

Registered number: 9926559



LONDON SPORT

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Company No. 08355406
Charity No. 1165100

LONDON SPORT

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FOR THE YEAR ENDED 31 MARCH 2021

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LONDON SPORT

REFERENCE AND ADMINISTRATION DETAILS

FOR THE YEAR ENDED 31 MARCH 2021

Status	The organisation is a charitable company limited by guarantee, registered in England & Wales, incorporated on 10 January 2013 and registered in England & Wales as a Charity on 08 January 2016.
Governing Document	The company was established under Memorandum and Articles which established the objects and powers of the charitable company.
Company Number	8355406
Charity Number	1165100
Registered Office	House of Sport, 190 Great Dover Street, London SE1 4YB
Operating Office	House of Sport, 190 Great Dover Street, London SE1 4YB
Chair	Jillian Moore
Trustees	Shaun Richard Dawson (Vice Chair) Joyce Ellen Ryan Mark Jopling Tanya Joseph Tracey McCillen (appointed 1 April 2020) Sally Benatar (appointed 1 April 2020) Stephen Alambritis (appointed 1 April 2020) Charles Boss (appointed 1 April 2020) Shaun Danielli (appointed 1 April 2020) Naomi Hulston (appointed 1 April 2020) Paul Benjamin (appointed 1 April 2020)
Key Management Personnel	Timothy James Copley Susan Hutton Tove Okunniwa (resigned 26 July 2021) Mark Foster (resigned 15 April 2021) Tanya Rabin (appointed 21 June 2021) Jill Cochrane (appointed 25 May 2021)
Bankers	Metro Bank, 1 Southampton Row, London WC16 5HA
Auditors	PKF Littlejohn LLP 15 Westferry Circus London E14 4HD

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees are pleased to present their annual directors' report together with the audited consolidated financial statements of the Charity and its subsidiary for the year ending 31 March 2021, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Chief Executive's Report

The past year has been a challenging one but I am proud of how as an organisation, and as a sector, we adapted and rose to the challenge, finding new and creative ways to support people to keep active during Covid-19 lockdown restrictions.

With a commitment to our core vision of making London the most physically active city in the world, we launched our new LDN Moving strategy in February 2020, with a focus on the needs of Londoners who are currently not achieving the recommended levels of physical activity to benefit them. This has been credited as a clear and inspiring road map to seeing real change in London.

With clear alignment to the new ten year strategy of our primary funder, Sport England, our strategy focuses on improving the lives of Londoners through physical activity and sport, addressing the deep seated inequalities that have been further exacerbated during the pandemic to build a brighter, active future for all Londoners.

With the city's people, its communities and its rich diversity at the core of our strategy, we will continue to work with partners and communities to ensure the future of physical activity in London is one which works for all its people.

Despite the challenges of the past year, we supported the sector when they really needed us. Our nine Talking Covid-19 and Sport webinars, in collaboration with the Mayor of London's Community Sport Team, provided practical solutions during lockdown and welcomed more than 600 attendees. We also distributed Sport England Tackling Inequalities funding to some of the most deprived and severely impacted communities, in the first two phases we distributed almost £300,000 to 20 projects across London since June 2020.

Our continued leadership in digital behaviour change saw us use Facebook advertising to reach more than 1.2million Londoners with more than 50,000 clicks to download the Couch to 5k app. The Couch to Fitness programme, developed as an at-home fitness programme for inactive adults alongside Our Parks, has surpassed 100,000 users.

Our annual conference, Active London 2020, took place online for the first time with 400 attendees and 90 guest speakers discussing the significant impact that Covid-19 has had and the importance of addressing the inequalities which prevent people from getting active. In November, we published our impact report reviewing three years of Sport Tech Hub which revealed more than 130,000 Londoners have been supported to access physical activity through the programme to date.

As I step down from my role as Chief Executive Officer, I am proud of the work we have done during my tenure, and in particular over the last year as we focused our efforts on supporting and collaborating with the

capital's sport and physical activity sector to keep Londoners active during the most challenging time we have faced in our lifetime.

I would like to thank our Chair, Jillian Moore, and all the Board for their invaluable support and dedication over this past year, and to our wider staff team for their hard work, commitment and agility as we pivoted to remote and new ways of working.

As we emerge from Covid restrictions, hopefully for the final time, everyone across the organisation looks forward to progressing with many of the projects and plans that have been impacted so much by the restrictions of the past year. There is still so much that needs to be done, but with a real commitment from leaders right across the city to use physical activity to its full potential in helping London's recovery, now is the time to drive forward a programme of activity that will help more Londoners to get active, stay active and live active lives for generations to come.

Tove Okunniwa MBE
Chief Executive

Chair's Report

I cannot quite believe I'm already penning my second report as Chair of London Sport and I think it's fair to say this year has been unlike any other the organisation has experienced, 12 months that nobody could have anticipated but a year in which I've been so proud of all the work we've completed.

