

Registered number: 08355406



**LONDON SPORT**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

Company No. 08355406  
Charity No. 1165100

**LONDON SPORT**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

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## LONDON SPORT

### REFERENCE AND ADMINISTRATION DETAILS

FOR THE YEAR ENDED 31 MARCH 2023

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|                          |                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|--------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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 8 January 2016.                                                                                                                                                                                                                                      |
| Governing Document       | The company was established under Memorandum and Articles which established the objects and powers of the charitable company.                                                                                                                                                                                                                                                                                                        |
| Company Number           | 08355406                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Charity Number           | 1165100                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Registered Office        | House of Sport,<br>190 Great Dover Street, London SE1 4YB                                                                                                                                                                                                                                                                                                                                                                            |
| Operating Office         | House of Sport,<br>190 Great Dover Street, London SE1 4YB                                                                                                                                                                                                                                                                                                                                                                            |
| Chair                    | Jillian Moore                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Trustees                 | Sally Benatar - Vice Chair<br>Stephen Alambritis (resigned 15 September 2022)<br>Paul Benjamin<br>Charles Boss<br>Shaun Danielli<br>Ross Garrod (appointed 15 September 2022)<br>Naomi Hulston (resigned 31 March 2023)<br>Mark Jopling (resigned 31 May 2022)<br>Tanya Joseph<br>Tracey McCillen<br>Paul Osborn (appointed 9 December 2022)<br>Joyce Ellen Ryan (resigned 8 December 2022)<br>Andrew Selby (appointed 1 April 2023) |
| Key Management Personnel | Emily Robinson<br>Jade Cation (appointed 7 June 2022)<br>Jill Cochrane (contracted ended 24 May 2022)<br>Timothy James Copley<br>Susan Hutton (resigned 30 June 2023)<br>Tanya Rabin                                                                                                                                                                                                                                                 |
| Bankers                  | Metro Bank, 1 Southampton Row, London WC16 5HA                                                                                                                                                                                                                                                                                                                                                                                       |
| Auditors                 | PKF Littlejohn LLP<br>15 Westferry Circus<br>London E14 4HD                                                                                                                                                                                                                                                                                                                                                                          |

## LONDON SPORT

### TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2023



#### Chief Executive's Report

I have been in post for just over a year now, and London Sport and I am grateful for the continued guidance from our Board of Trustees. Their support has been invaluable in achieving some incredible accomplishments over the past 12 months.

The unprecedented challenges Londoners face such as the ongoing cost of living crisis and the slow recovery of the sector from the pandemic only further heightens the importance of our mission to help Londoners live longer, healthier and happier lives through being active. To this end, as part of our implementation of our LDN Moving strategy we have prioritised four key themes to give focus to our work: Health, Active Environments, Community Sport, and Children & Young People.

One innovative example to integrate physical activity into everyday life through an innovative test and scale project has been the transformation of an empty shopping unit in Lewisham into a wellbeing space for local communities through our Space for Girls project.

As part of our commitment to our key funder Sport England's Uniting the Movement strategy, we have also spent the year prioritising our efforts within specific places where inactivity is high and compounded by inequality to enable our charity to have the maximum impact. Alongside this intensive focus within eight areas of London in the first phase, we have also developed a "Pan-London offer" to all parts of the capital to ensure we are signposting, providing insight and data and a level of support to all boroughs.

Our efforts to identify priority places have also allowed us to focus our resources on underserved communities through Sport England's Together Fund. We have distributed over £500k to projects in 25 boroughs, enabling over 80 projects to continue their crucial work and find sustainable ways to serve their communities in the years to come. Alongside the Together Fund, we have also distributed £1.6m to 176 schools through implementing the London component of the Department for Education's Opening School Facilities (OSF) fund. This is the first round of OSF and part of a three-year programme which will see a total of £5.7m invested into London's schools to improve access to sport and physical activity for children and young people. Through our PlayZones projects, we are also working closely with the Football Foundation, Sport England and a multi-borough consortium to create safe, inclusive and welcoming multi-sport facilities across London. The aspiration is to deliver new or redeveloped facilities in every London borough by autumn 2025.

One of the central pillars of our work with Children and Young People has been our involvement in the Go! London fund as a strategic partner together with the Mayor of London, Sport England, London Marathon Events and London Marathon Foundation. This fund will enable multi-million pound investment into enabling the capital's youth to access sport and physical activity to support their wellbeing.

As part of our work to influence across all sectors to promote the importance of physical activity and sport, I was delighted to be invited to join the London Partnership Board co-chaired by the Mayor of London and the Chair of London Councils. This has cemented our role as a respected sector leader and gives us a position to advocate for the needs of the London sports community.

