

REGISTERED COMPANY NUMBER: 08822764 (England and Wales)
REGISTERED CHARITY NUMBER: 1184297

Report of the Trustees and
Audited Financial Statements for the Year Ended 31st March 2023
for
Sports Partnership Herefordshire And
Worcestershire
Trading as Active Herefordshire & Worcestershire

The Richards Sandy Partnership Ltd
(Statutory Auditor)
Thorneloe House
25 Barbourne Road
Worcester
Worcestershire
WR1 1RU

**Sports Partnership Herefordshire And
Worcestershire
Trading as Active Herefordshire & Worcestershire**

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for the Year Ended 31st March 2023**

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**Sports Partnership Herefordshire And
Worcestershire
Trading as Active Herefordshire & Worcestershire**

**Reference and Administrative Details
for the Year Ended 31st March 2023**

TRUSTEES

L M Fish
A G Gilmour
J J O'Toole
S M Scriven
D J Strutt (Chair)
P E Sugg
J H W Teal
R Widdowson

COMPANY SECRETARY

S L Brewster

REGISTERED OFFICE

Hines Building
University of Worcester
Henwick Grove
Worcester
Worcestershire
WR2 6AJ

REGISTERED COMPANY NUMBER 08822764 (England and Wales)

REGISTERED CHARITY NUMBER 1184297

INDEPENDENT AUDITORS

The Richards Sandy Partnership Ltd
(Statutory Auditor)
Thorneloe House
25 Barbourne Road
Worcester
Worcestershire
WR1 1RU

CHIEF EXECUTIVE OFFICER

S L Brewster

BANKERS

Lloyds Bank
4 The Cross
Worcester
WR1 3PY

**Sports Partnership Herefordshire And
Worcestershire
Trading as Active Herefordshire & Worcestershire**

**Report of the Trustees
for the Year Ended 31st March 2023**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2023. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objects are for the public benefit, to promote community participation in healthy recreation, primarily in Herefordshire and Worcestershire, by:

- working with and through local organisations to increase levels of participation in sport and physical activity;
- promoting and providing programmes and services for sport, recreation, physical activity, informal education and other leisure time occupation for healthy recreation; and
- promoting and providing education, training and coaching courses which promote physical health and fitness.

Significant activities

The charity works across the eight local authority areas across Herefordshire and Worcestershire. Key Stakeholders include the local authorities, two public health teams, Sport England, the University of Worcester, National Governing Bodies of Sport and the local clubs affiliated to them as well as other key voluntary sector organisations to lead on the delivery and discovery of sport and physical activity across Herefordshire and Worcestershire.

As well as the general promotion of sport and physical activity, the charity also provides:

- **School Games**
A programme funded by Sport England National Lottery funding, designed to deliver competitive school sport to all young people.
- **Primary PE & School Sport**
Uses funding from Sport England to support local, eligible schools to spend their PPSP funding effectively.
- **Workforce**
Provides training and support for volunteering and professional sports coaches.
- **Postural Stability Instruction (PSI)**
Exercise classes aimed at preventing falls in older people.
- **Active Lives Survey**
The Active Lives Survey (ALS) for Children and Young people is undertaken to gain a detailed insight into the current physical activity habits of the nation's children and young people (aged 5 to 16).

Public benefit

The trustees confirm that they have complied with the duty in Section 4 of Charities Act 2011 to have due regard to the guidance issued by the Charity Commission concerning public benefit.

Grantmaking

The charity provides grant funding to local organisations as part of its strategies to promote and deliver sports activities within the local area. Individual grants are of usually low value grants (typically less than £5,000 each) and are awarded based on applications made by local organisations to the charity. Many of these projects are funded out of grants received by the charity specifically to make such grants to local organisations, in line with national policies set by Sport England.

The charity also pays larger grants to institutions where the charity has received funding for a specific project and the grants issued out of that funding were a specific element of the funding application.

Volunteers

Whilst the charity does not itself directly benefit from the use of volunteers in undertaking its activities, part of the charity's purpose is to support local sports organisations, many of which are run by or rely on the use of volunteers.

**Sports Partnership Herefordshire And
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Trading as Active Herefordshire & Worcestershire**

**Report of the Trustees
for the Year Ended 31st March 2023**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The year saw us progress through year two of our five year funding award with Sport England. We continue to develop and embed our work locally following the national strategy (Uniting the Movement) aspirations. We have made progress in connecting with the broader VCS (Voluntary Community Sector) and developed strong relationship with both Public Health Teams and Integrated Care System. This ensures that whilst we adhere to principle and headlines of Uniting the Movement we reflect local circumstances and priorities. With the Commonwealth Games came additional opportunities and funding and we were able to continue to support clubs and organisation as we did in previous years. Our work with school continued with a successful calendar of School Games events across the two counties, This Girl Can events (a project focusing on girls and young women), continued support for primary schools in the delivery of their primary school sport premium resources, and welcomed the return of Opening School Facilities. Our Adult work continued to support partners previous funded (in previous years) to embed and sustain their physical activity programmes and develop new opportunities, continued to expand and develop our strong and steady initiative and put real momentum into Our Community Can (a community lottery funded programme). As a partnership we have embraced to Code of Good Governance and have reviewed the criteria to ensure that we remain compliant and work with Sport England and others to ensure that this is an on-going exercise. We welcomed a new chair and a return to face to face meeting for full board meeting with sub groups remaining online.

Fundraising activities

The charity does not solicit members of the public for donations or engage in any other trading activity that does not directly relate to the charitable purpose of the charity.

FINANCIAL REVIEW

Financial position

At the year end the charity had reserves as follows:

	2023	2022
	£	£
General unrestricted funds	224,581	203,743
Designated reserve funds	400,000	400,000
Restricted funds	<u>352,358</u>	<u>417,321</u>
Total reserves	<u>976,939</u>	<u>1,021,064</u>

Further information regarding the designated reserve funds and the restricted funds can be found in note 19.

During the previous year the charity received several large grants relating to assisting the sport and physical activity sector both during the coronavirus outbreak and to help recover afterwards. Many of the relating projects were still ongoing at the year end and the charity held unspent restricted funds at the year end relating to these projects.

The normal activities of the charity were disrupted by the coronavirus outbreak in both the current and previous years and with the charity focussing on projects relating to the coronavirus outbreak the charity has accumulated unspent restricted funding on its primary Sports England funded activities.