As always I'm extremely thankful to have a fantastic team of Trustees around me, one which was significantly strengthened in April 2020 by the arrival of seven new members. I'd like to take this opportunity to thank those Trustees who completed their terms for their hard work and dedication, and formally welcome Sally Benatar, Paul Benjamin, Charlie Boss, Shaun Danielli, Naomi Hulston, Tracey McCillen and Stephen Alambritis to the London Sport family. Similarly, we have a trio of new Directors on the London Sport Trading Board: Preeti Shetty, Andrew Selby, and Rebecca Rajeswaran, who I'd like to warmly welcome and look forward to their support and perspectives as we continue our efforts to diversify our income. They've all had quite an introduction but have done a fantastic job to date and I look forward to continuing our efforts together moving forwards.

I would also like to congratulate our outgoing CEO, Tove Okunniwa, on her MBE for Services to Sport. As a Board we are incredibly grateful to Tove for everything she's done for London Sport during her tenure and know this honour is recognition of that as well as so much more that she has achieved throughout her career to date.

Tove has done a fantastic job working with the organisation to deliver our new LDN Moving strategy which I'm sure will provide us with a powerful guide, along with Sport England's Uniting the Movement strategy, to continue our efforts to make London the most active city. The organisation's commitment to LDN Moving remains steadfast and I am sure that, as we begin our search for a new Chief Executive Officer, it will be an invaluable resource for Tove's successor when they are appointed.

In the meantime, I am extremely confident that London Sport is in more than capable hands with Director of Finance, People and Governance, Susan Hutton, and Director of Insight, Technology & Data, Tim Copley, working alongside two new Directors Tanya Rabin (Commercial, Marketing and Communications) and Jill Cochrane (Operations). A huge thank you in advance for all the work this quartet will take on over the coming

months in leading the organisation as we, hopefully, step away from Covid restrictions and government-mandated working from home.

In such challenging times, we remain extremely grateful to Sport England, our principal funder, for their continued support and to all our other funders, partners and stakeholders across the capital and further afield. The bold vision of LDN Moving cannot be achieved by working alone and we cannot deliver throughout London without genuine partnership and the desire to see every organisation we work with thrive alongside us.

There is huge uncertainty over what the coming months and years will bring following the pandemic which has affected all our lives but I am sure that one thing is not in dispute. That physical activity and sport – and the physical, mental and social benefits they bring – are going to be vitally important to London's recovery and our commitment to ensuring all Londoners have access to those benefits is more crucial than ever.

Jillian Moore
Chair

Our Purpose

London Sport is the strategic organisation for physical activity and sport in London with a mission to make London the most active city in the world. We are supported by Sport England and work in partnership with the Greater London Authority, London's local authorities and a host of agencies to increase physical activity levels among less active adults, reducing inequalities and inactivity to improve health and wellbeing, and give all young Londoners the best opportunity to form a positive physical activity habit for life.

The Charity's activities and strategic decision making is informed by its long-term vision and the Board do not envisage any substantial variation in these core principles in the forthcoming year.

Our Objectives and Activities

The Charity's objectives and aspirations are delivered via its strategy, which seeks to meet the needs of Londoners, its partners and its main funders. The Charity's aspirations are all focused on achieving its overall vision. While the aspirations do not present an exhaustive overview of London Sport's work, they do provide an overview of the types of work the Charity undertakes in support of its core purpose.

1. Increase physical activity levels among less active adults, reducing inequalities and inactivity

London Sport works on the delivery of projects that help to increase physical activity levels for adults undertaking less than 150 minutes of moderate intensity equivalent physical activity each week. We will particularly focus on the most inactive Londoners, doing less than 30 minutes of activity a week. This includes a) working in communities with local projects, helping people to co-create and access physical activity that works for them; b) working to shape, increase and diversify the use of traditional and non-traditional places

that people can get active; c) working in partnership to achieve specific social outcomes where we know physical activity and sport can make a difference.

2. Give all young Londoners the best opportunity to form a positive physical activity habit for life

London Sport works to ensure that children and young people have the best opportunities to be active and the most positive relationship with physical activity that they can. Activities to support children and young people to be active include a) providing young people with more and different opportunities to get active in ways that suit them; b) creating more safe spaces for young Londoners to get active in; c) developing young leaders activity to empower and inspire others.

3. Improve policy, systems and investment by influencing change in the key areas which facilitate active lives

London Sport champions the policies and systems that create an environment that helps more people to get active across the whole of London and aims to use our influence to bring increased investment to the table that will help to achieve sustainable, long term improvements in physical activity and sport. Activities include a) developing and sharing evidence about the positive impacts of physical activity and sport; b) working in partnership with leaders on local projects to effect system change; c) using our voice to advocate for physical activity as a way to make real change in Londoners' lives.

4. Use technology, data and digital communications to their full potential to support and motivate Londoners to become and stay active

London Sport will work to build and enhance the role of tech, data and digital communications in getting and keeping Londoners active. The Charity will continue to support the tech sector to find new opportunities to work in physical activity and sport in addition to working with the sport sector to increase their confidence in using tech, digital and data. Activities include a) supporting the development of tech products and services that help get and keep Londoners active; b) using digital communications and campaigns to support, inform and motivate people; c) using data to help inform new solutions to increase physical activity levels.

5. Lead the way and bring organisations together to create, develop, test, champion and scale new and innovative ways of supporting active lives

The Charity continues to champion innovation and creativity in its ways of working, and within the sector. Activities include a) systematically co-creating and developing new and innovative approaches to physical activity and sport across the capital; b) act as a catalyst for collaboration, new thinking and creative problem solving; c) supporting its own workforce and other organisations to confidently use innovation techniques.

