



Trustees' Report and Financial Statements

For year ended 30 June 2021

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The Chair's Statement



I am once again delighted and proud to present the Trustee's Report and Financial Statements for LTSB.

During the escalating Covid-19 crisis and related lockdowns the need for our charity's work grew dramatically. This required all parties involved to adapt and to step up.

And they all did.

Our staff, employers, mentors and funders responded magnificently.

As you will see in this report we were able to place more young people than ever into professional careers. This success applied to both our new programmes and for existing programmes where young people were stranded by the pandemic.

At the same time we were able to maintain or increase the starting salaries for all our young apprentices whilst increasing our provision of much needed pastoral care.

I must particularly thank the employers who espouse the values and purpose we all strive for. Especial among them is NatWest Group, whose demonstration of these core principles moves me beyond measure.

From a board perspective, as I near the end of my term as Chair, it has been my ambition to increase the diversity of skills, ethnicity and gender. As I write this note I can report that this has largely been achieved.

The charity is in good hands with an experienced and accomplished CEO, Senior Leadership Team and Board of Trustees.

Thank you to all the wonderful people who made all of this possible.

A handwritten signature in black ink, consisting of a stylized 'D' followed by a series of loops and a long horizontal stroke.

David Pinchin,
Chair



The CEO's Statement

Thank you for reading our annual report.

As we reflect on another year, the question we should always ask is, “Are we still delivering against our vision and mission?” Another way of putting it might be, are we genuinely helping those young people we are here to support?

Reading through the report, the impact we make, and the feedback from our participants, it is easy to see the answer to those questions is a resounding “YES!” Our impact is growing, and our programmes expanding, all against a backdrop of reduced opportunities for young people and sectors where young people are predominantly employed, only just beginning to rebuild.

It has been another challenging year for young people. The consequences of COVID-19, the lockdowns, and the impact on the most vulnerable will be felt for years to come. Our work has never been more needed, and our focus on social mobility has not wavered. If we are to rebuild as a society and an economy, we need to empower young people and create opportunities to flourish, regardless of their background.

At LTSB, we are proud to connect young people from disadvantaged backgrounds to meaningful careers with leading employers. Employers who value diversity in all its forms, pay well and offer training and prospects. These employers share our ideals and values and put them into practice by working together to unlock futures for young people.

Creating the impact we make could not be sustained without talented young people, passionate partners, employers, and committed funders. And then there are the wonderful colleagues at LTSB. Colleagues that have also been affected by the turmoil and turbulence we have all found ourselves in; have still fully committed to being there night and day for young people. Whether direct delivery, unlocking funding, recruiting young people, managing the finances, systems, placing young people into employment and leading under challenging times, I am proud of everyone working at LTSB.

I would also like to thank all of our fantastic stakeholders, the Board of trustees, and our founder and chairman, David Pinchin, for all of the support, guidance, and commitment over this last year.

With warmest regards,



Paul Evans,

CEO

Trustees' Report

The Trustees present their Annual Report together with the audited financial statements of the Charity for the 1 July 2020 to 30 June 2021. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Our Vision

A world where all young people flourish, regardless of their background.

Our Mission

Leadership Through Sport & Business (LTSB) prepares, connects and supports young people from disadvantaged backgrounds to careers with major organisations.

Our programmes are designed to tackle the structural inequality in education and employment that prevents social mobility. We work with bright young people from economically disadvantaged backgrounds across the UK and unlock their potential through personal and professional development and career-making employment. We do this by:

- Promoting opportunities to those from backgrounds that are not normally reached
- Preparing young people for the workplace, and the workplace for the young people
- Providing context for their application, and stewarding the hiring process – we make sure our young people get a job, at salaries that reflect their worth
- and Pastoral care - additional, individual support for the first year of their career.

Our Programmes

We help young people establish careers in the Business & Finance, Contact Centre, Customer Service, and Digital sectors. After our industry-specialised pre-employment programmes prepare them for work, we place them in meaningful roles and support them for the first year of their career. In 2022, we will expand to Legal and Marketing.

Public Benefit

LTSB operates for public benefit and general charitable purposes according to the laws of England and Wales. The Trustees have paid due regard to the Charity Commission's guidance on public benefit in deciding the activities undertaken by the Charity during the year, and in planning activities and setting policies for the year ahead.

Beneficiaries

In accordance with our charitable objectives, the beneficiaries of LTSB are young people between the ages of 16 and 24 from disadvantaged backgrounds.

Assessment of Public Benefit

At each Trustees' meeting, the Trustees review a progress report prepared by the Senior Leadership Team. The report covers programme impact and results, programme development, policy changes, fundraising, financial performance, and organisational risks. This enables the Trustees to ensure they are in line with our strategy and that we are effectively operating for the benefit of the public in accordance with our objectives.

The Trustees are satisfied that the information provided in the report meets the public benefit reporting requirements. LTSB may also pursue other charitable purpose or purposes according to the law of England and Wales as the Trustees in their absolute discretion shall select from time to time.

Year in Review

Pandemic Response

As the reality of the pandemic became clear, every organisation considered how it could respond. At LTSB we were aware that much of what we do was essentially about in-person activity. We prepared young people for work, in work environments, often with future colleagues. The first part of our bootcamp is a sports coaching week – it binds cohorts and our young people cite it as a vital experience. But the offices we ran our sessions in were shut. Our football club foundation partners were unable to deliver at all.

We also had existing obligations to young people, some of whom had just completed their bootcamps and would normally be interviewing for roles. Many were already in employment. Given the nature of our work, our beneficiaries live in the areas most affected - some of our young people had very ill family, or even lost loved ones. All faced an uncertain future, but we wanted to make sure they knew LTSB was still a voice in their corner.

We're proud to have been on hand throughout, whether for a late-night worry-text, or a walk to talk about how they were feeling. Like many organisations, we did whatever we could – and found our supporters also did whatever they could. We're grateful to the funders and partners whose flexibility and support allowed us to adapt.

