily on, all policy development, practice guidance, risk management, risk assessments for Sportily including annual planning.
- Advice on all day to day supervision and management of safeguarding practice for named employees and volunteers.
- The audit of Sportily's HR/personnel records as they relate to safer recruitment including the management of blemished disclosures (including DBS checks and training records).
- Management of all Advice and Guidance records; specific safeguarding case files, and case related data in line with Data Protection requirements – all in line with Sportily Safeguarding Policy and practice guidance.
- Oversight and supervision of all contracts of behaviour, agreements for them, annual and other review processes.

Two Safeguarding Audits were carried out in the period. The first by the Diocese of Gloucester as part of due diligence work prior to the merger arrangement, dated 5 December 2020. The second was a commissioned independent audit undertaken by 'Jane Bee Safeguarding', dated 7 May 2021.

Both reports made improvement recommendations which were all adopted to form an Initial Safeguarding Improvement Plan. Progress in delivering the identified actions was reported to the trustees and delivery of the actions identified in the plan prioritised. At the end of the period, only two actions were outstanding; the appointment of a lead trustee for safeguarding and the production of a Safeguarding Strategic Plan building on the improvement action undertaken in 2021, to guide further actions driving continuous improvement. Both these outstanding actions are currently in progress. The Safeguarding Strategic Plan, developed with support from the Diocesan Safeguarding Team, was presented to the trustees at its April 2022 meeting for adoption.

The Sportily trustees, with the Leadership Team has complied with the duty to have 'due regard' to the House of Bishops' Safeguarding Policy and Practice Guidance.

### Monitoring, evaluation and learning

Since September 2021 we have been collecting regular data about our activity. This has included quantitative data, qualitative feedback and stories and our first annual impact survey. Work to process this information is underway as part of our ongoing commitment to monitoring, evaluation and learning. We look forward to sharing this insight more widely in the coming months and years.

The trustees place great importance on ensuring that our activity and impact is measured and monitored appropriately. Key indicators, linked to our strategic plan, are reviewed by the Leadership Team monthly and reported against at every trustees' meeting. Data is also made available to Location Leaders to support their work.

In addition to this monitoring, stories and learning captured by the team is shared via our monthly internal newsletter with the Sport and Faith Team, Leadership Team and trustees.

### Feedback

Feedback is continuously encouraged from participants, parents, teachers and volunteers. This is shared monthly with the team and trustees and helpfully demonstrates the impact we are having in line with our vision and objectives.



## Strategic plans

The focus of 2020/21 was on managing the transition of the charity from PSALMS to Sportily, adapting to delivery during periods of significant Covid disruption and then re-establishing that delivery as restrictions eased.

The Leadership Team have spent time constructing a strategic plan to direct our focus into 2022. Limited initial baseline data means that the KPI's included are 'expectations' that may need adjusting as we build up a better picture of our work and impact.

The current sport and activity strategy centres around the development of existing locations and growth into new opportunities for establishing locations.

During the coming year we will move into a longer-term approach to strategic planning and delivery in locations, rather than the term-to-term approach that has been necessary for much of the last two years. Existing locations will be enabled to fully inhabit the Sportily vision and work towards establishing places where the seven spaces framework is used as the foundation for local delivery. Our delivery will expand with increased numbers of activities driving increased participations across the network, with a continued focus on work with children and young people.

Proposals for new locations will be actively developed with local partners, funding sources identified, teams recruited and programmes of sport and faith activity delivered.

Additional capacity will enable us to trial activity in new areas, expand our provision, develop new programmes and improve female participation. In all locations the building of teams will be crucial, with volunteering levels depleted across locations following the pandemic.

We will enhance our schools offer through the delivery of the Wellbeing through Sport programme for which we are the delivery partner in the Gloucester, Forest of Dean and Stroud council areas.

Underpinning all this we know that the Leadership Development Programme, with Sports Leader Awards, is a vital part of our vision. Work in 2022 will see this advance and we will begin to invest in children, young people and young adults across the network.

Through all our work, safeguarding will be paramount. The trustees, Leadership team and Sport and Faith team are committed to creating a culture of safeguarding excellence for Sportily, which will be experienced at all levels.

New marketing and communications resource will enable us to expand our reach and invite those who we do not yet connect with to engage in our activities and participate in the communities we are establishing. This will include the launch of the new Sportily brand visual identity early in 2022.

Investment in processes for monitoring, evaluation and learning will continue, with insight and data used to drive decision making. The launch of the Sport and Faith Leaders learning community will also enable those leaders to share learning and insights with one another as they seek to deliver the Sportily vision across our network.

Insight from our first annual survey in January 2022, will enable us to baseline the impact we are having, linked to our impact strategy.

Work will continue to explore different approaches to generating income that leads to a sustainable future for the charity.



## Financial Review

Good financial management, investment from the Gloucester Diocesan Board of Finance (GDBF), and reduced spending due to delays in appointments and the impact of COVID on some major projects, means that cash flow is healthy.

