



**LONDON  
MARATHON  
CHARITABLE  
TRUST**

# **Report and financial statements**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**Charity number: 283813**

**Company number: 01550741**

# THE LONDON MARATHON CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

<b>Registered Charity Name:</b>	The London Marathon Charitable Trust (a company limited by guarantee)
<b>Charity No:</b>	283813
<b>Company No:</b>	01550741
<b>President:</b>	Sir John Spurling KCVO
<b>Trustees:</b>	John Austin Dawn Austwick OBE (Vice-Chair) Councillor Mete Coban MBE (appointed 17 April 2023) Terry Duddy Councillor Richard Henry Charles Johnston Lee Mason Gillian McKay (resigned 23 January 2023) Sam Orde OBE Alan Pascoe MBE Yogesh Patel (appointed 17 April 2023) Councillor Robert Rigby Clare Shepherd John Tennent (appointed 17 April 2023) Sir Rodney Walker KB (Chair)
<b>Principal Office:</b>	190 Great Dover Street London SE1 4YB
<b>Independent Auditor:</b>	Crowe U.K. LLP 4th Floor St James House St James Square Cheltenham Gloucestershire GL50 3PR

**THE LONDON MARATHON CHARITABLE TRUST**  
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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
- Collectively known as the ‘London Marathon Group’



# **THE LONDON MARATHON CHARITABLE TRUST**

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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

In keeping with the ambitious vision of London Marathon founders Chris Brasher and John Disley, The Trust began 2022 with a continuing commitment to our mission of inspiring activity, and enabling people of all ages, backgrounds and abilities to become and remain active.

Our vision of a society in which everyone is physically active, contributing to the physical and mental wellbeing of all regardless of their background, remains the DNA of The Trust. Never has our vision been more relevant as it is now, particularly following the challenges of recently living through a global pandemic. The Board of Trustees is immensely proud of all that we have achieved collectively throughout the year as the London Marathon Group, which continues to be a powerful force for good.

Sport and physical activity play a vital role in

improving the health and wellbeing of the nation, and we recognise how privileged we are to be able to invest in impactful initiatives that not only generate positive health outcomes, but also a host of associated positive impacts both on individuals and society – from increasing the availability of places and spaces to be active to enhancing people's positive experiences of activity and improving community cohesion. In 2022, we developed our new funding plan and strategy, focusing on two key areas: children and young people, and on increasing participation in activity of those from marginalised communities.

Our dedicated staff worked hard to execute this new approach. With the impacts of Covid-19 on activity levels continuing to be felt, we worked to balance our existing commitments to grantees – many of whom were still experiencing the negative effects of lockdown restrictions – with reopening our funds for application and launching new funds and strategic partnerships.

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Our ongoing commitment to strengthening governance practices across the London Marathon Group continued in 2022, with our Board undergoing a far-reaching Board Effectiveness Review with the Compass Partnership, which led on from our original Governance Review in 2019–20. The 2022 Review resulted in a number of important outputs including consulting on our Nominated Membership structure; establishing a new Governance & Nominations Committee; reviewing our Trustee recruitment and onboarding practices; and establishing a Trustee transition plan, resulting in starting the recruitment process for three new Trustees in December 2022.

## Inspiring activity through our funding

In 2022 we remained true to our funding commitments: to be a flexible funder, responding to the changing environment our grantees and partners operate in; to work to remove barriers to our funding, enabling more diverse groups to access our funding; to listen to our funded communities in order to better understand their needs in the face of emerging challenges around rising inflation and the cost of living crisis; and to be inclusive and relational, involving our target audiences in our approach.

The experience and expertise of our staff was maximised not only to manage our large existing portfolio of committed grants, but also to work to resume pre-Covid levels of funding and grantmaking, in line with our new funding plan and strategy. We continued to fund many of our existing Facilities Grants programme grantees to support them as they continued to operate in a time of transition post-Covid, while working to open our new small grants fund – the Active Spaces Fund – in August 2022. The Active Spaces Fund is an evolution of the Facilities Grants programme, focused on improving and activating places, spaces and facilities with a focus on our target groups of children and young people, and marginalised groups.

We continued piloting a place-based approach to distributing smaller grants to local communities in target boroughs of high deprivation via our Active Communities Fund, working in Barking and Dagenham, Tower Hamlets, and Newham to inspire those most excluded from leading active lives to take up physical activity.

We established two major new strategic partnerships in 2022. In May, we funded a £1 million grant to Active Essex and the Active Essex Foundation as part of our new RideLondon partnership with Essex County Council, and in July announced an investment of £7.5 million over five years into the brand new “Go! London” collaborative community sport fund in partnership with the Mayor of London and Sport England, with strategic support from London Marathon Events and London Sport. The fund – the biggest ever community sport fund in London’s history – will help transform the lives of young Londoners aged from four years to 24, focusing on those who are currently excluded from opportunities to be active in the capital. The Trust awarded an initial grant of £1.5 million towards delivery of the first year of the Fund in 2023.

During the financial year The Trust awarded 40 grants totalling £3,732,240 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 33 grants totalling £1,434,466 during the 12-month financial period that ended on 31 December 2021, during which time The Trust took a prudent approach to grantmaking as a result of the pandemic and as detailed in last year’s Annual Report. This brings the total The Trust has awarded since its founding in 1981 to in excess of £97 million, to more than 1,500 projects across the UK, enabling millions of people to get active (see page 11 on grantmaking).



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## 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, with a particular focus on children and under-represented groups, to take up sport and physical activity**
- **The amount raised for charities**

The financial period saw an outstanding performance by LME as events went ahead with very limited Covid restrictions for the first time since 2019. However, much work was still needed to inspire people to return to mass participation events as the world emerged from the pandemic.

LME put on its full calendar of running mass and virtual events and delivered the first edition of RideLondon since 2019. However, following the death of HM The Queen, the open water swimming event (Swim Serpentine) had to be cancelled.

As a result of LME's hard work in delivering these events, LME made its second highest ever annual profit and £5,916,621 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 work throughout 2022, and the impact this will have on our future grantmaking.

At the end of the year, LME acquired the assets of the Brighton Marathon Weekend and associated events from the previous owners that had gone into administration and entered into a five-year licence with Brighton and Hove City Council to stage the event from 2023.

For more information about the work of LME, see page 24.

## Thanks

As ever, none of The Trust's impact would be possible without the exceptional hard work of our grantees and funded partners, who are improving health and wellbeing outcomes in big and small ways every day. 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 2022 we have again been ably supported by the Grants Committee (GC), chaired by Charles Johnston, and the Finance & Audit Committee (FAC), chaired by Gillian McKay. We also extend our thanks to The Trust's President Sir John Spurling.

The Trustees had five full Board meetings and had planned a joint Strategy away day with the LME Board in October, but this was postponed until January 2023 due to train strikes. In addition, there were four meetings of the Grants Committee and four meetings of the Finance & Audit Committee (FAC), including a joint meeting with the LME FAC.

The Board has been helped greatly in its work by The Trust's staff team. During the year we said farewell to Megan Rix, Data & Insights Officer, after six years at The Trust, and welcomed Lacey Oliver as a part-time Governance Officer.

We are extremely grateful to all members of the LME Board for their hard work and dedication in 2022, which has seen such positive results: Non-Executive Directors Terry Duddy (Chair), Chi Evi-Parker (resigned in September 2022), Robin Geller (Chair of the LME Remuneration Committee), Susan Goldsmith (Chair, LME FAC), Arun Kang OBE (Chair of the Nominations Committee), Damien Lane (Senior Independent Director), Alan Pascoe MBE (Trustee Director), and Executive Directors Nick Bitel (CEO), Hugh Brasher (Event Director), Penny Dain (Marketing and Communications Director), Stephen Dell (Finance Director, resigned in August 2022) and David Adams as interim Finance Director (from July 2022).

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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 27 for more information).

With The Trust's proven expertise in funding initiatives to widen participation in physical activity and to dismantle the barriers to accessing physical activity, combined with LME's extraordinary ability to organise world-class 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. Thanks to our shared energy and commitment across the London Marathon Group to achieving transformative change, we end the year more resilient, more optimistic, and more committed than ever to inspire activity not only in our core areas but beyond.



**Sir Rodney Walker,**  
**Chair**

# THE LONDON MARATHON CHARITABLE TRUST

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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 entity LME, for the financial period ended 31 December 2022.

### 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 11.)

### 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.

### Charity Governance Code

Although it is not a legal or regulatory requirement, The Trust has adopted the Charity Governance Code, updated in December 2020, and, in accordance with the Code, provides brief details on how it applies its seven underlying principles.

- 1. Organisational purpose:** The Board is clear about The Trust's Strategy, Objectives and charitable purposes and ensures that these are being delivered effectively and sustainably.
- 2. Leadership:** The Board provides strategic leadership in line with The Trust's Strategy and Values and approved a new Funding Strategy in 2022 (see 16 for further details).

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- 3. Integrity:** The Board acts with integrity, adopting values and creating a culture which helps achieve the organisation's charitable purposes. The Board is aware of the importance of the public's confidence and trust in charities, and Trustees undertake their duties accordingly.
- 4. Decision-making, risk and control:** The Board makes sure that its decision-making processes are informed and timely and that effective delegation, control and risk assessment and management systems are set up and monitored. The Trust's Finance & Audit Committee (FAC) set up a Risk Subgroup to oversee a reformatted Strategic Risk Register, which was approved by the Board in December 2022 and will be monitored by the FAC and reported to the Board.
- 5. Board effectiveness:** The Board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions. The Board commissioned the Compass Partnership to undertake an independent Board Effectiveness Review (BER), which resulted in a number of key recommendations to improve and strengthen Board effectiveness – see P21 for further information.
- 6. Equality, diversity and inclusion:** The Board's approach to diversity supports its effectiveness, leadership and decision-making. The BER Report referred to the fact that the Trustees recognised the need to diversify the Board and appointed a recruitment diversity specialist, resulting in an open recruitment process for new Trustees that began in December 2022.
- 7. Openness and accountability:** The Board leads the organisation in being transparent and accountable. The Trust is open in its work and takes a strategic approach to communication and stakeholder engagement.

## The Trust's income during the financial period

The Trust received £5,916,621 in corporate Gift Aid from LME (2021: £5,648,081). The full amount of the

Gift Aid was paid after the year end.

In addition to Gift Aid, The Trust received donations from New Balance (who sponsors several of LME's events) of £300,000 (2021: £300,000) and other direct donations of £1,053 (2021: £3,063).