Principal funding sources

The charity is currently very dependent on Sport England funding to fulfil its objects as a charity and its objectives as an organisation. Sport England funding accounted for 86% (2022 - 60%) of the charity's total income.

**Sports Partnership Herefordshire And
Worcestershire
Trading as Active Herefordshire & Worcestershire**

**Report of the Trustees
for the Year Ended 31st March 2023**

FINANCIAL REVIEW

Reserves policy

The charity's primary funding is in the form of a single annual restricted fund grant from Sports England, which the charity aims to fully spend in the year of receipt.

All other restricted funds relating to specific projects are planned to be fully expensed over the period of the project to which they relate.

See note 19 for further details of individual restricted funds.

The charity has the following designated funds:

- Operational Reserve

The trustees have agreed to put reserves to one side so that if significant funding is lost, time is allocated to seek alternatives. If alternative sources of funding are not secured and the charity had to be wound down this can be managed and any commitments honoured. This includes salaries, commitments to stakeholders and other obligations to ongoing programmes. The level of this reserve is set at £250,000 (2022 - £250,000), based on approx. 6 month's budgeted expenditure (excluding some activities funded by fund providers other than Sport England).

- Redundancy Fund

Redundancy costs not an eligible cost for any of the grants / contract that the charity currently run. In order to ensure that, in the event that the charity needs to cease operations, redundancies are fully funded, the charity has set aside an additional amount of £50,000 (2022 - £50,000).

- Pension Fund

When the charity was created a number of staff were TUPEd across from Worcester City Council. As part of the TUPE transfer, the charity became a member of the Worcestershire Local Government Pension Scheme (a defined benefit scheme). At the point of transfer Worcester City Council absorbed the pension deficits relating to these staff, on the understanding that all future liabilities were the responsibility of the charity. The charity has set an amount aside in case in future years there are significant unfavourable actuarial movements for which the charity will be expected to contribute, additional top up contributions over and above contributions paid in the past. The amount set aside for this purpose is £100,000 (2022 - £100,000).

In addition, Sport England annual funding is usually received several months after the start of the period to which it relates, so the charity is required to hold cash reserves to fund all relating expenditure to be allocated against this income prior to the receipt of this funding.

At the year end the charity had general unrestricted reserves of £224,581 (2022 - £203,743). Excluding the book value of tangible fixed assets held within general unrestricted funds at the year end of £13,281 (2022 - £8,918), the charity has free reserves of £211,300 (2022 - £194,825). The trustees of the charity plan to use these funds as follows:

- With our medium-term financial planning subject to / dependent on various grants from Sport England it is prudent to diversify the source from which grants / contract originate. With some grants dependent on performance a level of contingency is required to manage cash flow and unexpected events. £150,000 is allocated for this purpose.
- The remaining fund are to be designated for projects as yet not defined. These will be subject to board approval on a project by project case.

Going concern

The charity's primary funding agreement with Sports England is expected to continue for the foreseeable future, with the current primary funding agreement running until 31st March 2027.

The charity is considered to have sufficient reserves to continue operating. There are no currently known issues that may cause the charity to cease operating within the foreseeable future.

**Sports Partnership Herefordshire And
Worcestershire
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**Report of the Trustees
for the Year Ended 31st March 2023**

FINANCIAL REVIEW (continued)

Principal risks and uncertainties

The principal risk to the charity is the withdrawal of funding from Sport England. In order to mitigate this, the charity holds specific designated funds to cover the operating of the charity over a short period, during which the charity could search for alternative funding, or if this was unsuccessful make staff redundancies.

The charity also holds reserves in case it is required to make additional contributions to the LGPS that it belongs.

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

FUTURE PLANS

As we look forward to the next year of a system partner funding we seek to increase the awareness of the growing evidence base of the benefits sport and physical activity being built into everyday lives and influence local policy makers and delivery partners. We aim to use data (through Active Lives data) an intelligence (local evaluation of projects and programmes) to do this developing the conversation into tangible action. As the Integrated Care System evolves we are adding weight to the preventative messaging and continue to play a role in the development of the Voluntary and Community Sector (VCS) as trusted delivery partners. As always there are changes in personnel across the 'system' so we seek to establish and maintain good working relationship across the two counties. Through some additional funding from Sport England we have been able to expand our training offer to include more than the traditional safeguarding and first aid course and developed funding workshops, mental health first aid and others to reflect need and demand locally. We seek to expand this offer in the coming year and will endeavour to reach a broader audience. We intend to continue to build on the good work of previous years in continuing School games, our support for Primary School Sport Premium and This Girls Can and look to further develop opportunities Through Opening Up school Facilities (OSF).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charitable company is controlled by its governing document, its Articles of Association, and constitutes a limited company registered in England and Wales, limited by guarantee, as defined by Companies Act 2006.

Recruitment and appointment of new trustees

New trustees are recruited by the existing trustees via 'open' process, focused on addressing gaps identified via the skill matrix or replacing a trustee who has reached the end of their term of office. No individual may be appointed as a trustee until they have provided the charity a declaration of good character.

The charity has a plan to recruit more trustees from under-represented groups.

The Articles of Association require that the number of trustees be between three and twelve.

Organisational structure

The trustees delegate day-to-day management of the charity to the chief executive officer.

The trustees meet regularly in order to establish a clear vision and strategic direction for the charity and to monitor and evaluate performance against vision and strategic direction, including holding the chief executive officer accountable for the achievement of the charity's strategic objectives and goals.

Induction and training of new trustees

Trustees have a responsibility to learn about their roles, to keep abreast of current developments in the sector and to keep their skills up-to-date.

There is a documented Induction process including one-on-one meetings with the chief executive officer and the provision of essential reading/documentation.

All governance documents will be made available to any new trustees and support provided to engage them in current partnership working. This will include a meeting with the chair of the trustees and the chief executive officer.

The Partnership will support trustee development within available resources.

**Sports Partnership Herefordshire And
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Trading as Active Herefordshire & Worcestershire**

**Report of the Trustees
for the Year Ended 31st March 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Key management remuneration

The trustees review annually the level of wages paid to the chief executive officer.

The chief executive officer pays into the LGPS and the charity is required to make employer contributions in line with the rules set by the LGPS.

Wider network

We are part of a network of Active Partnerships across England. We work with the eight local authorities, the two public health teams, Sport England, the University of Worcester, National Governing Bodies of Sports (NGBs) and other key organisations.