6. Ensure that evidence, data and high-quality insight inform the development of policy and practice to support active lives

By collating and sharing robust evidence on the positive impact of physical activity, London Sport aims to make better decisions about its own work and to help more organisations to understand the benefits of physical activity. Activities include a) developing and applying insight and research to ensure continual improvement in all that it does; b) working with partners to help them access up to date data and evidence to inform new approaches; c) building the evidence base around physical activity and sport, demonstrating its impact on people's lives.

Financial Review

Revenue

London Sport currently has the following main income streams: grant funding, events income and commercial partnership income, including provision of paid-for services to partners, and rental income from the operation of House of Sport.

Grant funding accounts for 90.5% of London Sport's income disclosed as of 31 March 2021, up from 88.8% in the prior financial year. The main grant funders are Sport England and the Greater London Authority. Sport England funding accounts for £3.6m, 82.0% of London Sport's overall income for the year, which meets the performance requirements from Sport England, which sets a maximum reliance target of 85%.

All grant funders set out expectations in a grant funding agreement, with a number of key specifications for the programmes delivered by London Sport. All of the main funding streams are disclosed within the notes to the financial accounts. There are currently no deficits within any of the restricted funds.

London Sport's non-grant funding income includes a select number of projects with commercial or other funded partners, some of which include a service, license, or transaction fee payable to London Sport's trading subsidiary. These services include, but are not limited to, the provision of insight and research expertise, funding support, strategy development and advisory services.

The accounting policy for income recognition is described in the notes to the accounts.

Expenditure

In 2021, total expenditure was £5.1m (2020, £4.2m). £4.9m (2020, £4.0m) of this was spent delivering the grant funded programmes outlined above, and £0.2m (2020, £0.2m) was spent delivering other activities.

Result for the Period

The result for the period is an excess of expenditure over income of £664k (2020: excess of income £276k).

Reserve Policy

The purpose of the Reserve Policy for London Sport is to ensure the stability of the programmes, employment and ongoing operations of the organisation. The level held within reserves is intended to provide an internal source of funds for unanticipated situations. These include but are not limited to: a sudden increase in expenses; an unexpected loss in funding; one-off unbudgeted expenses; or uninsured losses. The reserve is not intended to replace a permanent loss of funds or eliminate an on-going budget gap. The total level of reserves as of 31 March 2021 is £465k (2020: £1.1m) and of this amount unrestricted reserves are £35k (2020: £62k) and restricted reserves are £430k (2020: £1.1m). Increasing unrestricted reserves remains a focus over the next 24 months.

The minimum amount designated as the required reserve is established as an amount sufficient to maintain ongoing operations of London Sport for three months. This target minimum reserve fund is based on the latest budget, equal to three months of average staff costs (not including any consultants) on a sliding scale, based on notice periods and essential operating costs needed to maintain ongoing operations for three months.

The Reserve Policy was set at £467k (2020: £467k) during the financial year, which was sustained. This is reviewed on an annual basis to ensure continuing appropriateness.

Going Concern

After making enquiries and having regard to future forecasts, the Trustees have formed a judgement, at the time of approving the financial statements, that there is reasonable expectation that the Charity has adequate resource to continue in operational existence for the foreseeable future. For this reason, the Trustees continue to adopt the going concern basis in preparing the financial statements.

Structure, Governance and Management

London Sport is committed to meeting high standards of governance and as such the Board acknowledges its contribution to achieving management accountability, improving risk management and ensuring that the key objectives of the Charity are achieved.

The Board currently comprises eleven Non-Executive Trustees. During the year there were five Trustee vacancies. The Board met five times during the year. We have a detailed induction programme for new Trustees and from time to time offer relevant training to all Trustees, when a need is identified.

A Trustee may not act as a Trustee unless he/ she has signed a written declaration of willingness to act as a Trustee of the Charity. A statement of Trustees' responsibilities in respect of the financial statements is set out on page 10.

The Chair is appointed by the Mayor of London through a publicly advertised selection process. To operate the Board shall be at least three and (unless otherwise determined by a resolution of the Members) not more than twelve Trustees. All Trustees must support the Objects.

The Mayor of London may appoint up to two individuals other than the Chair to be Trustees and shall be entitled to remove the Trustees appointed by him or her. London Councils shall be entitled to appoint up to two Trustees to the Board and shall be entitled to remove the Trustees so appointed by them. A maximum of seven other Non-Executive Trustees shall be appointed by the Trustees from candidates who apply in writing to the Board in the course of an open recruitment process to be determined by the Board. The Trustees may regulate its proceedings in respect of such appointments as it sees fit.

Every Trustee, howsoever appointed, has the same duty as all the other Trustees to act in the way he or she decides in good faith would be most likely to further the purposes of the Charity. Any decision of the Board must be by decision of a majority of the Trustees present and voting at a quorate Board meeting, or a unanimous decision taken without a Board Meeting taking place.