The Trust's total income this financial year was £6,680,871 (2021: £6,239,621), 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 funding 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.

The Trust began the financial period with a brought-forward balance of £5,860,293 for funding and administration in 2022. Trustees agreed a budget of £8,794,993 for funding and grantmaking, and an administration budget of £905,300 (with a further £2,115,000 of investment returns retained within reserves).

During the financial period, The Trust approved 40 grants totalling £3,732,240. Net grantmaking was £3,711,226, as grant amounts totalling £21,014 were withdrawn during the financial period (this compares to 33 grants totaling £1,434,466 in 2021 and net grantmaking of £819,776 as grant amounts totaling £614,690 were withdrawn).

## Facilities Grants

Throughout 2022, the Facilities Grants programme remained closed to new applicants as The Trust focused on supporting existing funded organisations 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 was delivered.



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Regular monitoring and engagement with funded organisations allowed staff to identify additional support requirements among existing grantees, as well as where flexibility was required. This allowed funded organisations and projects to adapt and respond to new needs as part of their Covid recovery strategies and alongside a challenging backdrop of rising inflation, the cost-of-living crisis, and wider challenges affecting the sector. This approach was aligned with The Trust's adoption of the Institute for Voluntary Action Research (IVAR) Flexible Funders Commitment in April 2021.

The Trust awarded £299,080 in grants to five existing funded organisations within its Facilities Grants portfolio to help them to inspire activity and deliver their objectives in challenging times.

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.

These grants included £33,080 to The Laburnum Boat Club in Hackney towards the staffing costs of their Senior Youth Worker and Senior Paddlesport Instructor so the club could deliver adapted activities after the pandemic and £20,000 to Holborn Community Association (HCA) towards a new Movement Manager post, focusing on a broad programme of physical activities, developing sustainable partnerships and income models and liaising with partners and community stakeholders.

Beth Ettinger, the Deputy Club Coordinator, said: "Thanks to this funding, we've been able to meet the extra demand and needs of young people as we emerged from the pandemic. Our Senior Youth Worker could meet young people, one-to-one and in small groups, addressing mental health, confidence and isolation issues that had arisen over lockdown, and our Senior Paddlesport Instructor took more young people into the outdoors, participating in a range of activities they

might not otherwise have experienced.

Paul Crozier, Director of the HCA charity, said: "The funding meant that our sports and physical activity programme continued with sports clubs for children and young people (gymnastics, martial arts, dance) and expanded to provide activities focused on wellbeing for body and mind (particularly qi gong, tai chi, yoga). We're also home to new sports clubs including wrestling and LGBTQIA+ Martial Arts.

## Active Communities Fund

In 2022 The Trust continued developing its Active Communities Fund (formerly Inspiring Activity Programme). The Active Communities Fund is a place-based pilot programme providing smaller grants aimed at inspiring activity within local communities. The fund is piloting support for grassroots organisations with strong relationships and standing within target communities to inspire activity amongst those most excluded from leading active lives. In this financial period, The Trust focused on building relationships and awarding grants in the London Boroughs of Barking and Dagenham, Newham and Tower Hamlets, awarding £491,940 in grants to 21 projects in 2022.



## Active Spaces Fund

In August 2022, the Trust soft-launched its new Active Spaces Fund, making it The Trust's first open fund since April 2020. The Active Spaces Fund is the evolution of The Trust's Facilities Grant programme and is designed to provide both capital and revenue grants to London-based projects that will improve and activate



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spaces, places and facilities that will help the least active children, young people, marginalised groups and communities to lead active lives. Nine grants totalling £391,220 were awarded to eight organisations through the initial soft launch. The fund launched in full in October 2022.



Bronx Boxing Club was awarded £50,000 through the Active Spaces Fund

## Strategic Partnerships Programme

Since 2017, The Trust has provided support for UK-wide strategic partners whose work supports ambitious ideas to address inequality of access to participation in physical activity through a combination of revenue and capital funding.

The Strategic Partnerships Programme targets 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, ethnically diverse communities, older individuals, women and girls, and people with disabilities. Strategic Partnerships funding opportunities are solicited by The Trust, identified through its extensive networks and expressions of interest, and developed collaboratively.

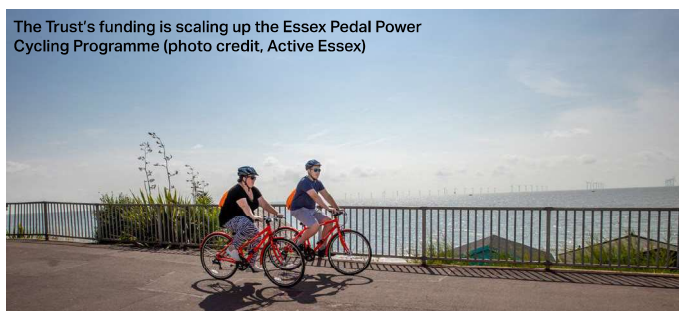
During 2022, the programme focused on identifying existing Strategic Partnerships where extra funding could scale up their inspirational work. Staff identified funding opportunities through detailed discussions with Strategic Partnership organisations about the impact of their work and the developing needs of their target audiences. Strategic Partnership organisations submitted proposals for additional funding for approval by the GC. This work also ensured that the staff

team was actively identifying future strategic investments for its post-Covid pipeline.

In 2022, The Trust awarded one Strategic Partnership grant to Sported, which received £50,000 towards a Participatory Grantmaking Pilot Fund. The project brings together a collaborative panel of individuals with understanding and lived experience of working in and with Black communities, who will drive and shape the fund's grantmaking decisions, awarding grants to other Black-led and Black-centered community organisations across London so that they can enable the communities they serve to lead active lives. The learnings and insights from the fund will actively help The Trust to evolve its own future approach to participatory funding and to understand the unique challenges faced by Black communities.

## Active Essex and Active Essex Foundation

In 2022, Essex became one of The Trust's core funding areas, following the partnership between RideLondon, the world's greatest festival of cycling organised by London Marathon Events, and Essex County Council.



The Trust's funding is scaling up the Essex Pedal Power Cycling Programme (photo credit, Active Essex)

The Trust partnered with Active Essex and the Active Essex Foundation to ensure The Trust's funding was directed to those areas and communities where it would have the greatest impact. In March 2022, Trustees approved funding totalling £1 million to Active Essex and the Active Essex Foundation for work to inspire activity across Essex in 2022-23.

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The agreed focus of the funding partnership was:

- An inclusive small grants programme for community projects across the Essex County Council administrative area, Southend and Thurrock;
- Scaling up of the Essex Pedal Power Cycling Programme (including new operations in Basildon, Colchester and Harwich);
- Planning and delivery of active travel and cycling initiatives in schools;
- Inclusive community cycling and wheeled sports initiatives and events;
- Core support for the Active Essex Foundation to increase the charity's capacity to inspire activity across Essex and become a more mature and sustainable charity by 2025.

Through this major new strategic partnership, The Trust has been able to create even more opportunities for people across the county to participate in physical activity to support health and wellbeing. As of March 2023, (outside of reporting period) the funding has enabled the following:

- **179 grants** have been awarded across Essex through the Find Your Active small grants programme supporting more than **30** different activities – from cycling to trampolining.
- **530 free bikes have been given out in Clacton and Jaywick** through The Trust's funding of Essex Pedal Power with plans to give a further **1,900 bikes across Colchester, Harwich & Dovercourt and Basildon.**
- **31 schools** have been supported to implement active travel initiatives through The Trust's schools funding focusing on increasing active travel opportunities. Initiatives range from installing bike and scooter sheds to Bikeability training for the whole family.
- **70 schools** are also being supported to develop an Active Travel Plan for pupils and their families to create more active travel opportunities

## Go! London Fund



In July 2022, the Trustees approved The Trust's investment in London's biggest ever community sports fund to improve the lives of underserved and vulnerable young Londoners – especially those facing physical, social, economic or educational challenges – to access and enjoy sport and physical activity. The Go! London Fund was established as part of a groundbreaking new funding partnership between The Trust, the Mayor of London and Sport England with strategic guidance from London Marathon Events and London Sport.

The Trust awarded a grant of £1.5 million towards the first year of the Fund, which will be delivered in 2023. The Trust and Sport England each made an indicative commitment to a £7.5 million investment, and the Mayor of London to a £4.5 million investment, towards the five-year fund, with a view to leveraging additional investment based upon research, evaluation, and learning throughout the programme.

The Trust steered the strategic direction and implementation of the Fund through representation, voting rights and ability to veto at the highest level of the Fund's governance structure.

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The Fund has the following key objectives:

- To help build a fairer London by transforming the lives of underserved young Londoners, aged 4–24, through sport and physical activity;
- To strengthen, diversify and enhance the sustainability of the capital's sport and physical activity sector so that it better meets the needs of underserved young Londoners;
- To reduce the barriers and inequalities underserved young Londoners face in being active and to help ensure they are able to fulfil their potential;
- The Fund was announced publicly by the Mayor of London on Friday 22 July at an event celebrating the tenth anniversary of the London 2012 Olympic and Paralympic Games and officially opened for applications on 7 March 2023 (outside of this reporting period).

## London Marathon Group Innovation Fund

In 2022, The Trust and London Marathon Events began to assess the potential for a joint fund to pilot innovative approaches to inspiring activity, with an emphasis on trying new ideas and embracing risk. Projects explored in 2022 include a Children's Physical Literacy pilot in partnership with Bradford University and Sport England.

## Funding Approach

### Funder Commitment on Climate Change

In December 2022, the Trustees approved The Trust to become a signatory to the Funder Commitment on Climate Change. The Commitment is hosted by the Association of Charitable Foundations and acts as a holistic, high-level framework supporting funders to play their part in tackling the causes and impacts of climate change.

In 2023, LMCT will formulate its approach to addressing the six pillars of the commitment: educate and learn, commit resources, integrate, steward our investments, decarbonise operations and report on progress.

This forms part of The Trust's work under its Sustainability Objective to drive positive change in environmental sustainability and embed sustainability considerations across all funding activity and partnerships.

### Foundation Practice Rating

In March 2022, The Foundation Practice Rating (a project led by the Friends Provident Foundation) published its assessment of grant-makers' performance on their approach to transparency, accountability, and diversity. The Foundation Practice Rating assessed 100 Trusts and Foundations and every organisation was assigned a score of A, B, C or D for each pillar (with A being highest), plus an overall rating.