Management accounts are now received and reviewed monthly by the Leadership Team with a financial update presented to every trustees' meeting. Cashflow forecasting is in place for 2022 and a new arrangement for the provision of bookkeeping and accountancy services enables us to manage our financial processes well.

The trustees consider that there are no material uncertainties about Sportily's ability to continue as a going concern. The current state of our Balance Sheet, coupled with forecasting and strong budgetary management, gives confidence to our Going Concern assessment and ability to operate sustainably. This is supported by the financial investment of the Gloucester Diocesan Board of Finance, currently confirmed for the 2021-2025 five year period.

We are grateful for our many individual financial supporters and church partners. Their generous support enables our work to continue in each local area. Fortnightly communication with our supporters takes place, with further local communications led by our team in each location.

For the period ended 31 December 2021, we had an overall surplus of £410,556. This was primarily due to underspend resulting from delays in key appointments and in initiating some key projects in the areas of monitoring, evaluation and learning, communications and digital support services. Some of these projects, which were budgeted for in 2021, will be undertaken in 2022 and have been budgeted for accordingly. This surplus also recognises the investment made by the GDBF in investing in the charity for future growth of delivery.

At the time of the merger with PSALMS it was agreed by the trustees that £150k would be designated within the charity's accounts to support the continuation of long-term church partnership work in Beacon, Thameshead, Stonehouse and Nailsworth. At 31 December 2021 this balance remains largely unchanged. The fund is not restricted.

At 31 December 2021, the total funds of the charity stand at £708,836.

Income and expenditure for the period is not directly comparable to the previous due to the merger, financial arrangement with the GDBF and adoption of new vision and strategic plans.

Total income for the period was £964,873. 74% of this related to the grant from the GDBF, 24% other grants and gift income, and 2% was generated by the activities we provided.

For the period ending 31 December 2022, the trustees aim to deliver against a balanced budget and to adhere to the reserves policy (*see below*).

### Reserves policy

Sportily holds reserves to protect the charity against unexpected loss of income or major expenditure. The Sportily Reserves Policy exists to demonstrate to stakeholders why Sportily is holding a particular amount of reserves and should give confidence that the charity's finances are being well managed.



In line with the Charity Commission's guidelines of best practice the trustees considers that reserves of uncommitted unrestricted funds should be held to secure the activities of the charity at a level between 3 and 6 months' committed expenditure (Payroll and contractual arrangements).

At the end of the reporting period the charity held funds totaling £708,836. At the end of the period, £8,633 was held as restricted funds which are not available for general purposes and £700,203 was held as unrestricted funds.

As noted in the accounts, a designated fund of £150k has been established to support activity in the longstanding PSALMS church partnership areas of Beacon, Thameshead, Stonehouse and Nailsworth. It is expected that a small amount of this fund will be expended in 2022, with a majority carried forward to enable future activity.

The level of unrestricted reserves is reviewed at least annually as part of the process for budget preparations for the following year and is agreed after giving consideration to the following:

- The charity's objectives and current strategy for delivery;
- The charity's risk assessment and current appetite for risk, noting risks that pose significant impact to the financial health of the organisation and the confidence held in the mitigating actions for these risks;
- The current funding arrangement with the Gloucester Diocesan Board of Finance which exists until the end of 2025;
- Assessments of certainty, reliability and stability of income streams, considering recent performance trends;
- Future plans for fundraising and income generation;
- Levels and scope of committed expenditure;
- Staffing expenditure commitments.

Restricted reserves relate to funds that were specifically donated for use in particular locations or for specified purposes.

The level of unrestricted reserves therefore stands at £700,203. This is against a target reserves level of £341,000. Steps are planned in 2022 and 2023 to increase activity through the expansion of our services, such that reserves held will not significantly exceed the policy.

The level of reserves are monitored on a monthly basis by the Chief Operating Officer and reported to the trustees in financial updates.

### Principal funding sources

In addition to the financial support received from the GDBF, Sportily relies on voluntary income, traded income and other grant income, including donations from partner churches, to fund our delivery.

We normally receive no funding from the government, however in this period we did receive Government grants relating to Furlough funding claimed under the Coronavirus Job Retention scheme and in February 2022 we received Department for Culture Media and Sport (DCMS) funding, administered through Children in Need – the Youth Involvement Fund. This DCMS funding has enabled us to invest in a van and new sports equipment to aid delivery in areas most impacted by Covid.

When setting a price for our paid-for activities and events, appropriate consideration is given to the





context in which the activity is taking place, ensuring that cost is not a barrier to participation. Discount codes are regularly used to support this.

### Fundraising policy

Sportily raises funds to support the delivery of its charitable objectives through: donations from individuals, legacies, donations from organisations such as churches, grant applications, fundraising by third parties, sponsorship and gift aid.