We have engaged in more advocacy work this year, meeting many elected London local authority Leaders and Cabinet members, working with London Councils and the Greater London Authority as well as presenting the needs of the London sport sector to UK Ministers and officials. As part of wider sport sector campaign to highlight the impact of energy bills on the sector we were pleased with the announcement of the Chancellor in the Budget of an additional £63 million of support to public swimming pools.

While we have promoted our own work and vision, we have also continued to shine a light on the wider sector through the London Sport Awards and our Active London conference. Both of these events

demonstrated the transformative power of sport and physical activity and showcased inspiring case studies that will help us and our partners go further in our mission.

Finally, I am grateful for the incredible work we have achieved through our current corporate partners, including City of London Corporation, Decathlon, Exergame, Play Innovation and 4Global. I am excited to see how these partnerships will evolve to support our work.

I am proud of the progress we have made in the last 12 months, and I look forward to working with our Board, our sector and wider networks to ensure that we can help every Londoner find their way to move more.

Emily Robinson  
Chief Executive

## **LONDON SPORT**

### **TRUSTEES REPORT**

**FOR THE YEAR ENDED 31 MARCH 2023**



#### **Chair's Report**

I would like to start my fourth report as Chair of London Sport by expressing my gratitude to our CEO Emily Robinson. Despite joining London Sport just as the capital was battling a new crisis, Emily has provided clear direction, delivered outstanding results, and laid the foundations for a promising future.

Her vision for London Sport, along with escalating the implementation of the LDN Moving strategy, will undoubtedly help address inactivity and inequality in our city. I am immensely grateful for Emily's bold decisions and her focus on delivering real impact among key communities across London.

I had the privilege of attending both of London Sport's flagship events over the last year; the Active London conference in September and the London Sport Awards in March. These events reinforced the importance of our mission and the immense challenges that we must overcome to promote sport and physical activity. We anticipate even more complex obstacles as we shift our focus from covid recovery to a broader economic recovery. However, I have no doubt that under Emily's leadership, London Sport will continue to make a meaningful difference for our capital.

I must also thank my fellow Board members and Trustees for their unwavering support over the last 12 months. A special thank you to Stephen Alambritis, Joyce Ryan and Naomi Hulston who have made a massive contribution during their tenure on the Board and have since stepped down. Your counsel and advocacy for London Sport have been invaluable, and I thank you for your service.

While we bid farewell to our outgoing Trustees, I would like to extend a warm welcome to: Ross Garrod, Leader of Merton Council; Paul Osborn, Leader of Harrow Council; and Andrew Selby, Deloitte's Head of Partnerships. Their expertise and experience will be critical in this upcoming financial year, and I look forward to working with them more closely.

Finally, I would like to thank Sport England for their continued system partner investment and the Mayor of London for their ongoing support. The success of the Go! London Fund is a testament to the brilliant work that our organisations can achieve when we work together to achieve a shared goal, and I am excited to see how our partnership will grow and deliver long term impact for our wonderful city.

Jillian Moore  
Chair

## LONDON SPORT

### TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2023



#### Our Purpose

London Sport is a charity that exists to help all Londoners live longer, healthier and happier lives through being active. Our focus is on children and adults in the most deprived communities who face the greatest challenges of inequality.

With physical inactivity responsible for 1 in 6 premature deaths, we want to help every Londoner find their way to move more. We are supported by Sport England and the Mayor of London, and collaborate with London's local authorities and other organisations, to provide better access to sport and physical activity across the capital.

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. Rental income from the operation of House of Sport ceased on 31 March 2023 following a change in the lease arrangements for House of Sport.

Grant funding accounts for 88.7% of London Sport's income disclosed as of 31 March 2023, down from 93.2% in the prior financial year. The main grant funders in the year were Sport England and Active Partnership. Sport England funding accounts for £3.7m, 85.4% of London Sport's overall income for the year, which is marginally over the performance requirements from Sport England, which sets a maximum reliance target of 85%. Our focus on diversification of income will ensure we are within this target in the future.

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, rent of office space, 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 2023, total expenditure was £4.1m (2022, £4.8m). £3.9m (2022, £4.6m) of this was spent delivering the grant funded programmes outlined above, and £0.2m (2022, £0.2m) was spent delivering other activities.

Result for the Period

The result for the period is an excess of income over expenditure of £264k (2022: excess of expenditure £204k).

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 ongoing budget gap. The total level of reserves as of 31 March 2023 is £525k (2022: £261k) within this amount unrestricted reserves are £159k (2022: £57k) and restricted reserves are £366k (2022: £204k). 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 (2022: £467k) during the financial year, which was not sustained. The Trustees are focused on ensuring this is sustained in the future, through raising more funds and reducing our reliance on Sport England through our Diversification of Income strategy. The Reserve Policy 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 at least the period of our Sport England System Partner funding i.e. to 31 March 2027. For this reason, the Trustees continue to adopt the going concern basis in preparing the financial statements.