The Trust was one of the organisations assessed by the project and scored an overall rating of B, which was above average. The Trust was rated A for transparency (the average was B), B for accountability (the average was C) and C for diversity (the average was D). The Trust will use learnings from the assessment to inform the development of its future funding plans and processes.



# THE LONDON MARATHON CHARITABLE TRUST

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## The London Marathon Charitable Trust's strategy for financial periods 2022–2025

In 2022, The Trust developed a revised funding plan, outcomes framework, funding principles and decision-making framework.

### Funding Plan

In 2022, The Trust adopted a new funding plan for the period 2022 to 2025. The plan was shaped by The Trust's charitable objectives, vision, mission and values.

- 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 inspire, encourage and champion participation and diversity in physical activity.
- The Trust's funding will focus on two key themes and outcome areas:

#### 1. Children and Young People (CYP)

Creating and enabling more opportunities for CYP with a focus on:

- CYP that experience barriers in accessing sport and physical activity;
- CYP least likely to lead active lives;
- CYP that are not well served with opportunities to be active.

#### 2. Participation

Placing diversity at the heart of The Trust's work by being inclusive and supporting marginalised groups and communities with a focus on:

- Communities that are not well served with opportunities to be active;

- Communities that are least likely to lead active lives;
- Communities that experience discrimination and systemic oppression, contributing to higher levels of inactivity.

The Trustees agreed to the following funding principles:

- The Trust's funding will be focused on the London Marathon Group's strategic objectives.
- The Trust will continue to use a broad interpretation of 'physical activity'.
- The Trust will be flexible in its approach to funding, balancing openness with strategic work and will make explicit reference to remaining flexible and responsive to unforeseen circumstances that affect its target audiences.
- The Trust will focus on doing fewer things very well.

### Outcomes Framework

In October 2022, The Trust introduced a new Outcomes Framework designed to:

- Enable The Trust to measure and demonstrate the impact of its funding and grantmaking under the new funding themes;
- Identify what else The Trust may need to do to achieve its vision and mission and what new programmes, approaches and grants might be needed to deliver this;
- Communicate clearly what The Trust is working to achieve and the changes The Trust expects to happen as a result of its funding.

### The Trust aims to achieve these outcomes through multiple funding and grantmaking mechanisms:

Existing portfolio

- Active Spaces Fund
- Active Communities Fund
- Partnerships Fund

# THE LONDON MARATHON CHARITABLE TRUST

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## THE TRUST'S PERFORMANCE AGAINST ITS OBJECTIVES FOR FINANCIAL YEAR ENDED 31 DECEMBER 2022

The Trustees and staff set specific operational and strategic objectives for 2022 to continue to drive achievement of The Trust's charitable objectives. The Trust's objectives continued to be aligned to the London Marathon Group Strategic Framework, providing high-level guidance for the Group on who benefits from its work, what the Group will do, and where and how The Trust and LME will work together to create joint impact.

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 its priority audiences.

### Group Objectives

Following the creation of the Group Strategic Framework in 2021, new Group Objectives to 2025 were agreed. The Group Objectives cover six key areas: Children and Young People, Participation, Sustainability, Brand, People and Financial. These areas of focus continued throughout 2022.

### The Trust's Strategies and Actions

The Trustees approved a new set of Strategies and Actions for The Trust in 2022, aligned to the Group Strategic Framework. These Strategies and Actions cover the period of 2022-2025 and 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.

### Achievements:

- The Trust reviewed and reimagined its **funding offer**, placing positive outcomes for children and young people at the heart of its vision for more active and healthy communities.
- The Trust launched the **Active Spaces Fund** which provides funding to improve and activate spaces, places and facilities in London that will help the least active children and young people to lead active and healthy lives.
- The Trust designed the **Go! London community sport fund** in collaboration with the Mayor of London, Sport England, LME and London Sport, creating the biggest ever community sport investment in London. The multi-year fund will use the power of sport and physical activity to transform the lives of young Londoners, focusing on underserved children and young people aged four years to 24 and at a higher risk of poverty, social exclusion and discrimination. Go! London includes £3 million worth of funding to support schools and local community organisations to develop lasting partnerships and offers that meet the needs of children and young people. Young Londoners are shaping the strategic direction of the fund and are involved in funding decisions.
- The Trust worked with **Active Essex** to support 70 schools across Essex to develop an Active Travel Plan for pupils and their families. 31 schools delivered active travel initiatives which increased opportunities for children and families, such as Bikeability training.
- The Trust worked with LME to develop a partnership with Sport England and the University of Bradford to develop a new physical literacy measurement tool entitled Funmoves. When scaled, the tool has the potential to bring significant improvements to the landscape of children's physical literacy and fundamental movement skills from an early stage – the foundation blocks for children to go on to lead active, healthy lives. In 2022, The Trust supported the beginning of feasibility work which continues into 2023.

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## 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 LME initiatives that inspire and champion activity for people across all demographics.

### Achievements:

- The Trust reviewed and reimagined its **funding offer**, placing positive outcomes for marginalised groups and communities at the heart of its vision for more active and healthy communities.
- The Trust launched the **Active Spaces Fund** which provides funding to improve and activate spaces, places and facilities in London that will help marginalised groups and communities to lead active and healthy lives.
- The Trust designed the **Go! London fund**, a multi-year fund that will use the power of sport and physical activity to transform the lives of young Londoners, focusing on underserved children and young people aged four years to 24 who are at a higher risk of poverty, social exclusion and discrimination. **Go! London** includes £1.5 million of funding to improve access to walking, running and cycling for a more diverse range of children and young people.
- 90 per cent of organisations funded to date through the **Active Communities Fund** have never received funding from The Trust before. This demonstrates the success of this fund in reaching grassroots organisations with closer connections and deeper relationships within diverse communities.
- The Trust partnered with Sported, the Mayor of London, Sport England, London Sport, City Bridge Trust and The Social Change Agency on a participatory grant-making pilot in London. The **Black Community Sport and Physical Activity Fund** aims to address the huge inequalities faced by Black-led grassroots groups and organisations in accessing funding to deliver physical activity and sport to their communities. Early learning from the pilot includes the various benefits of involving target audience organisations in the design of the application processes and improving accessibility by being flexible on the method of application. The Trust will use the learning from this to embed participatory approaches and diversity, equity and inclusion considerations more effectively across The Trust's funding and grantmaking.
- The Trust's strategic funding partnership with the **Black Swimming Association (BSA)** has enabled the organisation to build its infrastructure and capacity through the appointment of four key staff roles. In 2022, this has resulted in the delivery of The Blue Hour and Together We Can programmes in the borough of Hackney and the analysis of two research pieces targeted at understanding the barriers to aquatic participation. The BSA won the National Lottery Project of the Year for 2022.
- Through **Levelling the Playing Field**, The Trust's strategic funding partnership with **Alliance of Sport in Criminal Justice**, more than 1,500 children and young people have engaged in sports and physical activity sessions between 2020 and 2022, preventing them from becoming involved in the Criminal Justice System. To date, 95 per cent of participants have been from ethnically diverse backgrounds.

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## 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.

### Achievements:

- All applicants, grantees and strategic partners are routinely asked about what action they are taking to embed social, economic and environmental sustainability across their work.
- The Trust has developed a set of outcome measures which will be used to monitor, evaluate and assess how all funded organisations, projects and partnerships are delivering social, economic and environmental sustainability.
- The Trust has completed all preparatory work and planning to become a signatory to the Funder Commitment on Climate Change in early 2023. This will see The Trust play its part as a funder in tackling the causes and impacts of the climate crisis through committing to six vital actions: to educate and learn; commit resources; integrate; steward our investments to a post-carbon future; decarbonise its operations; and report on its progress.
- The Trust has completed all preparatory work and planning to become an accredited Living Wage Employer and Funder in early 2023.

## 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'.

### Achievements:

- In September 2022, a new logo was launched that was more visually aligned to London

Marathon Events' visual identity. The purpose was to bring together the brand identities of The Trust and London Marathon Events, creating more awareness of the relationship between the two organisations for both internal and external audiences.

- In December 2022, the Trustees approved a new working name of the London Marathon Foundation as part of the rebranding planned for 2023, which was designed to extend The Trust's funding reach and impact. Included within this rebrand will be the launch of a new London Marathon Foundation website.
- Following a comprehensive benchmarking of roles at the start of 2022, The Trust's staff team was restructured to reflect its new funding plan and thematic approach and its Strategies and Actions. This saw the creation of a new Head of Funding role to lead the Funding Team, consisting of a Strategy and Impact Manager, two Funding Managers (managing the Children and Young People and Participation portfolio respectively), a Data and Insights Officer and a Funding Team Administrator. The Trust also created the role of Communications and Engagement Manager and enhanced the capacity of the governance team by creating a Governance Officer role.
- The staff were involved throughout the year in the creation of new Group values.

### 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:



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- **Organisations to plan, explain and demonstrate the impact of their work;**
- **The Trust and grantees to monitor progress of the work;**
- **The Trust and grantees to learn and respond to any issues arising;**
- **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, strategic partners, other stakeholders, and the wider sector.

The Trustees and staff wish to demonstrate and maximise the impact of grants and, in order to achieve this, The Trust will be rolling out a new monitoring, evaluation and learning framework in 2023.

## MONITORING THE TRUST'S SYSTEMS AND PROCESSES

The Trust's work with evaluation partner Wavehill was completed in 2022, providing a strong foundation for improving The Trust's approach to monitoring, evaluation, learning and impact assessment.

As part of this work, in 2022 The Trust developed a new Outcomes Framework which will guide the strategic direction of its grantmaking and partnerships over the next few years.

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 funding and 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 programmes in 2022, staff obtained and reviewed feedback on the online application process, aiming to make the process more user-friendly, and reducing the amount of time organisations spend applying for funding by only asking for required information.

The 2022 Foundation Practice Rating assessed foundation practice in relation to transparency based on the following question: does a potential grantee have access to the information that it needs to be able to contact the foundation and decide whether to apply for funding in advance of any grant application. Organisations were given a score of A, B, C or D for their transparency (with A being highest). The Trust scored A for transparency (the average was B), demonstrating the Trustees' and staff's commitment.



# THE LONDON MARATHON CHARITABLE TRUST

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## Governance and Management of The London Marathon Charitable Trust Members

### Members

The Trust is a registered charity and a company limited by guarantee. The Articles of Association in operation at the year-end provided for a maximum of seven Members nominated by Membership Organisations, whose liability is limited to the sum of £1 in the event of The Trust being wound up.