The Board has established the following Sub-Committees: Finance, Remuneration, Nominations, Equality, Diversity and Inclusion (previously Disability) and Strategy Advisory. Each Sub-Committee Chair is required to report frequently to the Board and ensures that all duties are performed to a satisfactory level by each Sub-Committee.

London Sport has a subsidiary company, London Sport Trading and the results for that company are consolidated within this report.

Finance Sub-Committee

The Finance Sub-Committee met four times during the year. Its members during the year were Jillian Moore, Paul Benjamin, Naomi Hulston and Charlie Boss assisted by Susan Hutton and Tove Okunniwa from the Executive team. The Board is satisfied in its obligations that at least one member has relevant financial experience. As required, meetings are attended by the external auditors.

Remuneration Sub-Committee

The Remuneration Sub-Committee met twice during the year. Its members during the year were Shaun Dawson, Jillian Moore and Paul Benjamin, assisted by Tove Okunniwa and Susan Hutton from the Executive team.

Nominations Sub-Committee

The Nominations Sub-Committee met once during the year. Its members were Shaun Dawson, Paul Benjamin and Jillian Moore.

Disability Sub-Committee

The Disability Sub-Committee met four times during the year. Its members during the year were Tracey McCillen (Activity Alliance/Independent Member and Chair), Hilary Lissenden (Greater London Authority representative), Iain Varah (London Councils representative), Andy Dalby-Welsh (London Youth Games representative) and Ray Ashley (Activity Alliance representative) assisted by Mark Foster from the Executive team and Alex Gibbons from the staff team.

Strategy Advisory Sub-Committee

The Strategy Advisory Sub-Committee met four times during the year. Its members during the year were Tanya Joseph, Sally Benatar, Shaun Danielli, Jillian Moore and Alice Wilcock (Greater London Authority representative) supported by Tove Okunniwa, Tim Copley and Mark Foster from the Executive team.

Delegation of day-to-day management powers

The day-to-day management of the Charity is delegated to the Chief Executive Officer. The delegated power shall be to manage the Charity by implementing the policy and strategy adopted by and within a budget approved by the Board.

Pay policy for senior staff

The Trustees consider that the Board of Trustees and the Executive team comprise the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis. All Trustees give their time freely and no Trustee received remuneration from the Charity in the year.

The pay of the Executive team comprising five key management personnel and all staff is reviewed annually and normally increased to reflect a cost of living adjustment. In view of the nature of the Charity, the Trustees benchmark against pay levels in other comparable organisations and charities.

Managing risk

London Sport has a formal risk management process through which the Executive team identifies the major risks to which the organisation may be exposed.

London Sport's principal risks are maintained in a Risk Register, where each risk is categorised as either a strategic risk or an operational risk. During the year the Risk Register is reviewed on a monthly basis, and updated as necessary. There are currently fourteen operational and fourteen strategic risks identified. Each risk is assessed using a likelihood rating of 1-5, where 5 is the most likely, and an impact rating of 1-5, where 5 is severe. The total score is then given a red, amber or green (RAG) rating.

The major strategic risk is a reduction in funding from our main stakeholders. This risk is managed through regular liaison with our stakeholders and actively contributing to new sports strategies and reviews. We are also aiming to mitigate this risk by diversifying our funding base and our reliance on one major funder.

The major operational risk arises from business continuity, fire, health and safety. A Business Continuity plan is in place and was activated as part of our response to COVID-19. Controls are in place to ensure that London Sport has a Health and Safety Policy in place. An up-to-date Health and Safety Assessment has been carried out on our workplace, House of Sport.

All significant risks, together with current mitigation actions, are reviewed at each Board Meeting throughout the year by the Trustees. The Trustees are satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level.

Statement of the Board of Trustees' responsibilities for the financial statements

The Trustees, who are also directors of London Sport for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts 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 year and not approve the financial statements unless they are satisfied that the financial statements give a true and fair view of the state of the affairs of the Charity as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the year then ended.

In preparing those financial statements which give a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles of the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements

- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue on that basis

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

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

Each of the Trustees, who held office at the date of approval of this Trustees' Report, has confirmed that there is no information of which they are aware which is relevant to the audit but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are made aware of such information.

Auditors

PKF Littlejohn have expressed their willingness to continue in office as auditors. A resolution proposing that PKF Littlejohn be reappointed as auditors of the charitable company for the forthcoming year will be put to members at the Annual General Meeting.

Approved by the Trustees on 16 September 2021 and signed on their behalf by:

Paul Benjamin

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Paul Benjamin

AUDITOR'S REPORT TO THE DIRECTORS OF LONDON SPORT

FOR THE YEAR ENDED 31 MARCH 2021

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at 31 March 2020 and of the group and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 9, 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 group and parent 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 group and parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

AUDITOR'S REPORT TO THE DIRECTORS OF LONDON SPORT

FOR THE YEAR ENDED 31 MARCH 2021

Other information

The other information comprises the information included in the Report of the Council, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of the Council. 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

We have nothing to report in this regard.

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' annual report.