The Employment Landscape

LTSB has always defined itself as an employment charity, rather than an employability charity: we get young people careers. These outcomes were at real risk as organisations paused recruitment across the board, with apprenticeships particularly vulnerable, as the Sutton Trust reported in May 2020. 31% of employers surveyed reported that they were likely to hire fewer apprentices over the coming year, or none at all, and 'firms worried about their ability to survive the crisis were more likely to say their apprentices were unlikely to resume, and more likely to cut future apprenticeship recruitment. Half of businesses [worried about their ability to survive] reported they would be recruiting fewer apprenticeships, or none at all.' ('COVID-19 and Social Mobility Impact Brief #3: Apprenticeships', Katherine Doherty and Carl Cullinane, May 2020.) We now know that it was the biggest mid-year cut in graduate vacancies since 2008, the start of the global financial crisis, with fifty-seven of the country's one hundred leading employers recruiting fewer graduates than in 2019 or hired no graduates at all. (*The Graduate Market in 2021*, Highfliers Research, p. 5) This creates downward pressure that particularly squeezes out non-grads looking for apprenticeships: entry-level opportunities for those that need it most would be at a premium.

Like the global financial crisis, it was clear that the pandemic would disproportionately impact those from marginalised and vulnerable communities.

We’re delighted, then, that our employer partners responded to the crisis by sticking to their values – because that’s what values are. Having provided firms like MAPP, BKL and RSM with great young people, they proved their commitment to the best from all backgrounds and continued to hire LTSB apprentices. And after a successful Digital pilot in 2019, NatWest Group’s commitment to hiring our young people from across the UK was a huge vote of confidence, and a recognition of the value that both LTSB and our young people bring.

Programme Delivery and Outcomes

Digital and Customer Service

After NatWest Group confirmed their commitment to hire, we had to recruit for and deliver online bootcamps for the first time – and in just a few months. As valuable as our in-person delivery was, we needed to adapt to the pandemic. We redesigned the material, acquainted ourselves with Zoom, and processed over 800 candidates for our Digital and Customer Service programme. It was an extraordinary achievement under difficult conditions.

We ran six, three-week bootcamps (plus a week-long evening class for those who had to continue to work), preparing 104 participants in Edinburgh, London, and Manchester. Despite the accommodations and concessions that had to be made – especially the loss of the coaching week – feedback showed the same high level of satisfaction as we had for previous, in-person programmes. (Many respondents stated a preference for meeting in real life, but recognised restrictions made it impossible.)

D&CS Breakdown

- 104 (60 in London, 31 in Edinburgh and 13 in Manchester)
- 73% Index of Multiple Deprivation and / or Free School Meal eligible
- 38% Female

Demographics:

- 39% White British
- 25% Black & Black British
- 24% Asian & Asian British
- 5% Other
- 6% Mixed
- 1% Prefer Not to Say

D&CS Bootcamp Feedback*

100%: “The support from the LTSB team has been important to my development”

98%: “I would recommend this bootcamp to other young people like me”

97%: “I feel more employable” and “I feel more confident”

“If you're a young person who isn't confident in their professional and employability skills, LTSB will take you from zero to hero. They'll help you realise your potential and fill in the gaps, and they do it because they really care :) ”

Britney, 2020 Digital

“The LTSB Bootcamp is career changing. It equips you with essential employability skills that would be required in any role as well as essential soft skills. This opportunity allows you to meet professionals from several different backgrounds and roles, giving you a detailed insight of what it’s like working in a business environment. Overall it develops you into a well-rounded individual, so I recommend that everyone should take part in it!!!”

Saima, 2020 Digital

*Available responses range from Strongly Agree to Strongly Disagree. Percentages here and throughout reflect respondents who Strongly Agreed or Agreed with the statement.

As a result of this programme, 62 young people were hired in a variety of roles from degree apprenticeships in Digital & Technology Solutions to Level 4 Data Analyst and Level 3 Customer Advisor apprenticeships. We know that young people from disadvantaged backgrounds can become defined by the jobs they take out of necessity. The pandemic will undoubtedly result in many living less fully – with talents unexplored or unexpressed – because they did what they had to, rather than what they’d dreamed: for the successful apprentices on this programme, the opportunity to start a career came at a critical time.

It also made a material difference to the conditions for many families. LTSB has long campaigned for living wage and rejects employers who pay the socially immobile apprenticeship minimum wage. For this initiative, the average non-London salary was **just over £19,200**, and the average salary in London was **just short of £25,400**. We know that this money has been vital to struggling families. With salaries like these and continued support from LTSB, young people can focus on their work and studies, rather than worrying and subsidising poor pay with additional shifts elsewhere. As a result, by the end of this reporting window (about nine months into their roles) only two apprentices had left – a 97% retention rate, despite the pressures of pandemic and remote working.

We had similar success with the 2019 Digital cohort, who completed the first year of their career within this reporting window. With 90% retention, what comes through the exit surveys is the value of the support LTSB provided. 100% Strongly Agreed or Agreed that:

- In general, LTSB staff provided practical support or advice that helped me succeed.
- There was at least one specific incident where practical support or advice provided by LTSB staff helped me succeed.
- The support that LTSB staff provided made me more resilient.
- And 100% Strongly Agreed ‘I would recommend this bootcamp to other young people like me.’

“I would encourage any young person who is thinking of pursuing an apprenticeship programme to think of LTSB first. Having been through the experience with LTSB I can only thank the staff and everyone involved for their patience and persistence to want to help young individuals like me from a disadvantaged background. I have learnt a lot in a short space of time with LTSB and I would advise any young person to take that leap to want to better their skills and behaviours by signing up to this bootcamp as it is a life changing experience.”

Kelvin, Digital 2019

Business & Finance

Within this reporting window, LTSB had two Business & Finance intakes. These are longer bootcamps, running for around four months and including vocational qualifications from our education partners. The London cohort is delivered with College of Haringey and North East London. The National cohort is delivered remotely with BPP.

