



REPORT AND FINANCIAL STATEMENTS

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Charity number: 283813

Company number: 01550741

THE LONDON MARATHON CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Registered Charity Name:	The London Marathon Charitable Trust (a company limited by guarantee)
Charity No:	283813
Company No:	01550741
Patron:	Prince Henry of Wales, Duke of Sussex (until January 2021)
President:	Sir John Spurling
Trustees:	John Austin Dawn Austwick Terry Duddy Councillor Richard Henry Charles Johnston Lee Mason Gillian McKay Sam Orde Alan Pascoe Councillor Robert Rigby Clare Shepherd Sir Rodney Walker
Principal Office:	190 Great Dover Street London England SE1 4YB
Independent Auditor:	Crowe U.K. LLP 4th Floor St James House St James Square Cheltenham Gloucestershire

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DEFINITIONS

The following terms are used in the Trustees' Annual Report

'THE TRUST'	The London Marathon Charitable Trust Limited
'LME'	London Marathon Events Limited, the wholly owned subsidiary of The Trust
'LSCP'	London & Surrey Cycling Partnership Limited Liability Partnership, 75 per cent owned by LME and 25 per cent owned by SweetSpot Group Limited (a sports events and marketing company specialising in cycling events) (see note 05 in the accounts).
	Collectively known as the 'London Marathon Group'

THE LONDON MARATHON CHARITABLE TRUST LTD

LONDON MARATHON EVENTS LTD

**LONDON & SURREY CYCLING PARTNERSHIP LLP
75 PER CENT SHARE**

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Introduction

The London Marathon Charitable Trust Limited

The London Marathon Charitable Trust (The Trust) is one of the United Kingdom's major charitable funders of initiatives to encourage people of all backgrounds, demographics and abilities to take part in physical activity.

The work of The Trust was made possible by the extraordinary foresight of the late Chris Brasher and John Disley, the founders of the London Marathon.

When Chris and John created the London Marathon in 1981, their vision was that the event's success would inspire the public to take up sport and generate funds to provide grants for sport and recreational facilities in the capital.

They created The Trust as the parent charitable company for what is now London Marathon Events

Limited (LME) to enable the surplus from the London Marathon, and all future events, to go to The Trust.

Inspiring activity

The Trust and LME have a shared vision of 'Inspiring Activity'. The Trust distributes the funds it receives from LME, as well as from donations and interest, to projects that inspire activity across the UK.

Through its grantmaking, The Trust has enabled millions of people to become and remain physically active – regardless of age, gender, ability, race or background.

Through the success of its events, LME is an extraordinary force for good that has inspired millions more to get active and raise huge sums of much-needed funds for charitable activity across the UK.

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Chair's Statement



Sir Rodney Walker, Chair of The London Marathon Charitable Trust

When Chris Brasher and John Disley founded the London Marathon in 1981, one of their ambitions was to enable people to have fun and provide some happiness and a sense of achievement in a troubled world. Never has their vision been more relevant as we reflect on another year in which our lives have continued to be impacted by Covid-19.

Following the onset of the pandemic, in 2020 we took the difficult decision to pause accepting new funding applications to The Trust and instead to focus on supporting existing grantees through the pandemic.

In 2021 we continued to monitor the impact of Covid-19 restrictions on activity levels in grant-aided communities across the UK. While not all groups and demographics were affected equally, we now know that the pandemic led to an enormous increase in the number of inactive people in the UK, and that lockdown restrictions had a severely negative impact on activity levels. For this reason, we continued to focus on supporting funded projects to help alleviate these

negative impacts, while also supporting our partners to inspire beneficiaries to be active.

More positively, after continuing uncertainty, in 2021 we saw the return of mass participation sporting events. Thanks to the extraordinary dedication and hard work of its staff, LME was unique among mass participation event organisers in the UK in successfully delivering its entire calendar of events in 2021, culminating in the London Marathon in October. We were therefore in the fortunate position once again to receive Gift Aid income from LME in 2021, as the surplus made from delivering all the events was passed to The Trust.

It was also the year in which The Trust, which was incorporated on 13 March 1981, celebrated its 40th anniversary, and this milestone was marked by a series of initiatives throughout the year – culminating in 40 representatives from projects grant aided by The Trust over the past four decades, taking part in the 2021 London Marathon.

The shared commitment of The Trust and LME to deliver our charitable objects and inspire activity

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means we end the year feeling we have once again succeeded against the odds and accomplished a great deal in very challenging times.

While Covid-19 continues to be a risk, we know that the delivery of both our funding and our events will continue to encounter new challenges; however, we remain as determined as ever to inspire activity in everything we do.

Inspiring activity through grantmaking

With the continuing pause of our programmes to new applicants – and with our Gift Aid income dependent on LME's ability to deliver events – the Trustees maintained a prudent approach to funding planning in 2021. Funding from existing uncommitted resources was primarily allocated to supporting existing grantees. The Trust continued to utilise staff skills and expertise, both to manage our existing portfolio of capital and non-capital funded projects and to ensure that The Trust fulfilled its responsibilities for oversight of grants in progress.

The Trustees and staff continued to work closely with grantees and others to assess needs and to honour our pledge to remain flexible as to how to use The Trust's resources to respond to need. We also started work on developing a new funding strategy from 2022 onwards.

This continued prudent financial planning meant that during the financial year The Trust awarded 33 grants totalling £1,434,466 that will deliver The Trust's objective of inspiring people of all ages, backgrounds and abilities to take part in physical activity (this compares to 51 grants totalling £4,860,355 during the 12-month financial period that ended on 31 December 2020). This brings the total The Trust has awarded since its founding in 1981 to in excess of £94 million, to more than 1,500 projects across the UK, enabling millions of people to get active (see page 10 on grantmaking).

London Marathon Events

As The Trust's trading subsidiary, LME has the dual purpose of generating income for its parent charity and encouraging participation in physical activity. As such, LME is constantly working to grow and improve:

- **The mass participation sporting events it organises**
- **The positive impacts generated by inspiring people to take up sport and physical activity**
- **The amount made for charities or raised by participants**

In the financial period, the ongoing impacts of Covid-19 meant another very challenging year for LME, where the main focus throughout was working to bring back mass participation events safely, so the mass 2021 London Marathon could take place in October. The operating surplus generated by LME in 2020 was held in reserves within the operating company, which reduced the income received by The Trust for use in 2021.

We were therefore delighted that LME was able to deliver its entire calendar of events during 2021, from the Reunion 5K at Kempton Park in Surrey in May to the hugely successful mass and virtual versions of the 2021 London Marathon in October.

As a result of LME's hard work in delivering these events, £5,648,081 in corporate Gift Aid was generated for The Trust, to support its charitable purposes in the coming financial periods. We are hugely grateful to LME for their tenacity and innovation throughout 2021, and the impact this will have on our future grantmaking.

For more information about the work of LME, see page 21.

In 2021 we were proud to deliver on many outputs from the governance review that we worked

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on with the Compass Partnership in 2019/2020. Our ongoing commitment to improving our governance practices across the London Marathon Group has resulted in even stronger integration of processes and clarity of oversight of The Trust and its trading subsidiary, LME. Following the creation of the new Group Strategic Framework in 2020, new Group Objectives to 2025 were agreed in 2021. Following this, Strategies and Actions to deliver these Group Objectives have been developed by The Trust and LME. See pages 13 and 23 for more details.

The Trustees met 14 times during the year: five full Board meetings plus one joint Strategy Day with the LME Board. In addition, there were four meetings of the Grants Committee and four meetings of the Finance and Audit Committee (FAC), including a joint meeting with the LME FAC.

Thanks

As ever, none of The Trust's impact would be possible without the wonderful work of our grantees, who are changing lives in big and small ways every day. Their determination and dedication, particularly during another incredibly challenging and uncertain year, inspire and motivate Trustees and staff alike.

We are indebted to all Trustees past and present for their commitment to the work of The Trust, and to delivering our charitable objectives. In 2021 we have again been ably supported by the Finance and Audit Committee (FAC), chaired by Gillian McKay, and the Grants Committee (GC), chaired by Charles Johnston. We also extend our thanks to The Trust's President Sir John Spurling.

The Board has been helped greatly in its work by The Trust's staff team. During the year, the team has been enhanced by the recruitment of Catherine Anderson, who started in the new position of Executive Director in April. We said farewell to Sarah Ridley (Chief Grants Officer), who stepped down after seven years, and also to Olu Alake (Strategic Partnership Grants Lead), Helen Ashley-Taylor (interim Head of Governance)

and Anmol Dhillon (Governance Manager). We wish to thank them all for their contributions during their time working for The Trust. In November we welcomed Fiona Downes (interim Head of Governance).

We are extremely grateful to all members of the restructured LME Board for all their hard work and dedication in 2021, which has seen such positive results: Non-Executive Directors Terry Duddy (Chair), Chi Evi-Parker (appointed February 2021), Robin Geller (Chair of the LME Remuneration Committee), Susan Goldsmith (Chair, LME FAC), Arun Kang OBE, Damien Lane (Senior Independent Director), Alan Pascoe MBE (Trustee Director of LME), and Executive Directors Nick Bitel (CEO), Hugh Brasher (Event Director), Penny Dain (Marketing & Communications Director) and Stephen Dell (Finance Director).

Finally, we would also like to record our sincere thanks to all LME staff and the volunteers who support its events who, together, make a tangible difference to national participation in physical activity (see page 24 for more information). LME's continual ability to innovate and respond to challenges with creativity, drive and determination has similarly inspired us all. Taken together, we can be jointly proud of all we have achieved in this calendar year.

With The Trust's proven expertise in supporting initiatives to widen participation in physical activity and to dismantle the barriers to accessing physical activity, combined with LME's extraordinary ability to organise some of the world's largest mass and virtual events, our aim is to continue to deliver impacts far greater than the sum of our parts in the years to come.



Sir Rodney Walker,
Chair

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Trustees' Annual Report

The London Marathon Charitable Trust Limited (a company limited by guarantee and not having a share capital; number 01550741) was established in 1981 and is a registered charity, number 283813.

These accounts are the consolidated accounts for The Trust, and its subsidiary entities LME and the LSCP, for the financial period ended 31 December 2021.

The Trust's Objects

The Trust's objects, as set out in its Articles of Association, are restricted to:

"Promote participation in amateur sport and healthy physical recreation for the benefit of the inhabitants of those cities or counties where LME (or such other subsidiaries of the charity from time to time) holds events, and in such other areas of the United Kingdom as the Trustees may from time to time decide, and in particular to provide, promote, improve or assist in providing, improving or promoting:

- a) Public facilities, amenities, equipment and services for healthy physical recreation and play.
- b) Facilities and services for recreational, sporting or other leisure-time occupation in the interests of social welfare for the public at large, or those who by reason of their youth, age, infirmity, disablement, financial hardship or social or economic circumstances have need of such facilities and services.
- c) The improvement and preservation of good health and wellbeing through participation in sport, play and healthy physical recreation.
- d) Volunteering in sport and healthy recreation for the benefit of the community.
- e) Education and training of sports coaches and sports volunteers.

The Trust delivers against these objects through its grantmaking activity. (For more information on The Trust's grantmaking, see page 10.)

Delivering public benefit

The Trustees confirm the guidance contained in the Charity Commission's general advice on public benefit has been referred to when reviewing The Trust's aims and objectives and in planning future activities and setting the grantmaking policy for the financial period.

The Trust provides clear, identifiable benefits to the public through its mission to support initiatives that inspire activity, enabling people to become and remain physically active regardless of age, gender, ability, race or background, and that challenge inequality of access to physical activity.

The Trustees are pleased that the achievements and performance of The Trust demonstrate tangible results in these areas. The Trust ensures that, as a condition of its grant agreements, all funded projects are to be accessible to and affordable for the public.