The Sportily Fundraising Policy covers all the fundraising activities of Sportily detailing how these will be conducted and managed, to provide reassurance and transparency to our donors and stakeholders.

Sportily ensures that by undertaking fundraising activities we uphold any legal, statutory or regulatory requirements and maintain our reputation and adherence to our values.

All fundraising conducted complies with the Institute of Fundraising Regulator Code of Fundraising Practice and all relevant legislation.

Sportily is not currently registered with the [Fundraising Regulator](#), but adheres to both the Institute of Fundraising Regulator Code of Fundraising Practice: [Code of Fundraising Practice](#) and the Charity Commission's Guidance: <https://www.gov.uk/government/organisations/charity-commission>.

Sportily takes active steps to engage with and express thanks to those who support the work of the charity on a regular basis. Sportily uses a variety of communication channels to effectively communicate regarding the work and impact of the charity with those who support it. Supporters are always treated with respect and individuals can change their contact preferences at any time. We never share names, addresses or other personal information with third parties for charity, commercial or fundraising purposes.

During the period no legacies were received, nor any restricted funds relating to legacies held.

During the period no complaints relating to our fundraising activity were received.

### Investment policy

Sportily holds funds amounting to £136,193 in a CCLA Deposit Fund Account. This COIF Charities Deposit Fund is categorised as a short-term Low Volatility Net Asset Value Money Market Fund with same day access to funds available. No movements were made during the period and investment returns are recorded within the accounts. Cash flow is monitored monthly by the Leadership Team and reported to the Board at its meetings.

Any additional investment decisions will be considered by the trustees and shall take into account the charity's:

- Objectives for investing;
- Appetite for risk;
- Time horizon for investing;
- Liquidity needs for delivery of its charitable objectives and purposes within the time horizon;
- Reserves policy.



## Principal risks and uncertainties

Sportily has risk management policies and procedures in place, supported by an organisational level Risk Assessment Register.

The trustees have reviewed the risk assessment and discussed risk appetite, which has been set by risk category in the Risk Register. As we expand our work within a new vision the trustees recognised the need to take appropriate risks as we pioneer new approaches to mission and ministry. However, Sportily takes its responsibilities towards safeguarding extremely seriously and the trustees have stated that its position in relation to all risks relating to safeguarding is to have an adverse appetite to risk.

During the period, the Leadership Team carried out detailed reviews of the Risk Register, with risk management featuring regularly on the Leadership Team's meeting agenda, considering delivery, safeguarding, governance, reputational, financial and operational risks. The major risks to which the charity is exposed have been reviewed and mitigating measures and controls put in place to ensure these risks are managed effectively.

Internal control risks are minimised by the implementation of procedures which are reviewed periodically to ensure that they continue to meet the needs of the Charitable Company.

The trustees are satisfied of the suitability of the risk management procedures and the identification of risks carried out by the Leadership Team.

Sportily primary risks have been identified during the period as relating to:

- a failure to implement effective and robust Safeguarding policies, practices, processes and training;
- a serious safeguarding incident occurring for which Sportily is held responsible or deemed to be an involved party;
- a critical issue or incident occurring, including Health and Safety incidents at Sportily activities;
- a breach of statutory regulations or obligations;
- a failure to achieve necessary income levels leading to long term financial unsustainability.

These are being managed through a range of control and continuous improvement measures, and systems and procedures which are monitored and regularly reviewed by the Leadership Team. A risk management report is made to the Board at every meeting.

## Structure, governance and management

### Governing document and constitution

Sportily is a charitable company limited by guarantee. It was first incorporated on 12 July 2005 and is governed by its Articles of Association adopted with effect from 28 January 2021 and amended by written special resolution dated 5 October 2021.

The charity intends to draw upon legal advice in 2022 to undertake work to review its Articles of Association, with a view to updating these such that they are fit for purpose for the future governance of the charity.



## Objects of the charity

The charitable objects ("the Objects") of Sportily are:

- To promote and assist the work, objects and purposes of the Church of England for the advancement of the Christian faith, in particular (but not exclusively) by the development of specialist ministries based principally on sports and wellbeing particularly with children, young people and their families in (but not limited to) the Diocese of Gloucester;
- To advance such other objects or purposes which are exclusively charitable according to the law of England and Wales in any part of the world and in such manner as the trustees may in their absolute discretion consider expedient for the better promotion and assistance of the work of the Church of England.

In advancing the Objects, the Charity may work in partnership with members of Churches Together in Britain and Ireland and members of the Evangelical Alliance.

## Public benefit

The Trustees are satisfied that the objects of the charity, and the activities to pursue them that we describe below, satisfy the principles of public benefit. The Charity Commission in its "Public Benefit: Rules For Charities" guidance states that there are two key principles to be met to show that an organisation's aims are for the public benefit: first, there must be an identifiable benefit which is not outweighed by any detriment or harm; and secondly, the benefit must be to the public in general or a sufficient section of the public, and not give rise to more than incidental personal benefit.