The Trustees of London Sport have provided the Directors of the trading subsidiary a letter of support with the intention, and within the ability of London Sport, to provide ongoing financial support as necessary to ensure that the company is able to meet its liabilities for one year from 7 December 2023. At 31 March 2023, £62k was owed by the trading subsidiary to London Sport. This and any further payments due to London Sport have been waived.

#### **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 ten Trustees. During the year there were three Trustee vacancies. The Board met four 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 individuals and shall be entitled to remove the Trustees so appointed by them. A maximum of seven other Trustees shall be appointed by the Board from candidates who apply through an open recruitment process. 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 good faith 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 six Sub-Committees: Finance, Equality, Diversity & Inclusion, Diversification of Income, Strategy Advisory, Remuneration and Nominations. Each Sub-Committee Chair is required to report 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 Paul Benjamin, Naomi Hulston and Charlie Boss assisted by Susan Hutton 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, Sally Benatar and Paul Benjamin, assisted by Susan Hutton and Emily Robinson from the Executive team.

#### Nominations Sub-Committee

The Nominations Sub Committee met four times during the year. Its members were Shaun Dawson, Sally Benatar, Tracey McCillen, Charlie Boss, Paul Benjamin and Jillian Moore assisted by Susan Hutton from the Executive and Chris Anderson from the staff team.

#### Equality, Diversity & Inclusion Sub-Committee

The Equality, Diversity and Inclusion Sub-Committee met four times during the year. Its members during the year were Tracey McCillen, Shaun Danielli and Sally Benatar assisted by Susan Hutton and Jade Cation from the Executive team and Alex Gibbons from the staff team.

#### Diversification of Income Sub-Committee

The Diversification of Income Sub-Committee met four times during the year. Its members during the year were Charlie Boss, Jillian Moore, Andrew Selby, Rebecca Rajeswaran and Preeti Shetty assisted by Tanya Rabin and Susan Hutton from the Executive 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 and Alice Wilcock (Greater London Authority representative) supported by Tim Copley 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 by the Executive Team and updated as necessary. There are currently fifteen operational and 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.

There were two major strategic risks, relating to our ability to increase income and diversify our funding base to reduce our reliance on one major funder and increase our reserves; and our ability to maintain occupancy levels at House of Sport (at pre-COVID levels), an area which has also impacted our reserve levels.

The major operational risks arise from our shared working space House of Sport and cover areas such as 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. There were associated financial risks related to the management of this facility, which were also carefully monitored.

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 7 December 2023 and signed on their behalf by:

  
Paul Benjamin

## AUDITOR'S REPORT TO THE DIRECTORS OF LONDON SPORT

FOR THE YEAR ENDED 31 MARCH 2023

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF LONDON SPORT

### Opinion

We have audited the financial statements of London Sport (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group's and the parent charitable company's affairs as at 31 March 2023, and of the group's 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent 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.

AUDITOR'S REPORT TO THE DIRECTORS OF LONDON SPORT

FOR THE YEAR ENDED 31 MARCH 2023

### 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 of this other information, we are required to report that fact.

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 2023**

#### **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 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:

- 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 2023**

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

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

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

15 Westferry Circus  
Canary Wharf  
London E14 4HD

Date:

21 June 2023

**LONDON SPORT**

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

**FOR THE YEAR ENDED 31 MARCH 2023**

|                                                        | Notes | Unrestricted<br>Funds<br>£'000 | Restricted<br>Funds<br>£'000 | Total<br>2023<br>£'000 | Total<br>2022<br>£'000 |
|--------------------------------------------------------|-------|--------------------------------|------------------------------|------------------------|------------------------|
| <b>INCOME FROM:</b>                                    |       |                                |                              |                        |                        |
| Charitable activities                                  |       |                                |                              |                        |                        |
| <i>Programme Delivery</i>                              |       | 303                            | 3,848                        | 4,151                  | 4,478                  |
| Other trading activities                               |       |                                |                              |                        |                        |
| <i>Thought Leadership<br/>    and Partner Services</i> |       | 185                            | -                            | 185                    | 126                    |
| <b>Total income</b>                                    | 2     | <b>488</b>                     | <b>3,848</b>                 | <b>4,336</b>           | <b>4,604</b>           |
| <b>EXPENDITURE ON:</b>                                 |       |                                |                              |                        |                        |
| Expenditure on Charitable activities                   |       |                                |                              |                        |                        |
| <i>Delivery of Charitable activities</i>               |       | 171                            | 3,686                        | 3,857                  | 4,646                  |
| Activities and Events                                  |       | 215                            | -                            | 215                    | 162                    |
| <b>Total expenditure</b>                               | 3     | <b>386</b>                     | <b>3,686</b>                 | <b>4,072</b>           | <b>4,808</b>           |
| Net (expenditure)/income                               | 7     | 102                            | 162                          | 264                    | (204)                  |
| Transfers between funds                                |       | -                              | -                            | -                      | -                      |
| <b>Net movement in funds</b>                           |       | <b>102</b>                     | <b>162</b>                   | <b>264</b>             | <b>(204)</b>           |
| Funds brought forward                                  |       | 57                             | 204                          | 261                    | 465                    |
| <b>Funds carried forward</b>                           |       | <b>159</b>                     | <b>366</b>                   | <b>525</b>             | <b>261</b>             |