Active Partnerships

There are 42 Active Partnerships across England who work collaboratively with local partners to create the conditions for an active nation using the power of sport and physical activity to transform lives.

Active Partnerships are strategic organisations that recognise activity levels are affected by a complex system of influences and no single organisation or programme create sustainable change at scale. So by adopting a collaborative whole system approach, Active Partnerships seek to make active lifestyles the social norm for everyone and address the worrying levels of inactivity in society.

They do this by creating an in-depth understanding of the needs of the local community, brokering cross sector partnerships, supporting the development of a welcoming and inclusive workforce, engaging communities and share learning of what works locally.

In particular, Active Partnerships focus their efforts on inactive people and under represented groups who will benefit the most from an active lifestyle.

A unique feature of the Active Partnerships is their independence, working across all sports, activities, providers and audiences, focused on the needs of their local communities.

Trustee indemnity provisions

The Articles of Association state that the charity shall indemnify the trustees against any liability incurred by them in their capacity as trustees, to the extent permitted by sections 232 to 234 of Companies Act 2006.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

**Sports Partnership Herefordshire And
Worcestershire
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**Report of the Trustees
for the Year Ended 31st March 2023**

In so far as the trustees are aware:

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

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 7th November 2023 and signed on its behalf by:


D J Strutt - Trustee

**Report of the Independent Auditors to the Members of
Sports Partnership Herefordshire And
Worcestershire**

Opinion

We have audited the financial statements of Sports Partnership Herefordshire And Worcestershire (the 'charitable company') for the year ended 31st March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 21 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**Report of the Independent Auditors to the Members of
Sports Partnership Herefordshire And
Worcestershire**

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, we have:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework; and
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Companies Act 2006 (and related legislation), the Charities Act 2011 (and related legislation) and regulations relating to the employment and payment of staff including, but not limited to, the Employment Rights Act 1996, the National Minimum Wage Act 1998 and the Pensions Act 2008.

We performed audit procedures to detect non-compliances which may have a material impact on the financial statements, which included reviewing the financial statement disclosures and sample testing of monthly payroll records for the calculation of gross wages, payroll taxes and pension costs.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the timing of recognition of grant and contract income, and the allocation by management of wage and support costs to individual restricted funds. Our audit procedures to respond to these risks included, testing of a sample of grant and contract income against the terms of the funding agreements and the requirement of the Charities SORP (FRS 102), sample testing on the posting of journals and reviewing accounting estimates for biases.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of
Sports Partnership Herefordshire And
Worcestershire**

Use of our report

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



Melissa Jean Godwin ACCA (Senior Statutory Auditor)
for and on behalf of The Richards Sandy Partnership Ltd
(Statutory Auditor)
Thorneloe House
25 Barbourne Road
Worcester
Worcestershire
WR1 1RU

Date: 20/12/23

**Sports Partnership Herefordshire And
Worcestershire
Trading as Active Herefordshire & Worcestershire**

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31st March 2023**

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	-	810,897	810,897	681,579
Charitable activities	6				
Sports delivery and participation		-	33,218	33,218	416,928
Postural stability		80,607	-	80,607	76,365
Other trading activities	4	6,575	-	6,575	14,424
Investment income	5	759	-	759	40
Total		87,941	844,115	932,056	1,189,336
EXPENDITURE ON					
Charitable activities	7				
Sports delivery and participation		7,234	897,600	904,834	936,209
Postural stability		71,347	-	71,347	70,474
Total		78,581	897,600	976,181	1,006,683
NET INCOME/(EXPENDITURE)					
Transfers between funds	19	9,360 11,478	(53,485) (11,478)	(44,125) -	182,653 -
Net movement in funds		20,838	(64,963)	(44,125)	182,653
RECONCILIATION OF FUNDS					
Total funds brought forward		603,743	417,321	1,021,064	838,411
TOTAL FUNDS CARRIED FORWARD		624,581	352,358	976,939	1,021,064

The notes form part of these financial statements

**Sports Partnership Herefordshire And
Worcestershire
Trading as Active Herefordshire & Worcestershire**

**Balance Sheet
31st March 2023**

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	15	13,281	8,918
CURRENT ASSETS			
Debtors	16	92,249	537,480
Cash at bank		957,983	511,239
		1,050,232	1,048,719
CREDITORS			
Amounts falling due within one year	17	(86,574)	(36,573)
NET CURRENT ASSETS		963,658	1,012,146
TOTAL ASSETS LESS CURRENT LIABILITIES		976,939	1,021,064
NET ASSETS		976,939	1,021,064
FUNDS	19		
Unrestricted funds		624,581	603,743
Restricted funds		352,358	417,321
TOTAL FUNDS		976,939	1,021,064

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 7/11/23 and were signed on its behalf by:


D J Strutt - Trustee

**Sports Partnership Herefordshire And
Worcestershire
Trading as Active Herefordshire & Worcestershire**

**Cash Flow Statement
for the Year Ended 31st March 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>458,448</u>	<u>(228,756)</u>
Net cash provided by/(used in) operating activities		<u>458,448</u>	<u>(228,756)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(12,463)	(4,053)
Interest received		<u>759</u>	<u>40</u>
Net cash used in investing activities		<u>(11,704)</u>	<u>(4,013)</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		446,744	(232,769)
Cash and cash equivalents at the beginning of the reporting period		<u>511,239</u>	<u>744,008</u>
Cash and cash equivalents at the end of the reporting period		<u>957,983</u>	<u>511,239</u>

The notes form part of these financial statements

**Sports Partnership Herefordshire And
Worcestershire
Trading as Active Herefordshire & Worcestershire**

**Notes to the Cash Flow Statement
for the Year Ended 31st March 2023**

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(44,125)	182,653
Adjustments for:		
Depreciation charges	8,100	4,299
Interest received	(759)	(40)
Decrease/(increase) in debtors	445,231	(422,377)
Increase in creditors	50,001	6,709
Net cash provided by/(used in) operations	<u>458,448</u>	<u>(228,756)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22 £	Cash flow £	At 31.3.23 £
Net cash			
Cash at bank	<u>511,239</u>	<u>446,744</u>	<u>957,983</u>
	<u>511,239</u>	<u>446,744</u>	<u>957,983</u>
Total	<u>511,239</u>	<u>446,744</u>	<u>957,983</u>

The notes form part of these financial statements

**Sports Partnership Herefordshire And
Worcestershire
Trading as Active Herefordshire & Worcestershire**

**Notes to the Financial Statements
for the Year Ended 31st March 2023**

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006, except in regard to the treatment of the LGPS as if it was a defined contribution scheme rather than if it was a defined benefit scheme, which is a departure from the requirement of FRS 102 done on the basis that accounting for the LGPS as a defined benefit scheme is inconsistent with the requirement to give a true and fair view (see the accounting policy for pension costs for more details).