### During 2022 The Trust's Member Organisations comprised:

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

Following the Board Effectiveness Review that took place in the summer of 2022, The Trust consulted with its Member Organisations on a review of its member nominating structure, with a view to revising its Articles of Association to move to a Board made up wholly of Independent Trustees. The consultation resulted in unanimous assent from the Member Organisations, with the Trustees approving amendments to the Articles of Association by Special Resolution, for formal ratification, which was approved unanimously at an Extraordinary General Meeting held in January 2023.

### Board of Trustees

The Board composition in 2022 comprised up to 15 Trustees – eight Nominated Trustees nominated by its Member Organisations, six independent Trustees, and the Chair of the LME Board. The Board is responsible for the conduct of The Trust, its governance and operations, from setting strategic direction to monitoring The Trust's performance against objectives, as well as overseeing its finances.

The Trustees meet as a Board at least four times a year to set and oversee delivery of The Trust's strategy, including at an annual joint Boards' Away Day with the Directors of LME and senior executives to discuss strategic matters relevant to the Group. In 2022, the December Away Day was postponed to January 2023 due to train strikes.

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 funding and 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.

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.

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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 provides guidance to The Trust's Executive Director.

## Governance of The Trust

### President

Sir John Spurling KCVO, OBE

### Trustees

The Trustees, their roles and the committees on which they served in 2022, are listed below.

FAC = Finance & Audit Committee

GC = Grants Committee.

### John Austin (FAC, GC)

Nominated Trustee of London Councils

### Dawn Austwick OBE (GC)

Vice-Chair

### Terry Duddy

Ex-officio Trustee as Chair of LME Board

### Councillor Richard Henry

Nominated Trustee of the Local Government Association

### Charles Johnston (GC)

Nominated Trustee of Sport England

### Lee Mason (GC)

Nominated Trustee of Active Partnerships

### Gillian McKay (FAC Chair)

Independent Trustee

### Sam Orde OBE (FAC)

Nominated Trustee of Activity Alliance

### Alan Pascoe MBE

Independent Trustee (also serves as an LME Director)

### Councillor Robert Rigby (GC)

Nominated Trustee of London Councils

### Clare Shepherd (FAC, GC)

Independent Trustee

### Sir Rodney Walker KB (GC)

Chair

## Committees

The Trustees are currently supported by three committees that make recommendations to the full Board. Trustees are appointed to serve on the committees.

The Finance & Audit Committee (FAC) 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 FAC member in November 2019 and his term was renewed in December 2022.

The Grants Committee (GC) reviews and appraises Grant applications for approval in line with the Grants Policy, Funding Framework and the Delegated Authority. The GC meets four times a year.

A new Governance & Nominations Committee (GNC), to be chaired by Vice-Chair Dawn Austwick, was recommended for establishment in 2023 and will be responsible for nominations to the Board and its committees, succession planning, board effectiveness reviews, monitoring and appraising the performance of the Executive Director, and reviewing policies to recommend to the Board for approval.

# THE LONDON MARATHON CHARITABLE TRUST

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### 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, copies of the Annual Accounts and other relevant governance documents. The GNC will be reviewing this process in relation to the induction of the new Trustees appointed in 2023.

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 other matters related to The Trust's areas of funding and grantmaking.

### 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, grantees and strategic partners.

The Trust has a team of eight full-time and two part-time staff members to manage the work of The Trust. The Trust is also supported by the provision of services (including HR, IT, Communications and Finance) by 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 operational matters.

### Governance Review update

The Governance Review in 2020 and 2021 made

important recommendations to strengthen the London Marathon Group's governance and oversight of LME by The Trust and enhanced the formal and informal relationships between the parent and subsidiary undertakings.

This was followed up by a Board Effectiveness Review in 2022 which included a structural review of the Trust's Board, an independent assessment of the Board's effectiveness, an appraisal of the Chair, a Skills and Diversity Audit, a Membership Review, and work on succession planning.

The Review concluded that the majority of Trustees and senior executives think governance is effective but that there is room for improvement. Four key areas of development were identified.

1. The future structure and membership of the Board to be addressed – the structure of Nominated and Independent Trustees and the "cliff edge" of Trustees' terms of office ending at a similar time require a revised governance structure and succession plan.
2. Greater attention to be given to diversity, particularly as regards membership of the Board.
3. The Board needs a regular consideration of its own performance and to aim for continuous improvement.
4. Board agendas, papers and discussions need to become much more strategic and less operational.

The diversity, skills and experience audit showed that the Board is not at all diverse but has the majority of skills and experiences deemed to be important. An independent Trustee recruitment process run by Green Park began in December 2022.

The Review made 29 recommendations in total to strengthen the governance structure, processes, meetings and behaviours of The Trust.

A Task & Finish Group chaired by Dawn Austwick was established to implement the

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recommendations. The Group held discussions with each Nominated Trustee and their Nominating Organisations, arranged one-to-one consultations with Independent Trustees about their terms of office, and the following recommendations were approved by the Board at its meeting in December 2022.

1. Changes to The Trust's legal structure whereby the Board composition provides for eight to 16 independent Trustees who are the Trust's Legal Members during the term of their trusteeship.
2. Updating the membership and Board composition provisions of the Articles of Association to reflect the new legal structure and modernisation of the Articles in accordance with best practice, for approval by Members at an Extraordinary General Meeting in January 2023.
3. The Board to comprise independent Trustees with defined terms of office and a succession plan to outline departure dates for the refreshment of the Board and replacement of current Trustees over a three-year period.
4. Green Park, a firm of diversity specialist recruitment consultants, was appointed via a tender process to recruit up to four new Trustees from diverse backgrounds with financial, digital and London local government experience to address the gaps identified by the Skills Audit.
5. The Terms of Reference of a Governance & Nominations Committee to be established in 2023.

## The Trust staff

### Catherine Anderson

Executive Director

### Juspal Bansal

Funding Team Administrator (joined July 2022, left November 2022)

### Deirdre Cole

Strategy and Impact Manager (part-time, on maternity leave from November 2022)

### Amy Cruse

Communications and Engagement Manager

### Fiona Downes

Head of Governance

### Eleanor Grant

Funding Manager

### Lacey Oliver

Governance Officer (part-time, joined November 2022)

### Megan Rix

Data & Insights Officer (left October 2022)

### Marianna Sikorowska

Funding Manager

### Joe Thompson

Head of Funding

## THE WORK OF LONDON MARATHON EVENTS LIMITED IN 2022

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.

Overall, 2022 was a remarkable renaissance year for LME with outstanding results. The market remained depressed with entry numbers for mass participation events across the industry remaining significantly lower than pre-Covid levels. However, LME's events performed well above the industry average and events returned to central London locations without the operational restrictions of the past two years which were imposed by the pandemic.

Following a full tender process, LME agreed a new network broadcast contract with the BBC for the

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period 2022-26 for the TCS London Marathon and RideLondon with the guarantee of streamed live coverage of other events.

In addition, for the first time, the contract included a strategic partnership for the BBC and LME to work together on initiatives to inspire activity in children and increased diversity in physical activity.

During the financial period, LME delivered eight mass participation running events and four virtual running events in addition to the return of RideLondon with its four mass participation cycling events and women's professional race.

The calendar featured the inaugural mass participation TCS Mini London Marathon for children and young people which took place on the final section of the famous course on the day before the TCS London Marathon.

Swim Serpentine, the open water swimming event in Hyde Park, was cancelled in 2023 following the death of HM Queen Elizabeth II.

A total of more than 270,000 people took part in LME mass and virtual events during the year and 307,927 children took part in the 2022 TCS Mini London Marathon in schools – a virtual event.

At the end of the year, LME acquired the assets of the Brighton Marathon Weekend and associated events from the previous owners that had gone into administration and entered into a five-year licence with Brighton and Hove City Council to stage the event from 2023.

### The LME 2022 event calendar comprised:

1. The Vitality Westminster Mile and the Vitality London 10,000 and a virtual edition of the Vitality London 10,000.
2. RideLondon-Essex 100, 60 and 30, FreeCycle and the RideLondon Classique.
3. The Standard Chartered Great City Race and a virtual Standard Chartered Great City Race.
4. The Big Half, the New Balance Big Relay and The Big Mile.

5. The TCS London Marathon and the virtual TCS London Marathon.
6. The new mass TCS Mini London Marathon and a virtual TCS Mini London Marathon for schools.

LME's event season opened in May 2022 with the return of the Vitality weekend events to the iconic routes in central London after nearly three years away. The Vitality Westminster Mile took place on Saturday 1 May with 3,463 finishers, followed the next day by the Vitality London 10,000 with 13,532 finishers.

The Vitality London 10,000 included a Run for Ukraine wave where all entry fees were donated to the Disasters Emergency Committee and participants were encouraged to fundraise to support relief work.

The virtual edition of the Vitality London 10,000 had more than 5,000 finishers and participants had 10 days to complete their 10K on the route of their choice. In addition, 5,000 schoolchildren in Westminster earned their Vitality Westminster Mile medal by completing their mile in school and LME supported a special event at the Paddington Recreation Ground for children from special schools in Westminster.

RideLondon, the world's greatest festival of cycling, returned for the first time since 2019 with a new partnership with Essex County Council and new routes for the mass challenge rides. A total of 22,371 riders completed the 100-mile, 60-mile and 30-mile rides which started in central London, went out into Essex and returned to the capital to finish on the spectacular setting of Tower Bridge. Tens of thousands of riders of all ages and abilities enjoyed cycling on closed roads in central London at RideLondon FreeCycle, the free family-friendly event. The RideLondon Classique, a women's UCI WorldTour race, became a three-day stage road race on new routes in Essex and a final day in central London.

The Standard Chartered Great City Race was scheduled to take place on 19 July but, due to the extreme weather temperatures that week, it had to



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be postponed until Tuesday 6 September. A total of 3,271 participants completed the corporate challenge on the new date on an adjusted 4K course (due to major works) through the City of London and a further 155 participants took part in the virtual event, completing the 5K on the course of their choice.

The Big Half returned on Sunday 4 September. The event also featured the New Balance Big Relay and the free-to-enter Big Mile. 12,393 people completed The Big Half, more than 150 teams completed the New Balance Big Relay and hundreds of adults and children completed The Big Mile.