The National cohort was also a pilot initiative. A grant allowed us to find opportunities for young people in Birmingham, Liverpool, and Manchester with SMEs who would normally pay apprenticeship minimum wage. For anyone, but particularly those living independently or

Business & Finance Breakdown

- 33 (20 in London, and 13 in National Cohort)
- 73% Index of Multiple Deprivation and / or Free School Meal eligible
- 30% Female

Demographics:

- 39% White British
- 36% Asian & Asian British
- 18% Black & Black British
- 6% White Other

who have dependents, it's impossible to live on £8k per year. To open up meaningful apprenticeship opportunities for the type of young people we represent, our donor's support ensures they earn at least £16k – leaving them to focus on achieving the longer term impacts of a resilient career. The donor also financially supported our young people through the bootcamp and employment phase, providing a bursary and IT equipment if required.

Business & Finance Bootcamp Feedback

100%: "I would recommend this bootcamp to other young people like me"
"I feel more confident"

96%: "The support from the LTSB team has been important to my development"

92%: "I feel my communication skills have improved"

"Not only is it fun and enjoyable, it is rewarding and will help you realise your goals and reach them. The best way I could explain it is like having an experienced teacher in a subject helping and guiding you but with the relationship of a close friend. They truly do want the best for you and make it all enjoyable and engaging whilst helping you in aspects you didn't even know you needed help in."

Jack, Business & Finance 2021

While placement of the National cohort did not happen within this reporting window, we're delighted that 100% of the London cohort was placed with companies like RSM, BKL, CROWE, ALL3Media, and MAPP, at **an average salary of £19,800**. This was an incredible outcome considering recruitment instability, helped in part by participants with stronger grades than usual (while still hitting our markers for disadvantage). One side effect of the pandemic seems to have been that the prospect of remote university led some to instead start their careers as apprentices. Similarly, though LTSB previously accepted under-18s who left school before level 3 qualifications (A-levels, BTECs), we now recommend they stay in school to allow the labour market consequences to work themselves out. The considerations when hiring for roles with significant and unpredictable home-working requirements would unavoidably disadvantage younger candidates with less / no prior work experience – especially if they are under 18.

Total Digital, Customer Service, and Business & Finance intake (Jul 20 - Jun 21)

- **137 young people, of which 124 are eligible for placement in reporting window.**
- **83 or 67% placed with 15 employers**
- **Of those placed, 79 or 95% were still in role after a year, or on track.**
- **National Average Salary: £21,800**

Contact Centres

Having successfully delivered Digital and Customer Service bootcamps in unprecedented conditions, LTSB established itself as a valuable and reliable partner for NatWest Group. In October 2020, they asked us to expand our delivery to recruit and prepared young people for apprenticeships at Contact Centres in Belfast, Bolton, Edinburgh, Greenock, Liverpool, and Southend.

Contact Centre roles are different from those for which we have historically prepared young people, yet the positions still provide many of the requirements for social mobility: a real job, not a short-term contract; meaningful qualifications; living wage, and opportunity to progress your career. Considering the possible continued impact that lockdowns could have on retail positions – these conversations began before vaccine approval – it was an obvious opportunity to help young people at greater risk of long-term unemployment in areas characterised by high deprivation.

Yet these opportunities came with real delivery pressure. NatWest needed us to recruit a cohort in Bolton (where we had not delivered before) for a bootcamp to begin in February 2021. This was a demanding turnaround, with not just the usual Christmas hiatus – which would have been hard enough – but one of constant pandemic uncertainty. For all the loss of direct contact, and the greater difficulty of establishing relationships with young people, working in these areas in the timeframe available was only possible because of the advantages of remote delivery. It meant, for example, we could recruit two additional staff with unlimited geographic reach, rather than one in each location – especially important in areas (Belfast, Greenock) where LTSB had no existing footprint or networks.

Even with these advantages, the Contact Centre schedule has been intense. With almost constant bootcamp delivery and, consequently, ever-increasing numbers of in-role apprentices to support, the effort of the recruitment and delivery teams has been huge. We have also had to adjust to specific considerations for this programme:

- These roles are excellent opportunities for young people further from the job market, who require additional preparation and support.
- We have seen an increase in complex case work, often around home / family conditions that were not fully disclosed during recruitment. This is completely reasonable – we need to earn the right to be trusted with our young people’s lives – but has necessitated a greater range of intervention and likely partnership working with other agencies / charities.
- Contact Centres are not usually centrally / easily located, and so young people without private transport (likely those from poorer backgrounds) struggle to get to where they work or rely on unreliable transport networks (especially for shift work).
- While these roles provide career progression, they aren’t naturally defined as careers, and so appeal to young people who are also open to retail and hospitality roles. As lockdowns eased, labour market conditions created better-paid roles in bars and restaurants, and we’ve seen some leave as a result. (Though this is well within NatWest’s usual experience of filling these positions.)

Yet we’ve also seen that our model adapts well to different beneficiaries, with our usual high bootcamp exit surveys and strong employment rates. Within this reporting window, LTSB delivered seven three-week bootcamps (including work experience at Contact Centres and interviews) – at least one in every location. Of the 94 young people on these bootcamps, 94% (88) completed, 67% (63) were hired (29 female) on **over £19,000**. These are transformative opportunities in areas where any opportunity can be scarce, and we are delighted that successful outcomes for our young people has led to this programme being extended into 2022.

Contact Centre Bootcamp Feedback

100%: “The support from the LTSB team has been important to my development”

99%: “I would recommend this bootcamp to other young people like me”

97%: “I feel my communication skills have improved”

“The bootcamp really helped me develop my social skills more especially with how I talk I am now able to get sentences across without seeming as hesitant than before I came to the bootcamp.”

Janina, Contact Centre 2021

“[I learned about] myself. I was given a much better idea of who I am, what I can be and what I am capable of.”

Aaron, Contact Centre 2021

Project 62

When the pandemic hit, we were looking to place 62 candidates nationally. Most had just completed a bootcamp – they were primed to impress at interview and excel in the workplace. The disruption couldn't have come at a worse time, and they were particularly vulnerable in terms of long-term underemployment.

Some reapplied for Digital and Customer Service programmes, but the majority were dedicated to securing careers in business and finance. LTSB committed to finding positive outcomes for as many as we could, for as long as it took – but there was obvious cause for concern. On top of individual company or sector uncertainty, we also recognised the natural hesitation to hire younger people working from family homes, often with young siblings and other responsibilities. It seemed likely that potential employers could see our young people chiefly in terms of the barriers they would have to overcome. In a critical time, with limited support and oversight available, they could instead rely on graduates as an older and more independent entry-level hire.

