

Registered number: 08623233
Charity number: 1155522

The Sports Trust
(formerly The Shepway Sports Trust)
(A company limited by guarantee)

Trustees' Report and Financial Statements

For the Year Ended 31 August 2021

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Reference and Administrative Details of the Charity, its Trustees and Advisers
For the Year Ended 31 August 2021

Trustees	P.S. Carney D. Collins S.L. Downey L.M. Eede M. Greenwood S. Hughes (appointed 25 September 2020) D. Hulme J.L. Jordan T.J. Minter OBE DL C.D. Simmonds
Company registered number	08623233
Charity registered number	1155522
Registered office	Three Hills Sports Park Cheriton Road Folkestone Kent CT19 5JU
Independent auditors	UHY Kent LLP Chartered Accountants Thames House Roman Square Sittingbourne Kent ME10 4BJ

The Sports Trust
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Trustees' report
For the year ended 31 August 2021

The Trustees have pleasure in presenting their report and the audited financial statements for the year ended 31 August 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 Charities SORP (FRS 102).

About The Sports Trust

The Sports Trust ("TST" / the Charity) is a charity based in South-East Kent that promotes participation and excellence in sport by creating strong links between schools, clubs and community organisations. The charity aims to provide a holistic approach to sport, creating a foundation for individuals to reach the highest possible level, both personally and in organised competitive sport.

The concept was devised after a number of consultations with local schools, over 60 sports clubs and discussions with both Kent County Council and Folkestone and Hythe District Council along with national governing bodies. The Roger De Haan Charitable Trust ("RDHCT") provided funding to act as a catalyst for the co-operation between schools and sports clubs.

Participating schools commit to provide a full and regular programme of organised sport to their pupils and to regularly enter school teams in local inter-school matches.

The secondary schools in the district have, amongst them, a good range of sports halls, pitches and equipment but they say they often lack the quality of coaching that their pupils require.

Some of the district's primary schools have sports grounds but most do not and they all lack the coaches required to provide their pupils a good quality and varied sports programme. They also lack much of the equipment that will be needed or the means of transporting their pupils to and from the sports grounds.

The Folkestone and Hythe District and its neighbours have a wide range of sports clubs. Many are well-run and have good facilities. Some, despite poor facilities, are remarkably successful. Most of them say they need more high-quality coaching.

To access RDHCT financial support, the clubs have allowed participating schools access to their facilities and provided good quality coaching to support the schools' sports programmes.

The Sports Trust acts as the facilitator between all the schools, sports clubs and community organisations.

OBJECTIVES AND ACTIVITIES

Mission

Our vision is to make sport and physical activity possible for everyone in our community. Our mission is to work in partnership with schools, clubs and community groups to provide the best sporting opportunities for everyone in the community, from beginners to elite athletes and everyone in between.

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Principal objectives

The object of the Charity as set out in its Articles of Association is the promotion of community participation in healthy recreation for the benefit of the inhabitants of the district of Folkestone and Hythe by assisting in the provision of facilities and other services that will enable them to participate in amateur sport and physical activity.

The objectives are as follows:

- To significantly improve the number of local people, both adults and children, that regularly participate in sport;
- To encourage "not for profit" sports clubs to develop sports facilities that meet the needs of the local community;
- To encourage local schools and "not for profit" sports clubs to support their talented sportsmen and women;
- To create a partnership between the districts "not for profit" sports clubs and local primary and secondary schools in order that they share coaching, training, facilities and other resources;
- To have all primary and secondary schools in the district committed to offering a full and regular programme of organised sport and committing school sports teams to compete in local inter-school matches;
- To encourage the districts "not for profit" sports clubs to better meet the needs of the local community and, as a result, increase club membership;
- To develop, over time, a model for the development of sport in the district that will appeal to the various agencies/bodies that fund sport.
- To develop and operate excellent sporting facilities.

The organisation seeks to do this by:

- Engaging primary and secondary schools by providing access to qualified coaches and mentors and by promoting competition and other activities,
- Encouraging more individuals to take up sport and recreation and become actively involved in clubs,
- Partnering with community groups to promote greater understanding of the value of recreational sport,
- Supporting elite athletes and utilising their skills to inspire others to achieve sporting excellence.
- Providing excellent sporting facilities for schools, sports clubs and the community to access high level sporting provision.

By promoting sport in the broader community, The Sports Trust aims to make a significant impact on the health and well-being of people who live in the district. The Trust also aims to establish the Folkestone & Hythe district as a centre of sporting excellence, as measured by numbers of individuals representing their district, county or country in their chosen sport(s) or by the success of teams competing at regional or national level.

The key themes that run throughout our work are:

Schools

Excellence ~ We promote excellence in sport and physical activity within our schools and we believe every child should be able to access high-quality sports provisions throughout their education.

Belonging ~ We believe sport creates a sense of belonging at school. We actively promote the impact sport has on the wider school community.

Inclusive ~ Sport should be accessible to every child, no matter their ability.

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Discovering Passion ~ School is a great time for children to try something new, learn new skills and develop a lifelong love for sport.

Whole School Improvement ~ We will work together with schools to improve sporting provision and the wider objectives of the school, such as behaviour, attendance and academic attainment.

Mindful of the pandemic we are working closely with schools to ensure the provision of sport can continue in a safe manner as restrictions increase and decrease. Most if not all schools engage with the Charity, at varying levels and we will ensure the wide ranging sports packages we have is further expanded to take into account the changing sporting landscape. Through the pandemic online sessions and virtual competitions took place alongside online CPD course to encourage engagement with sport and some of these sessions will continue. Success will see all schools return to pre-pandemic levels of sporting engagement and in time further growth to provide even more sporting opportunities and buy in within the school structure.

Communities

Physical, Emotional and Mental Wellbeing ~ We encourage individuals to acknowledge their physical, emotional and mental state and use sport as a tool to open up conversations around a holistic approach to health.

Be Your Best You ~ We realise it is not always easy to be the best you can be. The Sports Trust encourages everyone to believe it is possible to be your best you.