The Trust's income during the financial period

The restrictions during the Covid-19 pandemic meant that many of LME's events in 2020 had to be cancelled, postponed or reimaged. As reported in 2020, LME's Directors, supported by the Trustees, decided that the £865,431 operating surplus generated in 2020 should remain held as reserves in the operating company due to the continued uncertainty for the delivery of mass participation events. This decision affected the income received by The Trust for use in 2021.

Despite the continuing challenges caused by the pandemic in 2021, LME was able to generate a surplus for the financial year and recommence Gift Aid payments to The Trust. The Trust received £5,648,081 in corporate Gift Aid from LME (2020: £Nil). £865,431 of the Gift Aid had been paid by the year end with the remaining £4,782,650 to be paid in 2022.

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In addition to Gift Aid, The Trust received donations from New Balance (which sponsor several of LME's events) of £300,000 (2020: £300,000) and other direct donations of £3,063 (2020: £1,075).

RideLondon was not held in 2021 due to the pandemic and therefore The Trust did not receive any bequest income for this event (2020: £323,110). In the prior year The Trust received a one-off donation from Virgin Money (title sponsor of the London Marathon from 2013 to 2021) of £600,000.

The Trust's total income this financial year was £6,239,621 (2020: £1,290,739), all of which will be used to support The Trust's charitable purposes in the coming financial periods.

The Trust's grantmaking during the financial period

Each financial year, The Trust sets its grantmaking budget based on the funds it received and brought forward from the preceding period. The Trust's primary source of income is corporate Gift Aid from its wholly owned subsidiary, LME.

While the Covid-19 pandemic restrictions continued to affect everyday life in 2021, the Trustees decided that to be prudent, plans should be made on the basis that future income from LME was uncertain and consequently Gift Aid income to The Trust might be curtailed. The Trustees recognised this would impact The Trust's ability to deliver its charitable objectives and award grants in 2021 and 2022.

The Trust began the financial period with a brought-forward balance of approximately £5.8m for grantmaking and administration in 2021 and 2022. With the prudent approach in mind, the Trustees agreed a budget of £1.5m for grantmaking and administration in 2021 (with a further £3.4m ringfenced for 2022 and investment returns of £0.9m retained within reserves). Nevertheless, The Trust made significant grants

in support of the strategies and actions that had been agreed for 2021 (see page 13).

During the financial period, The Trust approved 33 grants totalling £1,434,466. Net grantmaking was £819,776, as grant amounts totalling £614,690 were withdrawn during the financial period (this compares to 51 grants totalling £4,860,355 in 2020 and net grantmaking of £4,428,358 as grant amounts totalling £431,997 were withdrawn).

The greater total of grant amounts withdrawn in 2021 is due to the withdrawal of a £500,000 grant to the London Borough of Croydon (towards the redevelopment of Purley Way Playing Fields) in March 2021 due to Croydon Council's financial situation, which meant the project could not proceed.

Facilities Grants

Throughout 2021 the Facilities Grants programme remained closed to new applicants as The Trust focused on supporting existing funded organisations and projects to deliver their objectives (see below). Regular monitoring and engagement with funded organisations allowed staff to identify additional support requirements among existing grantees, as well as where flexibility was required.

The Grants Committee (GC) met quarterly to review the progress of funded facilities projects and to make recommendations to the full Trustees' Board as required. Trustees met quarterly to make the final funding decisions on grants of more than £50,000.

Supporting existing grantees

In 2021, The Trust continued with its commitment to supporting existing grantees within the Facilities Grants portfolio to deliver the projects for which grants had been awarded and, if necessary, to enable grantees to modify projects to ensure the greatest possible impact is delivered. This additional support and flexibility allowed funded organisations and projects to adapt and respond

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to new needs emerging from the Covid-19 pandemic restrictions and wider challenges affecting the sector. This approach was aligned with The Trust's adopting of the Institute for Voluntary Action Research (IVAR) Flexible Funders Commitment in April 2021 (see page 14).

The Trust awarded £564,950 in grants to 26 existing funded organisations within its Facilities Grants portfolio to help them to inspire activity and deliver their objectives in challenging times.

Staff were proactive in keeping in touch with grantees and identifying organisations and projects in need of additional support to inspire activity. Staff and the Grants Committee (GC) reviewed proposals for additional funding on a regular basis and introduced a more flexible and responsive decision-making process, whereby the GC could approve grants of up to £50,000 via email rather than waiting for quarterly meetings.

Examples of additional funding support for existing Facilities Grantees:

- Phoenix Canoe Club in the London borough of Barnet received a £13,000 grant towards outreach activities to give people who might not normally have the opportunity to get on the water the chance to try it. Beneficiaries of the funding included young carers, ethnically diverse young people, children with physical disabilities and special educational needs, religious groups, ex-pats, refugees, sports groups, cancer patients and foster children.



The club won British Canoeing's 'Engagement Award' for this important work.

- Brixton BMX Club in the borough of Lambeth received a £20,000 grant towards essential upgrades to its community track in Brockwell Park. The club had great success with its crowdfunding campaign, which raised £56,795 on the back of inspiring community engagement work and Kye Whyte's BMX silver medal at the Tokyo Olympics in July 2021.



- The English National Ballet in the borough of Tower Hamlets received a £32,500 grant towards relaunching its Dance for Parkinson's classes once social-distancing restrictions were lifted. The classes provide a safe, welcoming environment for people with Parkinson's disease, enabling them to experience the physical and mental health benefits of dance.

Inspiring Activity Programme

During 2021, The Trust designed and began to



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implement a pilot programme of smaller grants – the Inspiring Activity Programme – focusing on supporting smaller organisations with strong relationships and standing within targeted communities.

Work in 2021 focused on building relationships in Barking and Dagenham, the first target London borough for the programme. Key local partners for the programme include BD Giving, Barking Sports 4 Change (Model City London), the Re-imagining Adult Social Care Network and Barking and Dagenham Children and Young People's Network.

Expressions of interest were invited from community organisations within these networks, who then worked with The Trust's staff to develop funding proposals. The first grants will be awarded to a pipeline of projects in Barking and Dagenham in 2022 and the programme will then be expanded to Newham and Tower Hamlets.

Strategic Partnership Grants

The Trust provides support for UK-wide Strategic Partnership Grants that address the barriers to participation in physical activity and inspire people from all communities to get active.

Strategic Partnership Grants target support for children and young people, as well as those who are less likely to participate in physical activity – such as people from low-income communities, older individuals, and people with disabilities. Strategic Partnership Grants are solicited by The Trust and identified through its extensive networks and expressions of interest it receives directly.

During 2021, the programme focused on identifying existing Strategic Partnership Grants where extra funding could scale up their inspirational work. Staff identified funding opportunities through detailed discussions with Strategic Partnership organisations about the impact of their work and the developing needs of beneficiaries. Strategic Partnership organisations submitted proposals for additional funding for approval by the GC.

In total, five Strategic Partnership Grants were awarded additional funding, totalling £249,516, to support the expansion of their work. Examples of additional funding support for existing Strategic Partnership Grants include:

- Access Sport were awarded an additional £50,000 towards supporting 13 community cycling clubs to offer accessible participation opportunities for young people within disadvantaged communities.
- London United were awarded an additional £120,000 towards a six-month extension of their Kicks Girls Programme, which engages girls and young women living in the most economically and socially deprived neighbourhoods in London in regular sport and physical activity.



The Trust also awarded a total of £620,000 towards two new Strategic Partnership Grants:

- Cycle Sisters were awarded £70,000 to inspire and enable more Muslim women to get cycling. The Trust's funding is enabling Cycle Sisters to develop their organisational infrastructure and establish four new groups in key boroughs.
- Black Swimming Association were awarded £550,000 towards core operational costs and the delivery of a two-year water safety and water confidence pilot programme in London. The programme will focus on encouraging more people in African, Caribbean and Asian communities to swim.

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THE LONDON MARATHON CHARITABLE TRUST'S STRATEGY FOR FINANCIAL PERIODS 2018-2022

The strategic objectives approved by the Trustees in April 2018 for the period from 1 October 2018 to September 2022 were shaped by The Trust's objects (see page 9), vision and mission.

The Trust's vision is a society in which everyone is physically active, contributing to their health and wellbeing.

The Trust's mission is to provide funding to initiatives that inspire activity, enabling people to become and remain physically active regardless of age, gender, ability, race or background and to challenge inequality of access to physical activity.

The Trust's overall grantmaking objectives for the financial periods 2018-22 are to maintain and increase participation in physical activity by providing funding that:

- Improves facilities in The Trust's core areas (that is, areas in which LME put on events) that encourage and support all members of the local community to become and remain physically active.
- Identifies and supports ambitious partnership projects that will challenge inequality of access to physical activity and deliver the greatest possible impact for The Trust's target audiences: children and young people and those who are less likely to be physically active, such as women and girls, those from ethnically diverse communities and those with disabilities.
- Reflects the spirit of the London Marathon in The Trust's grantmaking.

The Trust delivers these objectives through two grantmaking approaches:

- Facilities Grants for the renovation or creation of facilities for sport and recreation in The Trust's core areas.

- Strategic Partnership Grants to support high-impact initiatives that will challenge inequality of access to physical activity across the UK.

THE TRUST'S PERFORMANCE AGAINST ITS OBJECTIVES FOR FINANCIAL YEAR TO 31 DECEMBER 2021

The Trustees set specific operational and strategic objectives for 2021 in light of the decision taken during the pandemic to temporarily pause new applications and amid continuing uncertainty surrounding the future of mass participation sporting events.

The Trustees and staff developed an approach to continue to drive achievement of The Trust's strategic objectives agreed for the period through to 2022, while adopting a prudent approach to financial planning and grantmaking.

The specific objectives for the financial year from 1 January to 31 December 2021 are listed below, along with an overview of The Trust's achievements against each objective.

Grants portfolio management and delivery

To inspire activity through grants that tackle inequality of access to physical activity, and encourage the development and sustained undertaking of physical activity by all members of the local community, especially under-represented groups.

Achievements:

- The Trust awarded 31 grants to support existing Facilities and Strategic Partnership grantees, totalling £814,466, to enable them to respond directly to the continuing devastating impacts of Covid-19 on some of the most vulnerable people in London.
- The Trust convened three partner meetings during the year: one for existing grantees focusing on women's and girls' participation in activity, in collaboration with the charity Women in Sport; one for existing grantees who

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provide activities using adapted cycles to inspire inclusive cycling opportunities; and one for Strategic Partnership grantees to share their experiences of relaunching their activities as social-distancing measures were lifted.

- Staff supported grantees further via signing up to the IVAR Flexible Funders Commitment in April 2021, providing a further level of accountability to grantees by adopting the eight principles of the commitment: to not waste time; ask relevant questions; accept risk; act with urgency; be open; enable flexibility; communicate with purpose; and be proportionate.

To assess needs and opportunities so that, if appropriate and possible, The Trust can begin development and delivery of new support for inspiring activity in under-represented groups.

Achievements:

- The Trust designed the new Inspiring Activity Programme with the aim of supporting smaller organisations with strong relationships and standing within targeted communities. Projects in Barking and Dagenham, Newham and Tower Hamlets are eligible for funding through this programme, and work in 2021 focused on building relationships in Barking and Dagenham, the first target borough. The first Inspiring Activity Programme grants will be awarded in 2022.
- Staff continued to build a pipeline of potential new funding opportunities for projects delivering The Trust's mission of inspiring activity, demonstrated by the new Strategic Partnership Grants awarded to Cycle Sisters and the Black Swimming Association.

To demonstrate and maximise the impact of The Trust's grants.

Achievements:

- In 2021, The Trust's contracted evaluation

partners, Wavehill, produced a key report assessing the impact of The Trust's four decades of grantmaking and funding of initiatives to inspire activity.

- The 40th anniversary campaign was a significant milestone and a platform used to demonstrate the impact of The Trust's work to a wide audience. The campaign included a series of short films that brought to life the human impact of The Trust's funding – from the funding of an accessible playground at a children's hospice to new equipment for a boxing club – as well as a short montage film that was shared on the TCS London Marathon ballot page to inform entrants of the The Trust's work.