Following the death of HM Queen Elizabeth II, Hyde Park was required for preparations for the State Funeral which led to the cancellation of Swim Serpentine, scheduled to take place on Saturday 17 September.

2022 was the first year of a six-year partnership with TCS as headline sponsor of the London Marathon. The 2022 event saw a landmark moment as the TCS Mini London Marathon became a stand-alone event on Saturday 1 October with new mass participation one mile and 2.6K events open to children and young people of all abilities aged between four and 17, in addition to the traditional Championships events open to the best young runners across the UK. In a unique initiative, every child that completed the mass event received £10 from TCS for their school to invest in sports or IT equipment. More than 7,000 entered the event but the national train strike had a significant impact on participant numbers on the day.

The death of The Queen was marked with a tribute and the playing of the National Anthem at the start of the TCS London Marathon on Sunday 2 October. A total of 40,698 people ran together through the streets of the capital in the largest marathon in the UK since 2019. Hundreds of thousands of spectators lined the streets to cheer on the participants in an emotional celebration of unity and humanity. For the first time, assisted

wheelchair places were made available to participants unable to complete the event under their own power, with up to four support runners.

An additional 8,550 people across the UK and around the globe completed the virtual TCS London Marathon between 00:00 and 23:59:59 BST on the same day. In addition, more than 650,000 children from nearly 2,000 schools registered to take on 2.6 miles in the TCS Mini London Marathon in schools.

More than 480,000 people applied in the ballot for a place in the 2023 event, which now returns to its traditional April date after being held in October for three years.

As part of its mission to inspire activity, LME also supports through financial support and expertise small community-based organisations to stage events and in 2022 these included the Black Unity Bike Ride, The Last Stand, Muslim Charities Run and Uniting for Grenfell: Black Crews United Carnival Run.

## 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 £1.1 billion for a huge variety of charities.

In the last financial period, according to data from fundraising platforms and major charities, more than £60 million has been raised for charities working across the UK and internationally through LME events.

## Governance

The LME Board, chaired by Terry Duddy, met six times during 2022. In addition, there were meetings of the Finance & Audit Committee, chaired by Susan Goldsmith, the Remuneration Committee, chaired by Robin Geller, and the Nominations Committee, chaired by Arun Kang.

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## LME Objectives, Strategies and Actions

Following the agreement of the Objectives for the London Marathon Group (see page 17), 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.

### 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.

# THE LONDON MARATHON CHARITABLE TRUST

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## 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:

- Replacing diesel vehicles used for set up and breakdown at events with fully electric vans.
- Generators and baggage vehicles powered with HVO fuel derived from vegetable oil, which has lower greenhouse gas emissions than diesel.
- Introduced a carbon levy for international participants and partnered with Climate Impact Partners to compensate for emissions that are not currently possible to reduce. Introduced opt-outs for finisher T-shirts and medals at certain events.
- Designed out waste, used waste to make Mile Markers at the 2022 TCS London Marathon, segregated waste at events, recycled discarded clothing.
- Worked with partners to use recycled products, return recycled product for further recycling and encouraged use of bottle belts by participants.

## 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.

# 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 2022, The Trust's primary source of income is the return of corporate Gift Aid from its wholly owned subsidiary, LME. This totals £5,916,621 (2021: £5,648,081) and is made up of the surplus generated by LME through the delivery of mass participation events.

### The Trust received the following income:

1. £5,916,621 Gift Aid from LME
2. £300,000 donation from New Balance
3. £463,197 income from investments
4. £1,053 other direct donations

This brings the total income received during the year to £6,680,871 (2021: £6,239,621).

Total consolidated income for the Group in the financial year, including the income generated through LME, is £42,882,408 (2021: £35,754,718) with a net consolidated surplus of £1,783,824 (2021: £5,681,405)



# THE LONDON MARATHON CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

## Cash management, Reserves Policy and investments

The Trust holds cash balances of £3,166,796 (2021: £365,944), short-term investments of £2,024,625 (2021: £3,519,470) and long-term investments of £11,349,091 (2021: £11,615,472). The Group had cash balances as at 31 December 2022 of £23,589,664 (2021: £18,271,790).

The Trust always holds significant reserves at year end as it does not make commitments to grants until income is confirmed. Therefore, as of 31 December 2022 the reserves include the Gift Aid for 2022, 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 of 31 December 2022, The Trust had total reserves of £12,539,605 (2021: £11,508,475) and the Group had total reserves of £15,986,560 (2021: £14,202,736).

In addition, The Trust has £9,926,090 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 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 2022, £11,349,087 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. Losses on the Responsible Multi-Asset Fund in the financial year were £1,094,164 (2021: gain of £983,877) with investment income across all investments of £463,197 (2021: £288,477).

## 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

# THE LONDON MARATHON CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

are currently inactive. At the end of the financial year, £119,298 (2021: £98,246) had been repaid and £80,702 (2021: £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 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 2022. 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 2022 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 31.

# THE LONDON MARATHON CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

## 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.

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 staging of major sports events is always associated with uncertainties and risks. In 2022 LME had to cancel an event due to the death of HM The Queen and another event was postponed due to adverse weather conditions. 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'.

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:

1. Clarify responsibilities for identifying and

managing risks

2. Ensure that an appropriate level of risk management is consistently applied across the Company
3. 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 Executive Leadership Team is responsible for considering and executing the appropriate action to mitigate these risks whenever possible. It is not possible to identify every risk that could affect the businesses, and the actions taken to mitigate the risks described below cannot provide absolute assurance that a risk will not materialise and/or adversely affect the business or financial performance.

The key risks that the Board has identified are the cancellation of events due to reasons beyond the control of the company, or loss of permission to stage particular events; economic risks, including the loss of key sponsors; loss of key staff; 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.

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

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

# THE LONDON MARATHON CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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 LME Board's Remuneration Committee reviews the pay and remuneration of LME's staff annually.

## Post-Balance Sheet Event

On 1 January 2023, London Marathon Events Limited completed the acquisition of 50 per cent of the share capital of M4 Events Limited, which is the sole member of Run 4 Wales Limited, a business organising mass participation events in Wales.

London Surrey & Cycling Partnership LLP is still in the process of a Members' Voluntary liquidation and will be closed down during 2023.

## 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 Trustees' Annual 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 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 Trustee Board Members are also approving the Strategic Report in their capacity as Company Directors.

By order of the LMCT Board

DocuSigned by:  
  
 FFA92B991C8E4A6...  
 Sir Rodney Walker  
 Chair of Trustees

Date: 08 August 2023



# THE LONDON MARATHON CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

## 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 2022, 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 2022 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 2022

## 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 2022

## 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

## THE LONDON MARATHON CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

# Independent Auditor's Report

TO THE MEMBERS OF LONDON MARATHON CHARITABLE TRUST LIMITED

including fraud, to be the override of controls by management and the timing of recognition of certain income streams.

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](http://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.

DocuSigned by:

*Guy Biggin*

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**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:** 14 August 2023



**LONDON MARATHON CHARITABLE TRUST LIMITED**  
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND  
EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>				
Donations:				
Donations		301,053	301,053	303,063
Government grants		-	-	10,327
Other trading activities		42,118,158	42,118,158	35,152,484
Investments	6	463,197	463,197	288,844
<b>Total income</b>		<b>42,882,408</b>	<b>42,882,408</b>	<b>35,754,718</b>
<b>Expenditure on:</b>				
Raising funds Organising events				
LME		35,022,411	35,022,411	28,722,497
LSCP		-	-	22,682
Charitable activities:	7			
Facilities Grants		843,861	843,861	229,893
Strategic Partnership Grants		1,288,888	1,288,888	1,299,900
New Programme Funds		581,559	581,559	-
Strategic National Funds		1,841,269	1,841,269	-
<b>Total expenditure</b>		<b>39,577,988</b>	<b>39,577,988</b>	<b>30,274,972</b>
<b>Net income before net (losses)/gains on investments</b>		<b>3,304,420</b>	<b>3,304,420</b>	<b>5,479,746</b>
Net (losses)/gains on investments		(1,094,164)	(1,094,164)	983,577
<b>Net income before taxation</b>		<b>2,210,256</b>	<b>2,210,256</b>	<b>6,463,323</b>
Taxation		(426,432)	(426,432)	(781,918)
<b>Net movement in funds</b>		<b>1,783,824</b>	<b>1,783,824</b>	<b>5,681,405</b>

**LONDON MARATHON CHARITABLE TRUST LIMITED**  
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND  
EXPENDITURE ACCOUNT) (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Note			
<b>Reconciliation of funds:</b>			
Total funds brought forward	14,202,736	14,202,736	8,521,331
Net movement in funds	1,783,824	1,783,824	5,681,405
<b>Total funds carried forward</b>	<b>15,986,560</b>	<b>15,986,560</b>	<i>14,202,736</i>

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 45 to 71 form part of these financial statements.

**LONDON MARATHON CHARITABLE TRUST LIMITED**  
(A company limited by guarantee)

**CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)**  
**AS AT 31 DECEMBER 2022**

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>			
Donations and Legacies			
Donations	301,053	301,053	303,063
Bequests from RideLondon	-	-	-
Other trading activities			
LME	5,916,621	5,916,621	5,648,081
Investments	463,197	463,197	288,477
<b>Total income</b>	<b>6,680,871</b>	<b>6,680,871</b>	<b>6,239,621</b>
<b>Expenditure on:</b>			
Charitable activities			
Facilities Grants	843,861	843,861	234,619
Strategic Partnerships	1,288,888	1,288,888	1,307,174
New Programme Funds	581,559	581,559	-
Strategic National Funds	1,841,269	1,841,269	-
<b>Total expenditure</b>	<b>4,555,577</b>	<b>4,555,577</b>	<b>1,541,793</b>
<b>Net income before net (losses)/ gains on investments</b>	<b>2,125,294</b>	<b>2,125,294</b>	<b>4,697,828</b>
Net (losses)/gains on investments	(1,094,164)	(1,094,164)	983,577
<b>Net income/(expenditure)</b>	<b>1,031,130</b>	<b>1,031,130</b>	<b>5,681,405</b>
Transfers between funds	-	-	-
<b>Net movement in funds</b>	<b>1,031,130</b>	<b>1,031,130</b>	<b>5,681,405</b>
Fund balances at 1 January 2022	11,508,475	11,508,475	5,827,070
<b>Fund balances as at 31 December 2022</b>	<b>12,539,605</b>	<b>12,539,605</b>	<b>11,508,475</b>

All gains and losses in the current and prior year and included in the statement of financial activities.