The financial statements have been prepared under the historical cost convention.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

GOING CONCERN

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

INCOME

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from grants and donations is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income from grants is only deferred when the charity has to fulfil conditions not yet met before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from the provision of courses and other commercial services are recognised on delivery of those services.

Interest income is recognised for all interest-bearing instruments on an accrual basis.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

ALLOCATION AND APPORTIONMENT OF COSTS

All direct costs that can be identified to a specific fund are allocated to that fund.

Wage costs are split between individual funds based on estimated split of time spent on the activities of each fund for each individual staff member.

General support costs are split between funds based on estimated staff hours spent on the activities of each fund.

**Sports Partnership Herefordshire And
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**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

1. ACCOUNTING POLICIES - continued

TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Sports equipment	- 25% on reducing balance
Fixtures and fittings	- 20% on reducing balance
Computer equipment	- 33% on cost

All fixed assets are initially measured at cost and depreciated as detailed above. Items under £250 are not capitalised.

TAXATION

The charity is exempt from corporation tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

PENSION COSTS

The company operates both a defined contribution pension scheme and participates in a Local Government Pension Scheme.

Contributions payable to the company's defined contribution pension scheme are charged to profit or loss in the period to which they relate.

The Local Government Pension Scheme (LGPS) is a funded multi-employer defined benefit scheme and the assets are held separately from those of the company in separate trustee administered funds. Whilst it would be possible to obtain an actuarial valuation of the charity's share of the LGPS to which the charity belongs, the trustees of the charity believe that to account for the LGPS as a defined benefit scheme, rather than as a defined contribution scheme, would be inconsistent with the requirement to give a true and fair view. This is because the trustees do not consider their annual contributions relating to settling their share of the LGPS's current forecast deficit to be material to the accounts of the charity (based on the information provided within the most recent triennial actuarial valuation of the relevant LGPS) and also due to the very low number of members of the LGPS allocated to the charity compared to the overall number of members of the relevant LGPS, it is considered probable that an actuarial valuation of the charity's share of the deficit would likely be significantly below the level of materiality of the LGPS's own full actuarial valuation and as such the charity would be disproportionately affected by any significant uncertainty in assumptions or errors compared to other scheme employers. In addition, the minority of employees of the charity that belong to the LGPS includes the chief executive officer and accounting for the LGPS as a defined benefit scheme would likely cause adjustments to disclosures concerning the remuneration paid to key management personnel in such a way that is not likely to be accurately determined on an individual employee basis and would likely be less comparable year on year due to changes in actuarial assumptions applied each year. The trustees therefore believe that accounting for their payments to the LGPS as a defined contribution scheme better reflects the actual financial impact to the charity.

Where the charity has entered into an agreement with the LGPS that determines how the charity will fund a deficit, the charity recognises at that point a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense is recognised within the statement of financial activities.

FINANCIAL INSTRUMENTS

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the charity becomes party to contractual provisions of the instrument.

**Sports Partnership Herefordshire And
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**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

1. ACCOUNTING POLICIES - continued

FINANCIAL INSTRUMENTS

Financial assets are offset, with the net amounts presented in the accounts where there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic Financial Assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Basic Financial Liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future receipts, discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of the operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction.

**2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION
UNCERTAINTY**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical areas of judgement

The Local Government Pension Scheme is a funded multi-employer defined benefit scheme and the assets are held separately from those of the company in separate trustee administered funds. There is deemed to be insufficient information available without incurring costs deemed to outweigh the benefit to users of the accounts to apply defined benefit accounting of the Local Government Pension Scheme. The Local Government Pension Scheme is therefore accounted for as if it was a defined contribution plan, with contributions payable to the Local Government Pension Scheme charged to profit or loss in the period to which they relate.

The allocation of staff costs between individual unrestricted and restricted funds is based on the estimated split of staff time for each individual employee of the charity. The allocation of general support costs is between individual unrestricted and restricted funds is directly linked to the assumptions made in allocating staff costs between individual unrestricted and restricted funds.

3. DONATIONS AND LEGACIES

	2023 £	2022 £
Grants	<u>810,897</u>	<u>681,579</u>

Grants received, included in the above, are as follows:

	2023 £	2022 £
Sport England	801,993	432,579
Herefordshire Council	-	155,000
Worcestershire County Council	-	92,000
Ignite CIC	6,904	-
Education and Skills Funding Agency	<u>2,000</u>	<u>2,000</u>
	<u>810,897</u>	<u>681,579</u>

**Sports Partnership Herefordshire And
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**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

4. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Course income	1,340	167
PSI takings	4,935	8,606
Commercial income	<u>300</u>	<u>5,651</u>
	<u>6,575</u>	<u>14,424</u>

5. INVESTMENT INCOME

	2023	2022
	£	£
Bank interest	<u>759</u>	<u>40</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	2023	2022
	£	£
Grants and contract income Activity	33,218	416,928
Grants and contract income Sports delivery and participation	<u>80,607</u>	<u>76,365</u>
Grants and contract income Postural stability	<u>113,825</u>	<u>493,293</u>

Grants received, included in the above, are as follows:

	2023	2022
	£	£
Sport England	-	281,707
Herefordshire Council	-	45,000
Worcestershire County Council	80,607	76,365
The National Lottery Community Fund	-	86,496
Black Country Consortium Limited	15,000	-
Active Partnerships	13,218	-
WMVS Children in Care Foundation	5,000	-
Young Solutions	-	1,922
Herefordshire and Worcestershire Chamber Of Commerce	<u>-</u>	<u>1,803</u>
	<u>113,825</u>	<u>493,293</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Grant funding of activities (see note 9) £	Support costs (see note 10) £	Totals £
Sports delivery and participation	130,988	289,407	484,439	904,834
Postural stability	<u>36,974</u>	<u>-</u>	<u>34,373</u>	<u>71,347</u>
	<u>167,962</u>	<u>289,407</u>	<u>518,812</u>	<u>976,181</u>