It's a great testament to our employment team that we consistently placed apprentices, working with HR departments to arrange online interviews, managing the process and making sure our young people were foremost what they could do, rather than what they couldn't control.

Of the original 62, we placed 44, and another six found positions and credited our programme. Of the remaining 12, half have withdrawn from the programme and half continue to be supported in their pursuit of meaningful careers, equal to their ambitions and ability.

The Project 62 employers are an impressive range of major firms, showing again the value that our young people offer when their given the chance. Salesforce, Grant Thornton, Duff and Phelps, RSM, BDO and Faethm are just some of those who commit to the best from all backgrounds, despite the conditions. This is reflected in the salaries, with **a national average of £19,800, a non-London average of £17,950, and a London average of £21,000** – again, life-changing income for families greatest affected by the pandemic.

Corporate Engagement and Support

While offices may have been closed, we weren't shut out from the expertise and commitment of corporate volunteers from firms like Blackrock, Bower Talent, Capco, Danos, Direct Line, Elements Talent, Goldman Sachs, Kroll, Macquarie, NatWest, PwC, r3, Slack, and TP ICAP.

Their staff directly engage through insight days, practice interview sessions and presentation judging sessions, providing:

- 204 volunteers and over 240 hours for our Digital and Customer Services programmes
- 55 volunteers and 55 hours for the Contact Centre programme
- and an additional nearly 40 hours from 17 volunteers throughout other work.

Each young person has an average of 14 interactions with professionals on our bootcamps, from practice interviews, to judges on team tasks, to career insight sessions. Without the commitment of volunteers who believe in the value of our work, future apprentices would have a much poorer understanding of the working world.

Pastoral Support

This commitment distinguishes LTSB from other charities. We don't just provide employability, but employment; we don't just help young people get a job, we help them keep it too. This is a long-term, substantial relationship. It recognises that, even after they've got their dream job, for many of our beneficiaries the hard bit is still to come.

The nature of this relationship means that we're often called upon by both young people and

employers well beyond the formal limits of the programme. Even after the first year of their career, young people ask us for advice or help, and line-managers raise concerns about well-being because they know we can have more honest conversations.

Within this reporting window, we've helped young people who had become unhoused or who were at risk of losing their home; we've supported young people who have struggled with mental health, especially where exacerbated under covid conditions. But not all our interventions are so dramatic, and most of our support is being there for a walk, or a call, or even just a late-night text when young people are feeling overwhelmed.

In practical terms, this means our caseload is always greater than our contracted obligations with employers. While we project an average monthly contact, these tend to be more frequent during the probation period and have to respond to the needs of our beneficiaries. Contact Centres have had 25 'red cases' requiring approximately 10 additional interactions per person of intensive support. Project 62 and the Digital cohorts had young people with significant additional support requirements, requiring at least weekly contact throughout their placement year.

Overview

From July 20 to June 21, 231 young people started an LTSB bootcamp – almost half as many as the total number we've worked with from inception in 2012 to 2019. Across this delivery only 6 young people dropped out, reflecting in part the Covid conditions of shorter virtual programmes, but also the genuine value our beneficiaries find in our delivery. 189 started apprenticeships that varied from customer service to data analyst, from business admin to accountancy. 65% of those who completed bootcamps in this period were employed.

Achieving these outcomes and this growth during an extraordinary period of difficulty and uncertainty is a testament to the strength and commitment of the LTSB Team. This a charity that responded to a crisis by taking every opportunity we could to support young people, and maintained our commitment to tangible outcomes: meaningful careers and living wages.

Future Plans

Despite the pandemic and the impact on charities in general, we have been able to grow our services, impact and income. This is testament to the hard work of the team, the commitment of our young people and the strong relationships we have with funders and partners. As we grow there is always more to do. An organisation in such a rapid period of growth inevitably feels the strain on resources and a pressure to continuously seek funding to cope with the demands of new services, infrastructure requirements and the need to develop and train staff.

Though we aspire to help as many young people as possible, our plans are grounded in the commitment to deliver growing services in a way that puts quality at the centre. A quality service to young people, to our funders and partners – and to the families and communities that trust us to keep the promises we make to their children. We will grow in line with the opportunities available to young people and with a solid financial argument. As the scrutiny on charities grows, so must our vigilance to balance growth with quality and sustainable impact.

We will increase industry pathways available to young people, introducing Marketing and Legal programmes in 2022. We will increase the voice and influence of our young people within the organisation by introducing a youth board. We will seek out organisations with ring-fenced opportunities, so that we recruit young people with a defined opportunity. We will revisit our brand, website and analyse the role of sport within our programmes as we evolve. We will weigh each opportunity, balancing the need to fill the yearly funding gap, secure multi-year funding and most importantly provide a valuable service to the young people that need us.

Fundraising

The work of LTSB has been made possible through generating funds through a range of income streams. Business development and funding activity is also supported by other colleagues within the organisation and Trustees.

We take our fundraising responsibility seriously and have policies in place to ensure good practice, in line with the charity governance code.

We have never received a complaint regarding our fundraising practice.

We have a Finance Committee in place which would be the nominated body to handle complaints should they arise. We are in the process of implementing our new systems, notably Oracle NetSuite to provide CRM, Finance and Fundraising solutions and Trust Impact data visualisation tools.

Governance

LTSB is registered as a charitable company limited by guarantee and was set up by a Trust deed. LTSB is a well-governed charity with a board drawn from many different sectors, and a clear commitment to continuous learning, improvement and strengthening.

We have been reviewing our governance requirements to ensure we have the right board and structure for the years ahead. We have the support of the law firm, Brabners, who support us in all aspects of governance and related policy development. We will explore areas not limited to: board diversity; conflict of interest; board roles and engagement; succession planning; board appointment process; Nomination and Remuneration Committee; young people's involvement.

Our Trustees are particularly keen to ensure the voices of young people and staff are heard at governance level and inform their decision making.