- The 2021 London Marathon in October 2021 provided further opportunities to share the work of The Trust, with 40 representatives from organisations it had funded taking part. From this, The Trust secured significant regional and national media coverage.

- The occasion of The Trust's 40th anniversary was also used to launch The Trust's Twitter account (@LMCT) – the first time The Trust has had a dedicated presence on any social platform – providing a new channel to share the impact of its work.

To deliver and improve The Trust's monitoring processes and systems.

Achievements:

- The Trust continued to carefully monitor all grants and assess their impact against their intended outcomes for inspiring activity that were agreed when the grant was awarded.
- Staff have revamped The Trust's monitoring and evaluation framework in order to better identify the impact of The Trust's funding, lessons and trends and, where appropriate, to disseminate this information.

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- In 2021, The Trust also uploaded historic grantmaking data onto the 360 Giving platform, via which aggregated funding data can be viewed transparently by all. The function enables anyone to access data relating to the recipient, the grant awarded, and other funder names.

To explore ways to encourage projects to address their environmental sustainability and diversity.

Achievements:

- The Trust's staff continue to work closely with the Trustees to assess how to build Diversity, Equity and Inclusion (DEI) practices into The Trust's grantmaking and funding, and operational processes.
- The Trust's staff have updated the application and assessment forms to encourage projects to address their environmental sustainability.
- Staff also designed and disseminated an Environmental Sustainability survey to grantees, which was completed by more than 60 organisations. This enabled The Trust to gather baseline data around grantees' approaches to environmental sustainability in their work and gain an understanding of the actions grantees are currently taking to reduce their environmental impact.

To make The Trust more fit for purpose and operate in the most effective, efficient and impactful manner, in accordance with all statutory obligations and highest possible governance standards.

Achievements:

- The Trust began planning for the next strategic cycle of 2022–2025, aligned to the newly approved Group Strategic Framework.
- The Trustees continued to embed the new Group Operating Agreement, which further strengthened and integrated governance processes across the Group.

- A restructure of The Trust's staff roles and responsibilities was trialled from July 2021 ahead of formal implementation in 2022. The purpose of the trial was to create more clearly delineated roles within an outcomes-focused approach to funding that will underpin the new strategic period.

THE TRUST'S OBJECTIVES FOR FINANCIAL PERIOD 1 JANUARY TO 31 DECEMBER 2022

Group Strategic Framework

The Trust's objectives are aligned to the new Group Strategic Framework that was developed as part of the Governance Review in 2020, providing high-level guidance for both organisations on why both organisations exist, who benefits from their work, what they will do, and where and how they will work.

Why?

The Group exists to inspire physical activity and support its benefits for health and wellbeing.

Who?

The Group strives to inspire everyone to be more active. In the short term, The Group aims to reflect the ethnic diversity of the UK and encourage people on low incomes and those living in areas of multiple deprivation to become more active. In the longer term, The Group aims to increase involvement of children and young people and groups less likely to take part in physical activity.

Why?

Together, the Group will build on:

- LME's strength in organising initiatives involving physical activities for large numbers of people (in person and virtually) which have low barriers to entry (such as running, cycling, swimming and walking).
- The Trust's strength in supporting initiatives that widen access to physical activity that reach our priority audiences.

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Where?

The Group is able to work across the UK.

How?

The Group will use the reach and scale of LME's initiatives, The Trust's grant-funding ability and the partnerships and networks of the two organisations to maximise its impact.

The Group will help enable charities to continue to raise substantial funds through its initiatives.

The Group will work towards making all our activities sustainable – environmentally, socially and economically.

Group Objectives

Following the creation of the Group Strategic Framework, new Group Objectives to 2025 were agreed in 2021. The Group Objectives cover six key areas: Children and Young People, Participation, Sustainability, Brand, People and Financial.

The Trust's Strategies and Actions

The Trustees have approved a new set of Strategies and Actions for The Trust in 2022, aligned to the Group Strategic Framework, to build on the achievement of the strategic objectives agreed for the period through to 2022. These Strategies and Actions cover the period of 2022-2025.

The Trust's Strategies are themed under the Group Objectives, as follows:

1. Children and Young People

- To establish a multi-year thematic approach to funding initiatives that invest in the physical activity of children and young people at the intersections of greatest need in London and beyond, with a focus on London Marathon boroughs and core areas.
- To work with LME to inspire and champion physical activity in schools.

2. Participation

- To establish a multi-year thematic approach to funding initiatives that place allyship with marginalised groups and communities at the heart of The Trust's funding vision, ensuring funding meets the needs of a diverse range of beneficiaries in London and beyond.
- To co-create with London Marathon Group initiatives that inspire and champion activity for people across all demographics.

3. Sustainability

- To drive positive change in environmental sustainability through The Trust's actions and inspire partners and stakeholders to do the same.
- To embed sustainability considerations across all funding activity and partnerships.

4. Brand, People and Financial

- To be recognised as a high-performing, impactful and innovative funder, whose impact contributes directly to the recognition and standing of the London Marathon Group brand, and to the Group's objective to be a 'Great Place to Work'.

THE LONDON MARATHON CHARITABLE TRUST

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MONITORING THE TRUST'S IMPACT

All grantees are asked to show clearly how their projects will align with The Trust's objective of inspiring activity. This is monitored through regular reporting, enabling the Trustees and staff to retain appropriate oversight.

At the time of grant award, grantees work with staff to develop a project delivery plan, which includes the establishment of intended outcomes they will aim to achieve through the funded project and a number of KPIs linked to a payment schedule. This helps:

- **Organisations to plan and explain their work**
- **The Trust and grantees to monitor progress of the work**
- **The Trust and grantees to plan their cashflow**

At the end of the project, the grantee provides information on how well the planned outcomes were met, as well as any evidence of the total impact of the grant to date. This is then reviewed by Trustees and staff.

The initial outcomes may not have been met, but the work may still have generated impact in other ways. The Trustees note that there are several challenges that arise from focusing on outcomes:

- As many of The Trust's grants are for capital costs, and The Trust is likely to be one of many funders, grantees need to be encouraged to list and report against outcomes that can be more directly attributable to The Trust's grant. In some cases, with large multifaceted projects, this can be challenging.
- If an organisation is learning from its work, it is likely that its outcomes will change over the course of a grant.
- Setting outcomes is a delicate balance that is hard to get right. While staff work with grantees to establish outcomes, sometimes the ones set are too simple or too ambitious.

The Trust is committed to continual improvement and seeks to learn lessons from the information it receives from applicants, grantees and other stakeholders.

The Trustees and staff wish to demonstrate and maximise the impact of grants and, in order to achieve this, have established a multi-year evaluation of The Trust's grants programmes, which will be completed in 2022. The Trustees have agreed to implement recommendations from the evaluation.

MONITORING THE TRUST'S SYSTEMS AND PROCESSES

As part of the multi-year evaluation survey, The Trust's evaluation partner Wavehill is working with staff, Trustees and external stakeholders to refine The Trust's monitoring systems and help define an outcomes framework and success measures.

This will include the establishment of indicators that can be used to understand outcomes, outputs and the impact of The Trust's funding, as well as methods for collecting and analysing data.

By undertaking this work, The Trust will be able to embed simple, consistent and effective monitoring and evaluation throughout the lifecycle of its grants and create a better understanding of the impact of the work it funds.

Transparency and accessibility

The Trust seeks continually to improve its transparency and accessibility. With the reopening of grant applications scheduled for 2022, staff are currently reviewing the online application process, aiming to make the process more user-friendly.

In addition to The Trust's online presence, the staff promoted applications and the work of The Trust through a highly successful 40th anniversary media campaign. This included television and social media communications. When social-distancing restrictions allowed, staff attended events to promote funding opportunities.

THE LONDON MARATHON CHARITABLE TRUST

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GOVERNANCE AND MANAGEMENT OF THE LONDON MARATHON CHARITABLE TRUST MEMBERS

The Trust is a registered charity and a company limited by guarantee with a maximum of seven Members, whose liability is limited to the sum of £1 in the event of The Trust being wound up.

Members

The Trust's Members currently comprise:

- Activity Alliance (formerly English Federation of Disability Sport)
- Active Partnerships (formerly County Sports Partnership Network)
- Local Government Association
- London Councils
- Sport England
- UK Athletics

Members have various constitutional powers under the Articles of Association and under Company Law. The key powers are to:

- Approve amendments to the Articles of The Trust by Special Resolution
- Nominate a Trustee and appoint Trustees (in General Meeting)
- Remove a Trustee or Trustees whether or not appointed by them (in certain circumstances).

Every Member is bound under the Articles to use best endeavours to promote the objects and interests of The Trust. The power to nominate a Trustee is also a fiduciary power that must be exercised in the best interests of The Trust, rather than to promote the interests of the nominating body.

Board of Trustees

The Board of Trustees comprises up to 15 Trustees (eight Nominated Trustees, six Independent Trustees and the Chair of LME) and is responsible for the conduct of The Trust, its governance and operation, from setting strategic direction to monitoring The Trust's performance against objectives, as well as its finances.

The Trustees meet as a Board at least four times a year to set and oversee delivery of The Trust's strategy.

The Trustees are the directors of The Trust under Company Law and charity trustees under Charity Law. They may delegate functions to committees or employees but remain responsible for the performance of those delegated functions, so must monitor any delegation.

This structure allows the Trustees to enlist all relevant skills when filling the independent appointments made collectively, ranging from skills necessary for the grantmaking activity of The Trust (with Trustees who have knowledge and experience relevant to The Trust's objects) and also addressing the required commercial skills (those who have financial, legal, accounting and business experience).

All Trustees are subject to fiduciary duties, requiring them to act in the best interests of The Trust, giving it precedence in all matters. Trustees do not therefore act as a representative of the person or organisation by whom they are nominated.

The Trust has a Board that is independent of LME, aside from two Trustees of The Trust who also act as Directors of LME. Where a Trustee also acts as a Director of LME, or as a trustee of another organisation, the interests of The Trust take precedence in all Trustees' Meetings and conflict management procedures are followed.

Trustees who are also LME Directors receive a nominal payment for their service to LME. The Trust sought and received permission from the Charity Commission for such payments.

The Board of Trustees considers The Trust's policies, receives committee reports and recommendations, approves annual budgets, oversees management of The Trust, considers grant applications, reviews the performance of LME and LSCP, and provides guidance to The Trust's Executive Director.

THE LONDON MARATHON CHARITABLE TRUST

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Governance of The Trust

Patron (currently vacant)

Prince Henry of Wales, Duke of Sussex
(until January 2021)

President

Sir John Spurling KCVO, OBE

Trustees as at the date of approval of the Trustees' Annual Report, and the committees on which they sit, are listed below. (FAC = Finance and Audit Committee; GC = Grants Committee)

John Austin (FAC, GC)

Nominated Trustee of London Councils

Dawn Austwick OBE (GC)

Vice-Chair
Independent Trustee

Terry Duddy

Ex-officio as Chair of LME

Councillor Richard Henry

Nominated Trustee of the Local Government Association

Charles Johnston (GC)

Nominated Trustee of Sport England

Lee Mason

Nominated Trustee of Active Partnerships

Gillian McKay (FAC)

Independent Trustee

Sam Orde OBE (FAC)

Nominated Trustee of Activity Alliance

Alan Pascoe MBE

Independent Trustee (and Trustee Director of LME)

Councillor Robert Rigby (GC)

Nominated Trustee of London Councils

Clare Shepherd (FAC, GC)

Independent Trustee

Sir Rodney Walker KB

Independent Trustee and Chair

There are currently three Trustee vacancies.

Committees

The Trustees are currently supported by two committees that make recommendations to the full Board. Trustees and other non-executives are appointed to serve on the committees.