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

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

Responsibilities of trustees

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 group and parent charitable company 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 group and parent charitable company financial statements, the trustees are responsible for assessing the group and parent 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S REPORT TO THE DIRECTORS OF LONDON SPORT

FOR THE YEAR ENDED 31 MARCH 2021

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the 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,

- We obtained an understanding of the group and parent charitable company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, sector research and application of cumulative audit knowledge and experience.
- We determined the principal laws and regulations relevant to the group and parent charitable company in this regard to be those arising from the Charities Act 2011, Companies Act 2006, Financial Reporting Standard 102, and relevant employee legislation.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent charitable company with those laws and regulations. These procedures included, but were not limited to enquiries of management, review of minutes and review of legal and regulatory correspondence.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that there was potential for management bias in the recognition of grant income. For the year to 31 March 2021, we reviewed grant agreements to identify any performance conditions to ensure recognition was in line with meeting those conditions.
- We also identified potential for management bias in the judgements made around completeness of grant creditors. We addressed this through examination of post year end payments, review of correspondence with recipients and review of minutes.
- We also identified potential for management bias in the allocation of support costs against charitable activity categories. We addressed this through reviewing the method used for reasonableness, and re-performing the calculation to ensure it had been performed accurately in line with the stated method.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

AUDITOR'S REPORT TO THE DIRECTORS OF LONDON SPORT

FOR THE YEAR ENDED 31 MARCH 2021

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 auditor's report.

Use of our report

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



Alastair Duke (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

Date: 01 October 2021 | 10:05:45 BST

LONDON SPORT

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000	Total 2020 £'000
INCOME FROM:					
Charitable activities <i>Programme Delivery</i>		217	4,000	4,217	4,382
Other trading activities <i>Thought Leadership and Partner Services</i>		201	-	201	163
Other		-	-	-	-
Total income	2	418	4,000	4,418	4,545
EXPENDITURE ON:					
Expenditure on Charitable activities <i>Delivery of Charitable activities</i>		273	4,637	4,910	4,112
Activities and Events		172	-	172	157
Total expenditure	3	445	4,637	5,082	4,269
Net (expenditure)/income	7	(27)	(637)	(664)	276
Transfers between funds		-	-	-	-
Net movement in funds		(27)	(637)	(664)	276
Funds brought forward		62	1,067	1,129	853
Funds carried forward		35	430	465	1,129

The notes on pages 18 – 30 form part of these financial statements

The statement of financial activities includes all gains and losses recognised in the year.

All amounts derive from continuing activities.

LONDON SPORT

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000	Total 2020 £'000
INCOME FROM:					
Charitable activities					
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<i>Thought Leadership and Partner Services</i>		201	-	201	163
Other		-	-	-	-
Total income	2	418	4,000	4,418	4,545
EXPENDITURE ON:					
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Transfers between funds		-	-	-	-
Net movement in funds		(27)	(637)	(664)	276
Funds brought forward		62	1,067	1,129	853
Funds carried forward		35	430	465	1,129

The notes on pages 19 – 31 form part of these financial statements

The statement of financial activities includes all gains and losses recognised in the year.

All amounts derive from continuing activities.

CONSOLIDATED AND CHARITY BALANCE SHEETS

AT 31 MARCH 2021

	Notes	2021 Group £'000	2021 Charity £'000	2020 Group £'000	2020 Charity £'000
FIXED ASSETS					
Tangible Fixed Assets	8	278	278	324	324
Investments	6	-	-	-	-
CURRENT ASSETS					
Debtors	9	93	134	338	399
Short term deposits and cash in hand		1,290	1,283	1,315	1,299
		<u>1,383</u>	<u>1,417</u>	<u>1,653</u>	<u>1,698</u>
CURRENT LIABILITIES					
CREDITORS: amounts falling due within one year	10	(1,114)	(1,062)	(705)	(688)
NET CURRENT ASSETS		<u>269</u>	<u>355</u>	<u>948</u>	<u>1,010</u>
CREDITORS: amounts falling due after one year	11	(82)	(82)	(143)	(143)
NET ASSETS		<u>465</u>	<u>551</u>	<u>1,129</u>	<u>1,191</u>
FUNDS					
Unrestricted funds		35	121	62	124
Restricted funds		430	430	1,067	1,067
TOTAL FUNDS	14	<u>465</u>	<u>551</u>	<u>1,129</u>	<u>1,191</u>

Approved by the Trustees and authorised for their issue on 16 September 2021 and signed on their behalf by:

Paul Benjamin

Paul Benjamin

A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The (deficit)/surplus of the parent Charity was £(640)k (2020: surplus £343k).

The notes on pages 19 – 31 form part of these financial statements.

LONDON SPORT

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 Group £'000	2020 Group £'000
Cash flows from operating activities	20	(25)	345
Cash flows from investing activities			
Interest income		-	2
Cash provided by / (used in) investing activities		<u>-</u>	<u>2</u>
Increase / (decrease) in cash and cash equivalents in the year		(25)	347
Cash and cash equivalents at the beginning of the year		1,315	968
TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		<u><u>1,290</u></u>	<u><u>1,315</u></u>

The notes on pages 19 – 31 form part of these financial statements.

1 ACCOUNTING POLICIES

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

The principal accounting policies adopted, judgements and key sources of estimation

Basis of preparation

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

London Sport 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 note(s).

Preparation of accounts on a going concern basis

In the context of the ongoing pandemic, the review of our financial position, reserves levels and future plans gives Trustees confidence the Charity remains a going concern for the foreseeable future, and the financial statements have been prepared on this basis. The Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern.

