

THE SPORTS COUNCIL TRUST COMPANY

England & Wales · Charity number 803779

Details

Status	Registered
Legal form	Charitable company
Company number	02517615
Registered	1990-07-25
Register	View on the Charity Commission register

Contact

Address	Sport Park 3 Oakwood Drive Loughborough LE11 3QF
Phone	02072731676
Email	SCTC.Admin@sportengland.org

Activities

Objects: (I) THE PRESERVATION AND SAFEGUARDING AND ASSISTANCE IN THE PRESERVATION AND SAFEGUARDING OF THE PHYSICAL AND MENTAL HEALTH OF THE COMMUNITY THROUGH PHYSICAL RECREATION (INCLUDING SPORTS) AND EDUCATION IN RELATION THERETO; AND (II) THE PROVISION IN THE INTERESTS OF SOCIAL WELFARE AND FOR THE PURPOSES OF IMPROVING THE CONDITIONS OF LIFE FOR THE PERSONS FOR WHOM THE SAME ARE PRIMARILY INTENDED OF FACILITIES FOR PHYSICAL RECREATION (INCLUDING SPORTS) WHICH SHALL BE AVAILABLE TO MEMBERS OF THE PUBLIC, INCLUDING SPECIAL FACILITIES FOR PERSONS WHO BY REASON OF THEIR YOUTH AGE INFIRMITY OF DISABLEMENT POVERTY OR SOCIAL AND ECONOMIC CIRCUMSTANCES MAY HAVE NEED OF SPECIAL FACILITIES.

Activities: Helping members of the public play more sport and enjoy the benefits physical activity generates by giving them access to high quality sports facilities - the National Sports Centres and Rowing Lake makes a direct connection between grassroots and elite sport, supporting both. The Charity also awards grants to organisations that provide sporting opportunities for individuals.

Classification

- **How:** Makes Grants To Organisations, Provides Buildings/facilities/open Space
- **What:** Amateur Sport, Recreation
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** NATIONAL
- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£3,411,773	£4,425,329	£128,240,640	0
2024-03-31	£5,930,137	£5,651,260	£126,670,181	0
2023-03-31	£2,914,181	£4,610,209	£120,629,702	0
2022-03-31	£2,828,350	£4,685,966	£113,713,155	0
2021-03-31	£2,785,624	£4,469,157	£108,324,112	0

Trustees

Name	Role	Appointed
Abu Nasir		2024-01-01
Geoff Wilson		2023-12-22
Lucy Scott		2025-01-27
Robert Hamblin		2025-01-27
Robert Wadsworth		2023-02-01
Robin Black		2022-04-20
Ross Gissane		2023-02-01

THE SPORTS COUNCIL TRUST COMPANY

England & Wales - Charity number 803779

Accounts

The Sports Council Trust Company

Company number 2517615

Charity number 803779

[A subsidiary company of The English Sports Council]

Annual Report and Accounts 2024 – 2025

For the period 1 April 2024 to 31 March 2025

The Sports Council Trust Company

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Presented to Parliament pursuant to Article 6(2)(b) of the
Government Resources and Accounts Act 2000 (Audit of Non-
profit-making Companies) Order 2009

(SI 2009/476)

Ordered by the House of Commons to be printed on 1 July 2025

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TRUSTEES REPORT

The Trustees present their Annual Report on the affairs of The Sports Council Trust Company together with the accounts and auditor's report for the year ended 31 March 2025.

Strategic Report

Structure, governance and management

Constitution of The Sports Council Trust Company

The Sports Council Trust Company ("the Charity") is a company limited by guarantee (Company number 2517615) incorporated in England. It is governed by its Memorandum and Articles of Association and is a registered charity with the Charity Commission (Charity number 803779).

The sole member and parent body for the financial years presented in this report was The English Sports Council (ESC) operating as Sport England.

The operating and governance framework between ESC (the Parent) and the Charity (the Subsidiary), is outlined in the Parent/Subsidiary Memorandum, effective from 1 May 2012 and last updated in December 2012, between the two parties.

Organisational structure

The Charity is administered by a Board of Trustees that regularly meets to discuss the objectives and activities of the Charity. The directors of the Charity are its Trustees. During the financial year ending 31 March 2025 the Board met 5 times.

The Board is composed of a Chair and 10 Trustees as of 31 March 2025. You can find more details about each Trustee on page 14.

The Chair is responsible for the management of the Charity's operations. To ensure we are best placed to meet our strategic goals, the Chair delegates authority for the day-to-day administration to officers of Sport England. This is done through Service Level and Agency Agreements (SLA) that include the provision of staff to manage the operational contracts of the National Sports Centres (NSCs). This means that the Charity has no employees.