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

Company No. 08355406

## CONSOLIDATED AND CHARITY BALANCE SHEETS

AT 31 MARCH 2023

|                                                | Notes | 2023<br>Group<br>£'000 | 2023<br>Charity<br>£'000 | 2022<br>Group<br>£'000 | 2022<br>Charity<br>£'000 |
|------------------------------------------------|-------|------------------------|--------------------------|------------------------|--------------------------|
| <b>FIXED ASSETS</b>                            |       |                        |                          |                        |                          |
| Tangible Fixed Assets                          | 8     | -                      | -                        | 205                    | 205                      |
| Investments                                    | 6     | -                      | -                        | -                      | -                        |
| <b>CURRENT ASSETS</b>                          |       |                        |                          |                        |                          |
| Debtors                                        | 9     | 230                    | 318                      | 110                    | 158                      |
| Short term deposits and cash in hand           |       | 964                    | 933                      | 554                    | 543                      |
|                                                |       | <u>1,194</u>           | <u>1,251</u>             | <u>664</u>             | <u>701</u>               |
| <b>CURRENT LIABILITIES</b>                     |       |                        |                          |                        |                          |
| CREDITORS: amounts falling due within one year | 10    | (669)                  | (664)                    | (601)                  | (570)                    |
| <b>NET CURRENT ASSETS</b>                      |       | <u>525</u>             | <u>587</u>               | <u>63</u>              | <u>131</u>               |
| CREDITORS: amounts falling due after one year  | 11    | -                      | -                        | (7)                    | (7)                      |
| <b>NET ASSETS</b>                              |       | <u>525</u>             | <u>587</u>               | <u>261</u>             | <u>329</u>               |
| <b>FUNDS</b>                                   |       |                        |                          |                        |                          |
| Unrestricted funds                             |       | 159                    | 221                      | 57                     | 125                      |
| Restricted funds                               |       | 366                    | 366                      | 204                    | 204                      |
| <b>TOTAL FUNDS</b>                             | 14    | <u>525</u>             | <u>587</u>               | <u>261</u>             | <u>329</u>               |

Approved by the Trustees and authorised for their issue on 7 December 2023 and signed on their behalf by:

  
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 surplus of the parent Charity was £258k (2022: deficit £217k).

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

**LONDON SPORT**

**CONSOLIDATED STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 MARCH 2023**

|                                                                   | Note | 2023<br>Group<br>£'000 | 2022<br>Group<br>£'000 |
|-------------------------------------------------------------------|------|------------------------|------------------------|
| Cash flows from operating activities                              | 18   | 410                    | (737)                  |
| Cash flows from investing activities                              |      |                        |                        |
| Interest income                                                   |      | -                      | 1                      |
| Cash provided by / (used in) investing activities                 |      | -                      | 1                      |
| Increase / (decrease) in cash and cash equivalents in the year    |      | 410                    | (736)                  |
| Cash and cash equivalents at the beginning of the year            |      | 554                    | 1,290                  |
| <b>TOTAL CASH AND CASH EQUIVALENTS<br/>AT THE END OF THE YEAR</b> |      | <b>964</b>             | <b>554</b>             |

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

## **LONDON SPORT**

### **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

---

#### **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:

##### **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 a review of our financial position, reserves levels and future plans gives Trustees confidence the Charity remains a going concern for for at least the period of our Sport England System Partner funding i.e. to 31 March 2027 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**

Donations and gifts 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 the Charity would otherwise have paid for the services or assets.