**Sports Partnership Herefordshire And
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Trading as Active Herefordshire & Worcestershire**

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023	2022
	£	£
Equipment	4,214	1,374
Venue hire	15,059	6,894
Coaching and tutor fees	20,546	25,019
Programme management	90,393	103,079
Courses	1,712	8,150
Hospitality and refreshments	3,455	2,452
Design and printing	733	870
Photography and videography	8,336	3,957
Branded merchandise	22,168	33,171
Bad debts	-	(35)
Depreciation	1,346	1,139
	<u>167,962</u>	<u>186,070</u>

9. GRANTS PAYABLE - continued

The total grants paid to institutions during the year was as follows:

	2023	2022
	£	£
Active Always Community Wellbeing CIC	7,190	-
Active Youth Outreach Services CIC	-	5,260
Age UK Herefordshire and Worcestershire	-	26,339
All Active Academy CIC	4,950	7,900
Avidean Ltd t/a The Droitwich Sign and Print Co	-	5,000
Bewdley Rowing Club	-	11,573
Bodyshot Boxing Redditch	-	6,805
Bromsgrove Gymnastics Club	11,886	12,645
Chadsgrove School	-	5,000
Demi Mooton	-	5,845
Dimensions UK	-	6,520
Droitwich Spa Town Council	-	7,991
Freedom Leisure	-	5,694
Hereford Rowing Club	-	7,001
Holy Trinity School and Sixth Form Centre	-	6,800
Hunderton Community Gardens Association	-	6,480
Ignite CIC	-	7,957
Open Trail	11,810	-
Pitcheroak School	-	5,000
Press Red Limited	5,387	-
Redditch Community Boxing and Mentoring Limited	7,874	-
The Redditch Self Defence Association	15,028	3,702
Redgate Sports - Community Interest Company	12,500	6,600
Saint Mary's RC High School	250	12,855
Sandycroft Centre	12,305	-
Services for Independent Living	-	7,976
Springfield Mind	-	8,790
Stride Active	26,454	19,995
Trinity High School and Sixth Form Centre	-	5,000
Turning Point	5,300	-
University of Worcester	2,400	6,181
Vale of Evesham School	-	5,000
Wigmore High School	-	13,000
Worcester Community Trust	7,500	-
Worcester Warriors Community Foundation	10,105	-
Worcestershire Cricket Board Limited	7,076	4,558
Worcestershire Disability Football Club	8,607	-
Sundry small grants (less than £5,000 each)	<u>132,785</u>	<u>140,462</u>
	<u>289,407</u>	<u>373,929</u>

**Sports Partnership Herefordshire And
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**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

10. SUPPORT COSTS

	2023	2022
	£	£
Sports delivery and participation	484,439	412,153
Postural stability	<u>34,373</u>	<u>34,531</u>
	<u>518,812</u>	<u>446,684</u>

Support costs, included in the above, are as follows:

	2023	2022
	£	£
Wages	334,193	298,604
Social security	29,226	23,555
Pensions	37,768	38,319
Rent	12,235	9,481
Insurance	4,465	3,685
Telephone	2,274	1,653
Postage and office supplies	2,586	7,480
Advertising and marketing	774	2,908
Sundries	15,193	3,410
Subscriptions	9,905	11,945
Training	2,603	1,272
Travel	6,824	2,232
Computer	10,509	18,995
Professional fees	34,727	8,699
Bank charges	100	166
Depreciation	6,754	3,160
Auditors' remuneration	3,885	4,950
Auditor's fees for other services	<u>4,791</u>	<u>6,170</u>
	<u>518,812</u>	<u>446,684</u>

11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Auditors' remuneration	3,885	4,950
Auditor's fees for other services	4,791	6,170
Depreciation - owned assets	8,100	4,299
Other operating leases	<u>12,235</u>	<u>9,481</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2023 nor for the year ended 31st March 2022.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31st March 2023 nor for the year ended 31st March 2022.

**Sports Partnership Herefordshire And
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**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

13. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	334,193	298,604
Social security costs	29,226	23,555
Pension costs (see note 22)	37,768	38,319
	<u>401,187</u>	<u>360,478</u>

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

	2023	2022
	14	13
Average number of employees		

No employees received employee benefits (excluding employer pension and employer N.I. costs) of more than £60,000 in either the current or previous years.

Total remuneration (including employer pension and employer N.I. costs) paid to key management personnel totalled £76,689 (2022 - £76,372).

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	-	681,579	681,579
Charitable activities			
Sports delivery and participation	1,803	415,125	416,928
Postural stability	76,365	-	76,365
Other trading activities	14,424	-	14,424
Investment income	40	-	40
Total	<u>92,632</u>	<u>1,096,704</u>	<u>1,189,336</u>
EXPENDITURE ON			
Charitable activities			
Sports delivery and participation	19,892	916,317	936,209
Postural stability	70,474	-	70,474
Total	<u>90,366</u>	<u>916,317</u>	<u>1,006,683</u>
NET INCOME	2,266	180,387	182,653
Transfers between funds	4,053	(4,053)	-
Net movement in funds	6,319	176,334	182,653
RECONCILIATION OF FUNDS			
Total funds brought forward	597,424	240,987	838,411
TOTAL FUNDS CARRIED FORWARD	<u>603,743</u>	<u>417,321</u>	<u>1,021,064</u>

**Sports Partnership Herefordshire And
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**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

15. TANGIBLE FIXED ASSETS

	Sports equipment £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1st April 2022				
Additions	15,384	1,400	14,399	31,183
	<u>984</u>	<u>1,316</u>	<u>10,163</u>	<u>12,463</u>
At 31st March 2023	<u>16,368</u>	<u>2,716</u>	<u>24,562</u>	<u>43,646</u>
DEPRECIATION				
At 1st April 2022				
Charge for year	10,983	1,057	10,225	22,265
	<u>1,346</u>	<u>332</u>	<u>6,422</u>	<u>8,100</u>
At 31st March 2023	<u>12,329</u>	<u>1,389</u>	<u>16,647</u>	<u>30,365</u>
NET BOOK VALUE				
At 31st March 2023	<u>4,039</u>	<u>1,327</u>	<u>7,915</u>	<u>13,281</u>
At 31st March 2022	<u>4,401</u>	<u>343</u>	<u>4,174</u>	<u>8,918</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	13,334	6,721
Accrued income	70,121	518,825
Prepayments	<u>8,794</u>	<u>11,934</u>
	<u>92,249</u>	<u>537,480</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	54,606	18,729
Pension creditor (see note 22)	-	1,400
Accrued expenses	<u>31,968</u>	<u>16,444</u>
	<u>86,574</u>	<u>36,573</u>