Details of grants can be found in note 9.

The notes on pages 45 to 71 form part of these financial statements.

**LONDON MARATHON CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 01550741**

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

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets	14	950,555	-
Tangible assets	15	22,277,568	21,925,972
Investments	16	11,349,087	11,615,468
		<u>34,577,210</u>	<u>33,541,440</u>
<b>Current assets</b>			
Stocks	17	147,982	133,280
Debtors	18	8,388,987	12,886,354
Investments	19	2,024,625	3,519,470
Cash at bank and in hand	28	23,589,664	18,271,790
		<u>34,151,258</u>	<u>34,810,894</u>
Creditors: amounts falling due within one year	20	<u>(35,939,628)</u>	<u>(34,047,973)</u>
<b>Net current liabilities / assets</b>		<u>(1,788,370)</u>	<u>762,921</u>
<b>Total assets less current liabilities</b>		<u>32,788,840</u>	<u>34,304,361</u>
Creditors: amounts falling due after more than one year	21	(14,133,506)	(18,536,181)
Deferred tax	23	(1,991,346)	(1,565,444)
Provisions	24	(677,428)	-
<b>Total net assets</b>		<u><u>15,986,560</u></u>	<u><u>14,202,736</u></u>



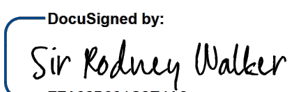
**LONDON MARATHON CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 01550741**

**CONSOLIDATED BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>Charity funds</b>			
Restricted funds	25	-	-
Unrestricted funds			
Designated funds	25	12,539,605	11,508,475
General funds	25	3,446,955	2,694,261
Total unrestricted funds	25	<u>15,986,560</u>	<u>14,202,736</u>
<b>Total funds</b>		<u><u>15,986,560</u></u>	<u><u>14,202,736</u></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 and signed on their behalf by:

DocuSigned by:  
  
FFA92B991C8E4A6...  
**Sir Rodney Walker**  
 (Chair of Trustees)

Date: 08 August 2023

The notes on pages 45 to 71 form part of these financial statements.

**LONDON MARATHON CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 01550741**

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

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Investments	16	11,349,091	11,615,472
		<u>11,349,091</u>	<u>11,615,472</u>
<b>Current assets</b>			
Debtors	18	5,964,418	5,160,149
Investments	19	2,024,625	3,519,470
Cash at bank and in hand		3,166,796	365,944
		<u>11,155,839</u>	<u>9,045,563</u>
Creditors: amounts falling due within one year	20	(8,343,597)	(7,044,813)
<b>Net current assets</b>		<u>2,812,242</u>	<u>2,000,750</u>
<b>Total assets less current liabilities</b>		<u>14,161,333</u>	<u>13,616,222</u>
Creditors: amounts falling due after more than one year	21	(1,621,728)	(2,107,747)
<b>Total net assets</b>		<u><u>12,539,605</u></u>	<u><u>11,508,475</u></u>


**LONDON MARATHON CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 01550741**

**CHARITY BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>Charity funds</b>			
Unrestricted funds			
Designated funds	25	12,539,605	11,508,475
General funds	25	-	-
Total unrestricted funds	25	<u>12,539,605</u>	<u>11,508,475</u>
<b>Total funds</b>		<u><u>12,539,605</u></u>	<u><u>11,508,475</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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 (Chair of Trustees)

Date: 08 August 2023

The notes on pages 45 to 71 form part of these financial statements.

**LONDON MARATHON CHARITABLE TRUST LIMITED**  
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	27	6,929,891	3,311,739
<b>Cash flows from investing activities</b>			
Bank interest received		463,197	7,154
Purchase of fixed asset investments		(948,309)	(4,000,000)
Purchase of tangible fixed assets		(1,029,212)	(905,476)
Purchase of intangible assets		(950,555)	-
<b>Net cash used in investing activities</b>		<b>(2,464,879)</b>	<b>(4,898,322)</b>
<b>Cash flows from financing activities</b>			
Repayment of loans		(442,692)	(5,066,759)
Interest paid		(199,291)	(278,485)
<b>Net cash used in financing activities</b>		<b>(641,983)</b>	<b>(5,345,244)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>3,823,029</b>	<b>(6,931,827)</b>
Cash and cash equivalents at the beginning of the year		21,791,260	28,723,087
<b>Cash and cash equivalents at the end of the year</b>	28	<b>25,614,289</b>	21,791,260

The notes on pages 45 to 71 form part of these financial statements



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**LONDON MARATHON CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**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 or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements consolidate the results on a line-by-line basis of The Trust and LME. LSCP entered voluntary liquidation during the period and is not consolidated into these financial statements on the grounds that it is immaterial.

**2.2 Going concern**

The Trustees consider The Trust to be a going concern. In light of the ongoing economy challenges including inflation and cost of living rises, the Trustees have reviewed revised financial information and are satisfied that The Trust has sufficient reserves to continue as a going concern for the next financial year. There are no material uncertainties in relation to going concern.

**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 runners for the current year's event.

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

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**LONDON MARATHON CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**2. Accounting policies (continued)**

**2.3 Income (continued)**

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 fundraising activity or in direct support of the provision of charitable activity. An equivalent cost is also reported within the cost of fundraising 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.

**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

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**LONDON MARATHON CHARITABLE TRUST LIMITED**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**2. Accounting policies (continued)**

**2.7 Taxation and Deferred taxation (continued)**

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 for 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.

**2.8 Intangible assets and amortisation**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation is provided on the following basis:

Patents	-	5	years charged to admin expenditure
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5 years has been deemed the period of the useful life in line with the event contract.

**2.9 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 total estimated value of the land element of both freeholds is £16.2m meaning the book value attributed to the freehold buildings is £4.17m.

**2.10 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.

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**LONDON MARATHON CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**2. Accounting policies (continued)**

**2.10 Investments (continued)**

Investments in subsidiaries are valued at cost less provision for impairment.

**2.11 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.

**2.12 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.

**2.13 Cash at bank and in hand**

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

**2.14 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.

**2.15 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.

**2.16 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.

**2.17 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.



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**LONDON MARATHON CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**3. Critical accounting estimates and areas of judgment**

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 judgment is made in the context that the stock items are unique to the London Marathon with no direct retail price available, however the judgment lies with price comparison to similar and on the assumption that these items will be fully utilised by future ballots and events.

**4. Gift Aid**

The Trust has received from LME, under Gift Aid, an amount of £5,916,621 (2021: £5,648,081).

**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 entered voluntary liquidation during the period and has not been consolidated in 2022 on the grounds that it is immaterial.

Please see note 34 for further details.

**LONDON MARATHON CHARITABLE TRUST LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**6. Investment income**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Income from local listed investments	455,620	<b>455,620</b>
Interest receivable	7,577	<b>7,577</b>
<b>Total 2022</b>	<u>463,197</u>	<u><b>463,197</b></u>
	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Income from local listed investments	281,690	281,690
Investment income	6,808	6,808
Interest receivable	346	346
<i>Total 2021</i>	<u>288,844</u>	<u>288,844</u>

**7. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2022 £</b>	<b>Total 2022 £</b>
Charitable activities	4,555,577	<b>4,555,577</b>
	<i>Unrestricted funds 2021 £</i>	<i>Total 2021 £</i>
Charitable activities	1,529,793	1,529,793

**LONDON MARATHON CHARITABLE TRUST LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**8. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2022 £</b>	<b>Grant funding of activities 2022 £</b>	<b>Support costs 2022 £</b>	<b>Total funds 2022 £</b>
Charitable direct costs	824,726	3,711,226	19,625	<b>4,555,577</b>

	<i>Activities undertaken directly 2021 £</i>	<i>Grant funding of activities 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Charitable direct costs	678,978	819,776	31,039	1,529,793

Total interest payable incurred by the group in the year amounted to £199,291 (2021: £278,485).

**Analysis of support costs**

	<b>Total funds 2022 £</b>	<i>Total funds 2021 £</i>
Governance costs	<b>19,625</b>	31,039

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**LONDON MARATHON CHARITABLE TRUST LIMITED**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**9. Grants awarded**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Facilities Core Funds</b>		
Stonebridge Boxing Club	150,000	
The Laburnum Boat Club	33,080	
Holborn Coomunity Association	20,000	
Gasworks Dock Partnership	46,000	
Ekota Academy	25,000	
The Faith and Belief Forum	20,000	
Mercurial Sports	10,300	
Youth Spot Bar CIC	14,340	
Thames Ward Community Project	35,000	
The Independent Living Agency	28,600	
Future M.O.L.D.S Communities	50,000	
Future M.O.L.D.S Communities	58,500	
Highbury Roundhouse Association Ltd	50,000	
London Borough of Ealing	67,650	
Clarion Futures Communities	50,000	
Bronx Boxing Club Ltd	50,000	
<b>Total Facilities Core Funds</b>	<b>708,470</b>	
<b>Strategic Core Funds</b>		
Active Essex	725,000	
Active Essex Foundation	210,000	
Active Essex	65,000	
Sported	50,000	
<b>Total Strategic Core Funds</b>	<b>1,050,000</b>	

**LONDON MARATHON CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**Grants awarded (continued)**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>New Programme Funds</b>		
Saracens	42,450	
The Disablement Association of Barking and Dagenham	40,000	
Bikeworks CIC	50,000	
The Parochial Church Council of the Ecclesiastical Parish of St Paul's, Shadwell	41,120	
Ekota Academy	40,000	
St Matthias Conservation Trust	7,200	
Neighbours in Poplar	5,700	
SPLASH	15,800	
Move Me CIC	16,000	
SOUL (Social Organisation for Unity and Leisure)	20,000	
COG Cycling	15,600	
Centre for Young Refugees and Migrants	10,000	
Muslimah Sports Association	17,800	
Rights and Equalities in Newham (REIN)	18,200	
Right Development Sports	9,900	
Coffee Afrik	27,000	
St Margarets House	37,000	
London Tigers	50,000	
Bronx Boxing	10,000	
<b>Total New Programme Funds</b>	<b>473,770</b>	
<b>Strategic National Funds</b>		
The Greater London Authority	1,500,000	
<b>Total Strategic National Funds</b>	<b>1,500,000</b>	
<b>Total</b>	<b>3,732,240</b>	<b>1,434,466</b>
Less grants withdrawn (all facilities core funds)	(21,014)	(614,690)
<b>Total grants awarded</b>	<b>3,711,226</b>	<b>819,776</b>

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**LONDON MARATHON CHARITABLE TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**10. Auditor's remuneration**

	<b>2022</b> £	<i>2021</i> £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<b>23,725</b>	28,000
Fees payable to the Charity's auditor in respect of: Other services	<b>10,300</b>	12,150
	<u><u>          </u></u>	<u><u>          </u></u>

**11. Staff costs**

	<b>Group</b> <b>2022</b> £	<i>Group</i> <i>2021</i> £	<b>Charity</b> <b>2022</b> £	<i>Charity</i> <i>2021</i> £
Wages and salaries	<b>6,659,079</b>	5,282,417	<b>417,029</b>	391,366
Social security costs	<b>823,030</b>	593,391	<b>51,755</b>	44,224
Contribution to defined contribution pension schemes	<b>325,455</b>	273,276	<b>23,563</b>	24,706
	<u><u><b>7,807,564</b></u></u>	<u><u>6,149,084</u></u>	<u><u><b>492,347</b></u></u>	<u><u>460,296</u></u>

Included within Wages and salaries above are ex-gratia termination payments of £25,549 (2021: £165,846).