## **LONDON SPORT**

### **NOTES TO THE FINANCIAL STATEMENTS (continued)**

#### **FOR THE YEAR ENDED 31 MARCH 2023**

---

#### **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 |
|-------------------------|---------------|

**LONDON SPORT**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2023**

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**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 2023

| 2 TOTAL INCOME                | 2023<br>£'000 | 2022<br>£'000 |
|-------------------------------|---------------|---------------|
| Programme delivery            | 3,848         | 4,294         |
| Rental income                 | 303           | 184           |
| Events                        | -             | -             |
| Services provided to Partners | 124           | 90            |
| Sponsorship                   | 35            | 27            |
| Other                         | 26            | 9             |
|                               | <u>4,336</u>  | <u>4,604</u>  |

### Programme Delivery for Charitable Activities

The breakdown was as follows:

|                                           | 2023<br>£'000 | 2022<br>£'000 |
|-------------------------------------------|---------------|---------------|
| Sport England - Core Activities           | 3,049         | 2,899         |
| Sport England - Tackling Inequalities     | 575           | 240           |
| Sport England - Opening School Facilities | -             | 950           |
| Sport England - other funds               | 80            | 85            |
| Active Partnership Network - OSF          | 144           | -             |
| GLA - Others                              | -             | 26            |
| Others                                    | -             | 94            |
|                                           | <u>3,848</u>  | <u>4,294</u>  |

## 3 ANALYSIS OF GROUP EXPENDITURE

|                                      | Direct Costs -<br>Staff<br>£'000 | Direct Costs -<br>Other<br>£'000 | Grant<br>Funding<br>£'000 | Support<br>Costs<br>£'000 | 2023<br>Total<br>£'000 |
|--------------------------------------|----------------------------------|----------------------------------|---------------------------|---------------------------|------------------------|
| Delivery of Charitable<br>Activities | 2,038                            | 863                              | 520                       | 436                       | 3,857                  |
| Activities and Events                | 116                              | 85                               |                           | 14                        | 215                    |
|                                      | <u>2,154</u>                     | <u>948</u>                       | <u>520</u>                | <u>450</u>                | <u>4,072</u>           |

| Prior Year Comparison                | Direct Costs -<br>Staff<br>£'000 | Direct Costs -<br>Other<br>£'000 | Grant<br>Funding<br>£'000 | Support<br>Costs<br>£'000 | 2022<br>Total<br>£'000 |
|--------------------------------------|----------------------------------|----------------------------------|---------------------------|---------------------------|------------------------|
| Delivery of Charitable<br>Activities | 2,216                            | 828                              | 1,081                     | 521                       | 4,646                  |
| Activities and Events                | 103                              | 35                               | -                         | 24                        | 162                    |
|                                      | <u>2,319</u>                     | <u>863</u>                       | <u>1,081</u>              | <u>545</u>                | <u>4,808</u>           |

# **LONDON SPORT**

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2023**

### **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                           | 2023<br>Number | 2023<br>£'000 | 2022<br>Number | 2022<br>£'000 |
|-------------------------------------|----------------|---------------|----------------|---------------|
| Together Fund/Tackling Inequalities | 81             | 520           | 60             | 304           |
| Opening School Facilities           |                | -             | 82             | 760           |
| Others                              |                | -             | 6              | 17            |
|                                     | <u>81</u>      | <u>520</u>    | <u>148</u>     | <u>1,081</u>  |

All grants were paid to institutions and none to individuals. The largest grant amount paid during the year was £22,500 to Sported in relation to the Sport England funded Together Fund.

### **5 ANALYSIS OF SUPPORT COSTS**

|                                   | Management<br>£'000 | Finance<br>£'000 | Resources<br>£'000 | Governance<br>£'000 | 2023 Total<br>£'000 |
|-----------------------------------|---------------------|------------------|--------------------|---------------------|---------------------|
| Delivery of Charitable Activities | 120                 | 39               | 438                | 48                  | 645                 |
| Activities and Events             |                     | 4                | 10                 |                     | 14                  |
|                                   | <u>120</u>          | <u>43</u>        | <u>448</u>         | <u>48</u>           | <u>659</u>          |

| Prior Year Comparison             | Management<br>£'000 | Finance<br>£'000 | Resources<br>£'000 | Governance<br>£'000 | 2022 Total<br>£'000 |
|-----------------------------------|---------------------|------------------|--------------------|---------------------|---------------------|
| Delivery of Charitable Activities | 130                 | 39               | 313                | 39                  | 521                 |
| Activities and Events             | -                   | 10               | 14                 | -                   | 24                  |
|                                   | <u>130</u>          | <u>49</u>        | <u>327</u>         | <u>39</u>           | <u>545</u>          |

#### **Governance costs include**

|                                   | 2023<br>£'000 | 2022<br>£'000 |
|-----------------------------------|---------------|---------------|
| Staff costs                       | 35            | 26            |
| Auditors' remuneration:           |               |               |
| Audit work – London Sport         | 10            | 9             |
| Audit work - London Sport Trading | 3             | 3             |
| Other services                    | -             | -             |
|                                   | <u>48</u>     | <u>38</u>     |