**Sports Partnership Herefordshire And
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Trading as Active Herefordshire & Worcestershire**

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds £	Designated funds £	General unrestricted funds £	Total funds £
Tangible fixed assets	-	-	13,281	13,281
Debtors	92,133	-	116	92,249
Cash at bank	331,716	400,000	226,267	957,983
Creditors - due within 1 year	(71,491)	-	(15,083)	(86,574)
Total funds	352,358	400,000	224,581	976,939

19. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General unrestricted fund	203,743	9,360	11,478	224,581
Designated fund	250,000	-	-	250,000
Redundancy fund	50,000	-	-	50,000
Pension fund	100,000	-	-	100,000
	603,743	9,360	11,478	624,581
Restricted funds				
Primary Role	12,650	211,433	(11,478)	212,605
Children and Young People				
- Sport England	73,348	(73,348)	-	-
Children and Young People				
- Dept. for Education	5,365	-	-	5,365
Satellite Clubs	23,033	(23,033)	-	-
Workforce	12,802	(12,802)	-	-
Commonwealth Legacy School Games	11,445	(10,950)	-	495
Tackling Inequalities Fund				
- Sport England	13,388	24,538	-	37,926
Tackling Inequalities Fund				
- Worcestershire County Council	45,862	(38,922)	-	6,940
Tackling Inequalities Fund				
- Herefordshire Council	69,744	(61,244)	-	8,500
Grass Roots	30,000	(27,000)	-	3,000
My Age Can	43,606	(35,300)	-	8,306
Active Communities	68,415	(29,018)	-	39,397
Other Youth Development	6,720	16,200	-	22,920
Macmillan	943	(943)	-	-
Ignite CIC	-	6,904	-	6,904
	417,321	(53,485)	(11,478)	352,358
TOTAL FUNDS	1,021,064	(44,125)	-	976,939

**Sports Partnership Herefordshire And
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**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

19. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General unrestricted fund	87,941	(78,581)	9,360
Restricted funds			
Primary Role	601,751	(390,318)	211,433
Children and Young People			
- Sport England	-	(73,348)	(73,348)
Satellite Clubs	-	(23,033)	(23,033)
Workforce	-	(12,802)	(12,802)
Commonwealth Legacy School Games	60,000	(70,950)	(10,950)
Tackling Inequalities Fund			
- Sport England	140,242	(115,704)	24,538
Tackling Inequalities Fund			
- Worcestershire County Council	-	(38,922)	(38,922)
Tackling Inequalities Fund			
- Herefordshire Council	-	(61,244)	(61,244)
Grass Roots	-	(27,000)	(27,000)
My Age Can	-	(35,300)	(35,300)
Active Communities	-	(29,018)	(29,018)
Other Youth Development	20,000	(3,800)	16,200
Macmillan	-	(943)	(943)
Apprenticeship fund	2,000	(2,000)	-
Ignite CIC	6,904	-	6,904
Opening School Facilities Programme fund	13,218	(13,218)	-
	<u>844,115</u>	<u>(897,600)</u>	<u>(53,485)</u>
TOTAL FUNDS	<u>932,056</u>	<u>(976,181)</u>	<u>(44,125)</u>

**Sports Partnership Herefordshire And
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**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General unrestricted fund	201,524	2,266	(47)	203,743
Designated fund	250,000	-	-	250,000
Redundancy fund	50,000	-	-	50,000
Pension fund	<u>95,900</u>	<u>-</u>	<u>4,100</u>	<u>100,000</u>
	597,424	2,266	4,053	603,743
Restricted funds				
Primary Role	20,723	(4,020)	(4,053)	12,650
Children and Young People - Sport England	38,578	34,770	-	73,348
Children and Young People - Dept. for Education	5,365	-	-	5,365
School Games	10,075	(10,075)	-	-
Satellite Clubs	79,573	(56,540)	-	23,033
Workforce	13,043	(241)	-	12,802
Commonwealth Legacy School Games	-	11,445	-	11,445
Tackling Inequalities Fund - Sport England	15,054	(1,666)	-	13,388
Tackling Inequalities Fund - Worcestershire County Council	-	45,862	-	45,862
Tackling Inequalities Fund - Herefordshire Council	-	69,744	-	69,744
Grass Roots	-	30,000	-	30,000
My Age Can	-	43,606	-	43,606
Active Communities	52,665	15,750	-	68,415
Other Youth Development	4,968	1,752	-	6,720
Macmillan	<u>943</u>	<u>-</u>	<u>-</u>	<u>943</u>
	<u>240,987</u>	<u>180,387</u>	<u>(4,053)</u>	<u>417,321</u>
TOTAL FUNDS	<u>838,411</u>	<u>182,653</u>	<u>-</u>	<u>1,021,064</u>

**Sports Partnership Herefordshire And
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**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

19. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General unrestricted fund	92,632	(90,366)	2,266
Restricted funds			
Primary Role	206,182	(210,202)	(4,020)
Children and Young People			
- Sport England	233,599	(198,829)	34,770
School Games	-	(10,075)	(10,075)
Satellite Clubs	-	(56,540)	(56,540)
Workforce	48,108	(48,349)	(241)
Opening Schools Facilities	140,897	(140,897)	-
Commonwealth Legacy School Games	35,500	(24,055)	11,445
Tackling Inequalities Fund			
- Sport England	50,000	(51,666)	(1,666)
Tackling Inequalities Fund			
- Worcestershire County Council	92,000	(46,138)	45,862
Tackling Inequalities Fund			
- Herefordshire Council	105,000	(35,256)	69,744
Grass Roots	50,000	(20,000)	30,000
My Age Can	45,000	(1,394)	43,606
Active Communities	86,496	(70,746)	15,750
Other Youth Development	1,922	(170)	1,752
Apprenticeship fund	2,000	(2,000)	-
	<u>1,096,704</u>	<u>(916,317)</u>	<u>180,387</u>
TOTAL FUNDS	<u>1,189,336</u>	<u>(1,006,683)</u>	<u>182,653</u>

PURPOSE OF DESIGNATED FUNDS

Operational reserve fund

The trustees have put reserves to one side so that if significant funding is lost, time is allocated to seek alternatives. If alternative sources of funding are not secured and the charity had to be wound down this can be managed and any commitments honoured.