Trustee Recruitment and Induction

Election, retirement and re-election of Trustees are carried out according to the procedures set out in our Memorandum and Articles of Association, which is our governing document.

In 2021 we began a process of identifying new trustees to enhance and diversify our Board of Trustees. Our Founder and Chairman David Pinchin announced his decision to step down from the Board of Trustees after a remarkable 10-year term. To support the process of seeking a new Chair and additional trustees we enlisted the executive recruitment firm, Boyden. At the time of writing we are welcoming new members of the Board and continuing to seek a trustee to occupy the Chair position.

LTSB reviews and continues to recruit new Trustees to ensure the board is diverse and has the range of skills, knowledge and experience necessary to comply with its collective responsibility.

All new Trustees have an induction to ensure their understanding of the role Trustees under charity law and being a Director under company law. Induction also provides an overview of LTSB, its mandate, policies, procedures, structure, governance, mission and strategic direction with particular reference to the Charity Commission guidance.

Role of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

The Board of Trustees meet formally four times a year and have ultimate responsibility for ensuring that:

- LTSB complies with statutory and regulatory requirements,
- the strategic direction is in line with the LTSB constitutional objects,
- operational and financial management is in line with both LTSB's strategic goals and the organisation's means,
- we are answerable to our beneficiaries and to our supporters, and
- there are adequate systems and procedures in place for good risk management.

The Board takes responsibility to safeguard funds entrusted to us to positively change the lives of young people from disadvantaged backgrounds. The Board sub-committee provides oversight on Finance and reports to the main Board. We have zero tolerance policy on fraud, bribery and corruption. Trustees are able, where appropriate, to take independent professional advice at no personal expense. LTSB has Trustees' Liability insurance in place which is reviewed periodically.

The financial statements have been prepared on the going concern basis. This assumes that the company will continue to operate for the foreseeable future, being a period of at least twelve months from the date of approval of these financial statements and will be able to meet their debts as they fall due.

The Trustees have reviewed the financial forecast for the next twelve months and are confident that with a healthy cash reserve balance, contracts in place, and fundraising successes that LTSB is on a secure financial footing. We have continued to receive funding in the period since the year-end, and at the date of signing the financial statements, LTSB had sufficient cash to cover more than six months of expenditure. Based on these factors, the Trustees consider it appropriate to prepare the financial statements on a going concern basis.

Remuneration Policy for Key Management Personnel

Remuneration for LTSB's key management personnel is decided by CEO, in consultation with the Chair, and submitted to the Board for approval.

Financial Review

Total incoming resources in the year were £1,176,821 (2020: £1,018,065) and total outgoing resources £972,485 (2020: £931,853) producing a surplus of £204,336 (2020: £86,212) for the period. The year end surplus masks the financial challenges experienced during the year, and mostly comprises a large restricted grant that was awarded towards the end of the financial year, which was largely unspent at year end, contributing £231k to the restricted reserves. Nonetheless, LTSB is pleased to have grown its income during a pandemic year and particularly to have received funds from a greater number of funders, to have received a large grant to pilot work with smaller employers and to have taken on a new contract with NatWest.

At the year end the charity had net assets of £764,282 (2020: £559,945), of which £304,051 was restricted (2020: £77,584) and of which £231,142 related to the large restricted grant to work with SMEs and which will be spent in subsequent financial years largely on external costs.

Of the unrestricted reserves, £195,190 was designated as expenditure for the 2021 contact centre contract. The payment for this contract was received up-front but much of the work (and hence cost) will be incurred in financial year 21/22.

Reserves

LTSB had 6 months running costs in reserves at the end of June 2021, which the Board and management team agreed was an appropriate level of reserves.

Risk Management and Internal Control

Risks are managed via the LTSB risk register which is controlled by the CEO & Finance Director. The Trustees review the major risks the charity faces as part of the annual business planning process and have established a ranking and control systems to manage these risks.

The Trustees are satisfied that these arrangements, combined with the annual review of financial controls and the reserves policy, will ensure that sufficient resources are available to maintain services for the foreseeable future.

Trustees review the risk register annually, which covers risks across **Governance, Operations, Young People, and Finance**.

Principal Risks & Mitigations

We have identified the key risks to LTSB as:

- Finance – high proportion of operational income from a single company
- Operations – safeguarding and recruitment

Finance

The principal risk to the charity is the proportion of income from a single corporate. Loss of this income would significantly reduce our ability to maintain current levels of expenditure and impact.

We have a funding diversification strategy that supports us to generate funds from a range of sources, including institutional and individual donors, events, corporates and commissioned income from contracts. We are continuously identifying new funding streams and corporate partners and are confident in our diversification strategy and pleased with progress. We have good liquidity and strong reserves, including a healthy cash balance. All of this would allow us sufficient time and resource to address any significant changes to the organisation.

Operations – Safeguarding

LTSB's trustees and senior management team continue to place emphasis and attention on how we safeguard our young people. As we grow it is inevitable that we will deal with more actual or potential safeguarding issues. The staff team have received training, including the CEO, and at least one member of the board will also attend NSPCC safeguarding training. We have significantly revised the safeguarding policy and all safeguarding issues are reported as a standing agenda item at executive meetings. We are also seeking funding for a safeguarding officer post in 2022.

Operations – Recruitment

LTSB depends on employers to hire the type of young people we support, in the areas we support them. The recruitment response to difficult times may be reliance on traditional talent pools – Russell Group grads, or very high A-level criteria. We now provide much more training and information for companies around socially-mobility, especially in terms of the business case. Substantial commitment from high-profile companies like NatWest Group makes a compelling case to their peers and competitors, and provides a more stable model for employment – working backwards from an agreed pool of jobs reserved exclusively for our candidates. We will seek to replicate this model in future.

We also need to be able to provide young people that firms are willing to hire. That isn't just young people from disadvantaged backgrounds, but those from disadvantaged backgrounds who have the ambition and ability to work in unfamiliar and demanding environments. Recruitment of appropriate young people is the foundation of our work, and subject to the same labour market pressures as everyone else – especially when expanding into new regions / sectors. In mitigation we now have a dedicated recruitment team, attending year-round to the development of online advertising, referral streams and youth networks to ensure opportunity finds those who need it most.