People Helping People ~ We believe working together and helping each other creates happier, healthier lives. We take loneliness and isolation seriously and through our work over the next five years, we are aiming to reduce the number of people affected by this especially following the impact of Covid.

Invest and Grow ~ We encourage individuals to invest in themselves and the wider area. Through the investment of money, time and energy, people and places will grow.

Proud of My Postcode ~ We are proud to be cemented in the area. We want everyone to share our pride and create a sense of community spirit and belief. We know our area is changing; if we embrace change together, it will make for a better place to be.

The pandemic really identified the need for community activity and the Charity quickly mobilised to move most of the community sessions online. Whilst it wasn't possible to recreate all sessions, it did allow for sport and physical activity to continue and importantly the social aspect to remain. It also identified that for some, online sessions were better either due to ease of access or other social barriers, such as physical confidence. A number of online sessions will remain as restrictions lift. Success will see further development of the community programmes, working with partner organisations to grow the sporting offer for different elements of the community and to see participation in our various programmes return to and exceed pre-pandemic levels.

Partner Clubs:

Clubs for all ~ We believe that every sports club should be an inclusive, safe and welcoming environment for people from all backgrounds

Excellence ~ We are proud of the number of high calibre clubs we have within our district, in terms of coaches, facilities, athletes and volunteers. We are confident that our clubs help us to promote and develop excellence.

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Clubs supporting clubs ~ Working together makes clubs more resilient to change and makes them stronger for future generations.

Invest and grow ~ We encourage clubs to invest in themselves and the wider area. Through funding, time and energy, clubs will grow.

The pandemic saw clubs have to shut down activity in many cases, and much of the sporting community turned to individual workouts or online sessions. There is a huge appetite to return to sports and the social aspects of sport. Pre-pandemic saw most sports clubs in the district engage with the Charity, and we are providing support and guidance to help clubs survive and adapt through the pandemic. Success will be to ensure all clubs survive through the pandemic and can then benefit from the huge appetite from existing and potential new members to re-join sports as restrictions lift.

Public benefit

The trustees have considered the impact of the public benefit requirement including the guidance issued by the Charity Commission. The charity aims to actively advance and increase the opportunity for healthy recreation, employment, volunteering and training for the inhabitants of the Folkestone and Hythe and wider southeast area.

Volunteering

It is our aim to use volunteering as a vehicle for personal and community development. 1,500 volunteers will gain new skills, experiences and social networks and grow as an individual. This will have a direct and positive impact on the local community by providing opportunities for thousands of people to be active every day. It is our aim to recruit, train and retain 1,500 volunteers by August 2024. Unfortunately, Covid-19 has hampered our ability to make progress in this area however there have been several hundred volunteers who have signed up to support the vaccination efforts and to help support the community hub that was set up at Three Hills Sports Park, one of our partner venues.

ACHIEVEMENTS AND PERFORMANCE

In the Trustees' Report accompanying the financial statements for the year ended 31 August 2021, we reported that the Charity intended to continue to work towards the aims and objectives outlined in our 5 year framework. The key aims, outcomes and themes being as follows:

In schools:

- *Strategic Aim:* We aim to ensure every primary school child has access to a broad range of experiences, activities and sporting opportunities within the school day.

Every school will continue to partner with The Sports Trust and increase their engagement with our school's sports packages, resulting in every child accessing more physical activity and competitive sport every day.

Progress: All primary schools had committed to a package of some kind with us in 2020/21. Some of these activities were not able to be delivered or became virtual due to the pandemic.

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- *Strategic Aim:* We aim to ensure every primary school teacher has access to high quality resources and mentoring opportunities

Through our primary school sports packages, every primary school teacher will be able to access quality resources and mentoring from our qualified team and CPD packages have been made available online through the pandemic.

Progress: We had 5 schools committed to at least one day per week with either one of our qualified teachers or a high-level coach to improve teacher's teaching of high-quality PE. All PE leaders had access to either attending 4 primary PE leader meetings per year or accessing recordings and to access CPD sessions, which were delivered virtually.

- *Strategic Aim:* We aim to promote and deliver competitions and work towards excellence in all schools.

In partnership with local clubs and schools, The Sports Trust will deliver consistently high-quality competitions, identify talent and signpost onto appropriate community groups and clubs for progression.

Progress: The competition calendar has increased and has been able to return to face-to-face sessions in some instances. Other competitions were delivered virtually and saw high participation figures and local club involvement.

- *Strategic Aim:* We aim to establish strong links between schools, clubs and community groups

We will provide all schools, clubs and community groups with the tools to forge strong relationships and provide ongoing opportunities for people of all ages, at any level.

Progress: TST linked with several partner clubs and organisations to deliver virtual competitions and continue to work with key partners Folkestone Junior Athletics and Saints Basketball.

- *Strategic Aim:* We aim to use sport to positively impact whole school improvement in areas such as behaviour, attendance and academic attainment.
- We will develop strategic plans with every school so that physical education and sport can demonstrate a clear role in contributing to the overall improvements in their school. The PE leaders meetings have a focus on this to ensure the sports activities are safe, inclusive, enjoyable and help make meaningful impacts on the pupils.
- *Progress:* Proposals were written and sent to each school to propose their next steps in sport, physical activity and PE provision. Some schools use part of our school's package as rewards for pupils with good attendance or nurture groups.

Key statistics:

- 20 out of 37 primary schools engaged with The Sports Trust through the TST PE and School, Sport Package.
- 20 out of 37 primary schools participated in virtual online competitions and events.
- 24 online events for primary schools were held with just 5 face-to-face events due to the pandemic;
- 2,875 pupils took part in online competitions.

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In Communities:

- *Strategic Aim:* We aim to reduce child and adult obesity and increase health across the district.

In figures from 2017, 63.1% of adults in our district were overweight or obese, as well as 32.5% of children leaving primary school. Through focused community programmes, we will reduce these figures.

Progress: Due to Covid-19 this data is still not yet measurable and due to government restrictions, we have been limited in combating this area however with the online competitions and activities alongside a return to some in person sport we are actively contributing to this aim again. It is expected that due to the lack of accessibility to physical activity and prolonged periods of inactivity that these figures may have got worse which makes it imperative we continue.