Group financial statements

The financial statements consolidate the results of the Charity and its wholly owned subsidiary London Sport Trading Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Income recognition

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

Donations and legacies

Donations and gifts and are included in full in the Statement of Financial Activities when there is entitlement, probability of receipt and the amount of income receivable can be measured reliably.

Gifts in kind

Gifts in kind represent assets donated for distribution or use by the Charity. Assets given for distribution are recognised as income only when distributed. Assets given for use by the Charity are recognised when receivable. Gifts in kind are valued at the amount actually realised from the disposal of the assets or at the price the Charity would otherwise have paid for the assets.

1 ACCOUNTING POLICIES (continued)

Grants

Grants are recognised in full in the statement of financial activities in the year in which the Charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of delivering our programmes in order to further the purpose of the Charity and their associated support costs.
- Other expenditure represents expenditure on events and our support services provided to our partners and the local Boroughs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Governance cost includes staff costs and overheads in respect of the management of the Charity and compliance with constitutional and statutory requirements.

Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the core business functions, are apportioned based on staff time attributable to each activity where appropriate.

Allocation of costs

Staff costs are allocated between direct charitable expenditure and support costs based on the time spent on these activities. Other costs are allocated directly to the relevant heading.

Financial Instruments

The Charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Tangible fixed assets

Tangible fixed assets are stated at cost or deemed cost (donated valuation at estimated fair value) less accumulated depreciation and impairment losses. Non grant funded assets costing more than £1k are capitalised.

Depreciation is calculated to write off the costs of the fixed asset by equal instalments as follows:

Leasehold improvements:	life of lease
-------------------------	---------------

1 ACCOUNTING POLICIES (continued)

Creditors and provisions

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

Funds

Unrestricted funds are donations and other income receivable or generated for the objects of the Charity.

Restricted funds are those funds which are to be used in accordance with specific instructions imposed by the donor or trust deed.

Employee benefits

Short term benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Employee termination benefits

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

Pension scheme

London Sport operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are held independently from those of London Sport in an independently administered fund. The pensions costs charged in the financial statements represent the contributions paid during the year.

LONDON SPORT

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

	2021 £'000	2020 £'000
2 TOTAL INCOME		
Programme delivery	4,000	4,035
Rental income	217	348
Events	9	26
Services provided to Partners	181	82
Sponsorship	1	50
Other	10	4
	<u>4,418</u>	<u>4,545</u>

Programme Delivery for Charitable Activities

The breakdown was as follows:

	2021 £'000	2020 £'000
Sport England - Core Activities	1,603	1,611
Sport England - Satellite Clubs	786	1,112
Sport England – Workforce	206	206
Sport England - Children & Young People	217	351
Sport England - Tackling Inequalities	400	-
Sport England - other funds	409	282
GLA - Major Events	106	183
GLA - Community Workforce	168	193
GLA - Others	30	-
Others	75	97
	<u>4,000</u>	<u>4,035</u>

3 ANALYSIS OF GROUP EXPENDITURE

	Direct Costs - Staff £'000	Direct Costs - Other £'000	Grant Funding £'000	Support Costs £'000	2021 Total £'000
Delivery of Charitable Activities	2,206	1,052	1,205	447	4,910
Activities and Events	103	48	-	21	172
	<u>2,309</u>	<u>1,100</u>	<u>1,205</u>	<u>468</u>	<u>5,082</u>

Prior Year Comparison	Direct Costs - Staff £'000	Direct Costs - Other £'000	Grant Funding £'000	Support Costs £'000	2020 Total £'000
Delivery of Charitable Activities	2,127	826	603	556	4,112
Activities and Events	45	62	-	50	157
	<u>2,172</u>	<u>888</u>	<u>603</u>	<u>606</u>	<u>4,269</u>

LONDON SPORT

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

4 GRANTS

The charity undertakes part of its charitable expenditure through making grants. In the current year it awarded a number of grants under the following programmes :

Programme	2021 Number	2021 £'000	2020 Number	2020 £'000
Satellite Clubs	132	600	81	340
Tackling Inequalities	37	337	-	-
Others	8	268	14	263
	<u>177</u>	<u>1,205</u>	<u>95</u>	<u>603</u>

All grants were paid to institutions and none to individuals. The largest grant amount paid during the year was £88,794 to Sported in relation to the GLA funded Community Workforce programme.

5 ANALYSIS OF SUPPORT COSTS

	Management £'000	Finance £'000	Resources £'000	Governance £'000	2021 Total £'000
Delivery of Charitable Activities	111	34	269	33	447
Activities and Events	-	8	13	-	21
	<u>111</u>	<u>42</u>	<u>282</u>	<u>33</u>	<u>468</u>

Prior Year Comparison	Management £'000	Finance £'000	Resources £'000	Governance £'000	2020 Total £'000
Delivery of Charitable Activities	110	42	362	42	556
Activities and Events	-	15	35	-	50
	<u>110</u>	<u>57</u>	<u>397</u>	<u>42</u>	<u>606</u>

Governance costs include	2021 £'000	2020 £'000
Staff costs	18	20
Auditors' remuneration:		
Audit work – London Sport	11	13
Audit work - London Sport Trading	4	4
Other services	-	5
	<u>33</u>	<u>42</u>

LONDON SPORT

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

6 INVESTMENT IN SUBSIDIARY

The wholly owned subsidiary London Sport Trading Limited is incorporated in the United Kingdom (company number: 09926559). London Sport owns all of the share capital of London Sport Trading (nominal value of £1) and it is fully paid up. The subsidiary was incorporated in December 2015, trading commenced in April 2018 and will pay all of its taxable profits to London Sport under the Gift Aid scheme.