This designated fund is not expected to be expended within the foreseeable future.

Redundancy fund

Redundancy costs are not an eligible cost for any of the grants or contracts that the charity currently receives. The charity has set aside a redundancy reserve in case that the charity's funding agreements with its primary funding provider Sport England end or is significantly reduced, as that would necessitate the charity to make some or all of its staff redundant.

Whilst the activities of Sport England are subject to government policy and are therefore subject to changes in government, there is currently no indication that Sport England will cease funding the charity within the foreseeable future. The remaining balance in this designated fund is therefore not expected to be expended within the foreseeable future.

Pension fund

The charity has both current and past employees who are members of a Local Government Pension Scheme (LGPS). The trustees have set aside a pension reserve in case the charity is called upon to pay additional lump sum pension contributions to cover their share of any actuarial deficits in the LGPS, including those created in future periods following significant changes in actuarial projections.

Based on Worcestershire Pension Fund's triennial actuarial valuation results as at 31 March 2022 the charity's share of the scheme is forecast to be in surplus as at that date.

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**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

19. MOVEMENT IN FUNDS - continued

However there is an additional complication in that the staff who are members of this pension scheme (both current and past) were originally employed by Worcester City Council who were transferred to the charity under TUPE Regulations when the charity was first set up. Whilst Worcester City Council is responsible for the share of the Worcestershire Pension Fund relating to the employment of these staff up to the date that their employment was transferred to the charity, there is the possibility that the charity may be called upon to make additional contributions to the Worcestershire Pension Fund to cover Worcester City Council's share of these pension obligations.

PURPOSE OF RESTRICTED FUNDS

System Partner (formerly Primary Role) fund

Sport England funding received for the purpose of creating a healthier Herefordshire & Worcestershire by harnessing the power of physical activity, focussing on those populations that are the least engaged and would most benefit from regular opportunities.

From April 2022 Sport England now issues a single combined grant which incorporates funding previously received separately as Children and Young People and Workforce funding.

Children and Young People fund

Sport England funding received for the purpose of having a strong understanding of young people (people and place), and work with local structures to develop and deliver positive experiences for young people (over 5) in order to increase the number of children and young people who have a positive attitude towards sport and physical activity. This includes continuing to deliver School Games Festivals, Active Lives Children and Young People Survey and Volunteer Leaders & Coaches Programme.

From April 2022 this fund has been incorporated into the System Partner funding.

Children and Young People (DfE) fund

Additional funding received from Dept. for Education relating to the Children and Young People (SE) fund.

Primary PE and Sport Premium fund

The Primary PE and Sport Premium (PPSP) is ring fenced money to primary schools in order to improve the quality of primary PE. A significant focus of the premium is how it can be used to provide sustained development of sport, physical activity and PE within schools.

From September 2020 this fund has been replaced by the Children and Young People funding.

School Games fund

The School Games is a government led programme designed to deliver competitive school sport to all young people. A network of School Games Organisers (SGOs) and Local Organising Committees (LOCs) have worked alongside the Youth Sport Trust in delivering three distinct levels of competition since the Games' inception in 2010 - ranging from intra-inter school activity, in addition to the National Finals, which is supported by National Governing Bodies.

From September 2020 this fund has been replaced by the Children and Young People fund.

Satellite Clubs fund

Sport England funding originally received to establish new and regular opportunities for inactive people aged 14-19 to participate in sport or physical activity.

Since then Sport England has expanded the purpose for which the remaining unspent funding can be used for to include any costs that can otherwise be allocated to the Children and Young People fund.

From September 2020 this fund has been replaced by the Children and Young People fund.

Opening Schools Facilities

Sport England funding received for the purpose of helping schools open their facilities to the public once the coronavirus (Covid-19) pandemic is over.

Commonwealth Legacy School Games

Sport England funding received for the purpose of using the Birmingham 2022 Commonwealth Games as a catalyst to help get more people active.

**Sports Partnership Herefordshire And
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**Notes to the Financial Statements - continued
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19. MOVEMENT IN FUNDS - continued

Workforce fund

Funding used in helping to recruit, develop and deploy a quality and diverse workforce through the charity's work with sport and non-sport partners and sectors.

From April 2022 this fund has been incorporated into the System Partner funding.

Tackling Inequalities Fund

Funding received to help the sport and physical activity sector through the coronavirus (Covid-19) crisis.

Grass Roots

Herefordshire Council funding received to be used to assist non-government affiliated sports clubs from recommencing activities following Covid.

My Age Can

Herefordshire Council funding received to be used both increase rural led walks across Herefordshire and deliver 12 weeks of PA taster opportunities within communities and workplaces, focussing on activities, such as, but not limited to walking sports, thai chi, Nordic walking, chair based exercises, gentler activity.

Active Communities fund

Funding to encourage participation in local rural areas and obtain support from local community leaders to help to sustain projects in the long term.

Other Youth Development fund

Funding to deliver a programme of diversionary activities for at risk youth.

Macmillan fund

Funding for the Move-More Coordinator - to engage with patients whose lives have been affected by cancer and help them to become more active.

Apprenticeship fund

Funding received from ESFA to assist with employing an apprentice member of staff.

Ignite CIC fund

Funding received to support community development in Herefordshire.

Opening School Facilities Programme fund

Dept. for Education funding received to use school's sports facilities outside of the school's regular day, after school, and during weekends or holidays.

TRANSFERS BETWEEN FUNDS

During the year tangible fixed asset additions totalling £11,478 was paid out of the system partner restricted fund (formerly the primary role restricted fund) was transferred to general funds on purchase.

20. RELATED PARTY DISCLOSURES

The spouse of one of the trustees was paid a total of £1,200 (2022 - £nil) in regards to photography services.

**Sports Partnership Herefordshire And
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**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

21. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

22. PENSION COMMITMENTS

The charity's employees belong to two principal pension schemes, being the Local Government Pension Scheme (LGPS), which is managed by Worcestershire Pension Fund, for the staff who were employed by the charity when it was first incorporated and had their transferred to the charity under TUPE Regulations, and a defined contribution scheme for all other staff.