- *Strategic Aim:* We aim to support children and adults with mental health conditions to be more physically and socially active.

We will remove the barriers that people living with mental health conditions face to accessing physical activity and work with partners to create more opportunities to get active. We will engage 250 people and improve their physical, emotional and mental wellbeing.

Progress:

- 41 adults registered with MIND suffering from poor mental health accessed our Active Self yoga and Pilates classes throughout the year and participated in our social sessions.

- *Strategic Aim:* We aim to use sport as a tool to reduce loneliness and isolation in our community

We have seen first-hand how sport can give people a purpose and bring communities together. We will put social inclusion at the heart of all of our programmes.

Progress:

- 41 adults registered with MIND suffering from poor mental health accessed our Active Self yoga and pilates classes throughout the year and participated in our social sessions.
- 147 participants over the age of 50 have attended at least one Active 50 session this year

- *Strategic Aim:* We aim to ensure that low-income families can access high quality sporting opportunities

We will ensure sporting provision is accessible and affordable during the school holidays, with lunches available for children who qualify for free school meals. We will provide financial support to people who want to progress onto club and community sport, in the form of kit, equipment, membership and expenses.

Progress: A total of 646 free day places and free meals were provided at our holiday camps this financial year to children from low-income families.

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- *Strategic Aim:* We aim to support and provide opportunities for marginalized and hard to reach people

We will engage and support NEETS, refugees, asylum seekers and other hard-to-reach people with opportunities to train and access apprenticeships. We will support over 100 people into employment.

Progress: This aim was put in place dependant on the European Funding Project, which we had to withdraw from after difficulties securing the funding promised. 23 individuals were supported up to the point of withdrawal.

- 646 free lunches have been served at our Fit and Fed Holiday Camps;
- 965 individuals experienced a sea sports activity with Folkestone Sea Sports;
- 50 local skaters registered and participated in our regular pop-up skate sessions;
- 800+ individuals attended the Pier Pressure event in October 2020 held at the Harbour Arm, promoting the sport of skateboarding and F51.

Our Partner Clubs:

- *Strategic Aim:* We aim to support every partner club to be inclusive and a safe environment for its members.

By 2024, all clubs will be Clubmark or Goldmark accredited.

Progress: 19 of our 47 partner clubs are Clubmark/Goldmark accredited. With Covid 19 the focus has been more about reengaging the community and financial support.

- *Strategic Aim:* We aim to improve existing club facilities and develop new ones

By 2024, we will signpost 25 partner clubs to funding streams to improve their existing facilities and assist with their applications. We will support six partner clubs in creating new facilities and help others to locate adequate premises when required.

Progress: In the year 2020/21 we have supported 4 partner clubs with assistance in funding for improvement of facilities. The Covid-19 pandemic has held back partner clubs looking to make improvements with the uncertainty of when they can resume activity.

- *Strategic Aim:* We aim to support partner clubs to recruit, train and retain volunteers

We will give partner clubs best practice tools to help recruit and retain volunteers and will provide training opportunities to support this initiative.

Progress: TST provided funding to one partner club to help qualify a new volunteer to become a qualified coach this year.

- *Strategic Aim:* We aim to increase opportunities for more people to become active through our partner club network

We will support partner clubs to provide more sessions for a wider audience. We will increase club membership across the district by 10%.

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Progress: The worldwide pandemic has impacted the number of individuals attending sports clubs as confidence is low due to the high risks. Many clubs have reduced capacity at sessions due to social distancing and lower attendance.

- *Strategic Aim:* We aim to help clubs identify talented athletes and coaches

We will increase the number of people from our district who are competing and coaching at county, regional and national level.

Progress: National pandemic restrictions have severely limited people's ability to compete.

Key statistics

- 47 bronze, silver, gold clubs partnered with The Sports Trust;
- 6,247 Folkestone and Hythe residents are members of our 47 partner clubs;
- 251 qualified coaches and 552 volunteers are supporting these clubs;
- 52 new club members have transitioned from school links and 9 new members transitioned from community links;
- There were two funding bids from partner clubs to the Roger De Haan Charitable Trust for the financial year 2020/21, where a total of £4,713 of funding was issued.
- The Sports Trust provided bursaries totalling £500 for partner clubs to access coaching qualifications and new equipment.
- The Sports Trust supported 4 partner clubs with capital funding advice;
- All 47 partner clubs were signposted to Covid-19 funding support during the pandemic and advice on how to safely return to activity.

Ambassadors:

- *Strategic Aim:* We aim to support talented athletes to reach the highest level.

We will help 15 elite athletes progress to the next level of performance, via our ambassador programme. We will also identify 15 upcoming talented individuals and support them along the pathway.

Progress: During this financial year we have helped 9 gold elite athletes to progress to the next level and supported 19 up and coming talented athletes.

Strategic Aim: We want our sports ambassadors to be representative of our population. We aim to create a diverse pool of elite athletes to inspire local people.

We will have 65 ambassadors by 2024 which embody the diversity within our district in terms of age, gender, ethnicity, ability, social background and sports.

Progress: As at 31 August 2021, we have 40 ambassadors across 23 different sports. 60% male, 40% female inspiring the next generation. Our youngest ambassador is 15 and our oldest 73. We also have 2 ambassadors who compete with a disability.

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- *Strategic Aim:* We aim to inspire local people to take part in sport and physical activity

The Sports Trust ambassadors will champion our ambitious strategy and play a key role in advocating our work. We will work alongside elite athletes to inspire more local people to get involved in sport.

Progress: TST ambassadors supported on 8 separate occasions during this financial year. This figure was severely hampered due to Covid-19.

Folkestone Sea Sports:

- *Strategic Aim:* We aim to increase physical activity opportunities by better utilising our Sea Sports Centre and the coastline.

We will provide over 10,000 sea sports experiences for our community which will create a thriving sea sports culture along our coastline

We will create affordable sea sports offers enticing all members of the community to come and try something new.

Progress: 965 sea sports experiences were provided through public hires and group bookings.