The summary financial performance of the subsidiary alone is:

	2021 £'000	2020 £'000
Turnover	190	91
Cost of sales and administration costs	(213)	(152)
Net assets brought forward	(57)	(72)
Net profit/(loss)	(23)	(61)
Amount gift aided to the Charity	(5)	(5)
Surplus/(loss) retained in subsidiary	<u>(85)</u>	<u>(138)</u>

The assets and liabilities of the subsidiary were:

Current assets	23	25
Current liabilities	(108)	(86)
Total net assets and Aggregate share capital and reserves	<u>(85)</u>	<u>(61)</u>

7 STAFF COSTS AND NUMBERS

	2021 £'000	2020 £'000
Staff costs were as follows:		
Salaries and wages	1,891	1,786
Social security costs	202	186
Pension contributions	207	200
	<u>2,300</u>	<u>2,172</u>

The number of employees whose emoluments for the year fell within the following bands were:

	2021 Number	2020 Number
£60,001-£70,000	0	2
£70,001 - £80,000	3	0
£100,001 - £110,000	0	0
£110,001 - £120,000	0	0
£120,001 - £130,000	1	1

LONDON SPORT

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

7 STAFF COSTS AND NUMBERS (continued)

Of these, 4 employees are accruing pension contributions totalling £32k (2020: 3 employees, accruing £24k).

The total employee benefits of the senior management team comprising 4 key management personnel (2020 : 5 key management personnel) of the Group were £352k (2020: £324k).

No Trustees received remuneration in the current or prior year.

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

	2021 Number	2020 Number
Charitable activities	43	44
Support	2	2
	<u>45</u>	<u>46</u>

8 TANGIBLE FIXED ASSETS

Charity and group	Leasehold Buildings £'000
Cost	
Opening Balance as at 1 April 2020	462
Purchases during year	-
Closing Balance as at 31 March 2021	<u>462</u>
Depreciation	
Opening Balance as at 1 April 2020	138
Charge during year	46
Closing Balance as at 31 March 2021	<u>184</u>
NBV as at 31 March 2021	<u>278</u>
NBV as at 31 March 2020	<u>324</u>

Included in leasehold buildings is refurbishment costs of House of Sport of £278k (2020 : £324k)

LONDON SPORT

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

9 DEBTORS: amounts falling due within one year

	2021 Group £'000	2021 Charity £'000	2020 Group £'000	2020 Charity £'000
Project debtors	37	25	309	300
Prepayments	29	29	12	12
Inter-company debtors	-	51	-	68
Other debtors	27	29	17	19
	<u>93</u>	<u>134</u>	<u>338</u>	<u>399</u>

10 CREDITORS: amounts falling due within one year

	2021 Group £'000	2021 Charity £'000	2020 Group £'000	2020 Charity £'000
Project creditors	179	170	314	305
Other taxation and social security	54	54	91	92
Accruals	780	777	185	176
Deferred income	71	31	66	66
Other creditors	30	30	49	49
	<u>1,114</u>	<u>1,062</u>	<u>705</u>	<u>688</u>

11 CREDITORS: amounts falling due after one year

	2021 Group £'000	2021 Charity £'000	2020 Group £'000	2020 Charity £'000
Leases	<u>82</u>	<u>82</u>	<u>143</u>	<u>143</u>

LONDON SPORT

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

12 ANALYSIS OF DEFERRED INCOME

	2021 Group £'000	2021 Charity £'000	2020 Group £'000	2020 Charity £'000
Deferred income at 1 April	66	66	107	107
Applied during the year	71	31	66	66
Released during the year	(66)	(66)	(107)	(107)
Deferred income at 31 March	<u>71</u>	<u>31</u>	<u>66</u>	<u>66</u>

Deferred income relates to rental income charged in advance.

**13 ANALYSIS OF GROUP NET ASSETS
BETWEEN FUNDS**

	Restricted Funds £'000	General Funds £'000	2021 Total Funds £'000
Tangible fixed assets	-	278	278
Current assets	430	953	1,383
Current liabilities	-	(1,114)	(1,114)
Long-term liabilities	-	(82)	(82)
Net assets at 31 March 2021	<u>430</u>	<u>35</u>	<u>465</u>

Prior Year Comparison

	Restricted Funds £'000	General Funds £'000	2020 Total Funds £'000
Intangible fixed assets	-	-	-
Tangible fixed assets	-	324	324
Current assets	1,067	586	1,653
Current liabilities	-	(705)	(705)
Long-term liabilities	-	(143)	(143)
Net assets at 31 March 2020	<u>1,067</u>	<u>62</u>	<u>1,129</u>