## Recruitment, appointment and induction of trustees

The trustees act as both the trustees of the charity and the Directors of the Charitable Company for the purposes of the Companies Act.

Policies and procedures for the recruitment, appointment and induction of all new trustees are in place and maintained by the trustees.

Members of the Board of Trustees are Sportily Volunteers. Those wishing to become members of the trustees must complete the volunteer recruitment process and undertake Church of England safeguarding training. Volunteering as a trustee is a DBS eligible role.

Following application, applicants will be interviewed by the chair of the trustees (or nominated deputy) and one other trustee. Following interview, a recommendation shall be brought to the trustees for a vote (a majority in favour is required). If the trustees vote to accept the candidate, the volunteer recruitment process shall be completed prior to the person being confirmed into the position.

In accordance with the Articles of Association trustees shall be communicant members in good standing of the Church of England or members/participants in good standing of a church affiliated to either Churches Together in Britain and Ireland or the Evangelical Alliance.

The normal term of office is three years, a trustee shall be eligible for two further terms of three years.

All trustee appointments shall be reported to the Bishop's Council for Gloucester Diocese.

The new Sportily Board of Trustees has not yet undertaken a skills audit but is proactively seeking to appoint a trustee with sufficient safeguarding experience to serve as lead trustee for safeguarding.



## Organisational structure

The Gloucester Diocesan Board of Finance is the sole member of the Charitable Company.

The Leadership Team are responsible for the day-to-day running of Sportily.

The trustees have ultimate responsibility for the strategic leadership and the management of the affairs of Sportily in accordance with the Articles of Association and applicable law (including company law and charity law). The trustees seek to apply the principles set out in the Charity Governance Code. The trustees have a minimum of four scheduled meetings each year and meet physically or by video conference as necessary.

Appointments to the Leadership Team require a trustee to be on the interview panel.

Recruitment to all employed posts requires the authorisation of the CEO or COO who will consult with the Leadership Team and/or trustees as appropriate.

Sportily operates within the Church of England Safeguarding framework and requirements and all Sportily employees and volunteers are classified as 'Church Officers' within this framework.

## Statement of trustees' responsibilities

The trustees (who are also Directors of Sportily for the purposes of company law) are responsible for preparing the report of the trustees (incorporating the Directors' and Strategic Reports) and financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and 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 confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the Charitable Company's auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Qualifying third party indemnity provisions

During the reporting period and up to the date of this report, the Charitable Company maintained liability insurance and third-party indemnity provisions for its trustees, under which the Charitable Company has agreed to indemnify the trustees to the extent permitted by law in respect of all liabilities to third parties arising out of, or in connection with, the execution of their powers, duties and responsibilities as Directors of the Charitable Company.

### Internal controls

The trustees have overall responsibility for the system of financial and other controls of the Charitable Company and for providing reassurance that:

- its assets are safeguarded against unauthorised use
- proper records are maintained and financial information used within the Charitable Company or for publication is reliable; and
- the Charitable Company complies with relevant laws and regulations.

It is recognised that such a system can provide only reasonable but not absolute assurance against errors and loss. Sportily operates a comprehensive annual planning and budgeting process which is approved by the trustees. Detailed monthly financial management reports are reviewed by the Leadership Team and reported to each trustees meeting. Financial performance is monitored and reports made comparing actual results against activity targets and the budget.

### Sub-committees

The trustees currently has no sub-committees in operation.

### Management and staff

The trustees delegate to the Leadership Team the day-to-day management of the charity and the implementation of policies and other decisions of the trustees.

### Remuneration of employees

The members of the Leadership Team are the key management personnel of the charity in charge of directing, controlling and operating Sportily on a day-to-day basis.

Members of the Leadership Team require a breadth and depth of expertise, experience, enterprise and





credibility. As a relatively small Leadership Team it is important that we attract and recruit individuals of sufficient capability to enable the charity to delivery its' stretching strategic plan. This is balanced with seeking to keep salary costs under control and ensuring that senior staff pay is connected to the pay of other staff.

Remuneration of all employees is reviewed annually and the process by which this is carried out is approved by the trustees. Details of the employment benefits paid to the Leadership Team during the period are included in the financial statements.

#### Declarations or interest and related parties

All trustees give of their time freely and no trustee received remuneration during the period. Details of trustees' expenses and any related party transactions are disclosed in the financial statements.

Trustees are required to disclose all relevant interests and register them with the Company Secretary and, in accordance with the Conflicts of Interest Policy. Trustees must also withdraw from decisions where a conflict of interest arises.

#### Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

#### Appointment of external auditor

Haysmcintyre was appointed as external auditor to the Gloucester Diocesan Board of Finance for the period. As Sportily is a subsidiary charity of the GDBF, it falls within the remit for the group audit. The trustees were therefore content to appoint Haysmcintyre to also carry out the Sportily audit.

The trustees submit their annual report and the audited financial statements for the period ended 31 December 2021. The financial statements comply with current statutory requirements, the Articles of Association and the Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102).