The Finance and Audit Committee supports the Board in its responsibilities for financial and business planning. The FAC meets four times a year. Charles Congdon was co-opted as a member of the FAC in November 2019 and his term was renewed in December 2021.

Grant applications are reviewed, appraised and recommended for approval by the Grants Committee. In line with the grants policy, the GC meets four times a year.

Trustees' induction and training

The Trustees' induction process includes an initial meeting with the Chair and Executive Director, which includes education on the powers and responsibilities of the Trustees. Trustees are provided with a briefing pack that includes a summary of The Trust's history, a copy of the governing Articles of Association, minutes of the Trustees' meetings and copies of the previous three years' annual reports and accounts.

Throughout the year, relevant resources and Trustee training opportunities are shared with the Board to ensure that Trustees are aware of, and can partake in, the available training on issues of governance, investment and financial management, and matters related to The Trust's areas of grantmaking.

THE LONDON MARATHON CHARITABLE TRUST

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Management of The Trust

The Trustees have resolved that, other than those matters which the Board reserves for itself as set out in 'The Schedule of Matters Reserved for the Board' and 'Delegated Authority of the Grants Committee', the Board delegates the day-to-day running of The Trust to the Executive Director. The Trust is committed to providing timely advice and support to applicants and grantees.

The Trust has a small team of seven full-time staff members to manage The Trust, as well as one part-time Grants Officer. During the year an interim Head of Governance was appointed on a nine-month fixed-term contract to establish high-quality systems and processes for reporting and oversight as identified as part of the Governance Review.

Management of The Trust includes handling enquiries and applications and assisting active grantees. Under a Service Level Agreement with LME, a limited number of support services are provided to The Trust by LME and by The Trust to LME.

Implementing best practice

During the financial period, the Trustees considered ways of maximising delivery of The Trust's charitable objects. This resulted in Trustees taking action both on governance and practical delivery matters.

Governance Review update

As reported last year, the Governance Review in 2020 made important recommendations to strengthen the London Marathon Group's governance. The following recommendations were implemented in 2020 and 2021:

- The restructuring of the LME Board as a unitary Board, including the appointment of a new Chair, new non-Executive Directors, Executive Directors and a Trustee Director
- Revisions to LME's Articles of Association
- The creation of a formal Operating Agreement between The Trust and LME

- The development of a Strategic Framework to guide and support the work of both organisations.

These changes are improving the overall governance and oversight of LME by The Trust and strengthening the formal and informal relationships between the parent and subsidiary undertakings.

The following recommendations are being implemented in 2022:

- LME Board Effectiveness Review
- LME Chair Appraisal
- a structural review of The Trust's Board, including the Board Effectiveness Review and Chair Appraisal listed above, a Skills & Diversity Audit, Membership Review and Succession Planning.

The outcomes of these recommendations will be included in next year's Annual Report.

Strategies and Actions

The Trustees approved a new set of Strategies and Actions for 2022, aligned to the Group Strategic Framework (see page 16 for details).

The Trust staff

Catherine Anderson

Executive Director (joined April 2021)

Olu Alake

Strategic Partnerships Lead (left July 2021)

Helen Ashley Taylor

Interim Head of Governance (part-time)
(left September 2021)

Deirdre Cole

Grants Officer (part-time)

Amy Cruse

Grants Administrator

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Anmol Dhillon

Governance Manager (left October 2021)

Fiona Downes

Interim Head of Governance
(joined November 2021)

Eleanor Grant

Grants Officer

Sarah Ridley

Chief Grants Officer (left January 2021)

Megan Rix

Grants Administrator

Marianna Sikorowska

Grants Officer

Joe Thompson

Facilities Grants Lead

From July 2021, The Trust's Grants Team underwent a trial restructure of roles and responsibilities to support the effective delivery of the new Strategies and Actions, with a view to implementing the new staff structure in 2022 once a Benchmarking Review of the new roles had been completed.

THE WORK OF LONDON MARATHON EVENTS LTD IN 2021

The Trust is the sole shareholder of its trading company, LME. The company passes its surplus to The Trust each financial period through corporate Gift Aid.

In the financial period, the ongoing impacts of the Covid-19 pandemic meant another very challenging year for LME, where the main focus throughout was working to bring back mass participation events safely so that the mass 2021 London Marathon could take place in October. LME was unique among mass participation event organisers in the UK in that it delivered all its calendar of running events during 2021, although

some were held in a different location and all had significant operational changes.

In addition, LME delivered its mass participation swimming event and virtual editions of six running events. A total of more than 100,000 people took part in LME events during the year and 307,927 children took part in the 2021 Mini London Marathon in schools – a virtual event.

The amended event calendar for 2021:

- The Reunion 5K at Kempton Park (part of the UK Government's Events Research Programme)
- The Vitality Mile at Hatfield Park and a virtual Vitality Westminster Mile for Westminster schools
- The Vitality London 10,000 at Hatfield Park and a virtual Vitality London 10,000
- The Standard Chartered Great City Race and a virtual Standard Chartered Great City Race
- The Vitality Big Half, the New Balance Big Relay and The Vitality Big Mile and a virtual edition of The Little Half for school holiday programmes
- Lucozade Sport Virtual 10K
- Children with Cancer UK Swim Serpentine
- The Virgin Money London Marathon and the virtual Virgin Money London Marathon
- Virgin Money Giving Mini London Marathon and a virtual Virgin Money Giving Mini London Marathon for schools.

LME worked with the Department for Digital, Culture, Media & Sport (DCMS) to develop and deliver the Reunion 5K on Sunday 15 May, the only running event to be included in the Government's Events Research Programme (ERP). The ERP comprised indoor and outdoor mass events such as concerts, nightclubs and football matches with Covid-19 testing protocols in place to provide scientific data on how mass participation events could safely resume as part of the roadmap out of lockdown. A total of 1,872 people took part.

The pandemic meant that it was not possible to hold the Vitality Westminster Mile and Vitality

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London 10,000 on their traditional central London routes during the late May bank holiday weekend. The events were rescaled and took place at Hatfield Park in Hertfordshire on Sunday 11 July.

As part of planning for the delivery of the 2021 London Marathon, the events were also used to trial operational processes designed to reduce touch points and dwell time, including a new start release and baggage handling processes.

A total of 1,428 people completed the Vitality London 10,000 at Hatfield Park and 599 completed the Vitality Mile. In addition, 16,092 participants completed the virtual edition of the Vitality London 10,000 and 5,000 schoolchildren in Westminster earned their Vitality Westminster Mile medal by completing their mile in school.

The Standard Chartered Great City Race on 20 July was the first mass participation running event to be held on closed roads in London since the pandemic hit in March 2020. A total of 1,627 participants completed the corporate 5K challenge on the traditional City of London course and a further 565 participants took part in the virtual event, completing the 5K on the course of their choice.

The Vitality Big Half returned on 22 August. The event also featured the New Balance Big Relay and the free-to-enter Big Mile. Again, refined versions of mass arrival, start and baggage processes were trialled in preparation for the Virgin Money London Marathon. 9,809 people completed The Vitality Big Half, more than 50 teams completed the New Balance Big Relay and hundreds of adults and children completed The Big Mile. It was not possible to stage The Little Half but 1,931 children in Greenwich, including children from special needs schools, completed the run to earn their medal as part of a holiday activity programme.

The first Lucozade Sport Virtual 10K took place on 12 September. A total of 1,453 finishers paired up to complete their 10Ks on the route of their choice.

On 18 September, Children with Cancer UK Swim Serpentine returned to London's Hyde Park for the first time in two years. On a glorious September day, 3,548 swimmers completed half-mile, one-mile or two-mile swims in the Serpentine Lake.

Two weeks later, on Sunday 3 October, the 2021 London Marathon was back on the streets of London after 889 days away. It was a feat of logistical planning and the largest mass participation marathon held anywhere in the world in 2021. Many elements of the event were completely new to ensure minimum dwell time and reduced touch points for participants. These measures included compulsory lateral flow testing prior to collection of bib numbers, a new baggage service, bespoke arrival and start times and new post-Finish processes.

A total of 35,890 participants completed the famous 26.2 miles from Greenwich to The Mall on a day when thousands of spectators lined the streets to cheer on the runners in an emotional celebration of unity and humanity.

A further 24,006 participants across the UK and around the globe completed the virtual event between 00:00 and 23:59:59 BST on the same day, making the 2021 London Marathon the largest marathon ever staged. In addition, more than 300,000 schoolchildren across the UK completed 2.6 miles in the second Mini London Marathon in schools.

More than 385,000 people applied in the ballot for a place in the 2022 event, which will again take place in October.

Charity fundraising

LME is the acknowledged world leader in maximising revenue for charities through iconic mass participation sports events. Since the London Marathon was founded in 1981, the events organised by LME have raised more than £1 billion for a huge variety of charities.

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In the last financial period, according to data from fundraising platforms and major charities, an estimated £55 million has been raised for charities working across the UK and internationally through LME events.

In addition, LME worked with the Captain Tom Foundation, other members of the Mass Participation Sports Organisers (MSO) group, Studio Republic and Live Wire Sport, to create and deliver the Captain Tom 100 event from 30 April, which would have been Captain Sir Tom Moore's 101st birthday.

Its aim was to inspire people to do good and raise funds for their chosen charity or the Captain Tom Foundation by taking on a challenge based on the number 100. More than 1,200 charities were involved and in excess of £1.3 million was raised by participants for the Captain Tom Foundation.

Governance

The LME Board, chaired by Terry Duddy, met six times during 2021. In addition, there were meetings of the newly constituted Remuneration Committee (chaired by Robin Geller) and the Finance and Audit Committee (chaired by Susan Goldsmith).

For the first time, the Boards of both LME and The Trust attended a Joint Away Day, which focused on a facilitated joint risk management workshop led by a team from Crowe. This session helped to align the risk appetites of the respective organisations and confirmed that, in order to help achieve the jointly held vision of Inspiring Activity, both organisations are willing to look at innovative solutions and take more risks to achieve their objectives.

LME Objectives, Strategies and Actions

Following the agreement of the Objectives for the London Marathon Group (see page 16), LME defined Strategies and Actions to deliver these Objectives over the five-year period 2021 to 2025.

LME's Strategies and Actions are themed under the Group Objectives, as follows:

Children – to inspire and champion physical activity in primary and special schools:

- By 2025 to have an annual in-person Mini London Marathon for 18,000 schoolchildren and a virtual Mini London Marathon for 1,000,000 primary schoolchildren, with particular emphasis on under-represented groups.
- To work with partners to ensure that, by September 2025, 30 minutes of organised daily physical activity is undertaken by pupils in all primary and special schools in the UK.
- By 2025 to have worked with partners to achieve annual measurement and reporting of children's physical literacy and development within all primary and special schools.

Participation – to inspire, encourage and provide more opportunities for more people across all demographics to get active

- By 2025 to transform participation across LME's portfolio of events to be more inclusive and reflective of London's ethnic diversity by increasing by 50 per cent (from the last time the event was held) the number of participants from ethnically diverse communities.
- By 2025 to engage with more than 100,000 workers annually through workplace-led events and activities that encourage people to come together to participate in physical activity with an emphasis on diverse participants.
- By 2025 to double the number of cycle trips made every day in London (based on the 2017 figure) through events and partnerships in the capital that encourage active travel opportunities, especially among women and underserved communities.

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Sustainability – to drive positive change in environmental sustainability through LME’s actions and to inspire LME’s stakeholders and partners to do the same.

- By 2024 reach net zero carbon emissions across LME’s operations (scope 1 and 2).
- By 2025 remove more carbon than LME emits across all LME’s operations.
- By 2025 reduce total waste at LME’s events by 50 per cent, reaching zero waste by 2030 (based on 2019 total waste).

Financial – to deliver income of at least £40 million to The Trust in the next five years (in a non-Covid world).