The Urban Sports Park (USP) 'F51'

The Sports Trust has been very fortunate to receive funding from the Roger De Haan Charitable Trust to enable the building of a first of its kind multi-storey skate park, with a climbing facility, boxing gym, office space and café in Folkestone.

This will enable the Sports Trust to deliver world-class sporting opportunities in skateboarding, climbing and boxing, but will also act as a significant draw for Folkestone. The anticipated income from this sports facility will be used to ensure the long-term sustainability of the Charity with funding being re-invested in the charity's objectives.

The Sports Trust has continued with the construction of the USP during the year. The Charity has begun increasing staffing and resource to ensure that it can cope with the anticipated increase in transactions. Once the facility is opened, the activities of the USP will be managed by TST's wholly owned subsidiary, Sports Trust Trading Limited. We are delighted to announce that the USP officially opened on 25 March 2022.

Covid-19

Covid-19 has continued to dramatically impact our day-to-day operations. Many sessions have now been able to return, however restrictions remain in place and the confidence of participants especially amongst vulnerable groups remains low in terms of returning to sport. School provision has also been affected as schools face regular turmoil with whole year groups isolating and there remains some reticence to welcome external organisations in. That said this is improving and schools have shown their appetite for sport with excellent buy in to the school package for 2020-21. Our school-based staff should be able to start going back into schools from September 2021 which enabled us to generate income. This is key for our survival as the school aspect of our work is our main source of income. We will remain flexible to ensure the survival of the Trust and the continued provision of high quality sporting opportunities for our community regardless of the global conditions.

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FINANCIAL REVIEW

Financial position

The charity generated a surplus for the year of £1,706,098 (2020: surplus of £208,529) and held cash balances of £102,771 (2020: £114,812).

The trustees of the charity would like to place on record appreciation of the Roger De Haan Charitable Trust who donated a general grant of £68,500 (2020: £98,500) in this financial year which covered a large proportion of our operating costs. This grant was in addition to further money towards the skate park.

The trustees of the charity would also like to place on record appreciation of its supporters who provided the necessary funding for special projects and to enable the trust to operate. Included within the total grants received of £1,920,251 (2020: £384,887) were the following:

- Covid-19 relief grants totalling £110,432 (2020: £59,588) in respect of the Government's Job Retention Scheme and Rates Relief grant.
- The charity also benefited from a number of grants from Folkestone & Hythe District Council totalling £14,000 for a range of projects, including their Fit and Fed project.
- The charity benefited from a grant from Kent County Council of £17,075 towards their Fit and Fed project which is aimed to encourage positive, social and physical activities for 1-19 year olds by running summary and half-term programmes.

Reserves policy

The policy of the trustees is to maintain a level of reserves that will be adequate to provide a stable base for the continuing operation of the charity, whilst ensuring that excessive funds are not accumulated. Trustees agreed the target to aim for should be £25,000 growing to £50,000 in time. In common with many other small charities, The Sports Trust is dependent on continuing donations from its supporters to enable it to continue its operations.

Total funds as of 31 August 2021 amounted to £9,872,689. Of these funds, £143,035 represent unrestricted general reserves, and the balance of £9,729,654 represent restricted funds. £9,651,721 of restricted funds is represented by the F51 Urban Skate Park, which was under construction at the year end. Free reserves as at 31 August 2021 total £138,078, being the value of unrestricted general reserves less the value of fixed assets (excluding the F51 Urban Skate Park).

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

During the audit of these financial statements, the Covid-19 pandemic continued and so the trustees have carefully considered the impact of Covid-19 on their assessment.

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At the start of September 2020 the Charity received income from schools for sports packages for the period through to August 2021, however the ability to deliver the packages was again significantly impacted with restrictions and access to school facilities greatly affected. Discussions are ongoing with schools regarding the 2021 packages which will see a mixture of online and we hope much more in person activity.

The Charity has continued to receive income in the form of a number of grants, and we have been grateful that many providers have given us the flexibility to continue with projects as and when we are able to. We have also received an additional donation from local charitable events which had not been expected; this has helped cover operational costs during the lockdown period. The government's Coronavirus Job Retention Scheme has also been utilised.

Whilst acknowledging the uncertainties that remain, the trustees are confident that the impact in the coming year will remain low and the trustees have concluded there is no material uncertainties about the Charity's ability to continue as a going concern and that it remains appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Principal risks and uncertainties

F51 Urban Skate Park Delay in the opening of F51 and thereby a delay in income generation.	 Although the funding from RDHCT is being reduced, all programmes are developed to be sustainable and so the impact of F51 should remain as a positive benefit, rather than underwriting core activities of the Trust. We have continued to work with contractor and consultant team to ensure schedules are being met and continuous dialog with main stakeholders. No major fixed costs yet being incurred. The terms of the loan has payback related to the performance of an open F51.
Continuing impact of Covid-19 Inability to meet activities as required by schools and the effect on that source of income.	 The government has been keen to keep schools open, and whilst there have been a number of significant challenges our adapted offering to allow for online elements of our packages (including schools games) has enabled provision and reputation within schools to continue.
Loss of key staff Loss of key staff would affect key areas of work delivery and other staff members may not have the same skill set	 Good working relationships between the team and weekly meetings to ensure any issues discussed. Key areas of work template to be produced and reviewed to ensure we have the ability and knowledge to cover key areas of work with loss of an employee. Senior leaders are asked to provide succession plans to ensure the charity is not too impacted by the loss of key staff.

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Loss of school income	
Primary schools lose their funding and stop buying into the Charity's services.	We continue to strengthen the relationships with all schools so that we are in the best position to continue working with them if there is any change in the funding landscape. A number of Trustees are experienced in this area and are able to help the charity plan accordingly.
	We continue to look at other areas to diversify (including facility operations).

PLANS FOR FUTURE PERIODS

At the start of September 2020 the Charity received income from schools for sports packages for the period through to August 2021, however the ability to deliver the packages had again been significantly impacted with restrictions and access to school facilities greatly affected. Fortunately the buy-in for the Charity's 2021 packages has been excellent, these packages were designed initially with a mixture of online and in person activity.