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial period. 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 Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, **Berg Kaprow Lewis LLP**, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on and signed on their behalf by:



Lorraine Emma Barclay

25th March 2022

LEADERSHIP THROUGH SPORT AND BUSINESS
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2021

Trustees	Julie Ann Carruthers Darren Gurner David Pinchin Juliet Thompson Patrick Charles Thornton-Smith Wincie Wong Peter Norman Lodder Lorraine Barclay
Company registered number	08033634
Charity registered number	1147616
Registered office	Graeme Hughes c/o Brabners LLP Horton House, Exchange Flags Liverpool L2 3YL
Company secretary	Brabners Secretaries Limited
Chief executive officer	Paul Evans
Independent auditors	Berg Kaprow Lewis LLP Chartered Accountants Statutory Auditor 35 Ballards Lane London N3 1XW

LEADERSHIP THROUGH SPORT AND BUSINESS
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEADERSHIP THROUGH SPORT AND BUSINESS

Opinion

We have audited the financial statements of Leadership Through Sport and Business (the 'charitable company') for the year ended 30 June 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 30 June 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

LEADERSHIP THROUGH SPORT AND BUSINESS
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEADERSHIP THROUGH SPORT AND BUSINESS (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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.

LEADERSHIP THROUGH SPORT AND BUSINESS
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEADERSHIP THROUGH SPORT AND BUSINESS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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:

- Enquiring of management around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the

LEADERSHIP THROUGH SPORT AND BUSINESS
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEADERSHIP THROUGH SPORT AND BUSINESS (CONTINUED)

date of our Auditors' Report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Berg Kaprow Lewis LLP

Berg Kaprow Lewis LLP
Chartered Accountants
Statutory Auditor
London

Date: 25/03/2022

Berg Kaprow Lewis LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

LEADERSHIP THROUGH SPORT AND BUSINESS
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
	Note				
Income from:					
Donations	4	322,129	423,087	745,216	723,729
Charitable activities	5	431,561	-	431,561	293,540
Investments	6	44	-	44	796
		<u>753,734</u>	<u>423,087</u>	<u>1,176,821</u>	<u>1,018,065</u>
Total income					
Expenditure on:					
Raising funds	7	137,097	13,838	150,935	192,660
Charitable activities	8	638,768	182,782	821,550	739,193
		<u>775,865</u>	<u>196,620</u>	<u>972,485</u>	<u>931,853</u>
Total expenditure					
		<u>(22,131)</u>	<u>226,467</u>	<u>204,336</u>	<u>86,212</u>
Net movement in funds					
Reconciliation of funds:					
Total funds brought forward		482,361	77,584	559,945	473,733
Net movement in funds		(22,131)	226,467	204,336	86,212
		<u>460,230</u>	<u>304,051</u>	<u>764,281</u>	<u>559,945</u>
Total funds carried forward					

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 25 to 43 form part of these financial statements.

LEADERSHIP THROUGH SPORT AND BUSINESS
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08033634

BALANCE SHEET
AS AT 30 JUNE 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	10,067	7,081
		<u>10,067</u>	<u>7,081</u>
Current assets			
Debtors	14	163,538	39,296
Cash at bank and in hand		861,971	555,949
		<u>1,025,509</u>	<u>595,245</u>
Creditors: amounts falling due within one year	15	(271,294)	(42,381)
Net current assets		<u>754,215</u>	<u>552,864</u>
Total assets less current liabilities		<u>764,282</u>	<u>559,945</u>
Total net assets		<u><u>764,282</u></u>	<u><u>559,945</u></u>
Charity funds			
Restricted funds	16	304,051	77,584
Unrestricted funds	16	460,231	482,361
Total funds		<u><u>764,282</u></u>	<u><u>559,945</u></u>

LEADERSHIP THROUGH SPORT AND BUSINESS
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08033634

BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2021

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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

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 and signed on their behalf by:

LEBarclay

Lorraine Barclay

Trustee

Date: 25/03/2022

The notes on pages 25 to 43 form part of these financial statements.

LEADERSHIP THROUGH SPORT AND BUSINESS
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	19	312,553	106,994
Cash flows from investing activities			
Purchase of tangible fixed assets		(6,573)	(7,625)
Interest received		44	796
Net cash used in investing activities		(6,529)	(6,829)
Cash flows from financing activities			
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		306,024	100,165
Cash and cash equivalents at the beginning of the year		555,947	455,782
Cash and cash equivalents at the end of the year	20	861,971	555,947

The notes on pages 25 to 43 form part of these financial statements

LEADERSHIP THROUGH SPORT AND BUSINESS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1. General information

Leadership Through Sport and Business is a private company limited by guarantee incorporated in England and Wales.

The registered office is Brabners LLP, Horton House, Exchange Flags, Liverpool, Merseyside, L2 3YL.

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) and the Companies Act 2006.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Leadership Through Sport and Business 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 Going concern

The financial statements have been prepared on the going concern basis. This assumes that the company will continue to operate for the foreseeable future, being a period of at least twelve months from the date of approval of these financial statements and will be able to meet their debts as they fall due.

The trustees have reviewed the financial forecast for the next twelve months in light of the ongoing Coronavirus pandemic and the impact it is having on all businesses in the UK. The charity has continued to receive funding in the period since the year-end, and at the date of signing the financial statements, the charity had enough cash to cover more than six months of expenditure.

The trustees are very confident that with a healthy cash reserve balance, the multi-year contracts in place and the increase in the number of corporate partnerships, the charity is on a secure footing to create increased social impact in a financially robust way. The trustees are confident in our ability to generate funds from a variety of sources and support our funding diversification strategy.

Based on these factors, the trustees consider it appropriate to prepare the financial statements on a going concern basis.

LEADERSHIP THROUGH SPORT AND BUSINESS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

2. Accounting policies (continued)

2.3 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.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Gifts and services received in kind are recognised in the period received to the extent they can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

2.4 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. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

LEADERSHIP THROUGH SPORT AND BUSINESS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

2. Accounting policies (continued)

2.6 Interest receivable

Interest 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 institution with whom the funds are deposited.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets 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.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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

Depreciation is provided on the following basis:

Fixtures, fittings & equipment	-	25%
Office equipment	-	33%

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Financial Activities.