**This trustees' Annual Report, which incorporates the Strategic Report, was approved by the trustees in their capacity as Company Directors on 26<sup>th</sup> July 2022 and signed on their behalf by:**

*Karen Czapiewski*

**Karen Czapiewski**  
**Interim Chair**



# Independent Auditor's Report to the Members of Sportily

## Opinion

We have audited the financial statements of Sportily Limited for the period ended 31 December 2021 which comprise the Statement of Financial Activities, Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of the charitable company's net movement in funds, including the income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

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

## Conclusions relating to going concern

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

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

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

## Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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



## Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to safeguarding vulnerable beneficiaries, health and safety, and employment (including taxation), and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011 and consider other factors such as payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to the improper recognition of revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume



responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Adam Halsey** (Senior Statutory Auditor)

For and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place, London, EC4R 1AG

Date: **26 July 2022**





## Statement of financial activities incorporating income and expenditure account for the period 1 September 2020 to 31 December 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>					
Grants and Donations	4	757,750	183,984	941,734	193,816
Charitable activities	5	23,113	-	23,113	12,782
Investments	6	26	-	26	614
<b>Total income</b>		<b>780,889</b>	<b>183,984</b>	<b>964,873</b>	<b>207,212</b>
<b>Expenditure on:</b>					
Charitable activities	7	314,657	239,660	554,317	198,919
<b>Total expenditure</b>		<b>314,657</b>	<b>239,660</b>	<b>554,317</b>	<b>198,919</b>
<b>Net movement in funds</b>		<b>466,232</b>	<b>(55,676)</b>	<b>410,556</b>	<b>8,293</b>
<b>Reconciliation of funds:</b>					
	15				
Total funds brought forward		233,971	64,309	298,280	289,987
Net movement in funds		466,232	(55,676)	410,556	8,293
<b>Total funds carried forward</b>		<b>700,203</b>	<b>8,633</b>	<b>708,836</b>	<b>298,280</b>

The notes on pages 27 to 39 form part of these financial statements.



## Balance sheet

### As at 31 December 2021

		31 December 2021 £	31 August 2020 Restated £
	Note		
Tangible fixed assets	12	15,449	-
		<hr/> 15,449	<hr/> -
<b>Current assets</b>			
Debtors	13	131,756	4,696
Cash at bank and in hand		598,454	310,635
		<hr/> 730,210	<hr/> 315,331
Creditors: amounts falling due within one year	14	(36,823)	(17,051)
		<hr/>	<hr/>
<b>Net current assets</b>		<b>693,387</b>	<b>298,280</b>
		<hr/>	<hr/>
<b>Total net assets</b>		<b>708,836</b>	<b>298,280</b>
		<hr/>	<hr/>
<b>Charity funds</b>			
Restricted funds	15	8,633	64,309
Unrestricted funds	15	700,203	233,971
		<hr/>	<hr/>
<b>Total funds</b>		<b>708,836</b>	<b>298,280</b>
		<hr/>	<hr/>

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime. The financial statements were approved and authorised for issue by the Trustees on 26<sup>th</sup> July 2022 and signed on their behalf by:

*Karen Czapiewski*

**Karen Czapiewski**  
Interim Chair

The notes on pages 27 to 39 form part of these financial statements.



## Statement of cash flows

For the period ended 31 December 2021

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	18	<b>305,437</b>	<i>(5,331)</i>
<b>Cash flows from investing activities</b>			
Bank interest received		<b>26</b>	<i>614</i>
Purchase of tangible fixed assets		<b>(17,644)</b>	<i>-</i>
<b>Net cash (used in)/provided by investing activities</b>		<b>(17,618)</b>	<b>614</b>
<b>Change in cash and cash equivalents in the period</b>		<b>287,819</b>	<b>(4,717)</b>
Cash and cash equivalents at the beginning of the period		<b>310,635</b>	<i>315,352</i>
<b>Cash and cash equivalents at the end of the period</b>	19	<b>598,454</b>	<i>310,635</i>

The notes on pages 27 to 39 form part of these financial statements



## Notes to the financial statements

### For the period ended 31 December 2021

#### 1. General information

Sportily Ltd is a charitable company, limited by guarantee, (registration number: 5505991 England and Wales) and the Charity Commission (charity number: 1111077). The registered office address is Church House, College Green, Gloucester, Gloucestershire, GL1 2LY.

During the financial period Sportily Ltd changed its name from Onelife Charity, the name was changed on 8 September 2021. Prior to this the charity was named Putting Sport Alongside Local Ministries (also known as PSALMS), the name was changed on 24 March 2021.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Sportily Ltd meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

##### 2.2 Accounting Period

We draw attention to the change in the financial period during 2021. The Trustees made the decision to extend the period to 16 months and a period end date of December 2021. This amendment was made to bring the charity's reporting period in line with that of its sole member charity, the Gloucester Diocesan Board of Finance Ltd. The accounting date was changed with Companies House and the Charity Commission.