Objectives and Activities

The Charity was founded to preserve and safeguard the physical and mental health of communities across the UK. We do this by promoting physical recreation (including sports) and education, as well as providing facilities that are available to members of the public.

During 2024/25 the Charity focused on:

- Increasing participation in sport and physical activity by providing a range of activity opportunities to the public through the National Sports Centres (NSCs)
- Creating, improving and maintaining world class training facilities at the NSCs
- Ensuring that the NSCs continue to promote holistic sports development programmes
- Safeguarding the NSC's business recovery from the current economic climate
- Exploring the options to extend the management contracts for the NSCs
- Awarding grants to local sporting and community organisations
- Monitoring the performance of our investments and available funding

The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Charity's aims, objectives, and achievements, and in planning future activities.

Our strategy

We achieve our public benefit purpose through the management and operation of facilities that every member of the community can benefit from.

During the year, the Charity continued to own four NSCs:

- Bisham Abbey National Sports Centre (Bisham)
- Lilleshall National Sports Centre (Lilleshall)
- Plas y Brenin the National Centre for the Outdoors (PYB)
- Redgrave and Pinsent Rowing Lake (the Rowing Lake)

These four facilities are uniquely placed to help us achieve our primary goal of helping members of the public play more sport and enjoy the many benefits of regular physical activity. By giving people access to high quality sports facilities, we are helping make communities happier, healthier and better connected. The NSCs also provide elite sports men and women world-class places to train for international sporting competitions, helping to further increase the sporting prestige of the UK around the world.

We have four main strategic objectives:

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- Support the delivery of a National Governing Body-driven sporting system which can accommodate and develop talent at community, club and elite level.
- Enhance talent development and world class performance by providing a mix of high-quality sports facilities and support in a unique sporting environment.
- Foster effective coach development, research, innovation and inspiration by delivering programmes and activities that have a significant impact on sporting activities and its availability.
- Ensuring effective operation of the NSCs, through the development of commercial and community participation activities, without impacting our ability to achieve our other objectives.

We deliver against our four objectives through management contracts let in 2011, which run for a 15-year period. The Charity's Board oversaw the tendering process and letting of the contracts while the Sport England Board gave approval for us to enter the contracts in 2011. Bisham and Lilleshall are operated on behalf of the SCTC by Serco Leisure. PYB is operated by Mountain Training Trust (MTT). The Redgrave and Pinsent Rowing Lake is leased to the Amateur Rowing Association for 25 years from its opening in April 2006.

The National Sport Centres

Our NSCs and Rowing Lake are unlike other facilities in the UK's sporting landscape. They not only provide world class training facilities for the country's Olympic and Paralympic athletes; they also provide the places and spaces for local communities to be active and participate in sport and physical activity.

As active environments, the NSCs are recognised nationally and increasingly internationally, as examples of best practice for integrating sport and physical activity with other services like health, education, and training. They are not just about providing a place to train, but a hub for community activity.

Our NSCs are an important part of Sport England's reputation as a leader across the sport and leisure sector. Sport England's role as the client of three sector leading facilities (on behalf of The Sports Council Trust Company) provides credibility within the market. This is particularly true in relation to Sport England's strategic role working with Local Authorities, Trusts and Operators to drive continual improvement in local leisure provision.

This kind of collaboration is a crucial part of what makes the NSCs so special. They're a leading example of partnership and cross sector/partner relationships working towards shared strategic objectives and local outcomes. Our partners consistently reference the strength of the partnership to help them achieve their own objectives – contributing

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to Sport England's wider role in supporting the sector and encouraging collaboration to maximise local community outcomes.

As part of the Elite Training Centre network, the NSCs are among the 18 Centres that host world class Olympic and Paralympic programmes. The partnership of National Governing Bodies, UK Sport institute (UKSI), UK Sport and Sport England works together to make the country's elite training environments more effective, contributing to a more sustainable elite sport system.

The four NSCs that are owned by the Charity are:

Bisham Abbey

Based in Berkshire, Bisham is a compact site which accommodates a range of water sports, football, rugby, tennis, hockey and public community use.

It features a community fitness centre, studios and health suite, squash courts, indoor and outdoor tennis courts, two grass pitches, two artificial pitches and an elite strength and conditioning gym and Intensive Rehabilitation Unit operated by UKSI.

The site is supported by modern accommodation, catering facilities and a 12th century Abbey which forms the centrepiece of the site. It is home to England Hockey, UKSI, Living Tennis, FAB Academy, British Rowing, RFU talent development teams, Bisham Abbey Sailing School and is extensively used by the local community.