This year saw us enter year 3 of our 5 year strategic framework which is detailed above. Covid-19 has slowed our progress towards achieving our aims and outcomes and, as we move towards a situation where we learn to live with Covid, we intend to revise our strategy to make sure all our programmes remain relevant and successful in this post-pandemic environment.

As part of this, we aim to engage all local sports and community facilities in our long-term mission and strategy so that everyone has the freedom of choice to access consistently high quality facilities and activities within them and this coming year will see the launch of our multi-million pound skate park and climbing centre. We will also expand the sea sports offer and work closely with a number of other facilities to ensure that access to all sports is inclusive, affordable and fun!

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charity is controlled by its governing document, the Memorandum and Articles of Association dated 24 July 2013 as amended by special resolution registered with Companies House dated 20 December 2013, and constitutes a company limited by guarantee, as defined by the Companies Act 2006. The charity changed its name from The Shepway Sports Trust to The Sports Trust by special resolution dated 21 January 2022.

Recruitment and appointment of new trustees

Trustees are appointed by the recommendation of the existing trustees. New trustees, when appointed will be provided with an information pack including the latest accounts and Memorandum and Articles of Association and will be afforded the opportunity to undertake visits to the premises of The Sports Trust.

Although no specific training programme exists, most trustees continue to have considerable exposure to educational and charitable matters either through their principal occupation and/or involvement in other charitable institutions.

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Risk management

The trustees have examined the major risks which the charity faces and have put in place systems, policies, procedures and controls in order to manage and mitigate these risks. Appropriate insurances are in place. The charity is organised with directors and members of the management committee meeting regularly to manage its affairs. There are three members of permanent staff who, together with the volunteers, apprentices and fixed term project staff, manage the charity. Where appropriate, the trustees will act only after taking appropriate professional advice.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charity in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1, for the debts and liabilities contracted before he/she ceases to become a member.

Setting pay and remuneration of key management personnel

All pay and remuneration of key management is presented against the business case by the Chief Executive to the board for approval. This takes into account monthly staffing reviews, success against prescribed outcomes and is benchmarked against similar salaries.

Related parties

Related party questionnaires are sent to all Trustees, Directors and senior leaders to complete to ensure there is a full log of any related parties.

Transactions undertaken with related parties during the year are disclosed, where required, within the notes to the accounts.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors for the purpose of company law) are responsible for preparing the Trustees' Report and the 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). 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 the results 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 judgments 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;

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(A company limited by guarantee)

Trustees' report
For the year ended 31 August 2021

- 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 are responsible for the maintenance and integrity of the corporate and financial information included on charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislations in other jurisdictions.

Disclosure of information to auditors

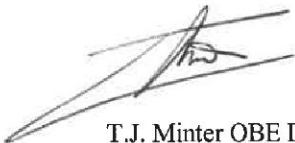
Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

UHY Hacker Young have indicated their willingness to continue in office as auditors, and a resolution for their re-appointment will be proposed at the Annual General Meeting.

The Trustees declare that they have approved the Trustees' Annual Report above. Signed on behalf of the Trustees on 13/6/2022



T.J. Minter OBE DL

The Sports Trust
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Independent Auditors' Report to the Members of The Sports Trust

Opinion

We have audited the financial statements of The Sports Trust (the 'charity') for the year ended 31 August 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 31 August 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 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 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.

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.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

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Independent Auditors' Report to the Members of The Sports Trust (continued)

Matters on which we are required to report by exception

In the light of our 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.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

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.

Auditors' 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 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:

How the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the charity through discussions with management, and from our commercial knowledge and experience in the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charity, including the Companies Act 2006 and the Charities Act 2011;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non compliance throughout the audit.

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Independent Auditors' Report to the Members of The Sports Trust (continued)

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

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.

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. This description forms part of our Auditors' 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 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.



Allan Hickie BSc FCA (Senior statutory auditor)

for and on behalf of

UHY Kent LLP

Chartered Accountants

Statutory Auditors

Thames House

Roman Square

Sittingbourne

Kent

ME10 4BJ

Date: 14 June 2022

The Sports Trust
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Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 August 2021

		Restricted funds	Unrestricted funds	Total funds	<i>Total funds</i>
	Note	2021	2021	2021	<i>2020</i>
		£	£	£	£
Income from:					
Donations and legacies	3	1,823,009	207,674	2,030,683	444,475
Charitable activities	4	17,209	87,199	104,408	173,519
Total income		1,840,218	294,873	2,135,091	617,994
Expenditure on:					
Charitable activities	5	95,283	333,710	428,993	409,465
Total expenditure		95,283	333,710	428,993	409,465
Net income/(expenditure)		1,744,935	(38,837)	1,706,098	208,529
Transfers between funds	15	10,097	(10,097)	-	-
Net movement in funds		1,755,032	(48,934)	1,706,098	208,529
Reconciliation of funds:					
Total funds brought forward		7,974,622	191,969	8,166,591	7,958,062
Net movement in funds		1,755,032	(48,934)	1,706,098	208,529
Total funds carried forward		9,729,654	143,035	9,872,689	8,166,591

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

The notes on pages 22 to 38 form part of these financial statements.

The Sports Trust
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(A company limited by guarantee)
Registered number: 08623233

Balance Sheet
As at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	10	13,620,487	12,025,557
Investments	11	50	50
		<u>13,620,537</u>	<u>12,025,607</u>
Current assets			
Debtors	12	428,459	531,524
Cash at bank and in hand		102,771	114,812
		<u>531,230</u>	<u>646,336</u>
Creditors: amounts falling due within one year	13	(279,078)	(505,352)
Net current assets		<u>252,152</u>	<u>140,984</u>
Total assets less current liabilities		<u>13,872,689</u>	<u>12,166,591</u>
Creditors: amounts falling due after more than one year	14	(4,000,000)	(4,000,000)
Total net assets		<u><u>9,872,689</u></u>	<u><u>8,166,591</u></u>
Charity funds			
Restricted funds	15	9,729,654	7,974,622
Unrestricted funds	15	143,035	191,969
Total funds		<u><u>9,872,689</u></u>	<u><u>8,166,591</u></u>

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:


T.J. Minter OBE DL

Date: 13/6/2022

The notes on pages 22 to 38 form part of these financial statements.