LONDON SPORT

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

14 ANALYSIS OF FUNDS

	Balance at 01-Apr 2020 £'000	Income £'000	Expenditure £'000	Balance at 31-Mar 2021 £'000
General funds	62	418	(445)	35
Restricted funds:				
Core Activities (Sport England)	209	1,603	(1,690)	122
Satellite Club (Sport England)	275	786	(1,061)	-
Workforce (Sport England)	85	206	(186)	105
Children & Young People (Sport England)	167	217	(368)	16
Tackling Inequalities (Sport England)	-	400	(337)	63
Other funds - Sport England	282	409	(603)	88
Major Events (GLA)	-	106	(106)	-
Community Workforce (GLA)	24	168	(192)	-
Other	25	105	(94)	36
	<u>1,067</u>	<u>4,000</u>	<u>(4,637)</u>	<u>430</u>
Group total	<u>1,129</u>	<u>4,418</u>	<u>(5,082)</u>	<u>465</u>

For prior year comparison see over

General funds:

These are funds solely managed at the discretion of the organisation, without restriction, in line with our reserves policy.

Main Restricted funds:

Core activities (Sport England) –

Core funding to cover the cost of running the organisation – staff, office & support costs. Direct funding from Sport England under their support to Active Partnerships.

Satellite Clubs (Sport England) –

These clubs are extensions of community sports clubs which are newly established to specifically target 14-19 year olds. Part of a national Sport England grants programme.

Workforce (Sport England) -

Support to the workforce, including coaches and volunteers in London. Funding from Sport England with restrictions.

Children & Young People (Sport England) -

With the support of Sport England we work with schools, colleges, policymakers, local authorities, teachers and others supporting young people: our role is to advise, inform and create positive change for children and young people.

Tackling Inequalities (Sport England) -

Funding provided by Sport England to help reduce the negative impact of coronavirus and the widening of the inequalities in sport and physical activity.

LONDON SPORT

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

14 ANALYSIS OF FUNDS (continued)

Prior year comparison	Balance at 01-Apr 2019 £'000	Income £'000	Expenditure £'000	Balance at 31-Mar 2020 £'000
General funds	264	510	(712)	62
Restricted funds:				
Core Activities (Sport England)	108	1,611	(1,510)	209
Satellite Club (Sport England)	-	1,112	(837)	275
Workforce (Sport England)	46	206	(167)	85
Children & Young People (Sport England)	222	351	(406)	167
Other funds - Sport England	84	282	(84)	282
Major Events (GLA)	8	183	(191)	-
Community Workforce (GLA)	-	193	(169)	24
Other	121	97	(193)	25
	<u>589</u>	<u>4,035</u>	<u>(3,557)</u>	<u>1,067</u>
Group total	<u><u>853</u></u>	<u><u>4,545</u></u>	<u><u>(4,269)</u></u>	<u><u>1,129</u></u>

LONDON SPORT

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

15 ANALYSIS OF PUBLIC FUNDING

	Sport England £'000	Greater London Authority £'000	Non Public Income £'000	Total £'000
Revenue Grants	3,621	274	105	4,000
Rental Income	-	-	217	217
Other Income	-	-	201	201
Total Income	3,621	274	523	4,418
Staff costs	2,152	88	68	2,309
Grant payments	1,057	149	-	1,205
Other delivery costs	324	56	147	527
Direct Costs	249	-	324	573
Support costs	463	5	-	468
Total Expenditure	4,245	298	539	5,082
Net Income	(624)	(24)	(16)	(664)

Cash and Deferred Income Reconciliation

	Sport England £'000	Greater London Authority £'000	Non Public Income £'000	Total £'000
Opening Balance	-	-	66	66
Cash received	3,621	274	523	4,418
Released to P&L	(3,595)	(274)	(544)	(4,413)
Closing Balance	26	-	45	71

16 OPERATING LEASES

At 31 March 2021 the group and charity had annual

	2021 £'000	2020 £'000
Due within 1 year	278	376
Due between 1 and 2 years	264	278
Due between 2 and 5 years	1,056	792
Due in more than 5 years	-	528

At 31 March 2021 the group and charity had no material annual commitments as lessor under non-cancellable operating leases (2019: none).

LONDON SPORT

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

17 TAXATION

As all the Charities income is charitable, and applied for a charitable purpose, we don't currently incur corporation tax charges. The Charity is not exempt from VAT and all irrecoverable VAT is included with the expenses to which it relates on the Statement of Financial Activities.

18 RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2021 Group £'000	2020 Group £'000
Net income for the year	(664)	276
Add back depreciation charge	46	46
Add back impairment charge	-	68
Less interest income	-	(2)
Decrease / (increase) in debtors	245	105
Increase / (decrease) in creditors	348	(148)
	<u>(25)</u>	<u>345</u>

19 RELATED PARTY TRANSACTIONS

In 2021, the following transactions took place between the Charity and its wholly owned subsidiary London Sport Trading: events support £13k (2020 : £33k), data and branding fees £7k (2020 : £7k) and management fee £nil (2020 : £nil).

There were no other transactions with related parties during the year to 31 March 2021 (2020: none). The total amount of donations received from Trustees in the year was £nil (2020: £5k).