2.8 Debtors

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

2.9 Cash at bank and in hand

Cash at bank and 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.

LEADERSHIP THROUGH SPORT AND BUSINESS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

2. Accounting policies (continued)

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 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.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgement

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. 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.

LEADERSHIP THROUGH SPORT AND BUSINESS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

4. Income from donations

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Grants and corporate	183,683	382,460	566,143
Individuals	47,188	26,789	73,977
Fundraising events	90,678	-	90,678
Gift Aid	580	-	580
Government grants	-	13,838	13,838
Total 2021	322,129	423,087	745,216
	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Grants and corporate	227,915	165,960	393,875
Individuals	119,148	-	119,148
Gift Aid	5,218	-	5,218
Fundraising events	109,453	1,880	111,333
Donated goods and services	87,647	-	87,647
Government grants	-	6,508	6,508
<i>Total 2020</i>	<i>549,381</i>	<i>174,348</i>	<i>723,729</i>

As outlined by SORP FRS 102, donated goods and services are to be included in the accounts valued at the amount the charity would have spent on similar goods or services, should they have not been received as donations.

Included in the above figures for 2020 are £87,647 of donated goods and services, relating to events and meeting spaces of £74,816 and other gifts in kind of £12,831. Volunteer time is not included in this figure. There were no donated goods and services in 2021.

Income from government grants all relates to the Coronavirus Job Retention Scheme.

LEADERSHIP THROUGH SPORT AND BUSINESS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

5. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £
College revenue	30,443	30,443
Employers' contribution	392,468	392,468
Joint ventures	-	-
Alumni placement	8,650	8,650
Total	<u>431,561</u>	<u>431,561</u>
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
College revenue	66,948	66,948
Employers' contribution	198,659	198,659
Joint ventures	10,570	10,570
Alumni placement	17,363	17,363
<i>Total 2020</i>	<u>293,540</u>	<u>293,540</u>

LEADERSHIP THROUGH SPORT AND BUSINESS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £
Investment income	44	44
	<u>44</u>	<u>44</u>
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Investment income	796	796
	<u>796</u>	<u>796</u>

LEADERSHIP THROUGH SPORT AND BUSINESS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

7. Expenditure on raising funds

Fundraising and publicity

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Recruitment	287	-	287
Other fundraising costs	18,248	-	18,248
Staff costs	117,925	13,838	131,763
Depreciation	637	-	637
	<u>137,097</u>	<u>13,838</u>	<u>150,935</u>

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Staging fundraising events	1,279	-	1,279
Gifts in kind	12,831	-	12,831
Recruitment	12,420	-	12,420
Other fundraising costs	19,555	-	19,555
Venues and refreshments	22,538	-	22,538
Staff costs	117,132	6,508	123,640
Depreciation	397	-	397
	<u>186,152</u>	<u>6,508</u>	<u>192,660</u>

LEADERSHIP THROUGH SPORT AND BUSINESS
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NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Activities undertaken directly	128,159	28,916	157,075
Staff costs	313,672	152,850	466,522
Depreciation	2,259	-	2,259
Support costs	146,731	1,016	147,747
Governance costs	47,947	-	47,947
	<u>638,768</u>	<u>182,782</u>	<u>821,550</u>
	<u><u>638,768</u></u>	<u><u>182,782</u></u>	<u><u>821,550</u></u>
	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Activities undertaken directly	158,483	18,938	177,421
Gifts in kind	74,816	-	74,816
Staff costs	207,027	131,040	338,067
Depreciation	1,131	-	1,131
Support costs	106,719	-	106,719
Governance costs	41,039	-	41,039
	<u>589,215</u>	<u>149,978</u>	<u>739,193</u>
	<u><u>589,215</u></u>	<u><u>149,978</u></u>	<u><u>739,193</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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9. Analysis of expenditure by activities

	Charitable Activities 2021 £	Support and governance costs 2021 £	Total funds 2021 £
Activities undertaken directly	157,075	-	157,075
Staff costs	466,522	-	466,522
Depreciation	2,259	-	2,259
Support costs	-	147,747	147,747
Governance costs	-	47,947	47,947
	625,856	195,694	821,550

	<i>Activities undertaken directly 2020 £</i>	<i>Support and governance costs 2020 £</i>	<i>Total funds 2020 £</i>
Activities undertaken directly	177,421	-	177,421
Gifts in kind	74,816	-	74,816
Staff costs	338,067	-	338,067
Depreciation	1,131	-	1,131
Support costs	-	106,719	106,719
Governance costs	-	41,039	41,039
	591,435	147,758	739,193

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NOTES TO THE FINANCIAL STATEMENTS
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9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Support costs 2021 £	Governance costs 2021 £	Total funds 2021 £
Staff costs	107,124	35,813	142,937
Depreciation	518	173	691
Accommodation, sustenance and travel	743	-	743
Adminstration	1,635	-	1,635
Communications and IT	5,336	-	5,336
Printing, photography, PR and design	24,606	-	24,606
Staff recruitment and development	3,266	-	3,266
Sundry expenses	2,159	-	2,159
Irrecoverable VAT	2,360	-	2,360
Audit & professional fees	-	11,961	11,961
	147,747	47,947	195,694

	<i>Support costs 2020 £</i>	<i>Governance costs 2020 £</i>	<i>Total funds 2020 £</i>
Staff costs	74,963	26,945	101,908
Depreciation	240	87	327
Accommodation, sustenance and travel	958	-	958
Adminstration	2,657	-	2,657
Communications and IT	2,379	-	2,379
Printing, photography, PR and design	16,934	-	16,934
Sundry expenses	663	-	663
Irrecoverable VAT	7,925	-	7,925
Audit & professional fees	-	14,007	14,007
	106,719	41,039	147,758

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

10. Auditors' remuneration

	2021	<i>2020</i>
	£	£
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	5,250	<i>5,250</i>

11. Staff costs

	2021	<i>2020</i>
	£	£
Wages and salaries	672,507	<i>500,241</i>
Social security costs	68,715	<i>63,374</i>
	741,222	<i>563,615</i>

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

	2021	<i>2020</i>
	No.	No.
Operations	13	<i>10</i>
Chief Executive	1	<i>1</i>
Fundraising / partnership management	4	<i>4</i>
	18	<i>15</i>

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

	2021	<i>2020</i>
	No.	No.
In the band £60,001 - £70,000	1	<i>1</i>
In the band £70,001 - £80,000	1	<i>-</i>

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12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £25,000).