##### 2.3 Going concern

The trustees consider that there are no material uncertainties about Sportily's ability to continue as a going concern. The current state of our Balance Sheet, coupled with forecasting and strong budgetary management, gives confidence to our Going Concern assessment and ability to operate sustainably. This is supported by the financial investment of the Gloucester Diocesan Board of Finance, currently confirmed for the 2021-2025 five year period.

As a result, the financial statements have prepared the financial statements on a going concern basis.

##### 2.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants from government bodies and other sources are received for specific projects/costs and are recognised in accordance with their individual terms and conditions. Income is recognised when the Charity has entitlement to the funds which is when any performance conditions attached are met, it is probable that the income will be received and the amount can be reliably measured. Grant income will be deferred if received in advance of meeting



performance conditions or if the funder specifically states that the income must be spent in a future accounting period.

Contractual income and performance related grants are included in the SOFA only when the related goods or services have been delivered.

Interest is included in the accounts when receivable.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

## 2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. These costs include central functions which are allocated to activity and area cost categories on a basis consistent with the use of resources, for example allocating property costs by floor area.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out centrally.

Governance costs include the costs of preparation and examination of statutory accounts, the cost of trustee meetings and the cost of any legal advice to the trustees on governance or constitutional matters.

## 2.6 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 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.

## 2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following bases:

- IT and office equipment                      3 years
- Sports and equipment                        3 - 5 years depending on asset
- Motor vehicles                                   4 years
- Furniture                                         10 years





## **2.8 Debtors**

Trade and other debtors are recognised at the settlement amount and prepayments are valued at the amount prepaid.

## **2.9 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments.

## **2.10 Liabilities and provisions**

Liabilities are recognised once there is a legal or constructive obligation that commits the Charity to the obligation.

## **2.11 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.

## **2.12 Pensions**

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the period.

## **2.13 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

## **2.14 Prior period adjustment**

During the current period it was confirmed that funds raised in each respective location should be recognised as restricted funds instead of unrestricted, with the income being restricted to further activities undertaken in that location. The results for the prior period have been restated in order to reflect this. The change is one of presentation and disclosure only, the funds have been correctly applied in line with their restricted uses in all periods.

## **2.15 Volunteers**

The value of any voluntary help received is not included in the accounts but is described in the trustees' report.



### 3. Critical accounting estimates and areas of judgement

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.

Critical accounting estimates and assumptions:

Recognition of income from grants requires judgement. See note 2.4 for the accounting policy for grant income and note 4 for grant income accounted for in the period.

### 4. Income from Grants and Donations

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Grants and Donations</b>				
GDBF Grant	710,983	-	<b>710,983</b>	-
Local Partnership Funds	500	91,769	<b>92,269</b>	47,440
Core Funding Grants	3,200	80,160	<b>83,360</b>	97,537
General gifts and donations	20,441	12,055	<b>32,496</b>	23,139
Government grants	20,496	-	<b>20,496</b>	24,150
Gift Aid	2,130	-	<b>2,130</b>	1,550
	<u>757,750</u>	<u>183,984</u>	<u><b>941,734</b></u>	<u>193,816</u>
<i>Total 2020</i>	<u>89,771</u>	<u>104,045</u>	<u>193,816</u>	

Government grants represent amounts received under the Coronavirus Job Retention Scheme.

### 5. Income from charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Events	<u>23,113</u>	<u>-</u>	<u><b>23,113</b></u>	<u>12,782</u>
<i>Total 2020</i>	<u>12,695</u>	<u>87</u>	<u>12,782</u>	



## 6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	<u>26</u>	<u>26</u>	<u>614</u>
<i>Total 2020</i>	<u>614</u>	<u>614</u>	

## 7. Analysis of expenditure on charitable activities

### Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Charitable activities- Provision of sports activities	<u>314,657</u>	<u>239,660</u>	<u>554,317</u>	<u>198,919</u>
<i>Total 2020</i>	<u>14,364</u>	<u>184,555</u>	<u>198,919</u>	

## 8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Charitable activities- Provision of sports activities	<u>464,784</u>	<u>89,533</u>	<u>554,317</u>	<u>198,919</u>
<i>Total 2020</i>	<u>185,856</u>	<u>13,063</u>	<u>198,919</u>	



Continued...