Lilleshall

In the heart of Shropshire, Lilleshall has a range of sports facilities spread throughout the substantial grounds. These include a dedicated indoor and outdoor archery range, gymnasium, nine grass pitches, two artificial grass pitches and a UKSI strength and conditioning area.

Supporting the sports facilities, Lilleshall has over 250 modern bedrooms and catering facilities for use by members of the public and athletes. A dedicated modern office building co-locates several NGB Head offices including British Gymnastics, UKSI and Archery GB. The centre is home to partners including GB Hockey, Home Office, the Royal British Legion, Crossbar Coaching and extensively used by the local community.

Plas y Brenin

Located in Eryri National Park (Snowdonia), PYB is an iconic venue and provides a focal point for a year-round programme of mountain sports courses and outdoor activities. The centre's facilities include two climbing wall areas, an abseil tower, canoe training pool and a low rope course. The centre is an important resource for the British Mountaineering Council, Paddle UK, GB Orienteering and British Cycling.

Redgrave and Pinsent Rowing Lake

Transferred to ownership of the Charity in 2006, the facility is a purpose built, internationally recognised 2,100m rowing lake set on the River Thames. The facilities include clubhouse, boat store, gymnasium, offices, catering and conferencing facilities.

British Rowing leases the Rowing Lake and boathouse from us and undertakes an extensive programme of rowing development and training. The facility continues to be the single most important factor underpinning the training and preparation of the GB Rowing Team for major international competition.

SCTC current economic climate response

The NSCs have continued to operate effectively within a challenging economic environment. Rising costs associated with energy, inflation and interest rates have remained consistent and had a significant impact on the financial performance of all the NSCs during 2024/25. Building on the lessons learnt during Covid-19, a pragmatic and collaborative approach was maintained by SCTC and Sport England to meet the challenges with the NSC operators.

This approach has contributed to the recovery of participation and usage to pre-pandemic levels in 2024/25. Community use, talent development and commercial throughput targets were exceeded at Bisham and Lilleshall.

At PYB, demand remained constant throughout the year for governing body leadership, skills and training courses. Community courses, events and facility hire demonstrated growth against 2023/24 and exceeding 24/25 targets.

Our Performance

The performance of the NSCs is managed by Sport England through a Service Level and Agency Agreement (SLA) with The Sports Council Trust Company.

The requirements in the contracts set ambitious standards to meet the NSC strategic objectives. A balanced scorecard and set of Key Performance Indicators (KPIs) are used to continually measure performance. The KPIs were reviewed by the Board on 24/25 and updated to improve performance reporting

The key performance measures we use range across three categories:

- Internal business processes including safeguarding and governance
- Continuous improvement
- Customer perspective

The operators of our NSCs are required to perform in the top quartile nationally on the National Benchmark Service and QUEST, Sport England's recommended tools for

continuous improvement in the leisure industry. These measures are linked to the aims of the Charity and Sport England's objectives of increasing participation nationally.

Contract performance standards have been successfully delivered in line with the requirements for the NSCs. Serco and MTT have met, and at times exceeded, their contractual performance standards with no deductions or performance failures during 2024/25. Both operators maintained excellent results in external quality assurance, customer and facility management audits assuring that the assets continued to be well managed and maintained.

What we have achieved

The proactive approach taken by SCTC, Sport England, Serco and MTT enabled a valuable contribution towards our objectives to be made. We remain focused on our duty to promote the success of SCTC and achieve its charitable purpose as described in the Objectives and Activities section on page 2.

Future operating arrangements of the NSCs

The Board led a strategic review to explore the options for the future operation of the NSCs which expire in March 2026. The NSC contracts were competitively tendered in 2011 under a 15-year contract which concludes in March 2026. SCTC, with support from Sport England commissioned independent contract reviews and appraisals to consider all options for the future operation of Bisham, Lilleshall and PYB. The options appraisal reaffirmed the strategic importance of the NSCs within the sport sector landscape. The shared strategic objectives remain relevant and contribute to creating a whole system approach. SCTC determined that progressing with options to extend the contracts for the NSCs was the preferred route to secure the continued operation of the NSCs to 2033 for Bisham and Lilleshall and 2031 for Plas Y Brenin.

Examples of NSC contributing to uniting the movement

Pedal for Paris was an eight-day bike ride lead by Sport England's Chair Chris Boardman from Manchester to Paris to galvanise the sport and physical activity sector in tackling climate change. The ride stopped at Bisham on 19th July with Sport England colleagues, NGBs and key site partners, Tim Hollingsworth and the Bisham site team welcoming the cyclists as they arrived. This concluded with Sport England and Serco jointly signing the 'going for green' pledge.