During the year, no Trustee expenses have been incurred (2020 - £NIL).

13. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 July 2020	4,834	8,506	13,340
Additions	-	6,573	6,573
At 30 June 2021	4,834	15,079	19,913
Depreciation			
At 1 July 2020	4,700	1,559	6,259
Charge for the year	134	3,454	3,588
At 30 June 2021	4,834	5,013	9,847
Net book value			
At 30 June 2021	-	10,066	10,066
At 30 June 2019	134	6,947	7,081

14. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	5,400	30,850
Other debtors	57	-
Prepayments and accrued income	158,081	3,228
Gift Aid receivable	-	5,218
	163,538	39,296

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NOTES TO THE FINANCIAL STATEMENTS
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15. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	13,959	2,665
Other taxation and social security	-	31,053
Other creditors	7,423	2,363
Accruals and deferred income	249,912	6,300
	271,294	42,381

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

16. Statement of funds

Statement of funds - current year

	Balance at 1 July 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 June 2021 £
Unrestricted funds					
Designated funds					
2021 Contact Centre contract	-	-	-	195,190	195,190
General funds					
General Funds - all funds	482,361	753,735	(775,865)	(195,190)	265,041
Total Unrestricted funds	482,361	753,735	(775,865)	-	460,231
Restricted funds					
Recruitment fund	26,589	-	(26,589)	-	-
Training and development fund	25,540	409,249	(133,195)	-	301,594
Women's economic empowerment and leadership project	22,305	-	(22,305)	-	-
Other restricted funds	3,150	-	(693)	-	2,457
Coronavirus Job Retention Scheme	-	13,838	(13,838)	-	-
	77,584	423,087	(196,620)	-	304,051
Total of funds	559,945	1,176,822	(972,485)	-	764,282

Recruitment fund: supporting the development and growth of LTSB programmes through salaries for fundraising positions

Training and development funds: supporting young people from disadvantaged backgrounds through LTSB programmes.

Women's economic empowerment and leadership project fund: promoting gender equality through support of young women on our More Than An Apprentice Programme in London and Birmingham.

LEADERSHIP THROUGH SPORT AND BUSINESS
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

16. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 July 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 30 June 2019 £</i>
Unrestricted funds				
General Funds - all funds	414,011	843,717	(775,367)	482,361
Restricted funds				
Recruitment fund	9,371	60,000	(42,881)	26,490
Training and development fund	23,944	70,298	(68,603)	25,639
Women's economic empowerment and leadership project	26,407	29,392	(33,494)	22,305
Coronavirus Job Retention Scheme	-	6,508	(6,508)	-
Other restricted funds	-	8,150	(5,000)	3,150
	59,722	174,348	(156,486)	77,584
Total of funds	473,733	174,348	(931,853)	559,945

17. Summary of funds

Summary of funds - current year

	Balance at 1 July 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 June 2021 £
Designated funds	-	-	-	195,190	195,190
General funds	482,361	753,735	(775,865)	(195,190)	265,041
Restricted funds	77,584	423,087	(196,620)	-	304,051
	559,945	1,176,822	(972,485)	-	764,282

£195,190 of unrestricted reserves was designated to run the 2021 Contact Centre contract. The funds for this contract were received up-front, but a majority of the delivery (and hence cost) will be incurred in the next financial year.

LEADERSHIP THROUGH SPORT AND BUSINESS
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

17. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 July 2019</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at 30 June 2019</i>
	£	£	£	£
General funds	414,011	843,717	(775,367)	482,361
Restricted funds	59,722	174,348	(156,486)	77,584
	<u>473,733</u>	<u>1,018,065</u>	<u>(931,853)</u>	<u>559,945</u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021	Restricted funds 2021	Total funds 2021
	£	£	£
Tangible fixed assets	10,067	-	10,067
Current assets	721,458	304,051	1,025,509
Creditors due within one year	(271,294)	-	(271,294)
Total	<u>460,231</u>	<u>304,051</u>	<u>764,282</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020</i>	<i>Restricted funds 2020</i>	<i>Total funds 2020</i>
	£	£	£
Tangible fixed assets	7,081	-	7,081
Current assets	517,660	77,584	595,244
Creditors due within one year	(42,381)	-	(42,381)
Total	<u>482,360</u>	<u>77,584</u>	<u>559,944</u>

LEADERSHIP THROUGH SPORT AND BUSINESS
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NOTES TO THE FINANCIAL STATEMENTS
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19. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	204,336	86,212
Adjustments for:		
Depreciation charges	3,588	1,855
Decrease/(increase) in debtors	(124,240)	27,291
Increase/(decrease) in creditors	228,913	(7,568)
Donated goods and services	-	(87,647)
Gifts in kind	-	87,647
Investment income	(44)	(796)
Net cash provided by operating activities	312,553	106,994

20. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	861,971	555,947
Total cash and cash equivalents	861,971	555,947

21. Analysis of changes in net debt

	At 1 July 2020 £	Cash flows £	At 30 June 2021 £
Cash at bank and in hand	555,947	306,024	861,971

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NOTES TO THE FINANCIAL STATEMENTS
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22. Related party transactions

During the period, D & G Pinchin donated £54,696 (2020: £91,159) to the charity. Other donations from trustees totalled £825 (2020: £9,700).

During the year, the charity incurred costs of £32,233 (2020: £26,768) for consultancy services provided by Marlin Wood Limited, a company of which Darren Gurner, a trustee, is a director and shareholder. The services were provided at a market rate, and at the year end the full balance had been paid.

The aggregate remuneration of key management personnel was £240,591 (2020: £205,595).

Thanks to all our Supporters

Employers



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