People – to be in the top 20 companies (for LME’s company size) in the Great Places to Work survey for two consecutive years by 2025.

Brand – to be a loved and trusted UK brand that is synonymous with inspiring activity among LME’s key audiences, which include participants, commercial and business partners, operational partners, community partners and governmental partners.

Corporate Social Responsibility

LME continued to fund a range of Corporate Social Responsibility initiatives, including supporting British Athletics’ endurance running training programmes and introducing The Daily Mile into London’s state primary schools.

In addition to these initiatives, three floors of LME’s head office building continue to be let at a reduced rate to London Sport to create a House of Sport, intended to enhance networking and collaboration in the voluntary sport sector.

Sustainability

LME works to understand, monitor and take action to address environmental impacts to deliver its

Sustainability objective and has published an annual environmental impact report since 2019. As reported, the main focus of the year for LME was to bring back mass participation events safely and deliver the 2021 London Marathon, but a number of actions were progressed to address environmental impacts.

Some examples of this work are:

- Joining the Better Bankside Business Climate Challenge aimed at improving energy efficiency across the LME head office.
- Balancing certain emissions from LME events and operations, through supporting several verified projects in Kenya focusing on both cutting carbon emissions and improving people’s lives.
- Clothing collection at the start of the London Marathon, partnering with the British Heart Foundation to send items for re-sale in store, or recycling where re-sale was not possible.
- Diverting certain event waste from incineration by reprocessing it to create collateral for future events.

Volunteers

Every year, LME requires the help of thousands of volunteers, who play a crucial role in the delivery of the events. It takes more than 3,000 volunteers to support the delivery of the London Marathon and they take on a huge variety of roles on Marathon Day, including baggage handling, runner marshalling, managing hydration stations and giving out finisher medals.

All volunteers are provided with the training, equipment, support and advice needed to fulfil their role, as well as branded clothing and refreshments on the day.

Directors of London Marathon Events Limited

LME has a Board of Directors that is independent from The Trust, aside from Trustees who sit as Directors of LME.

THE LONDON MARATHON CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

STRATEGIC REPORT

Financial Review and policies of

The London Marathon Charitable Trust Limited

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that The Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Income

In 2021, The Trust's primary source of income is the return of corporate Gift Aid from its wholly owned subsidiary, LME. This totals £5,648,081 (2020: £Nil) and is made of the surplus generated by LME through the delivery of mass participation events.

In the previous year it was decided by the Directors, supported by The Trust, that the £865,431 operating surplus should remain held as reserves in the operating company due to the continued uncertain situation for the delivery of mass participation events at that time.

The Trust received the following income:

1. £5,648,081 Gift Aid from LME
2. £300,000 donation from New Balance
3. £288,477 income from investments
4. £3,063 other direct donations

This brings the total income received during the year to £6,239,621 (2020: £1,290,739).

Total consolidated income for the Group in the financial year, including the income generated through LME, is £35,754,718 (2020: £23,368,473) with a net consolidated surplus of £5,681,405 (2020: deficit of £2,106,422).

Cash management, Reserves Policy and investments

The Trust holds cash balances of £365,944 (2020: £3,504,198), short-term investments of £3,519,470 (2020: £9,524,169) and long-term investments of £11,615,472 (2020: £6,430,813). The Group had cash balances as at 31 December 2021 of £18,271,790 (2020: £19,198,918).

The Trust always holds significant reserves at year end as it does not make commitments to grants until income is confirmed. Therefore as at 31 December 2021 the reserves include the Gift Aid for 2021, which will be committed for grantmaking in the following financial period.

The Trust Reserves Policy requires all investment gains and 12 months of administrative expenditure to be ring-fenced, with the remaining reserves made available for grantmaking. Given the challenges experienced through the pandemic, The Trust plans to review the Reserves Policy for the following financial period to consider whether additional funds should be set aside in the event of a future shortfall in income from LME.

As at 31 December 2021 The Trust had total reserves of £11,508,475 (2020: £5,827,070) and the Group had total reserves of £14,202,736 (2020: £8,521,331).

In addition, The Trust has £9,120,507 committed for grants that have already been awarded, but for which the grantees have not yet submitted claims for payment. Given there is a time-lag between the awarding of grants and the payment of grants upon completion of the funded project, this amount is drawn down over a number of years. It has, therefore, not been deemed necessary to hold this all in cash at the year end, with some held in long-term investments.

To maximise the return to The Trust of its reserves, in 2019 the Trustees decided to make a long-term investment of £10 million. The Trustees made this decision in order to seek to protect the value of

THE LONDON MARATHON CHARITABLE TRUST

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The Trust's cash holdings against the impact of inflation.

The Trustees appointed Cazenove Capital as The Trust's investment manager and began investing funds in Cazenove's Charity Responsible Multi-Asset Fund. This is a long-term investment fund with a diversified strategy investing in equities, bonds and alternative assets.

Cazenove's Charity Responsible Multi-Asset Fund adopts a responsible investment approach, seeking sustainable long-term returns, using exclusions, and the integration of social, environmental and governance considerations. The Fund will not invest in companies that do not meet the responsible investment criteria set by the manager. The Fund aims to provide income and capital growth in excess of the Consumer Price Index plus four per cent per annum (net of fees) over rolling 10-year periods.

As of 31 December 2021, £9.5 million had been invested into the Responsible Multi-Asset Fund. The remainder of The Trust's cash balances are held in a mixture of current accounts and short-term cash deposits. Gains on the Responsible Multi-Asset Fund in the financial year were £983,577 (2020: £936,834) with investment income across all investments of £288,477 (2020: £66,554).

Loans

Interest-free loan to London Diocesan Board of Schools

In 2015, The Trust made a grant of up to £250,000 and an interest-free loan of £200,000 to London Diocesan Board of Schools. These sums went towards a new gymnastics facility in The Bishop Wand Church of England School for Spelthorne Gymnastics, Sunbury-on-Thames, in order to offer a diverse range of participation opportunities for children and young people.

The loan repayment conditions were that it should be repaid in 114 equal monthly instalments, and

repayments were being made in accordance with the loan terms. The Trustees made the loan as it aligned with The Trust's objectives to encourage and support participation in sport, physical activity and play, particularly among those who are currently inactive. At the end of the financial year, £98,246 had been repaid and £101,754 of the loan remained outstanding.

The Trust's risk management and principal risks and uncertainties

The Trustees are responsible for ensuring that effective and adequate risk management and internal control systems are in place to manage the major risks to which The Trust is exposed.

The FAC reviews both the risks and their management and reports any material risks or risk management failures to the Board of Trustees as required. The Board reviews risks and risk management in detail twice a financial period.

The Covid-19 pandemic highlighted The Trust's reliance on the performance of its trading subsidiary, LME. To mitigate this risk, the Board of Directors of LME includes Directors who are also Trustees of The Trust, and The Trust actively oversees the strategic business decisions of LME, receiving regular reports.

During the financial year, the Trustees reviewed the major risks facing The Trust and the systems and procedures to manage them. The key risks the Trustees identified are:

- Inability to achieve The Trust's objectives and respond to requests for grants if income was to drop significantly
- Not applying The Trust's assets for charitable purposes
- Not maximising The Trust's assets
- Not demonstrating The Trust's impact
- Not adhering to legislation, regulations or best practice
- Loss of key staff

THE LONDON MARATHON CHARITABLE TRUST

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The Trust's primary risk is the potential inability to achieve its objectives and respond to requests for grants due. Even with the lower income from the previous financial year, The Trust continued to make grants in 2021. Therefore, despite the impact of Covid-19 measures on mass participation events, the immediate direct implications of the Covid-19 pandemic on The Trust in 2021 were limited.

The Trust has sufficient cash reserves to fulfil grants already awarded and any future grants will be awarded in line with ongoing cash flow projections. Further, The Trust has adequate additional reserves to ensure it can oversee both the monitoring of grants and distribution of grant payments, as well as to fulfil its oversight responsibilities for LME.

The Trustees have reviewed The Trust's risk mitigation, as well as the LME Directors' assessment of risks, and are satisfied risks have been properly identified and are being appropriately managed (for LME's risk management, see end of this page).

The Trust's policies and procedures for setting pay of key management personnel

The Trustees are committed to ensuring The Trust pays its staff fairly and in a way that ensures it attracts and retains people with the right skills to have the greatest impact on delivering its charitable objectives.

When recruiting, Trustees seek to attract high-calibre individuals with experience and skills in grantmaking and the sports and recreation arenas. The Trust regularly benchmarks salaries against those of other grantmaking organisations operating at its scale. Having compared The Trust to other major funders, the Trustees believe staff are paid at an appropriate level to attract and retain a skilled and experienced team, delivering high-quality grantmaking.

The Trustees review the pay and remuneration of

The Trust's staff annually. The Executive Director attends the meeting (leaving for the discussion regarding the Executive Director's remuneration).

For LME's policies and procedures for setting pay of key management personnel, see page 28.

Fundraising activities

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The Trust does not undertake fundraising activities as The Trust's income is generated primarily from the trading surplus LME pays through corporate Gift Aid and from bequests by event entrants.

The Trust does not employ commercial participators or third-party professional fundraisers and has received no complaints in relation to fundraising activities during the year.

POLICIES OF LONDON MARATHON EVENTS LIMITED

LME's risk management and principal risks and uncertainties

The Covid-19 pandemic highlighted that the staging of major sports events is always associated with uncertainties and risks. Due to the nature of business in this industry, LME is constantly exposed to risks and opportunities that must be identified and managed. This necessitates effective and systematic management and monitoring of risks and opportunities.

All organisations face a wide variety of risks, including physical risks to people or property, financial loss, operational risks and failure of service delivery, macroeconomic issues, credit and investment risk, strategic risks to the organisation's objectives, environmental and social risks, along with governance and reputational risks.

Risk for this purpose is defined as 'the chance of an event happening and leading to unintended effects, which will impair the organisation's ability to achieve its objectives'.

THE LONDON MARATHON CHARITABLE TRUST

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LME has a risk management framework in place which ensures a systematic approach to the identification, assessment and management of the risks facing the organisation. The risk management framework aims to:

- Clarify responsibilities for identifying and managing risks
- Ensure that an appropriate level of risk management is consistently applied across the company
- Increase awareness and use of risk management as an element of delivering against the London Marathon Group objectives

The key risks identified within LME are recorded in the Corporate Risk Register (CRR), which is reviewed regularly by the FAC and the Board. The CRR details the scope of each risk, the potential impact, action taken to mitigate the risk and any outstanding actions.

The key risks that the Board has identified are the cancellation of events due to Covid-19 restrictions or other reasons, or loss of permission to stage particular events; economic risks, including the loss of key sponsors; and reputational risk. The Directors have reviewed the risk mitigation in place within LME and are satisfied that risks have been properly identified and mitigated to the extent that this is possible.

The risk of Covid-19-related disruptions to LME's events has lessened with the withdrawal of social-distancing and isolation measures. If disruptions to physical mass participation were to happen again in 2022, contingencies are still in place to deliver income through alternative models, such as virtual events, smaller Covid-19-secure events and elite-only events.

LME's policies and procedures for setting pay of key management personnel

As an employer, LME is committed to ensuring

staff are fairly remunerated, have good working conditions and achieve a good work-life balance. LME has to ensure its remuneration packages attract and retain the right staff for the delivery of world-class events in a competitive international marketplace.

LME conducts regular benchmarking to compare its salaries with similar-sized London-based companies. Through this delivery of effective benchmarking, LME believes pay is at an appropriate level to attract and retain a skilled and experienced team to deliver world-leading, quality events. The Board's Remuneration Committee reviews the pay and remuneration of LME's staff annually.

LME's Coronavirus financial measures

Coronavirus Business Interruption Loan

In the previous financial year, it was agreed by the Board of Directors of LME and The Trust for LME to raise £5 million through a Coronavirus Business interruption Loan in order to mitigate any possible short-to-medium-term cash flow risk from the pandemic. The loan had a 60-month term with an initial 12-month interest-free period (two per cent p.a. over base rate thereafter) and no early repayment charges.