The Sports Trust
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Statement of Cash Flows
For the Year Ended 31 August 2021

	2021	<i>2020</i>
	£	<i>£</i>
Cash flows from operating activities		
Net cash used in operating activities	1,594,361	3,052,883
Cash flows from investing activities		
Purchase of tangible fixed assets	(1,606,402)	(2,982,489)
Net cash used in investing activities	(1,606,402)	(2,982,489)
Change in cash and cash equivalents in the year	(12,041)	70,394
Cash and cash equivalents at the beginning of the year	114,812	44,418
Cash and cash equivalents at the end of the year	102,771	114,812

The notes on pages 22 to 38 form part of these financial statements

The Sports Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2021

1. General information

The Sports Trust (formerly The Shepway Sports Trust) is a charitable company registered in England and Wales, its company registered number is 08623233 and its charity registered number 1155522.

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

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) (March 2018) and the Companies Act 2006.

The Sports Trust 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.

The principal accounting policies adopted, judgements and key estimations of uncertainty in the preparation of the financial statements are as follows:

2.2 Going concern

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget, forecast future cash flows, the impact of subsequent events and possible impact of future scenarios arising from the Covid-19 pandemic on the Charity in making its assessment. Based on these assessments, and having regard to the resources available to the Charity, the Trustees have concluded there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the Trustees' Annual Report and accounts.

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.

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.

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.

The Sports Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2021

2. Accounting policies (continued)

2.4 Expenditure (continued)

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

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the Charity's operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

2.6 Taxation

The Sports Trust is a registered charity and is therefore potentially exempt from taxation on its income and gains as the charity falls within the definition of a charitable trust as defined in Part 1, Schedule 6 of the Finance Act 2010. No tax charge has arisen during the year.

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.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

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 bases:

Freehold property	- nil as assets under construction
Plant and machinery	- 25% on cost
Motor vehicles	- 25% on cost
Fixtures and fittings	- 20% on cost
Computer equipment	- 20% on cost

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Notes to the Financial Statements
For the Year Ended 31 August 2021

2. Accounting policies (continued)

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 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.

2.10 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.

2.11 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.

2.12 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.

2.13 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 year.

2.14 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.

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.

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Notes to the Financial Statements
For the Year Ended 31 August 2021

3. Income from donations and legacies

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Donations and grants				
The Roger De Haan Charitable Trust - Skatepark	1,765,548	-	1,765,548	193,903
The Roger De Haan Charitable Trust - general Grant	-	68,500	68,500	105,565
Kent County Council	17,075	-	17,075	7,500
Kent Community Foundation	7,500	-	7,500	3,000
Sports England	-	-	-	7,700
Kent Poice Grant MHP	-	-	-	13,500
Folkestone Hythe District Council	-	14,000	14,000	30,000
Atlantic Adventure Donation	-	-	-	15,000
WG Edwards	-	-	-	1,440
The Education People	12,810	-	12,810	-
Channel Rotary Club (Folkestone)	-	3,000	3,000	-
National Lottery	9,736	-	9,736	-
The Football Association	6,000	-	6,000	-
Ashford and Weald Schools FA	2,590	-	2,590	-
Charities Trust	1,000	-	1,000	-
General donations	750	11,742	12,492	7,279
Subtotal detailed disclosure	1,823,009	97,242	1,920,251	384,887
Government grants	-	110,432	110,432	59,588
	1,823,009	207,674	2,030,683	444,475
<i>Analysis of 2020 by fund</i>	<i>251,408</i>	<i>193,067</i>	<i>444,475</i>	

During the pandemic, the Charity utilised the UK Government's Job Retention Scheme and received £97,740. The associated costs are included within staff expenditure (note 8).

Also included within Government Grants above is £10,096 restart grant. The associated costs are included within charitable expenditure (note 5).

There were no unfulfilled conditions or other contingencies attaching to the grants that were recognised in income. The Sports Trust did not benefit from any other forms of government assistance during the year (2020: £nil).

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Notes to the Financial Statements
For the Year Ended 31 August 2021

4. Income from charitable activities

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Promoting Sports in the Shepway District	17,209	18,532	35,741	33,965
Leadership and Coaching within Sports and Activities	-	68,667	68,667	139,554
	<u>17,209</u>	<u>87,199</u>	<u>104,408</u>	<u>173,519</u>
<i>Analysis of 2020 by fund</i>	<u>14,182</u>	<u>159,337</u>	<u>173,519</u>	

5. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Promoting Sports in the Shepway District	95,283	279,368	374,651	312,843
Delivering and Co-ordinating Sports within Schools and Clubs	-	51,617	51,617	83,791
Leadership and Coaching within Sports and Activities	-	2,725	2,725	12,831
	<u>95,283</u>	<u>333,710</u>	<u>428,993</u>	<u>409,465</u>
<i>Analysis of 2020 by fund</i>	<u>134,619</u>	<u>274,846</u>	<u>409,465</u>	

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Notes to the Financial Statements
For the Year Ended 31 August 2021

6. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Promoting Sports in the Shepway District	341,525	33,126	374,651	312,843
Delivering and Co-ordinating Sports within Schools and Clubs	51,617	-	51,617	83,791
Leadership and Coaching within Sports and Activities	2,725	-	2,725	12,831
	<u>395,867</u>	<u>33,126</u>	<u>428,993</u>	<u>409,465</u>
<i>Analysis of 2020 by type</i>	<u>381,815</u>	<u>27,650</u>	<u>409,465</u>	

Analysis of support costs

	Promoting Sports in the Shepway District 2021 £	Total funds 2021 £	Total funds 2020 £
Depreciation	11,335	11,335	10,457
Governance costs	21,791	21,791	17,193
	<u>33,126</u>	<u>33,126</u>	<u>27,650</u>
<i>Total 2020</i>	<u>27,650</u>	<u>27,650</u>	