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The agreed contribution rates for employers is 22.5% for the next 3 years. Employees pay contributions at variable rates depending on their level of gross wages received each month. In addition, based on Worcestershire Pension Fund's triennial actuarial valuation results as at 31 March 2022, the charity's share of the scheme is forecast to be in surplus and the charity is expected to receive a total of £8,800 back in the form of reduced employer contribution payable to the pension fund between 2024 and 2026.

At the year end the charity had the following pension creditors:

	2023	2022
	£	£
Creditors: amounts falling due within one year (note 17)	-	1,400
	<u>-</u>	<u>1,400</u>
Multi-employee defined benefit schemes - lump sum top-up payments	-	1,400
	<u>-</u>	<u>1,400</u>

Employer pension costs for the year were as follows:

	2023	2022
	£	£
Multi-employee defined benefit schemes	15,251	16,356
Defined contribution schemes	22,518	21,963
	<u>37,769</u>	<u>38,319</u>

**Sports Partnership Herefordshire And
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**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

23. INCOME RECEIVED FROM PUBLIC INVESTORS

	Sports England £	Worcester -shire County Council £	Hereford -shire Council £	Other Public Sector £	Other Income £	Total £
Income						
Grant income	801,993	80,607	-	30,218	11,904	924,722
Trading income	-	-	-	-	6,575	6,575
Bank interest	-	-	-	-	759	759
Total income	801,933	80,607	-	30,218	19,238	932,056
Expenditure						
Programme management	72,826	13,767	-	3,800	-	90,393
Other direct delivery costs	49,240	23,959	2,065	2,305	-	77,569
Grants issued	214,301	7,532	67,324	250	-	289,407
Staff costs	263,779	51,114	45,000	33,494	7,800	401,187
General overheads	86,009	16,196	9,155	6,265	-	117,625
Total expenditure	686,115	112,568	123,544	46,114	7,800	976,181
Reallocations (see below)	(11,478)	(6,961)	-	-	18,439	-
Surplus/(deficit) for year	104,360	(38,922)	(123,544)	(15,896)	29,877	(44,125)
Funds as at 1.4.22	146,666	45,862	143,350	78,578	606,608	1,021,064
Funds as at 31.3.23	251,026	6,940	19,806	62,682	636,485	976,939

Comparatives for income received from public investors

	Sports England £	Worcester -shire County Council £	Hereford -shire Council £	Other Public Sector £	Other Income £	Total £
Income						
Grant income	714,286	168,365	200,000	88,496	3,725	1,174,872
Trading income	-	-	-	-	14,424	14,424
Bank interest	-	-	-	-	40	40
Total income	714,286	168,365	200,000	88,496	18,189	1,189,336
Expenditure						
Programme management	78,449	7,280	-	5,950	-	91,679
Other direct delivery costs	47,415	33,380	1,155	12,441	-	94,391
Grants issued	246,264	41,180	55,257	31,228	-	373,929
Staff costs	294,696	34,705	-	22,471	8,606	360,478
General overheads	73,789	11,353	238	826	-	86,206
Total expenditure	740,613	127,898	56,650	72,916	8,606	1,006,683
Reallocations (see below)	(4,053)	5,395	-	-	(1,342)	-
Surplus/(deficit) for year	(30,380)	45,862	143,350	15,580	8,241	182,653
Funds as at 1.4.22	177,046	-	-	62,998	598,367	838,411
Funds as at 31.3.23	146,666	45,862	143,350	78,578	606,608	1,021,064

**Sports Partnership Herefordshire And
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**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

23. INCOME RECEIVED FROM PUBLIC INVESTORS - continued

Reallocations

Reallocations include Sports England funding totalling £11,478 (2022 - £4,053) spent on tangible fixed asset additions transferred to unrestricted funds on purchase.

Reallocations also include the surplus in the year of £6,961 (2022 - deficit of £5,395) on a Worcestershire County Council contract for services provided which has been allocated to unrestricted funds (rather than restricted funds).

Omission of cash received and deferred grant reconciliation

Charity SORP requires that charities account for grant income under the "performance" model, and cannot apply the "accruals" model instead.

Under the "performance" model, grants that do not impose specified future performance-related conditions on the recipient is recognised in income when the grant proceeds are received or receivable and grants that impose specified future performance-related conditions on the recipient is recognised in income only when the performance-related conditions are met.

The charity has no deferred income at either the end of the current year end or at the end of the previous year.

Under the "accruals" model, grants are recognised in income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. If grant income had been accounted for under the "accruals" model, then the charity would have at the year end deferred income approximately equal to the balance of restricted funds.

**Sports Partnership Herefordshire And
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**Detailed Statement of Financial Activities
for the Year Ended 31st March 2023**

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Grants	810,897	681,579
Other trading activities		
Course income	1,340	167
PSI takings	4,935	8,606
Commercial income	<u>300</u>	<u>5,651</u>
	6,575	14,424
Investment income		
Bank interest	759	40
Charitable activities		
Grants and contract income	<u>113,825</u>	<u>493,293</u>
Total incoming resources	932,056	1,189,336
EXPENDITURE		
Charitable activities		
Equipment	4,214	1,374
Venue hire	15,059	6,894
Coaching and tutor fees	20,546	25,019
Programme management	90,393	103,079
Courses	1,712	8,150
Hospitality and refreshments	3,455	2,452
Design and printing	733	870
Photography and videography	8,336	3,957
Branded merchandise	22,168	33,171
Bad debts	-	(35)
Depreciation of sports equipment	1,346	1,139
Grants to institutions	<u>289,407</u>	<u>373,929</u>
	457,369	559,999
Support costs		
Wages	334,193	298,604
Social security	29,226	23,555
Pensions	37,768	38,319
Rent	12,235	9,481
Insurance	4,465	3,685
Telephone	2,274	1,653
Postage and office supplies	2,586	7,480
Advertising and marketing	774	2,908
Sundries	15,193	3,410
Subscriptions	9,905	11,945
Training	2,603	1,272
Travel	6,824	2,232
Computer	10,509	18,995
Professional fees	34,727	8,699
Bank charges	100	166
Depreciation of fixtures and fittings	332	84
Depreciation of computer equipment	6,422	3,076
Auditors' remuneration	3,885	4,950
Auditor's fees for other services	<u>4,791</u>	<u>6,170</u>
	518,812	446,684
Total resources expended	976,181	1,006,683
Net (expenditure)/Income	<u>(44,125)</u>	<u>182,653</u>

This page does not form part of the statutory financial statements