Given the successful delivery of events by LME in the year and the surplus generated, the short-to-medium-term cash flow risk dissipated, and the Coronavirus Business interruption Loan was paid back in full in October 2021.

Furlough

During the financial year LME received furlough grants totalling £10,327 (2020: £376,975). The furlough scheme was utilised to protect jobs and mitigate the impact on cash flow and profits of event cancellations during the financial year.

Trustee Responsibilities

The Trustees (who are also directors of The London Marathon Charitable Trust for the purposes of company law) are responsible for preparing

THE LONDON MARATHON CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

the Trustees' report and 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of The Trust and the Group and of the incoming resources and application of resources, including income and expenditure, of The Trust and the Group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles of the Charities Statement of Recommended Practice (SORP)
- Make judgements and accounting estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Group will continue in operation

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain The Trust and the Group's transactions and disclose with reasonable accuracy at any time the financial position of The Trust and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of The Trust and the Group and hence for

taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to Auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- So far as that Trustee is aware, there is no relevant audit information of which The Trust and the Group's auditors are unaware, and;
- That Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that The Trust and the Group's auditors are aware of that information.

In approving this Trustees' Annual Report, the Board Members are also approving the Strategic Report in their capacity as company Directors.

By order of the Board


Sir Rodney Walker (Jun 22, 2022 09:00 GMT+1)

Sir Rodney Walker
Chair of Trustees

Date:

22 June 2022

THE LONDON MARATHON CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Independent Auditor's Report

TO THE MEMBERS OF LONDON MARATHON CHARITABLE TRUST LIMITED

Opinion

We have audited the financial statements of The London Marathon Charitable Trust Limited (the 'parent charitable company') and its subsidiaries (the 'Group') for the year ended 31 December 2021, which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2021 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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least 12 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.

THE LONDON MARATHON CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Independent Auditor's Report

TO THE MEMBERS OF LONDON MARATHON CHARITABLE TRUST LIMITED

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report, including the Strategic 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:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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

THE LONDON MARATHON CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Independent Auditor's Report

TO THE MEMBERS OF LONDON MARATHON CHARITABLE TRUST LIMITED

Responsibilities of Trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the 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 responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but it 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 legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102).

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the Group's ability to operate or to avoid a material penalty.

We also considered the opportunities and incentives that may exist within the charitable company and the Group for fraud. The laws and regulations we considered in this context for the charitable company's and the Group's operations were General Data Protection Regulation (GDPR), health and safety legislation, employment law, and anti-fraud, bribery and corruption legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and the timing of recognition of certain income streams.

THE LONDON MARATHON CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Independent Auditor's Report

TO THE MEMBERS OF LONDON MARATHON CHARITABLE TRUST LIMITED

To respond to these risks our audit procedures included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases, designing audit procedures to test the timing of income recognition and reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Guy Biggin

Guy Biggin (Jun 22, 2022 12:56 GMT+1)

**Guy Biggin (Senior statutory auditor)
for and on behalf of**

**Crowe U.K. LLP
Statutory Auditor
Fourth Floor
St James House
St James Square Cheltenham
GL50 3PR**

Date: 22 June 2022

THE LONDON MARATHON CHARITABLE TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2021

Income from:	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations:				
Donations		303,063	303,063	901,075
Bequests form Prudential RideLondon		-	-	323,110
Government grants		10,327	10,327	376,975
Other trading activities:				
LME		35,100,712	35,100,712	20,138,163
LSCP		51,772	51,772	1,435,064
Investments	6	288,844	288,844	194,086
Total income		35,754,718	35,754,718	23,368,473
Expenditure on:				
Raising funds				
Organising events				
LME		28,722,497	28,722,497	20,155,555
LSCP		22,682	22,682	1,066,748
Charitable activities:	7			
Facilities Grants		229,893	229,893	2,064,655
Strategic Partnership Grants		1,299,900	1,299,900	3,124,771
Total expenditure		30,274,972	30,274,972	26,411,729
Net income/(expenditure) before net gains on investments		5,479,746	5,479,746	(3,043,256)
Net gains on investments		983,577	983,577	936,834
Net income/(expenditure) before taxation		6,463,323	6,463,323	(2,106,422)
Taxation		(781,918)	(781,918)	-
Net movement in funds		5,681,405	5,681,405	(2,106,422)

The Consolidated Statement of Financial Activities includes all gains and losses in the year.
The notes on pages 40 to 62 form part of these financial statements.

THE LONDON MARATHON CHARITABLE TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT, CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Reconciliation of funds:				
Total funds brought forward		8,521,331	8,521,331	10,627,753
Net movement in funds		5,681,405	5,681,405	(2,106,422)
Total funds carried forward		14,202,736	14,202,736	8,521,331

The Consolidated Statement of Financial Activities includes all gains and losses in the year.
The notes on pages 40 to 62 form part of these financial statements.

THE LONDON MARATHON CHARITABLE TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) AS AT 31 DECEMBER 2021

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:			
Donations and Legacies			
Donations	303,063	303,063	901,075
Bequests from RideLondon	-	-	323,110
Other trading activities			
LME	5,648,081	5,648,081	-
Investments	288,477	288,477	66,554
Total income	6,239,621	6,239,621	1,290,739
Expenditure on:			
Charitable activities			
Facilities Grants	234,619	234,619	2,068,634
Strategic Partnerships	1,307,174	1,307,174	3,130,792
Total expenditure	1,541,793	1,541,793	5,199,426
Net income/(expenditure) before net gains on investments	4,697,828	4,697,828	(3,908,687)
Net gains on investments	983,577	983,577	936,834
Net income/(expenditure)	5,681,405	5,681,405	(2,971,853)
Transfers between funds	-	-	-
Net movement in funds	5,681,405	5,681,405	(2,971,853)
Fund balances at 1 Jan 2020	5,827,070	5,827,070	8,798,923
Fund balances as at 31 December 2021	11,508,475	11,508,475	5,827,070

All gains and losses in the current and prior year are included in the statement of financial activities.
Details of grants can be found in note 9.
The notes on pages 40 to 62 form part of these financial statements.

THE LONDON MARATHON CHARITABLE TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Company No. 01550741

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2021

		2021	Restated 2020
Fixed assets	Note	£	£
Tangible assets	14	21,925,972	21,941,060
Investments	15	11,615,468	6,430,809
		33,541,440	28,371,869
Current assets			
Stocks	16	133,280	700,891
Debtors	17	12,886,354	8,649,808
Investments	18	3,519,470	9,524,169
Cash at bank and in hand		18,271,790	19,198,918
		34,810,894	38,073,786
Creditors: amounts falling due within one year	19	(34,047,973)	(45,478,320)
Net current assets/liabilities		762,921	(7,404,534)
Total assets less current liabilities		34,304,361	20,967,335
Creditors: amounts falling due than one year	20	(18,536,181)	(11,662,743)
Deferred taxation	22	(1,565,444)	(783,261)
Total net assets		14,202,736	8,521,331
Charity funds			
Restricted funds	23	-	-
Unrestricted funds			
Designated funds	23	11,508,475	5,827,070
General funds	23	2,694,261	2,694,261
Total unrestricted funds	23	14,202,736	8,521,331
Total funds		14,202,736	8,521,331

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements. The financial statements were approved and authorised for issue by the Trustees on and signed on their behalf by:

Sir Rodney Walker
Sir Rodney Walker (Jun 22, 2022 09:00 GMT+1)

22 June 2022

Sir Rodney Walker
Chairman

Date:

The notes on pages 40 to 62 form part of these financial statements.

THE LONDON MARATHON CHARITABLE TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Company No. 01550741

CHARITY BALANCE SHEET AS AT 31 DECEMBER 2021

	Note	2021 £	Restated 2020 £
Fixed assets			
Investments	15	<u>11,615,472</u>	<u>6,430,813</u>
		11,615,472	6,430,813
Current assets			
Debtors	17	5,160,149	123,225
Investments	18	3,519,470	9,524,169
Cash at bank and in hand		365,944	3,504,198
		<u>9,045,563</u>	<u>13,151,592</u>
Creditors: amounts falling due within one year	19	<u>(7,044,813)</u>	<u>(9,174,966)</u>
Net current assets		<u>2,000,750</u>	<u>3,976,626</u>
Total assets less current liabilities		13,616,222	10,407,439
Creditors: amounts falling due than one year	20	<u>(2,107,747)</u>	<u>(4,580,369)</u>
Total net assets		<u>11,508,475</u>	<u>5,827,070</u>
Charity funds			
Unrestricted funds			
Designated funds	23	11,508,475	5,827,070
General funds	23	-	-
		<u>11,508,475</u>	<u>5,827,070</u>
Total funds		<u>11,508,475</u>	<u>5,827,070</u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements. The financial statements were approved and authorised for issue by the Trustees on and signed on their behalf by:

Sir Rodney Walker
Sir Rodney Walker (Jun 22, 2022 09:00 GMT+1)

22 June 2022

Sir Rodney Walker
Chairman

Date

The notes on pages 40 to 62 form part of these financial statements.

THE LONDON MARATHON CHARITABLE TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

CONSOLIDATED BALANCE SHEET OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	3,311,739	(7,039,952)
Cash flows from investing activities		
Bank interest received	7,154	48,998
Purchase of fixed asset investments	(4,000,000)	(4,002,494)
Purchase of tangible fixed assets	(905,476)	(827,632)
Net cash used in investing activities	(4,898,322)	(4,781,128)
Cash flows from financing activities		
Loans draw down	-	5,000,000
Repayment of loans	(5,066,759)	(125,707)
Interest paid	(278,485)	(179,550)
Net cash (used in)/provided by financing activities	(5,345,244)	4,694,743
Change in cash and cash equivalents in the year	(6,931,827)	(7,126,337)
Cash and cash equivalents at the beginning of the year	28,723,087	35,849,424
Cash and cash equivalents at the end of the year	21,791,260	28,723,087

The notes on pages 40 to 62 form part of these financial statements.

THE LONDON MARATHON CHARITABLE TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

London Marathon Charitable Trust Limited is registered in England and Wales as an incorporated charity limited by guarantee with Companies House (registered no. 01550741) and Charity Commission (registered no 283813). The address of its registered office is Marathon House, 190 Great Dover Street, London SE1 4YB.

2. Accounting policies

2.1 Basis of preparation of financial statements

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 the Republic of Ireland (FRS 102) (second edition 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.

The Trust meets the definition of a public entity under FRS 102. Assets and liabilities are initially recognised at historical cost translation value unless otherwise stated in the relevant accounting policy note(s).

The financial statements consolidate in the results on a line-by-line basis of The Trust, LME and LSCP.

2.2 Going concern

The Trustees consider The Trust to be a going concern. In light of the ongoing Covid-19 pandemic, the Trustees have reviewed revised financial information and are satisfied that The Trust has sufficient reserves to continue as going concern for the next financial year. There are no material uncertainties in relation to going concern.

THE LONDON MARATHON CHARITABLE TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.3 Income

All income is included in the statement of financial activities when the Group is entitled to the income, it is probable that income will be received and the amount can be quantified with reasonable accuracy. Income represents amounts received from sponsorships, marketing, entrance fees, bequests from London Marathon applicants and investments.

Sponsorships are usually multi-year agreements and the income is recognised in the accounts when the sponsored event occurs. An accrual or deferral is made where the agreed amount is not invoiced in the year or invoiced for next year's event in advance.

Marketing income is recognised using the percentage completion method according to when the advertisements are live on our websites. Any advertising income received in advance is deferred to future years and is included within 'accruals and deferred income' on the face of the balance sheet.

Entrance fees relate to the income received from participants for the current year's event.