## LONDON SPORT

### NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

#### 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:

|                                        | 2023<br>£'000 | 2022<br>£'000 |
|----------------------------------------|---------------|---------------|
| Turnover                               | 79            | 107           |
| Cost of sales and administration costs | (73)          | (90)          |
| Net assets brought forward             | (68)          | (85)          |
| Net profit/(loss)                      | 6             | 17            |
| Amount gift aided to the Charity       | -             | -             |
| Surplus/(loss) retained in subsidiary  | <u>(62)</u>   | <u>(68)</u>   |

The assets and liabilities of the subsidiary were:

|                                                           |             |             |
|-----------------------------------------------------------|-------------|-------------|
| Current assets                                            | 41          | 35          |
| Current liabilities                                       | (103)       | (103)       |
| Total net assets and aggregate share capital and reserves | <u>(62)</u> | <u>(68)</u> |

#### 7 STAFF COSTS AND NUMBERS

|                                     | 2023<br>£'000 | 2022<br>£'000 |
|-------------------------------------|---------------|---------------|
| <b>Staff costs were as follows:</b> |               |               |
| Salaries and wages                  | 1,915         | 1,865         |
| Social security costs               | 197           | 200           |
| Pension contributions               | 193           | 201           |
|                                     | <u>2,305</u>  | <u>2,266</u>  |

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

|                     | 2023<br>Number | 2022<br>Number |
|---------------------|----------------|----------------|
| £60,001-£70,000     | -              | -              |
| £70,001 - £80,000   | 3              | 3              |
| £100,001 - £110,000 | -              | -              |
| £110,001 - £120,000 | 1              | -              |
| > £120,000          | -              | -              |

# LONDON SPORT

## NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

### 7 STAFF COSTS AND NUMBERS (continued)

Of these, 4 employees are accruing pension contributions of £39k (2022: 3 employees, accruing £32k).

The total employee benefits of the senior management team comprising 6 key management personnel (2022 : 6 key management personnel) of the Group were £430k (2022: £351k).

No Trustees received remuneration, nor were paid any expenses, in the current or prior year.

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

|                       | 2023<br>Number | 2022<br>Number |
|-----------------------|----------------|----------------|
| Charitable activities | 52             | 44             |
| Support               | 1              | 2              |
|                       | <u>53</u>      | <u>46</u>      |

### 8 TANGIBLE FIXED ASSETS

| Charity and group                          | Leasehold<br>Buildings<br>£'000 |
|--------------------------------------------|---------------------------------|
| <b>Cost</b>                                |                                 |
| Opening Balance as at 1 April 2022         | 462                             |
| Purchases during year                      | -                               |
| <b>Closing Balance as at 31 March 2023</b> | <u>462</u>                      |
| <b>Depreciation</b>                        |                                 |
| Opening Balance as at 1 April 2022         | 257                             |
| Charge during year                         | 205                             |
| <b>Closing Balance as at 31 March 2023</b> | <u>462</u>                      |
| <b>NBV as at 31 March 2023</b>             | <u>-</u>                        |
| <b>NBV as at 31 March 2022</b>             | <u>205</u>                      |

Included in leasehold buildings is £nil NBV for the refurbishment cost of House of Sport (2022 : £205k)

**LONDON SPORT**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2023**

**9 DEBTORS: amounts falling due within one year**

|                       | <b>2023<br/>Group<br/>£'000</b> | <b>2023<br/>Charity<br/>£'000</b> | <b>2022<br/>Group<br/>£'000</b> | <b>2022<br/>Charity<br/>£'000</b> |
|-----------------------|---------------------------------|-----------------------------------|---------------------------------|-----------------------------------|
| Project debtors       | 142                             | 132                               | 65                              | 48                                |
| Prepayments           | 12                              | 12                                | 35                              | 35                                |
| Inter-company debtors | -                               | 98                                | -                               | 63                                |
| Other debtors         | 76                              | 76                                | 10                              | 12                                |
|                       | <u>230</u>                      | <u>318</u>                        | <u>110</u>                      | <u>158</u>                        |

**10 CREDITORS: amounts falling due within one year**

|                                    | <b>2023<br/>Group<br/>£'000</b> | <b>2023<br/>Charity<br/>£'000</b> | <b>2022<br/>Group<br/>£'000</b> | <b>2022<br/>Charity<br/>£'000</b> |
|------------------------------------|---------------------------------|-----------------------------------|---------------------------------|-----------------------------------|
| Project creditors                  | 229                             | 228                               | 144                             | 139                               |
| Other taxation and social security | 76                              | 76                                | 56                              | 56                                |
| Accruals                           | 323                             | 319                               | 317                             | 311                               |
| Deferred income                    | 41                              | 41                                | 62                              | 42                                |
| Other creditors                    | -                               | -                                 | 22                              | 22                                |
|                                    | <u>669</u>                      | <u>664</u>                        | <u>601</u>                      | <u>570</u>                        |