7. Auditors' remuneration

	2021 £	2020 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	<u>4,560</u>	<u>4,455</u>

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Notes to the Financial Statements
For the Year Ended 31 August 2021

8. Staff costs

	2021	2020
	£	£
Wages and salaries	252,865	258,835
Social security costs	16,568	15,455
Contribution to defined contribution pension schemes	3,167	3,967
	<u>272,600</u>	<u>278,257</u>

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

	2021	2020
	No.	No.
Average employees	<u>12</u>	<u>12</u>

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

The trustees consider the key management personnel of the Charity to be the Trustees, the Chief Executive, Deputy Chief Executive, Head of Finance and Head of Marketing and Communications. The total employee benefits (including employer's national insurance and pension contributions) to key management personnel amounted to £133,474 (2020: £93,285). The increase is due to the Head of Finance and Head of Marketing and Communications becoming part of key management in the year.

9. Trustees' remuneration and expenses

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

During the year ended 31 August 2021, expenses totalling £1,734 were reimbursed or paid directly to 1 Trustee (2020 - £3,200 to 1 Trustee) for travel expenses.

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Notes to the Financial Statements
For the Year Ended 31 August 2021

10. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Computer equipment and fixtures and fittings £	Total £
Cost					
At 1 September 2020	12,013,888	5,875	35,000	9,793	12,064,556
Additions	1,601,642	2,400	-	2,360	1,606,402
Disposals	-	-	-	(333)	(333)
At 31 August 2021	13,615,530	8,275	35,000	11,820	13,670,625
Depreciation					
At 1 September 2020	-	3,655	26,250	9,094	38,999
Charge for the year	-	1,691	8,750	1,031	11,472
On disposals	-	-	-	(333)	(333)
At 31 August 2021	-	5,346	35,000	9,792	50,138
Net book value					
At 31 August 2021	13,615,530	2,929	-	2,028	13,620,487
At 31 August 2020	12,013,888	2,220	8,750	699	12,025,557

The entire cost included as freehold property are costs towards the development of the Urban Skate Park. This asset was still under construction and therefore not in use at the year end. Because of this, no depreciation has been charged on this asset.

The Sports Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2021

11. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 September 2020	50
At 31 August 2021	50
Net book value	
At 31 August 2021	50
At 31 August 2020	50

Principal subsidiaries

The following was a subsidiary undertaking of the charity:

Name	Company number	Holding
The Sports Trust Trading Limited	10351649	100%

The financial results of the subsidiary for the year were:

Name	Net assets £
The Sports Trust Trading Limited	50

Investment in subsidiaries have been valued at historical cost on the basis that it is a dormant company.

12. Debtors

	2021 £	2020 £
Trade debtors	18,564	9,392
Other debtors	338,640	423,632
Prepayments and accrued income	71,255	98,500
	428,459	531,524

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Notes to the Financial Statements
For the Year Ended 31 August 2021

13. Creditors: Amounts falling due within one year

	2021	<i>2020</i>
	£	<i>£</i>
Other loans	90,607	222,801
Trade creditors	171,185	263,100
Other taxation and social security	9,806	12,702
Other creditors	2,290	1,559
Accruals and deferred income	5,190	5,190
	<u>279,078</u>	<u>505,352</u>

14. Creditors: Amounts falling due after more than one year

	2021	<i>2020</i>
	£	<i>£</i>
Other loans	4,000,000	4,000,000
	<u>4,000,000</u>	<u>4,000,000</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2021	<i>2020</i>
	£	<i>£</i>
Payable or repayable by instalments	4,000,000	4,000,000
	<u>4,000,000</u>	<u>4,000,000</u>

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Notes to the Financial Statements
For the Year Ended 31 August 2021

15. Statement of funds

Statement of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2021 £
Unrestricted funds					
General Fund	191,969	294,873	(333,710)	(10,097)	143,035
Restricted funds					
Street Games Doorstep Programme	13,814	-	-	-	13,814
Leadership Academies	9,912	-	-	-	9,912
Folkestone Sea Sports Centre	-	22,209	(32,017)	9,808	-
Urban Skate Park, Folkestone	7,920,971	1,765,548	(34,798)	-	9,651,721
Mental Health Projects	-	11,036	(2,493)	-	8,543
Fit and Fed Project	-	20,310	(13,304)	-	7,006
Tallships project	29,925	-	(4,999)	-	24,926
The Barclays Girls Football Partnership	-	6,750	(3,494)	-	3,256
Ashford Folkestone Secondary School Games	-	2,590	(2,450)	-	140
Active Pride	-	9,736	-	-	9,736
Skate Three Hills	-	1,020	(420)	-	600
Skate Folkestone Academy	-	1,019	(1,308)	289	-
	7,974,622	1,840,218	(95,283)	10,097	9,729,654
Total of funds	8,166,591	2,135,091	(428,993)	-	9,872,689

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Notes to the Financial Statements
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15. Statement of funds (continued)

The restricted funds of the Charity were represented by the following:

Street Games Doorstep Programme

The Charity receives funding from StreetGames in order to deliver our Pulse and other community and youth based sports sessions.

Leadership Academies

The Charity received a grant from The Big Lottery to co-ordinate a number of Leadership Academies in secondary schools.

Folkestone Sea Sports Centre

Shepway Sports Trust received a grant from Roger De Haan Charitable Trust to purchase new sea sports equipment. SST will charge the public hire prices to use this equipment and subsequently generate income. Additional grants have been received to help reopen the centre safely.

Urban Skate Park, Folkestone

Fund for the Urban Sports Park are spent on designing and building a brand new, state of the art urban sports facility in Folkestone, Kent. The facility will offer skateboarding, climbing, boxing, BMX and other activities.

Mental Health Projects

Restricted funds to deliver a project which provides people living with a mental health condition with the opportunity to be physically and socially active in a safe and welcoming environment.

Fit & Fed Projects

A project which enables children from low income families to access our holiday activities and a hot lunch each day for free. The funding and income we receive/generate for this project contributes towards the cost of food, venue hire, staff costs, equipment and staff/volunteer expenses.

