

**ANNUAL REPORT AND FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2021**

INDEX	Page no.
Trustees' Report	4
Independent examiner's report	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10

## **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

### **HISTORY AND OBJECTIVES OF THE CHARITY**

The charity was formed as a successor charity of Sports Chaplaincy UK (Charity reference 1005446) to take advantage of the newly available CIO structure. Assets and liabilities were transferred from the original charity on 1 April 2017 in agreement with the Charities Commission and creditors (including the Baptist Pension Fund with whom the charity had a large contingent liability). The predecessor charity was dissolved on 31st December 2018 and the Charity Commission notified on 1 January 2019. During 2019 the process commenced to register the CIO as a Cross Border Charity with the Office of the Scottish Charity Regulator.

The original charity was formed in September 1991 with the objective of the advancement of the Christian religion chiefly supporting and resourcing sports chaplaincy and pastoral support for both amateur and professional participants. The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and activities of the charity and we consider our charitable activities, free at the point of delivery, support the advancement of religion, citizenship and community development in sport without discrimination of age, race, religion or belief, gender, sexual orientation or health disability.

### **MANAGEMENT AND GOVERNANCE ARRANGEMENTS**

The Governing Document provides for a minimum of 3 Trustees with no maximum number. As a foundation CIO, new Trustees are appointed by existing Trustees. The Chair is responsible for the induction of any new Trustee which involves the awareness of their responsibilities, the governing document, administrative procedures and the history and philosophical approach of the charity.

All Trustees give their time freely and no Trustee remuneration was paid in the year.

The Trustee Board annually reviews the risks the charity faces and considers the following risks which may effect the work of the charity:

- Operational - related to the geographical locations of the work
- Statutory and Legal - relating to Safeguarding, Health and Safety and Charities' governance.
- Financial - relating to reduction in income or excessive expenditure
- Reputation - from adverse publicity and associated professional risks

Steps are in place to minimise these risks by specific Trustees monitoring the staff and volunteers and the work of the charity reviewing their statutory responsibilities. The Trustee Board receives their reports and prepares an annual budget and monitors the financial performance as well as operational and statutory matters at its regular meetings. The charity makes itself accountable to the public and its stakeholders in producing its annual report and accounts alongside a brochure highlighting its achievements in the year in a more user-friendly medium which is also available on the charity's website.

## **ACHIEVEMENTS AND PERFORMANCE OF THE CHARITY**

The charity supports more than 550 chaplains in many sports. We have a strong presence across all the home nations of the United Kingdom and are increasingly supporting chaplains in Women's, Disability and All Ability sports.

The year has inevitably focused to a significant extent around issues related to the Covid 19 pandemic, and despite extra costs incurred through the employment of a full-time staff member in January, the charity has emerged in a healthy position both financially and in relation to its work.

Despite ongoing restrictions throughout 2021, due to the Covid 19 pandemic, the work of the charity has continued to grow with new chaplaincy appointments and the development of links within Ireland, leading to the exploration of the possibility of registering as a cross border charity

Developments also occurred within the Trustee Board with the election of two new Trustees and the creation of a further sub-committee dealing with Human Resources in addition to those dealing with Finance and E.D.I.

The main sporting partners continue to be Racing Welfare, the Professional Footballers Association, the Premier League and the English Football League, with relationship being built with other significant sporting bodies. Efforts also continued to develop the support base and to build an appropriate administrative structure to support continued growth.

## **CONTINGENT LIABILITY**

Historically the charity has made pension contributions on behalf of employees where they had arrangements in place when they joined the charity, mainly to denominational pension schemes. Two employees were members of the Baptist Pension Scheme which was at that time a multi-employer Defined benefit scheme. Legal clarification has confirmed that bodies making payments into the scheme on behalf of members, would be regarded as a responsible employer and would be required to ensure that there are sufficient assets to meet liabilities in the scheme. The scheme has closed to future accrual but the scheme was substantially underfunded. The Charity is obliged to participate in the recovery scheme along with approximately 1400 other employers. Therefore the Charity made deficit payments of £2192 during 2022.

Failure to participate in the scheme would trigger an S75 cessation event whereby the charity would become immediately liable for its share of the Baptist Pension Fund deficit based on the buyout value of the fund by an insurance company. This is a very prudently calculated figure and has been estimated at around £36.5K at the end of 2021. The trustees regard this as manageable and it is being funded, among others, by Trustees and past members of the Charity in order that the work is not adversely affected.

During 2022 this situation has changed with the Baptist Pension Scheme achieving balance and being bought by an insurance company. The charity therefore no longer carries any contingent liability under the scheme.

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SPORTS CHAPLAINCY UK TRUST**

I report on the accounts of the Trust for the year ended 31st December 2022, which are set out in pages 8 to 11.

### **Respective responsibilities of Trustees and Examiner**

The charity's Trustees are responsible for the preparation of the accounts. The charity's Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- a) Examine the accounts under section 145 of the 2011 Act;
- b) Follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the 2011 Act
- c) State whether particular matters have come to my attention.

### **Basis of the Independent Examiner's Report**

My examination was carried out in accordance with the general directions given by the Charity Commission.

An examination includes a review of the accounting records kept by the charity and a comparison of the Accounts presented with these records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as whether the accounts present "a true and fair view" and the report is limited to those matters set out in the statement below.