Bequests represent the entry fees, net of costs of the bequests, donated by participants unsuccessful in the London Marathon ballot by which entrants in the event have accepted. Donations are recognised as income when the results of the ballot are known and bequests are therefore made by unsuccessful applicants.

Government grant income in the form of the Coronavirus Job Retention Scheme (CJRS) are accounted for under the accruals model as permitted by FRS 102 are recognised in the Statement of Comprehensive income in the same period as the related expenditure.

Gifts in Kind are recognised in respect of donated goods either in support of fund raising activity or in direct support of the provision of charitable activity. An equivalent cost is also reported within the cost of fund raising or the appropriate cost of charitable activity.

2.4 Expenditure

Expenditure on operations and events is recognised in the Statement of Financial Activities in the period to which it relates.

Grants awarded are included in the statement of financial activities when approved and when the intended recipient has been informed of the decision to make the grant and has satisfied all related conditions. Grants approved but not paid are accrued for.

Governance costs are the costs of governance arrangement that relate to the general running of The Trust and include audit fees, any legal advice and costs associated with constitutional statutory requirements.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

THE LONDON MARATHON CHARITABLE TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.6 Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Assets and liabilities in foreign currencies are translated into sterling at the rates ruling at the balance sheet date. Gains or losses arising on the translation of foreign currencies and other exchange differences are taken to the profit and loss account.

2.7 Taxation and Deferred taxation

The Trust has charitable status and is not subject to corporation tax on its charitable activities. The subsidiary company is liable to corporation tax on its taxable profits, including its share of profits and losses of LSCP.

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the group operates and generates income. Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions of retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

THE LONDON MARATHON CHARITABLE TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset over its estimated useful life as follows:

Freehold property	2%
Motor vehicles	25% straight line
Office equipment	25% straight line
Software	25% straight line

It is policy only to capitalise items with a value of £5,000 or greater.

The directors have recognised depreciation on the freehold properties for the first time this year resulting in a depreciation catch-up totalling £319K recognised in the 2021 financial statements. The total estimated value of the land element of both freeholds is £16.2m meaning the book value attributed to the freehold buildings is £4.7m.

2.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction costs and subsequently measured at fair value at the balance sheet date. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses)' on investments in the consolidated statement of financial activities.

2.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.12 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments.

2.13 Creditors and provisions

Creditors and provisions are recognised where the group 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 reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for trade discounts due.

THE LONDON MARATHON CHARITABLE TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.14 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method.

2.15 Employee benefits

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

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

The company operates a defined contribution pension scheme. Pension costs are charged to the profit and loss account when payable. The assets of the scheme are held separately from those of the company in independently administered funds.

2.16 Fund accounting

General funds comprise funds that are available to be used for the general purposes of the Group.

The Trustees have designated all funds received from the trading subsidiary in the period, but not yet awarded as grants, to fund future grantmaking activity.

THE LONDON MARATHON CHARITABLE TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. Critical accounting estimates and areas of judgement

In the application of the accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

The Trustees have considered the significant judgements and estimates applicable to the financial statements, and have concluded that these are limited to:

- Three floors of LME's office building, 190 Great Dover Street, continue to be let at a reduced rate to London Sport to create a House of Sport. Using the exemption available under FRS 102, the office is treated wholly as a tangible fixed asset rather than a partial investment property given the space is let under market rate for social benefit, intended to enhance networking and collaboration in the voluntary sport sector.
- After considering the value of the freehold properties in the financial statements, the directors are of the judgement that the recoverable amount of the properties is not materially below the carrying book value and that no impairment has been deemed necessary.

- The recoverable amount of the stock held is not less than the carry book value at historic cost, and this adjustment is made in the context that the stock items are unique to the London Marathon with no direct retail price available, however the judgement lies with price comparison to similar and on the assumption that these items will be fully utilised by future ballots and events.

In the view of the Trustees, no other assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

4. Gift Aid

The Trust has received from LME, under Gift Aid, an amount of £5,648,081 (2020: £Nil). LME paid £865,431 with the remaining £4,782,650 recognised as a debtor at the year end.

5. Trading Subsidiaries

The Trust owns the whole of the share capital of LME, which is responsible for generating income from the staging of the London Marathon and other events. LME is a designated member of LSCP and has control over 75 per cent of LSCP under the agreement between the members.

LSCP is therefore consolidated into these accounts as a subsidiary of LME. LSCP is responsible for generating income from the staging of Prudential RideLondon.

Please see note 28 for further details.

THE LONDON MARATHON CHARITABLE TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

6. Investment Income

	Unrestricted funds 2021 £	Total funds 2021 £
Income from local listed investments	281,690	281,690
Investment income	6,808	6,808
Interest receivable	346	346
Total 2021	288,844	288,844
	Unrestricted funds 2020 £	Total funds 2020 £
Interest receivable	127,532	127,532
Investment income	66,554	66,554
Total 2020	194,086	194,086

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Total funds 2021 £
Charitable activities	1,529,793	1,529,793
	Unrestricted funds 2020 £	Total funds 2020 £
Charitable activities	5,189,426	5,189,426

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REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Grant funding activities 2021 £	Support costs 2021 £	Total funds 2021 £
Charitable direct costs	678,978	819,776	31,039	1,529,793
	Activities undertaken directly 2020 £	Grant funding activities 2020 £	Support costs 2020 £	Total funds 2020 £
	730,004	4,428,358	31,064	5,189,426

Total interest payable incurred by the Group in the year amounted to £278,485 (2020: £222,542).

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Governance costs	31,039	31,064

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

9. Grants awarded	2021 £	2020 £
Facilities Grants		
Major Grants		
Greenhouse Sports	50,000	
Bankside Open Spaces Trust	50,000	
Fight for Peace	50,000	
Ebony Horse Club	50,000	
Livability	33,000	
English National Ballet	32,500	
Toynbee Hall	30,000	
Total Major Grants	295,500	1,616,375
Small Grants		
Bikeworks	29,000	
London Borough of Ealing	25,000	
Stonebridge Boxing Club	23,250	
KIDS	20,000	
London Borough of Lambeth	20,000	
Repton Boxing Club	20,000	
London Borough of Tower Hamlets	17,200	
Phoenix Canoe Club Limited	13,000	
Black Prince Trust	12,000	
Fulham Good Neighbour Service	11,500	
Restorative Justice for All	11,300	
Bede House Association	10,000	
Meridian Sports & Social Club	10,000	
Holborn Community Association	10,000	
Purley Sports Club	10,000	
Black Prince Trust	9,000	
London Borough of Haringey	7,200	
Children's Discovery Centre East London	7,000	
Coin Street Centre Trust	4,000	
Total Small Grants	269,450	577,480
Total Facilities Grants	564,950	2,193,855

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

9. Grants awarded (continued)	2021 £	2020 £
Strategic Partnerships		
Black Swimming Association	550,000	
London United Community Benefit Society Ltd	120,000	
Cycle Sisters	70,000	
Access Sport CIO	50,000	
Our Parks	49,500	
Access Sport CIO	15,016	
Rackets Cubed	15,000	
Total Strategic Partnerships	869,516	2,666,500
Total	1,434,466	4,860,355
Less grants withdrawn in the year (from Facilities Grants)	(614,690)	(431,997)
Total grants awarded	819,776	4,428,358

10. Auditor's remuneration	2021 £	2021 £
Fees payable to The Group's auditor for the audit of the charity's annual accounts	28,000	28,250
Fees payable to The Group's auditor in respect of: Other services	12,150	5,658

11. Staff costs

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Wages and salaries	5,282,417	4,721,252	391,366	394,291
Social security costs	593,391	546,174	44,224	45,723
Contribution to defined contribution pension schemes	273,276	275,004	24,706	30,385
	6,149,084	5,542,430	460,296	470,399

Included within 'Wages and salaries' above are ex-gratia termination payments of £165,846 (2020: £12,133).

THE LONDON MARATHON CHARITABLE TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

11. Staff costs continued

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

	Group 2021 No.	Group 2020 No.	Charity 2021 No.	Charity 2020 No.
Employees	148	134	9	9

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2021 No.	Group 2020 No.
In the band £60,001 – £70,000	10	6
In the band £70,001 – £80,000	2	5
In the band £80,001 – £90,000	6	4
In the band £90,001 – £100,000	1	3
In the band £100,001 – £110,000	1	1
In the band £110,001 – £120,000	1	–
In the band £120,001 – £130,000	–	1
In the band £130,001 – £140,000	1	–
In the band £140,001 – £150,000	1	–
In the band £180,001 – £190,000	–	1
In the band £210,001 – £220,000	2	1
In the band £240,001 – £250,000	–	1
In the band £260,001 – £270,000	2	1

Contributions were made to defined contribution pension schemes for the above group employees of £119,026 (2020: £101,200).

The total remuneration of the group's key management personnel, defined as the seven members of the Management Board (MB) of LME plus the Executive Director of The Trust, was £1,425,045 (2020 – £1,440,248; the eight members of the MB of LME plus the CGO of The Trust).

12. Trustees' remuneration and expenses

The Trust has received approval from the Charities Commission for two of the trustees, Alan Pascoe and Terry Duddy, to be paid as directors of the Trust's subsidiary entity LME.

The total remuneration paid was £23,370. (2020 – £Nil). Total pension contributions amounted to £369 (2020: £Nil)

During the year ended 31 December 2021, expenses totalling £3,039 were reimbursed or paid directly to Trustees, in relation to travel and subsistence (2020: £2,814).

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REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

13. Taxation

The Trust is a registered charity and therefore has no liability to taxation as its income is not from trading activities and is applied only for charitable purposes. LME and LSCP are liable to Corporation Tax on their taxable profits.

14. Tangible fixed assets

Group

	Freehold property £	Motor Vehicles £	Office Equipment £	Other fixed assets £	Total £
Cost					
At 1 January 2021	20,881,478	47,750	1,462,523	774,759	23,166,510
Additions	-	-	305,634	599,842	905,476
At 31 December 2021	20,881,478	47,750	1,768,157	1,374,601	24,071,986
Depreciation					
At 1 January 2021	-	38,988	1,173,939	12,523	1,225,450
Charge for the year	412,930	3,187	234,272	270,175	920,564
At 31 December 2021	412,930	42,175	1,408,211	282,698	2,146,014
Net book value					
At 31 December 2021	20,468,548	5,575	359,946	1,091,903	21,925,972
At 31 December 2020	20,881,478	8,762	288,584	762,236	21,941,060

Included within Freehold land and buildings is land valued at £16.2 million (2020: £16.2 million).

The Trust did not hold any tangible fixed assets at 31 December 2021 (2020: none).

THE LONDON MARATHON CHARITABLE TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

15. Fixed asset investments

Group	Listed Investments £
Valuation	
At 1 January 2021	6,430,809
Additions	4,000,000
Disposals	(7,143)
Revaluations	1,054,951
Fees	(89,622)
Investment income reinvested	226,463
At 31 December 2021	11,615,468

Charity	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 January 2021	4	6,430,809	6,430,809
Additions	-	4,000,000	4,000,000
Disposals	-	(7,143)	(7,143)
Revaluations	-	1,054,951	1,054,951
Fees	-	(89,622)	(89,622)
Investment income reinvested	-	226,473	226,473
At 31 December 2021	4	11,615,468	11,615,472

Fixed asset investments analysis

	2021 £	2020 £
Equities	8,674,571	4,575,278
Bonds	966,966	630,982
Multi-asset funds	-	123,325
Alternatives	1,717,994	943,614
Cash	255,938	157,610
	11,615,469	6,430,809

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REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

16. Stocks

	Group 2021 £	Group 2020 £
Finished goods and goods for resale	133,280	700,891

17. Debtors

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Due after more than one year				
Other debtors	80,701	–	80,701	–
	80,701	–	80,701	–
Due within one year				
Trade debtors	11,860,695	4,242,020	–	–
Amounts owed by group undertaking	–	–	4,758,205	–
Other debtors	314,380	716,815	21,243	123,225
Prepayments and accrued income	630,578	3,690,973	300,000	–
	12,886,354	8,649,808	5,160,149	123,225

Other debtors in the charity is a loan to the London Diocesan Board. The loan is interest free and due for repayment in equal monthly instalments over a 10-year period from the date of drawdown in 2016.