Tallships Project

A project we are commissioned to deliver by Folkestone and Hythe District Council which enables selected local young people to embark on a 2 year programme which involves exchange trips with young people from Boulogne in France resulting in a sailing trip on the English Channel.

The Barclays Girls Football Partnership

Grant received to contribute towards staff salary and equipment expenses. The project was developed to encourage female participation in football.

Ashford Folkestone Secondary School Games

Funds received from local schools to deliver the Ashford and Folkestone school games competitions.

Active Pride

Grant received to help create a safe and inclusive environment for the LGBTQIA+ community to participate in sport.

Skate Three Hills

Grant received to create a satellite club at Three Hills Sports Park to increase participation in skateboarding.

Skate Folkestone Academy

Grant received to run skateboarding sessions at Folkestone Academy School to increase participation in skateboarding.

Transfers between funds

Transfers from general unrestricted funds to restricted funds in the year, totalling £10,097, were made to fund any deficits on projects which have also received restricted funding.

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Notes to the Financial Statements
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15. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 August 2020 £</i>
Unrestricted funds					
General Fund	164,045	352,404	(274,846)	(49,634)	191,969
Restricted funds					
Street Games Doorstep Programme	14,603	-	(789)	-	13,814
Leadership Academies	9,912	-	-	-	9,912
Folkestone Sea Sports Centre	-	7,780	(33,484)	25,704	-
Urban Skate Park, Folkestone	7,763,599	200,967	(43,595)	-	7,920,971
Minibus	978	652	(1,921)	291	-
Mental Health Projects	-	13,500	(21,886)	8,386	-
Fit and Fed Project	-	16,899	(27,778)	10,879	-
Tallships project	4,925	25,000	-	-	29,925
Girl Riders	-	792	(5,166)	4,374	-
	7,794,017	265,590	(134,619)	49,634	7,974,622
Total of funds	7,958,062	617,994	(409,465)	-	8,166,591

16. Summary of funds

Summary of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2021 £
General funds	191,969	294,873	(333,710)	(10,097)	143,035
Restricted funds	7,974,622	1,840,218	(95,283)	10,097	9,729,654
	8,166,591	2,135,091	(428,993)	-	9,872,689

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16. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 August 2020 £</i>
General funds	164,045	352,404	(274,846)	(49,634)	191,969
Restricted funds	7,794,017	265,590	(134,619)	49,634	7,974,622
	<u>7,958,062</u>	<u>617,994</u>	<u>(409,465)</u>	<u>-</u>	<u>8,166,591</u>

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	13,615,530	4,957	13,620,487
Fixed asset investments	-	50	50
Current assets	190,892	340,338	531,230
Creditors due within one year	(76,768)	(202,310)	(279,078)
Creditors due in more than one year	(4,000,000)	-	(4,000,000)
Total	<u>9,729,654</u>	<u>143,035</u>	<u>9,872,689</u>

Analysis of net assets between funds - prior year

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	12,013,888	11,669	12,025,557
Fixed asset investments	-	50	50
Current assets	184,850	461,486	646,336
Creditors due within one year	(224,116)	(281,236)	(505,352)
Creditors due in more than one year	(4,000,000)	-	(4,000,000)
Total	<u>7,974,622</u>	<u>191,969</u>	<u>8,166,591</u>

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For the Year Ended 31 August 2021

18. 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)	1,706,098	208,529
Adjustments for:		
Depreciation charges	11,472	10,457
Decrease in debtors	103,065	2,657,748
Increase/(decrease) in creditors	(226,274)	176,149
Net cash provided by operating activities	1,594,361	3,052,883

19. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	102,771	114,812

20. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	114,812	(12,041)	102,771
Debt due within 1 year	(222,801)	132,194	(90,607)
Debt due after 1 year	(4,000,000)	-	(4,000,000)
	(4,107,989)	120,153	(3,987,836)

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21. Related party transactions

Income related party transactions

The Roger De Haan Charitable Trust is related to The Sports Trust as Sophie Downey is the Stepdaughter of a trustee of The Roger De Haan Charitable Trust.

During the year The Roger De Haan Charitable Trust made donations of £68,500 (2020: £98,500) towards the general funds of the charity. They also made donations of £1,670,433 (2020: £193,903) towards the construction of the F51 Urban Skate Park.

A loan made by the trust previously totalling £95,115 has been reclassified in the year as a donation.

In prior years, The Roger De Haan Charitable Trust loaned the charity money, the total amount outstanding at the balance sheet date was £4,090,607.

Atlantic Avengers Trust is related to The Sports Trust as Paul Carney is a trustee of both Trusts.

During the year, Atlantic Avengers Trust donated £nil (2020: £15,000) to The Sports Trust.

Expenditure related party transactions

McCabe Ford Williams is related to The Sports Trust by virtue of Mark Greenwood being a Partner of McCabe Ford Williams and a trustee of the Charity.

During the year, The Sports Trust obtained services from McCabe Ford Williams totalling £2,160 (2020: £3,570). £360 (2020: £1,110) was outstanding at the year end.

Shepway Leisure is related to The Sports Trust by Virtue of Daniel Hulme, Trevor Minter and Laurence Hickmott who are trustees of both The Sports Trust and Shepway Leisure.

During the year, The Sports Trust paid Shepway Leisure £12,906 (2020: £13,150) for hall hire, holiday camps and gym memberships. £5,217 (2020: £270) was outstanding at the year end.

Atlantic Avengers Trust is related to The Sports Trust as Paul Carney is a trustee of both Trusts.

During the year, The Sports Trust paid Atlantic Avengers Trust £240 (2020: £nil) for rowing sessions. £nil (2020: £nil) was outstanding at the year end.

22. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £2,240 (2020: £1,509) were payable to the fund at the balance sheet date and are included in creditors.

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Notes to the Financial Statements
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23. Operating lease commitments

At 31 August 2021 the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Not later than 1 year	2,204	3,823
Later than 1 year and not later than 5 years	1,073	3,277
	<u>3,277</u>	<u>7,100</u>