### Analysis of direct costs

	<b>Total funds 2021</b>	<i>Total funds 2020</i>
	<b>£</b>	<b>£</b>
Staff costs	<b>378,939</b>	162,604
Training costs	<b>41,388</b>	4,427
Coaching partnership costs	<b>10,000</b>	-
Travel expenses	<b>9,288</b>	5,951
Outing and event costs	<b>7,677</b>	5,910
Donations	<b>7,500</b>	-
Material and resources	<b>6,170</b>	3,780
Subsistence costs	<b>3,822</b>	3,184
	<b><u>464,784</u></b>	<u>185,856</u>

### Analysis of support costs

	<b>Total funds 2021</b>	<i>Total funds 2020</i>
	<b>£</b>	<b>£</b>
Consultancy services	<b>25,219</b>	-
IT	<b>13,926</b>	2,641
Advertising and marketing	<b>11,150</b>	100
Governance Costs: Fees, DBS, meetings	<b>11,075</b>	294
Governance Costs: Audit fees	<b>8,940</b>	-
Governance Costs: Accounting software and services	<b>7,473</b>	5,524
Rent	<b>3,150</b>	-
Governance Costs: Insurance	<b>2,451</b>	1,003
Depreciation	<b>1,707</b>	-
Printing	<b>1,394</b>	2,042
Telephone and email	<b>1,020</b>	880
Postage and stationery	<b>788</b>	569
General Expenses	<b>484</b>	-
Subscriptions	<b>465</b>	10
Repairs and Maintenance	<b>291</b>	-
	<b><u>89,533</u></b>	<u>13,063</u>



## 9. Auditor's remuneration

The auditor's remuneration amounts to an auditor fee of £7,450 (2020 - independent examiner's fee of £500), and bookkeeping fees of £Nil (2020 - £2,500).

## 10. Staff costs

	2021	2020
	£	£
Wages and salaries	326,007	143,907
Contribution to defined contribution pension schemes	27,849	9,495
Social security costs	25,083	9,202
	<u>378,939</u>	<u>162,604</u>

The average number of persons employed by the Charity during the period was as follows:

	2021	2020
	No.	No.
Average full time employees	<u>9</u>	<u>8</u>

No employee received remuneration amounting to more than £60,000 in either period.

The total remuneration of the charity's key management personnel, comprising 4 individuals, was £121,022.

## 11. Trustees' remuneration and expenses

During the period, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the period ended 31 December 2021, expenses totalling £NIL were reimbursed to Trustees (2020: £24 to 1 Trustee relating to a lunch meeting with the Diocese of Gloucester).



## 12. Tangible fixed assets

	Furniture £	IT & Office Equipment £	Sports & Equipment £	Total £
<b>Cost or valuation</b>				
At 1 September 2020	-	-	-	-
Additions	1,021	8,963	7,660	17,644
Disposals	-	-	(488)	(488)
At 31 December 2021	1,021	8,963	7,172	17,156
<b>Depreciation</b>				
At 1 September 2020	-	-	-	-
Charge for the period	168	859	680	1,707
At 31 December 2021	168	859	680	1,707
<b>Net book value</b>				
At 31 December 2021	853	8,104	6,492	15,449
At 31 August 2020	-	-	-	-

## 13. Debtors

	31 December 2021 £	31 August 2020 £
Prepayments and accrued income	126,057	1,001
Tax recoverable – Gift Aid	5,699	3,695
	131,756	4,696





#### 14. Creditors: Amounts falling due within one year

	31 December 2021 £	31 August 2020 £
Trade creditors	784	2,529
Other taxation and social security	8,639	2,970
Other creditors	4,239	1,143
Accruals and deferred income	23,161	10,409
	<u>36,823</u>	<u>17,051</u>
	31 December 2021 £	31 August 2020 £
Deferred income at 1 September 2020	6,875	23,712
Resources deferred during the period	-	6,875
Amounts released from previous periods	(6,875)	(23,712)
	<u>-</u>	<u>6,875</u>

#### 15. Statement of funds

##### Statement of funds - current period

	Balance at 1 September 2020 <i>Restated</i> £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2021 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Partnership Areas Fund	-	-	-	150,000	150,000
<b>General funds</b>					
General Funds - all funds	233,971	780,889	(314,657)	(150,000)	550,203
<b>Total Unrestricted funds</b>	<u>233,971</u>	<u>780,889</u>	<u>(314,657)</u>	<u>-</u>	<u>700,203</u>
<b>Restricted funds</b>					
Sports Ministry	64,309	183,984	(239,660)	-	8,633
<b>Total of funds</b>	<u>298,280</u>	<u>964,873</u>	<u>(554,317)</u>	<u>-</u>	<u>708,836</u>



Continued...

## Statement of funds - prior period

	Balance at 1 September 2019 Restated £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2020 Restated £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Sports Ministries	83,000	-	-	(83,000)	-
<b>General funds</b>					
General Funds	62,255	103,080	(14,364)	83,000	233,971
<b>Total Unrestricted funds</b>	145,255	103,080	(14,364)	-	233,971
<b>Restricted funds</b>					
Sports Ministry	144,732	104,132	(184,555)	-	64,309
<b>Total of funds</b>	289,987	207,212	(198,919)	-	298,280

The 2019-20 year results have been restated to reflect a correction in the split of restricted and unrestricted activity. This has been explained further in note 2.14.