**11 CREDITORS: amounts falling due after one year**

|        | <b>2023<br/>Group<br/>£'000</b> | <b>2023<br/>Charity<br/>£'000</b> | <b>2022<br/>Group<br/>£'000</b> | <b>2022<br/>Charity<br/>£'000</b> |
|--------|---------------------------------|-----------------------------------|---------------------------------|-----------------------------------|
| Leases | <u>0</u>                        | <u>0</u>                          | <u>7</u>                        | <u>7</u>                          |

**LONDON SPORT**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2023**

**12 ANALYSIS OF DEFERRED INCOME**

|                             | <b>2023<br/>Group<br/>£'000</b> | <b>2023<br/>Charity<br/>£'000</b> | <b>2022<br/>Group<br/>£'000</b> | <b>2022<br/>Charity<br/>£'000</b> |
|-----------------------------|---------------------------------|-----------------------------------|---------------------------------|-----------------------------------|
| Deferred income at 1 April  | 62                              | 42                                | 71                              | 31                                |
| Applied during the year     | 41                              | 41                                | 62                              | 42                                |
| Released during the year    | (62)                            | (42)                              | (71)                            | (31)                              |
| Deferred income at 31 March | <u>41</u>                       | <u>41</u>                         | <u>62</u>                       | <u>42</u>                         |

Deferred income relates to sponsorship income charged in advance.

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

|                             | <b>Restricted<br/>Funds<br/>£'000</b> | <b>General<br/>Funds<br/>£'000</b> | <b>2023<br/>Total<br/>Funds<br/>£'000</b> |
|-----------------------------|---------------------------------------|------------------------------------|-------------------------------------------|
| Tangible fixed assets       | -                                     | -                                  | -                                         |
| Current assets              | 366                                   | 828                                | 1,194                                     |
| Current liabilities         | -                                     | (669)                              | (669)                                     |
| Long-term liabilities       | -                                     | -                                  | -                                         |
| Net assets at 31 March 2023 | <u>366</u>                            | <u>159</u>                         | <u>525</u>                                |

**Prior Year Comparison**

|                             | <b>Restricted<br/>Funds<br/>£'000</b> | <b>General<br/>Funds<br/>£'000</b> | <b>2022<br/>Total<br/>Funds<br/>£'000</b> |
|-----------------------------|---------------------------------------|------------------------------------|-------------------------------------------|
| Tangible fixed assets       | -                                     | 205                                | 205                                       |
| Current assets              | 204                                   | 461                                | 665                                       |
| Current liabilities         | -                                     | (601)                              | (601)                                     |
| Long-term liabilities       | -                                     | (7)                                | (7)                                       |
| Net assets at 31 March 2022 | <u>204</u>                            | <u>58</u>                          | <u>262</u>                                |

# LONDON SPORT

## NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

### 14 ANALYSIS OF FUNDS

|                                             | Balance at<br>01-Apr<br>2022<br>£'000 | Income<br>£'000 | Expenditure<br>£'000 | Balance at<br>31-Mar<br>2023<br>£'000 |
|---------------------------------------------|---------------------------------------|-----------------|----------------------|---------------------------------------|
| <b>General funds</b>                        | 57                                    | 488             | (386)                | 159                                   |
| <b>Restricted funds:</b>                    |                                       |                 |                      |                                       |
| Core Activities (Sport England)             | 131                                   | 3,049           | (2,836)              | 344                                   |
| Together Fund (Sport England)               | -                                     | 575             | (575)                | -                                     |
| Opening School Facilities (Active Partnersh | -                                     | 144             | (144)                | -                                     |
| Other funds - Sport England                 | 16                                    | 80              | (82)                 | 14                                    |
| Other funds - GLA                           | 10                                    | -               | (10)                 | -                                     |
| Other                                       | 47                                    | -               | (39)                 | 8                                     |
|                                             | <u>204</u>                            | <u>3,848</u>    | <u>(3,686)</u>       | <u>366</u>                            |
| <b>Group total</b>                          | <u>261</u>                            | <u>4,336</u>    | <u>(4,072)</u>       | <u>525</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.

Together Fund (Sport England)

Funding provided by Sport England to help groups that have been disproportionately affected by the pandemic to mitigate the significant impact on their ability to be physically active.

Opening School Facilities (Sport England) –

Funding provided by Sport England to help schools open their facilities to the community to increase participation opportunities in sport and physical activity.