### **Independent Examiner's Statement**

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- a. to keep accounting records in accordance with section 130 of the 2011 Act; and
- b. to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Name: Richard Knapp  
Chartered Accountant  
Bradgate Road, Hinkley, LE10 1LA  
20th September 2021

**STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 DECEMBER 2022**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>INCOMING RESOURCES</b>		
<i>Voluntary Income</i>		
Donations from Individuals	39411	57993
Donations from Churches and Trusts	54680	54366
Grants	261051	177750
Tax Refunds	6200	4852
<i>Income from Charity Activity</i>		
Conference and Membership	15389	12065
Bank Interest	102	
<b>TOTAL INCOMING RESOURCES</b>	<b><u>376,833</u></b>	<b><u>307,026</u></b>
<b>RESOURCES EXPENDED</b>		
<i>Charity Activity</i>		
Staff Salaries, Pensions and Housing	246735	224518
Consultancy Fees	61332	28800
Travel and Training Costs	52782	26980
Conference and Newsletter	8027	1744
<i>Support Costs</i>		
Insurance and Office Property	2106	2105
Stationery, Postage & Telephone	3541	1496
Publicity, Printing & Reproduction	4746	1914
Secretarial and Accountancy Costs	19050	17542
IT Costs	8533	4843
Awards and Subscriptions	376	1490
Legal and Professional Costs	3883	1740
<b>TOTAL RESOURCES EXPENDED</b>	<b><u>411,111</u></b>	<b><u>313,172</u></b>
<b>NET MOVEMENT OF FUNDS</b>	<b><u>-34,278</u></b>	<b><u>-6,146</u></b>
<b>RECONCILIATION OF FUNDS:</b>		
<b>TOTAL FUNDS AT 1 JANUARY 2021</b>	<b>80,009</b>	
<b>TOTAL FUNDS AT 31 DECEMBER 2022</b>	<b>45,731</b>	

**BALANCE SHEET****AS AT 31 DECEMBER 2022**

	Notes	2022 £	2021 £
<b>CURRENT ASSETS</b>			
Sundry Debtors and Prepayments	4	9,674	4,740
Cash at Bank and in Hand		123,450	124,964
		<b>133,124</b>	<b>129,704</b>
<b>CURRENT LIABILITIES</b>			
Sundry Creditors	5	<b>87,393</b>	<b>49,695</b>
<b>NET CURRENT ASSETS</b>			
		<b>45,731</b>	<b>80,009</b>

Approved by the Trustees on and signed on their behalf by:

P Manchester  
Chair

A Cadmore  
Secretary

## **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021**

### **1. Accounting Policies**

The accounts have been prepared under the historical cost convention. The Financial Statements include all transactions, assets and liabilities for which the charity is responsible in law and are in accordance with the applicable accounting standards, the Charities SORP 2015 and comply with the Charities (Accounts and Reports) Regulations issued under the Charities Act 2011.

#### **Incoming Resources**

Gifts, subscriptions and donations were previously recognised when received. However the Trustees believe that where sporting bodies provide funding in advance for roles over a sporting year, this income should be apportioned over the period it notionally covers.

All income resources are accounted for gross, without deducting related expenditure. All the income is expended on supporting and resourcing chaplaincy activities in a wide cross-section of recognised sports.

#### **Resources Expended**

Liabilities are recognised as resources expended in the period where they are incurred, not on payment.

#### **Fixed Assets**

Assets purchased or donated after 2005, costing or valued at more than £1,000 are shown in the accounts as equipment. Equipment used for the charity is depreciated over four years, on a straight line basis and are included in the accounts at historical cost less depreciation. Items costing or valued at less than £1,000 are written off in the year of acquisition.

#### **Reserves**

The Trustees have adopted a policy of maintaining reserves to ensure commitments on fixed charity costs can be maintained. £20,000 is reserved to ensure these commitments can be met, particularly given that large grants are given in line with with sporting rather than calendar years.

### **2. Taxation**

The trust is a registered charity and accordingly is exempt from taxation on its income and gains where they are applied for charitable purposes.

**NOTES TO THE ACCOUNTS FOR YEAR ENDED 31 DECEMBER 2022 (CONTINUED)****3. STAFF COSTS**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Gross Salaries	206,256	184,914
Employer's Social Security Costs	17,525	16,114
Employer's Pension Contributions	5,788	5,595
Pension Deficit Payments	2,192	3,695
Housing and Other Benefits	14,974	14,200
	<u>246,735</u>	<u>224,518</u>

During the year, the Trustees engaged 6 members of staff under contracts of employment, undertaking core charitable activities. Book-keeping payroll and administration were provided on a contracted out basis. The Trust also made contributions to the ministry of members promoting the growth of Sports Chaplaincy UK activities into new areas. Further support to the charity was provided on a voluntary basis. Staff Costs during this year were supported by Furlough grants from HMRC to a total of £12,486

**4. ANALYSIS OF DEBTORS**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Prepaid Expenses	0	1740
Outstanding Debts	9,674	4,000
	<u>9,674</u>	<u>5,740</u>

**5. ANALYSIS OF CREDITORS**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Deferred Income (Grants)	77,500	40,000
Inland Revenue, PAYE etc.	5,722	5,357
Accounts Payable	2,795	2,962
Money held re Global Chaplaincy	1,376	1,376
	<u>87,393</u>	<u>49,695</u>