18. Current asset investments

	Group Restated 2021 £	Group Restated 2020 £	Charity Restated 2021 £	Charity Restated 2020 £
Listed investments	3,519,470	9,524,169	3,519,470	9,524,169

THE LONDON MARATHON CHARITABLE TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

19. Creditors: Amounts falling due within one year

	Group	Group	Charity	Charity
	2021	Restated	2021	Restated
	£	2020	£	2020
		£		£
Bank loans	500,111	7,877,111	-	-
Trade creditors	1,066,121	794,474	837	-
Amounts owed to group undertakings	-	-	-	10,000
Other taxation and social security	219,054	172,194	13,579	15,702
Other creditors	29,970	471,982	2,087	2,235
Accruals and deferred income	25,219,957	27,046,421	15,550	30,891
Grant commitments	7,012,760	9,116,138	7,012,760	9,116,138
	34,047,973	45,478,320	7,044,813	9,174,966

Grant commitments

	2021
	£
Grant commitments b/fwd at 1 January 2021	13,696,507
Grants awarded in the period	1,434,466
Grants paid in the period	(5,395,776)
Grants withdrawn in the period	(614,690)
Grant commitments c/fwd at 31 December 2021	9,120,507

Deferred income

	2021	2020
	£	£
Deferred income b/fwd 1 January 2021	27,046,421	24,335,625
Amounts released in the year	(21,697,993)	(17,913,698)
Income deferred during the year	19,882,417	20,624,494
Deferred income c/fwd 31 December 2021	25,230,845	27,046,421

THE LONDON MARATHON CHARITABLE TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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

	Group	Group	Charity	Charity
	2021	Restated	2021	Restated
	£	2020	£	2020
		£		£
Bank loans	9,392,615	7,082,374	-	-
Accruals and deferred income	7,035,819	-	-	-
Grant commitments	2,107,747	4,580,369	2,107,747	4,580,369
	18,536,181	11,662,743	2,107,747	4,580,369

Included within the above are amounts falling due as follows:

	Group	Group
	2021	2020
	£	£
Between one and two years		
Bank loans	500,111	3,939,328
Between two and five years		
Bank loans	1,500,000	3,143,046
Over five years		
Bank loans	7,392,504	-

The company had two loans outstanding at the year end.

The first loan originally of £8m and with a year end balance of £7,130,435 (2020: £7,217,391), is secured by way of legal mortgage over 190 Great Dover Street. The loan accrues interest at a rate of 1.5% above base rate and is repayable over 240 months from the date of drawdown in January 2021.

The second loan, originally of £3.1 million and with a year end balance of £2,762,290 (2020: £2,802,917), is secured by way of legal mortgage over Units 3-5 Blackhorse Business Park, Blackhorse Road. The loan accrues interest at a rate of 1.5% above base rate and is repayable over 60 months from the date of drawdown in March 2018.

In the prior year, the Group had a third loan, the Coronavirus Business Interruption Loan (CBILS) with a year-end balance of £Nil (2020: £4,939,177). During the 2021 financial year, the Coronavirus Business Interruption Loan (CBILS) was repaid in full.

THE LONDON MARATHON CHARITABLE TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

21. Financial instruments

	Group 2021	Group 2020	Charity 2021	Charity 2020
	£	£	£	£
Financial assets				
Financial assets measured at fair value through income and expenditure	15,134,938	15,954,978	15,134,938	15,954,978

Financial assets measured at fair value through income and expenditure comprise listed investments.

22. Deferred taxation

Group

	2021
	£
At the beginning of the year	783,261
Charge for the year	781,918
Other movements	265
	1,565,444

The deferred tax liability is made up as follows:

	Group 2021	Group 2020
	£	£
Fixed asset timing differences	(534,573)	-
Timing differences on capital disposals	(1,030,871)	(783,261)
	(1,565,444)	(783,261)

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

23. Statement of funds

Statement of funds – current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds						
Designated funds						
General reserve	-	591,540	(722,017)	(853,100)	983,577	-
Facilities Grants	5,400,000	-	49,740	(49,740)	-	5,400,000
Strategic Grants	427,070	-	(869,516)	6,550,921	-	6,108,475
	5,827,070	591,540	(1,541,793)	5,648,081	983,577	11,508,475
General funds						
Subsidiary undertakings	2,694,261	35,163,178	(29,515,097)	(5,648,081)	-	2,694,261
Total Unrestricted funds	8,521,331	35,754,718	(31,056,890)	-	983,577	14,202,736

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

23. Statement of funds continued

Statement of funds – prior year

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds						
General reserve	-	2,227,573	(771,068)	(1,456,505)	-	-
Facilities grants	5,400,000	-	(1,761,858)	1,761,858	-	5,400,000
Strategic partnership grants	3,398,923	-	(2,666,500)	(305,353)	-	427,070
	8,798,923	2,227,573	(5,199,426)	-	-	5,827,070

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
General funds						
Subsidiary undertakings	1,828,830	21,140,901	(21,212,304)	-	936,834	2,694,261
Total Unrestricted funds	10,627,753	23,368,474	(26,411,730)	-	936,834	8,521,331

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

23. Statement of funds continued

The Trustees have designated all funds received from the trading subsidiary, but not yet awarded as grants, to fund future grantmaking activity.

In response to uncertainties caused by Covid-19, The Trust paused its grantmaking to new organisations in April 2020. The Trustees have continued to make small grants to existing grantees to enable them to respond directly to the impact Covid-19 has had on some of the most vulnerable people in London.

Facilities Grants

Before the pause in grantmaking, applications to The Trust's Facilities Grant programmes could be submitted at any time during the period and the Trustees met quarterly to make funding decisions. Facilities Grants could be either Small Grants or Major Grants; the difference is explained below:

- Small Grants

The Small Grants programme provided awards of between £5,000 and £50,000 to small projects within The Trust's core areas. These projects aim to help improve existing amenities or to build new facilities that will enable organisations to encourage and support more people to become involved in physical activity, sport and/or play, particularly those who are currently physically inactive.

- Major Grants

The Major Grants programme provided funds of more than £50,001 for the renovation, modernisation or creation of significant facilities for organisations in The Trust's core areas. These organisations needed to demonstrate a clear commitment to encouraging and supporting people who are not physically active to participate in physical activity, sport and/or play. Applicants were able to apply for funding of up to £250,000. The Trustees have the discretion to award grants of more than £250,000 towards major projects

where a particularly strong case is made to demonstrate the impact on The Trust's priority outcomes.

Strategic Partnership Grants

In 2017-18, The Trust established a Strategic Partnership Grants programme that provided funding to projects across the UK that address barriers to participation in physical activity and inspire people from all communities to take part.

Following changes to The Trust's objects, introduced in January 2018, The Trust was able to provide capital and revenue support across the UK. The Trustees decided to introduce a proactive grantmaking programme delivered in partnership with others.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

24. Analysis of net assets between funds

Analysis of net assets between funds – current year

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	21,925,972	21,925,972
Fixed asset investments	11,615,468	11,615,468
Debtors due after more than one year	80,701	80,701
Current assets	34,730,193	34,730,193
Creditors due within one year	(34,047,973)	(34,047,973)
Creditors due in more than one year	(18,536,181)	(18,536,181)
Provisions for liabilities and charges	(1,565,444)	(1,565,444)
Total	14,202,736	14,202,736

Analysis of net assets between funds – prior year

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	21,941,060	21,941,060
Fixed asset investments	6,430,809	6,430,809
Current assets	38,073,786	38,073,786
Creditors due within one year	(45,478,320)	(45,478,320)
Creditors due in more than one year	(11,662,743)	(11,662,743)
Provisions for liabilities and charges	(783,261)	(783,261)
Total	8,521,331	8,521,331

25. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £273,276 (2020: £275,004). Contributions totalling £30,118 (2020: £27,879) were outstanding at the year end.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

26. Related party transactions

LME has paid during the year the sum under Corporate Gift Aid of £865,431 (2020: £Nil) to its parent company, The Trust. A further gift aid donation of £4,782,650 (2020: £Nil) has been accrued at the year end making the total gift aid payable relating to 31 December 2021 £5,648,081 (2020: £Nil). During the period, the subsidiary company charged the parent £12,000 (2020: £10,000) for administration services pursuant to a Service Level Agreement.

LME is a designated member of LSCP, a limited liability partnership registered in England and Wales. During the period the company made payments on behalf of LSCP totalling £Nil (2020: £424,498) including a recharge of salary costs of £Nil (2020: £327,258). Repayments were made by the LLP to the company of £Nil (2020: £1,149,664). In addition, management fees were paid in the period totalling £Nil (2020: £344,341). Its share of the profit for the period was £29,111 (2020: profit £28,586). At the year end the company owed a net amount of £4,022 to LSCP (2020: LSCP owed £166,093 to LME).

LSCP paid management fees to its designated members in the period, of which SweetSpot Group Limited charged £Nil (2020: £Nil) and LME charged £Nil (2020: £344,341).

The CEO of LME acts as a consultant to Armstrong Teasdale (Formerly known as Kerman & Co LLP Solicitors). LME paid £162,630 (2020: £126,178) and LSCP paid £Nil (2020: £5,225) to Armstrong Teasdale during the period for legal services. There were no transactions between Kerman & Co and LMCT. All transactions were on an arms-length basis.

Arun Kang, a Director of LME, is also the CEO of Sporting Equals. LME paid £4,000 (2020: £Nil) to Sporting Equals during the period for consultancy services. All transactions with Sporting Equals were on an arms-length basis.

LMCT Trustee Lee Mason is also the CEO of Active Partnerships, an organisation that was awarded a Strategic Partnership Grant of £Nil during the year (2020: £600,000), of which £Nil (2020: £441,358) remains outstanding within grant commitments as at the year end. In addition, in the period to 31 December 2018, Sporting Equals was awarded a Strategic capital grant by LMCT of £327,000 of which £67,500 (2020: £197,500) remains outstanding within grant commitments as at the year end.

Former co-opted member of the LMCT Grants Committee Charles Reed was also Chair of Activity Alliance at the time the organisation was awarded a Strategic Partnership Grant of £Nil (2020: £1,000,000), of which £445,121 (2020: £678,967) remains outstanding within grant commitments as at the year end.

LMCT Trustee Samantha Orde is Chair of Activity Alliance, an organisation that was awarded a Strategic grant of £Nil (2020: £1,000,000) of which £455,121 (2020: £678,967) remains outstanding within grant commitments as at the year end.

All grants were awarded in accordance with The Trust's Conflict of Interest Policy, which requires Trustees to withdraw from decision-making processes if a potential conflict exists.

THE LONDON MARATHON CHARITABLE TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

27. Post balance sheet events

As London & Surrey Cycling Partnership LLP no longer has the rights to operate RideLondon it will be closed down in the following financial year through a Members Voluntary Liquidation.

28. Principal subsidiaries

The following were subsidiary undertakings of The Trust:

Names	Company number	Principal activity	Holding	Included in consolidation
London Marathon Events Limited	01528489	Event delivery	100%	Yes
London & Surrey Cycling Partnership LLP	OC372072	Operation of RideLondon event	75%	Yes

The financial results of the subsidiaries for the year were:

	Income £	Expenditure £	Profit/(loss) /Surplus/ (Deficit) for the year £	Net assets
London Marathon Events Limited	35,152,495	(29,504,414)	5,648,081	2,694,265
London & Surrey Cycling Partnership LLP	51,793	(22,682)	29,111	4,022

The registered office of both London Marathon Events Limited and London & Surrey Cycling Partnership LLP is 190 Great Dover Street, London, England, SE1 4YB.