### Designated fund - Sports Ministries

In 2016/17 the trustees resolved to set up a designated fund to provide, out of accumulated unrestricted funds, for the likely, budgeted, costs to be incurred by the development of Sports Ministry over the next three years. The fund was fully spent in the 2019-20 year, represented by a transfer from the designated fund.

### Designated Fund - Partnership Areas

At the point of merger in January 2021, it was agreed between the outgoing PSALMS Board of Trustee's, and the incoming Board, that £150,000 would be set aside to support work in the longstanding PSALMS church partnership areas of Beacon, Thameshead, Stonehouse and Nailsworth. The fund is used to cover any deficit reported in the restricted funds for those four areas and depreciates accordingly.

The new Board recognises that this is not a formally restricted fund but represents an agreement that was made as part of the merger for this designation which it intends to honour in good faith. The Board has agreed at this time to maintain this designated fund in the accounts and to monitor its use each year.

### Restricted fund - Sports Ministry

Grants have been provided to fund the Sports Ministry project with the intention that these funds will be used to cover the salaries and direct costs of the ministers directly involved in this project.

### Transfers

During the prior period a transfer was made from the designated Sports Ministries Fund to the unrestricted fund representing amounts spent from the designated fund.



## 16. Analysis of net assets between funds

### Analysis of net assets between funds - current period

	Unrestricted funds 31 December 2021 £	Restricted funds 31 December 2021 £	Total funds 31 December 2021 £
Current assets	721,577	8,633	<b>730,210</b>
Tangible fixed assets	15,449	-	<b>15,449</b>
Creditors due within one year	(36,823)	-	<b>(36,823)</b>
<b>Total</b>	<u>700,203</u>	<u>8,633</u>	<u><b>708,836</b></u>

### Analysis of net assets between funds - prior period

	<i>Unrestricted funds 31 August 2020 £ Restated</i>	<i>Restricted funds 31 August 2020 £ Restated</i>	<i>Total funds 31 August 2020 £</i>
Current assets	244,147	71,184	315,331
Creditors due within one year	(10,176)	(6,875)	(17,051)
<b>Total</b>	<u>233,971</u>	<u>64,309</u>	<u>298,280</u>

The 2019-20 year results have been restated to reflect a correction in the split of restricted and unrestricted activity. This has been explained further in note 2.14.

## 17. Prior year adjustment

As outlined in note 2.14, a prior year adjustment has been recognised in order to correct the position of restricted and unrestricted funds. The impact on the respective funds is as follows:

	Funds at 1 September 2019	Income	Expenditure	Funds at 31 August 2020
<b>Restricted Funds – Sports Ministry</b>	68,850	56,211	(88,386)	36,675
<b>General Funds</b>	(68,850)	(56,211)	88,386	(36,675)



## 18. Reconciliation of net movement in funds to net cash flow from operating activities

	31 December 2021 £	31 August 2020 £
Net income for the period (as per Statement of Financial Activities)	410,556	8,293
<b>Adjustments for:</b>		
Increase/(decrease) in creditors	19,772	(11,462)
Depreciation charges	1,707	-
Loss on the sale of fixed assets	488	-
Interest received	(26)	(614)
Increase in debtors	(127,060)	(1,548)
<b>Net cash provided by/(used in) operating activities</b>	<b>305,437</b>	<b>(5,331)</b>

## 19. Analysis of cash and cash equivalents

	31 December 2021 £	31 August 2020 £
Cash in hand	598,454	310,635
<b>Total cash and cash equivalents</b>	<b>598,454</b>	<b>310,635</b>

## 20. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	310,635	287,819	598,454
	<b>310,635</b>	<b>287,819</b>	<b>598,454</b>

## 21. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The pension cost charge represents contributions payable by the charity to the fund and amounted to £27,849 (2020 - £9,495). £4,240 (2020 - £1,143) was payable to the fund at the balance sheet date and is included in creditors.



## 22. Related party transactions

There were no related party transactions in this period or the 2019-20 year.

Sportily Ltd is a wholly owned (100%) subsidiary of Gloucester Diocesan Board of Finance (GDBF) and received funds from the GDBF as listed in the accounts. As a wholly owned subsidiary, Sportily is not a 'related party' to the GDBF for the purposes of reporting related party transactions.

## 23. Controlling party

Sportily Ltd is a wholly owned (100%) subsidiary of Gloucester Diocesan Board of Finance (GDBF).

The ultimate parent undertaking and controlling party is Gloucester Diocesan Board of Finance, a registered charity and company limited by guarantee in England and Wales (company number 00162165, charity number 251234). A copy of that company's financial statements is available from The Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ.

Details regarding the powers of the controlling party are specified within the Articles of Association, filed with the Charity Commission. The GDBF is the sole member for the purposes of company law, and this membership is not transferrable. The GDBF has certain rights under company law and also under Sportily's articles of association, including to alter the articles, appoint and remove trustees, and wind up Sportily. The Sportily Board comprises at least three trustees appointed by the member.