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

	<b>Group</b> <b>2022</b> <b>No.</b>	<i>Group</i> <i>2021</i> <i>No.</i>	<b>Charity</b> <b>2022</b> <b>No.</b>	<i>Charity</i> <i>2021</i> <i>No.</i>
Employees	<b>180</b>	148	<b>9</b>	9
	<u><u>          </u></u>	<u><u>          </u></u>	<u><u>          </u></u>	<u><u>          </u></u>

**LONDON MARATHON CHARITABLE TRUST LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**11. Staff costs (continued)**

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

	<b>Group 2022 No.</b>	<i>Group 2021 No.</i>
In the band £60,001 - £70,000	<b>13</b>	10
In the band £70,001 - £80,000	<b>9</b>	2
In the band £80,001 - £90,000	<b>6</b>	6
In the band £90,001 - £100,000	<b>3</b>	1
In the band £100,001 - £110,000	<b>2</b>	1
In the band £110,001 - £120,000	<b>-</b>	1
In the band £120,001 - £130,000	<b>2</b>	-
In the band £130,001 - £140,000	<b>1</b>	1
In the band £140,001 - £150,000	<b>-</b>	1
In the band £210,001 - £220,000	<b>1</b>	2
In the band £220,001 - £230,000	<b>1</b>	-
In the band £260,001 - £270,000	<b>-</b>	2
In the band £270,001 - £280,000	<b>1</b>	-

Contributions were made to defined contribution pension schemes for the above group employees of £167,844 (2021: £119,026).

The total remuneration of the group's key management personnel, defined as the 11 members of the Executive Leadership Team (ELT) of LME plus the Executive Director of The Trust, was £1,741,946 (2021– £1,424,045; the 7 members of the MB of LME plus the Executive Director 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 £22,000 (2021 - £23,370). Total pension contributions amounted to £Nil (2021: £369).

During the year ended 31 December 2022, expenses totalling £1,046 were reimbursed or paid directly to Trustees, in relation to travel and subsistence (2021: £3,039).

**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.

**LONDON MARATHON CHARITABLE TRUST LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**14. Intangible assets**

**Group**

	<b>Patents £</b>
<b>Cost</b>	
Additions	<b>950,555</b>
At 31 December 2022	<b>950,555</b>
<b>Net book value</b>	
At 31 December 2022	<b>950,555</b>
At 31 December 2021	-

Goodwill arose from the purchase of the business and certain assets of The Grounded Events Company Ltd on 16 December 2022. The assets included intellectual property rights in relation to the Brighton Marathon weekend. The cost of the acquisition was £110,000 cash consideration. As a condition of being granted a licence to operate the event, the Company was obliged to honour all existing entrants prior to the purchase and therefore has an onerous contract included within provisions totalling £677,428. Other associated liabilities totalled £163,128 resulting in total goodwill of £950,555. This sum is being debited back to admin expenditure in the profit and loss account over a 5 year period on a straight line basis. A 5 year period has been deemed applicable because this runs in line with the licence awarded.

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**15. Tangible fixed assets**

**Group and Charity**

	Freehold property £	Motor vehicles £	Office equipment £	Other fixed assets £	Total £
<b>Cost</b>					
At 1 January 2022	20,881,478	47,750	1,768,157	1,374,601	24,071,986
Additions	-	-	536,889	492,323	1,029,212
Disposals	-	-	(297,782)	-	(297,782)
At 31 December 2022	<u>20,881,478</u>	<u>47,750</u>	<u>2,007,264</u>	<u>1,866,924</u>	<u>24,803,416</u>
<b>Depreciation</b>					
At 1 January 2022	412,930	42,175	1,408,211	282,698	2,146,014
Charge for the year	93,630	3,188	173,290	407,508	677,616
On disposals	-	-	(297,782)	-	(297,782)
At 31 December 2022	<u>506,560</u>	<u>45,363</u>	<u>1,283,719</u>	<u>690,206</u>	<u>2,525,848</u>
<b>Net book value</b>					
At 31 December 2022	<u><u>20,374,918</u></u>	<u><u>2,387</u></u>	<u><u>723,545</u></u>	<u><u>1,176,718</u></u>	<u><u>22,277,568</u></u>
At 31 December 2021	<u><u>20,468,548</u></u>	<u><u>5,575</u></u>	<u><u>359,946</u></u>	<u><u>1,091,903</u></u>	<u><u>21,925,972</u></u>

Included within Freehold land and buildings is land valued at £16.2 million (2021: £16.2 million).

The Trust did not hold any tangible fixed assets at 31 December 2022 (2021: none).

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**16. Fixed asset investments**

<b>Group</b>	<b>Listed investments £</b>
<b>Cost or valuation</b>	
At 1 January 2022	11,615,468
Additions	514,000
Disposals	(12,891)
Revaluations	(1,084,603)
Fees	(117,196)
Investment income reinvested	434,309
At 31 December 2022	<u>11,349,087</u>

<b>Charity</b>	<b>Investments in subsidiary companies £</b>	<b>Listed investments £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 January 2022	4	11,615,468	11,615,472
Additions	-	514,000	514,000
Disposals	-	(12,891)	(12,891)
Revaluations	-	(1,084,603)	(1,084,603)
Fees	-	(117,196)	(117,196)
Investment income reinvested	-	434,309	434,309
At 31 December 2022	<u>4</u>	<u>11,349,087</u>	<u>11,349,091</u>

**Fixed asset investments analysis**

	<b>2022 £</b>	<b>2021 £</b>
Equities	7,288,276	8,674,570
Bonds	1,227,897	966,966
Alternatives	1,581,858	1,717,994
Cash	1,251,056	255,938
	<u>11,349,087</u>	<u>11,615,468</u>



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**17. Stocks**

	<b>Group 2022 £</b>	<i>Group 2021 £</i>
Finished goods and goods for resale	<b>147,982</b>	133,280

**18. Debtors**

	<b>Group 2022 £</b>	<i>Group 2021 £</i>	<b>Charity 2022 £</b>	<i>Charity 2021 £</i>
<b>Due after more than one year</b>				
Other debtors	<b>59,649</b>	80,701	<b>59,649</b>	80,701
	<b>59,649</b>	80,701	<b>59,649</b>	80,701
<b>Due within one year</b>				
Trade debtors	<b>7,021,981</b>	11,860,695	-	-
Amounts owed by group undertakings	-	-	<b>5,883,717</b>	4,758,205
Other debtors	<b>693,445</b>	314,380	<b>21,052</b>	21,243
Prepayments and accrued income	<b>613,912</b>	630,578	-	300,000
	<b>8,388,987</b>	12,886,354	<b>5,964,418</b>	5,160,149

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 installments over a 10 year period from the date of drawdown in 2016.

**19. Current asset investments**

	<b>Group 2022 £</b>	<i>Group 2021 £</i>	<b>Charity 2022 £</b>	<i>Charity 2021 £</i>
Listed investments	<b>2,024,625</b>	3,519,470	<b>2,024,625</b>	3,519,470

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**20. Creditors: Amounts falling due within one year**

	<b>Group 2022 £</b>	<i>Group 2021 £</i>	<b>Charity 2022 £</b>	<i>Charity 2021 £</i>
Bank loans	471,780	500,111	-	-
Trade creditors	1,787,544	1,066,121	5,025	837
Other taxation and social security	719,591	219,054	10,705	13,579
Other creditors	65,963	29,970	2,495	2,087
Accruals and deferred income	24,590,388	25,219,957	21,010	15,550
Grant commitments	8,304,362	7,012,760	8,304,362	7,012,760
	<u>35,939,628</u>	<u>34,047,973</u>	<u>8,343,597</u>	<u>7,044,813</u>

**Grant commitments**

	<b>2022 £</b>
Grant commitments b/fwd at 1 January 2022	9,120,507
Grants awarded in the period	3,732,240
Grants paid in the period	(2,905,643)
Grants withdrawn in the period	(21,014)
<b>Grant commitments c/fwd at 31 December 2022</b>	<u><u>9,926,090</u></u>

**Deferred income**

	<b>2022 £</b>	<i>2021 £</i>
Deferred income b/fwd 1 January 2022	30,651,634	27,046,421
Amounts released in the year	(27,286,682)	(16,099,972)
Income deferred during the year	22,061,825	19,705,186
<b>Deferred income c/fwd 31 December 2022</b>	<u><u>25,426,777</u></u>	<u><u>30,651,635</u></u>

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**21. Creditors: Amounts falling due after more than one year**

	<b>Group 2022 £</b>	<i>Group 2021 £</i>	<b>Charity 2022 £</b>	<i>Charity 2021 £</i>
Bank loans	<b>8,978,254</b>	9,392,615	-	-
Accruals and deferred income	<b>3,533,524</b>	7,035,819	-	-
Grant commitments	<b>1,621,728</b>	2,107,747	<b>1,621,728</b>	2,107,747
	<b><u>14,133,506</u></b>	<u>18,536,181</u>	<b><u>1,621,728</u></b>	<u>2,107,747</u>

Included within the above are amounts falling due as follows:

	<b>Group 2022 £</b>	<i>Group 2021 £</i>
<b>Between one and two years</b>		
Bank loans	<b><u>479,110</u></b>	<u>500,111</u>
<b>Between two and five years</b>		
Bank loans	<b><u>1,476,664</u></b>	<u>1,500,000</u>
<b>Over five years</b>		
Bank loans	<b><u>7,022,480</u></b>	<u>7,392,504</u>

The company had two loans outstanding at the year end.