LONDON SPORT

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

14 ANALYSIS OF FUNDS (continued)

| Prior year comparison                     | Balance at<br>01-Apr<br>2021<br>£'000 | Income<br>£'000     | Expenditure<br>£'000  | Balance at<br>31-Mar<br>2022<br>£'000 |
|-------------------------------------------|---------------------------------------|---------------------|-----------------------|---------------------------------------|
| General funds                             | 35                                    | 310                 | (288)                 | 57                                    |
| <b>Restricted funds:</b>                  |                                       |                     |                       |                                       |
| Core Activities (Sport England)           | 122                                   | 1,604               | (1,595)               | 131                                   |
| Workforce (Sport England)                 | 105                                   | 205                 | (310)                 | -                                     |
| Children & Young People (Sport England)   | 16                                    | 1,090               | (1,106)               | -                                     |
| Tackling Inequalities (Sport England)     | 63                                    | 240                 | (303)                 | -                                     |
| Opening School Facilities (Sport England) | -                                     | 950                 | (950)                 | -                                     |
| Other funds - Sport England               | 88                                    | 86                  | (158)                 | 16                                    |
| Other funds - GLA                         | -                                     | 26                  | (16)                  | 10                                    |
| Other                                     | 36                                    | 93                  | (82)                  | 47                                    |
|                                           | <u>430</u>                            | <u>4,294</u>        | <u>(4,520)</u>        | <u>204</u>                            |
| <b>Group total</b>                        | <u><u>465</u></u>                     | <u><u>4,604</u></u> | <u><u>(4,808)</u></u> | <u><u>261</u></u>                     |

LONDON SPORT

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

15 ANALYSIS OF PUBLIC FUNDING

|                          | Sport<br>England<br>£'000 | UK Gov<br>£'000 | Non<br>Public<br>Income<br>£'000 | Total<br>£'000 |
|--------------------------|---------------------------|-----------------|----------------------------------|----------------|
| Revenue Grants           | 3,704                     | 144             | -                                | 3,848          |
| Rental Income            | -                         | -               | 303                              | 303            |
| Other Income             | -                         | -               | 185                              | 185            |
| <b>Total Income</b>      | <b>3,704</b>              | <b>144</b>      | <b>488</b>                       | <b>4,336</b>   |
| Staff costs              | 2,032                     | 144             | 129                              | 2,305          |
| Grant payments           | 520                       | -               | -                                | 520            |
| Other delivery costs     | 97                        | -               | 56                               | 153            |
| Direct Costs             | 259                       | -               | 176                              | 435            |
| Support costs            | 634                       | -               | 25                               | 659            |
| <b>Total Expenditure</b> | <b>3,542</b>              | <b>144</b>      | <b>386</b>                       | <b>4,072</b>   |
| <b>Net Income</b>        | <b>162</b>                | <b>-</b>        | <b>102</b>                       | <b>264</b>     |

Cash and Deferred Income Reconciliation

|                        | Sport<br>England<br>£'000 | Greater<br>London<br>Authority<br>£'000 | Non<br>Public<br>Income<br>£'000 | Total<br>£'000 |
|------------------------|---------------------------|-----------------------------------------|----------------------------------|----------------|
| Opening Balance        | -                         | -                                       | 62                               | 62             |
| Cash received          | 3,848                     | -                                       | 488                              | 4,336          |
| Released to P&L        | (3,848)                   | -                                       | (509)                            | (4,357)        |
| <b>Closing Balance</b> | <b>-</b>                  | <b>-</b>                                | <b>41</b>                        | <b>41</b>      |

16 OPERATING LEASES

At 31 March 2023 the group and charity had annual commitments as lessee under non-cancellable operating leases as follows :

|                           | 2023<br>£'000 | 2022<br>£'000 |
|---------------------------|---------------|---------------|
| Due within 1 year         | -             | 264           |
| Due between 1 and 2 years | -             | 264           |
| Due between 2 and 5 years | -             | 792           |
| Due in more than 5 years  | -             | -             |

At 31 March 2023 the group and charity had no material annual commitments as lessor under non-cancellable operating leases (2022: none).

## LONDON SPORT

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### FOR THE YEAR ENDED 31 MARCH 2023

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#### 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

|                                    | 2023<br>Group<br>£'000 | 2022<br>Group<br>£'000 |
|------------------------------------|------------------------|------------------------|
| Net income for the year            | 264                    | (204)                  |
| Add back depreciation charge       | 205                    | 73                     |
| Add back impairment charge         | -                      | -                      |
| Less interest income               | -                      | -                      |
| Decrease / (increase) in debtors   | (120)                  | (17)                   |
| Increase / (decrease) in creditors | 61                     | (589)                  |
|                                    | <u>410</u>             | <u>(737)</u>           |

#### 19 RELATED PARTY TRANSACTIONS

In 2023, the following transactions took place between the Charity and its subsidiary London Sport Trading: events support £nil (2022 : £nil), data and branding fees £nil (2022 : £nil) and management fee £nil (2022 : £nil).

There were no other transactions with related parties during the year to 31 March 2023 (2022: none). The total amount of donations received from Trustees in the year was £nil (2022: £nil).