The first loan originally of £8m and with a year end balance of £6,836,363 (2021: £7,130,435), is secured by way of legal mortgage over 190 Great Dover Street. The loan accrues interest at a rate of 1.97% and is repayable over 240 months from the date of drawdown in January 2021.

The second loan, originally of £3.1m and with a year end balance of £2,613,671 (2021: £2,762,290), 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.

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**22. Financial instruments**

	<b>Group 2022 £</b>	<i>Group 2021 £</i>	<b>Charity 2022 £</b>	<i>Charity 2021 £</i>
<b>Financial assets</b>				
Financial assets measured at fair value through income and expenditure	<u><b>25,614,289</b></u>	<u>21,791,260</u>	<u><b>5,191,421</b></u>	<u>3,885,414</u>

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

**23. Deferred taxation**

**Group**

	<b>2022 £</b>
At the beginning of the year	<b>1,565,444</b>
Charge for the year	<b>426,167</b>
Other movements	<b>(265)</b>
	<u><b>1,991,346</b></u>

The deferred tax liability is made up as follows:

	<b>Group 2022 £</b>	<i>Group 2021 £</i>
Fixed asset timing differences	<b>(672,134)</b>	<i>(534,573)</i>
Short term timing differences	<b>7,666</b>	<i>-</i>
Timing differences on capital disposals	<b>(1,326,878)</b>	<i>(1,030,871)</i>
	<u><b>(1,991,346)</b></u>	<u><i>(1,565,444)</i></u>

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24. Provisions

Group

	Onerous contract £
Arising on business combinations	677,428
	<u>677,428</u>

The onerous contract arose on the acquisition of the Brighton Marathon on 16 December 2022. The company is obliged to honour all existing entrants to the Marathon prior to the acquisition.



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**25. Statement of funds**

**Statement of funds - current year**

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
General reserve	-	764,250	(844,351)	2,205,395	(1,094,164)	1,031,130
Facilities grants	5,400,000	-	(687,456)	687,456	-	5,400,000
Strategic grants	6,108,475	-	(1,050,000)	1,050,000	-	6,108,475
New programme funds	-	-	(473,770)	473,770	-	-
Strategic national funds	-	-	(1,500,000)	1,500,000	-	-
	<u>11,508,475</u>	<u>764,250</u>	<u>(4,555,577)</u>	<u>5,916,621</u>	<u>(1,094,164)</u>	<u>12,539,605</u>
<b>General funds</b>						
Subsidiary undertakings	<u>2,694,261</u>	<u>42,118,158</u>	<u>(35,448,843)</u>	<u>(5,916,621)</u>	<u>-</u>	<u>3,446,955</u>
<b>Total Unrestricted funds</b>	<u><u>14,202,736</u></u>	<u><u>42,882,408</u></u>	<u><u>(40,004,420)</u></u>	<u><u>-</u></u>	<u><u>(1,094,164)</u></u>	<u><u>15,986,560</u></u>

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**25. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 January 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2021 £</i>
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
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
	<u>5,827,070</u>	<u>591,540</u>	<u>(1,541,793)</u>	<u>5,648,081</u>	<u>983,577</u>	<u>11,508,475</u>
	<i>Balance at 1 January 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2021 £</i>
<b>General funds</b>						
Subsidiary undertakings	2,694,261	35,163,178	(29,515,097)	(5,648,081)	-	2,694,261
<b>Total Unrestricted funds</b>	<u>8,521,331</u>	<u>35,754,718</u>	<u>(31,056,890)</u>	<u>-</u>	<u>983,577</u>	<u>14,202,736</u>

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**25. 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.

**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.

**New Programme Funds**

The Trust has established this programme to inspire activity in two main ways. The Active Communities Fund provides smaller grants aimed at inspiring activity within local communities. The fund supports grassroots organisations with strong relationships and standing within target communities to inspire activity amongst those most excluded from leading active lives. The Active Spaces Fund is the evolution of The Trust's Facilities Grant programme and is designed to provide both capital and revenue grants to London-based projects that will improve and activate spaces, places and facilities that will help the least active children, young people, marginalised groups and communities to lead active lives.

**Strategic National Funds**

This fund represents the Trusts investment in London's biggest ever community sports fund to improve the lives of underserved and vulnerable young Londoners – especially those facing physical, social, economic or educational challenges - to access and enjoy sport and physical activity.

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**26. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Tangible fixed assets	22,277,568	<b>22,277,568</b>
Intangible fixed assets	950,555	<b>950,555</b>
Fixed asset investments	11,349,087	<b>11,349,087</b>
Debtors due after more than one year	59,649	<b>59,649</b>
Current assets	34,091,609	<b>34,091,609</b>
Creditors due within one year	(35,939,628)	<b>(35,939,628)</b>
Creditors due in more than one year	(14,133,506)	<b>(14,133,506)</b>
Provisions for liabilities and charges	(2,668,774)	<b>(2,668,774)</b>
<b>Total</b>	<b>15,986,560</b>	<b>15,986,560</b>

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
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)
<b>Total</b>	<b>14,202,736</b>	<b>14,202,736</b>

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**27. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>
Net income/(expenditure) for the year (as per Statement of Financial Activities)	<b>1,783,824</b>	5,681,405
<b>Adjustments for:</b>		
Depreciation charges	<b>677,616</b>	920,564
Gains on investments	<b>1,097,074</b>	(983,577)
Decrease/(increase) in stocks	<b>(14,702)</b>	567,611
Decrease/(increase) in debtors	<b>4,497,367</b>	(4,236,546)
Increase/(decrease) in creditors	<b>(2,068,438)</b>	510,116
Increase in provisions	<b>677,428</b>	-
Interest paid	<b>199,291</b>	278,485
Investment charges	<b>117,196</b>	80,607
Interest and investment income received	<b>(463,197)</b>	(288,844)
Taxation charge	<b>426,432</b>	781,918
<b>Net cash provided by operating activities</b>	<b>6,929,891</b>	3,311,739

**28. Analysis of cash and cash equivalents**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>
Cash in hand	<b>23,589,664</b>	18,271,790
Current asset investments	<b>2,024,625</b>	3,519,470
<b>Total cash and cash equivalents</b>	<b>25,614,289</b>	21,791,260

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**29. Analysis of changes in net debt**

	At 1 January 2022 £	Cash flows £	Other non- cash changes £	At 31 December 2022 £
Cash at bank and in hand	18,271,790	5,317,874	-	23,589,664
Debt due within 1 year	(500,111)	442,692	(414,361)	(471,780)
Debt due after 1 year	(9,392,615)	-	414,361	(8,978,254)
Liquid investments	3,519,470	(1,494,845)	-	2,024,625
	<u>11,898,534</u>	<u>4,265,721</u>	<u>-</u>	<u>16,164,255</u>

**30. 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 £325,455 (2021: £273,276). Contributions totalling £37,641 (2021: £30,118) were outstanding at the year end.

**31. Operating lease commitments - lessor**

At 31 December 2022 the Group had future minimum lease receipts due under non-cancellable operating leases for each of the following periods:

	Group 2022 £	Group 2021 £
Not later than 1 year	69,600	278,400
Later than 1 year and not later than 5 years	-	69,600
	<u>69,600</u>	<u>348,000</u>

The total rental income received from operating leases in which the Group is acting as lessor was £278,000.



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**32. Related party transactions**

LME has paid the sum under Gift Aid of £nil (2021: £865,431) to its parent company, The London Marathon Charitable Trust Limited (LMCT) during the year. A Gift Aid donation of £5,916,621 (2021: £4,782,650) has been accrued at the year end making the total gift aid payable relating to 31 December 2022 £5,916,621 (2021: £5,648,081). LME charged the Trust £15,000 (2021: £12,000) during the year for administration services provided. At the year end, the company owed £5,883,717 (2021: the company owed £4,591,810) to LMCT.

The Group has a subsidiary, London & Surrey Cycling Partnership LLP (LSCP), a limited liability partnership registered in England and Wales with the same registered address as London Marathon Events Limited. Its share of the profit for the period was £Nil (profit 2021: £29,111). At the year end the company was owed a net amount of £4,022 by the LLP (2021: £4,022 owed by the LLP). The LLP is currently in voluntary liquidation and will be struck off from Companies House during 2023.

The CEO of LME also acts as a consultant to Armstrong Teasdale (formerly known as Kerman & Co LLP Solicitors). LME paid £311,702 (2021: £162,630) to Armstrong Teasdale during the period for legal services. All transactions were on an arms-length basis. The amount outstanding at the year end totalled £37,458 (2021: £Nil).

Arun Kang, a Director of LME, is also the CEO of Sporting Equals. LME paid £2,500 (2021: £4,000) to Sporting Equals during the period for consultancy services. All transactions with Sporting Equals were on an arms-length basis. In addition, in the period to 31 December 2018, Sporting Equals was awarded a Strategic capital grant by LMCT of £327,000 of which £Nil (2021: £67,500) 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 £1,000,000 in 2020, £Nil in subsequent years, of which £185,192 (2021: £445,121) 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 £1,000,000 in 2020, £Nil in subsequent years, of which £185,192 (2021: £455,121) 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.

Alan Pascoe donated the Director's fee received from LME to the Trust during the year totalling £4,500.

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**33. Post balance sheet events**

On 1 January 2023, London Marathon Events Limited completed the acquisition of 50% of the share capital of M4 Events Limited, which is the sole member of Run 4 Wales Limited, a business organising mass participation events in Wales.

London Surrey & Cycling Partnership LLP is still in the process of a Members' Voluntary Liquidation and will be closed down during 2023.

**34. Principal subsidiaries**

The following were subsidiary undertakings of the Charity:

<b>Names</b>	<b>Company number</b>	<b>Principal activity</b>	<b>Holding</b>	<b>Included in consolidation</b>
London Marathon Events Limited	01528489	Race event delivery	100%	Yes
London & Surrey Cycling Partnership LLP	OC372072	Operation of the RideLondon event	75%	No

The financial results of the subsidiaries for the year were:

<b>Names</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Profit/(Loss) / Surplus/ (Deficit) for the year £</b>	<b>Net assets £</b>
London Marathon Events Limited	<b>42,133,158</b>	<b>(35,463,843)</b>	<b>6,669,315</b>	<b>3,446,959</b>

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