The NSCs continued to deliver on targets to increase participation and remove barriers to participation. Increasing participation for women and girls was a key focus during 2024/25. A series of programmes linked to This Girl Can were delivered across the NSCs. **Bisham** joined the 'Lets lift the curfew campaign' to support people to maintain activity

during darker nights. **Lilleshall** hosted This Girl Can Festivals to over 500 primary and secondary school girls to experience positive experiences of sport and physical activity. **PYB** expanded its successful 'She climbs' initiatives to 'She paddles' to encourage more women to develop skills to safely access activity in the outdoors.

Supporting older people and those with long-term health conditions was a focus for 2024/25. The Bisham-based over 60's 'Prime timers' has continued to thrive during 2024/25, with additional classes introduced to meet increasing demand. The men's walking football league continued to thrive at Bisham. The programmes aimed to engage and maintain physical and but support social connectivity for older people. The creation of chatty café for people with dementia was established in partnership with Age UK, local NHS teams, care homes and social prescribers to support people living with dementia through physical activity and social interaction. Lilleshall continued to partner with Sport Parkinsons to provide a programme of weekly sessions to support members of the local community living with Parkinsons Disease.

Bisham has partnered with the RFU to host Under 16 to Under 21 men's and women's age group squads for development training camps and preparation for the respective 6 Nations competitions in 2024/25. The partnership expanded to also include the RFU Rugby Sevens World Class programme who are accessing facilities and UKSI services to support their Olympic preparations.

Lilleshall hosted the annual Muslim Sports Foundation (MSF) conference, a national charity aims to provide safe spaces of practise for activity, sport and wellbeing to Muslim communities across the nation, with over 120 delegates from sporting community organisations and NGBs like Boccia and Handball.

PYB worked in partnership with the Mountain Adventure Fund to provide inner-city children with the opportunity to be inspired and motivated by the outdoors. The programme provided a significant change in landscape from urban environments giving children the opportunity to build safe and lifelong habits for participation in the outdoors.

PYB have proactively engaged with several national system partners, through the Active Partnership teams to deliver dedicated outdoor courses, whilst also providing instructors to travel to local communities to support delivering outdoor activities and training courses in local communities. At PYB a new partnership with the Muslim Sports Foundation has been established to support the Muslim community to attend introductory outdoor activities programme. In addition, MSF will be hosting their annual conference at the centre and several weekend activity events.

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Delivery of these programmes resulted in 130,000 community visits for sport and physical activity and 81,950 visits for community access to the NSCs for events, facility hire, and corporate use.

Unique Sporting Environment

Bisham and **Lilleshall** have achieved Quest Plus Excellent status and **PYB** Very Good. All sites have been accredited against the new scoring criteria. Quest is Sport England's recommended continuous improvement tool for leisure facilities and active communities. The assessment provides a framework which evaluates the management, operations and programming of these facilities, ensuring that customers receive high quality services and standards. Bisham and Lilleshall were to top scoring centres in the country in 2024/25.

Bisham and Lilleshall maintained their Elite Training Centres accreditation from UK Sport following an external assessment through the UK Sport Excellence Framework. The accreditation recognised the world class facilities and services provided to the NGB Olympic and Paralympic programmes.

Providing the daily training environment for NGBs and athletes preparing for the Paris 2024 Olympics and Paralympics was a focus throughout the year. Athletes and teams based at Bisham and Lilleshall performed well and returned with 7 Gold, 3 Silver and 8 Bronze medals at the Olympics and 4 Gold, 2 Silver and 5 Bronze medals from the Paralympics.

Capital and lifecycle investment programmes were delivered as planned during 2024/25 delivering c.£4m to maintain and enhance the infrastructure to support the strategic priorities.

At **Bisham** investment focused on asset maintenance with roofing works to the listed Academy Court building which provides accommodation for our academy partners.

Replacement of the end-of-life Local Area Network systems in all main buildings improved the Wi-Fi connectivity and IT security across the centre. New green waste bays have been installed and will improve recycling of the landscaping and grounds maintenance waste.

The community gym equipment and changing rooms were upgraded to continue to provide high quality facilities for our community users.

At **Lilleshall**, a temporary 4-court sports hall was installed to meet the growing demand for additional indoor sports halls space from several onsite partners including the Ministry of Defence, Royal British Legion Battle back, Wheelchair rugby, Wheelchair

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basketball as well as other NGBs accessing Lilleshall on a camp basis. The project will provide a test and learn for the installation and performance of the sports hall for a cost-effective option for community settings.

Replacement of Lilleshall's end-of-life Local Area Network systems in all main buildings enhanced user's experience of the centres Wi-Fi and improved IT security across the centre.

A dedicated video analysis tower for Hockey community and talent development teams was completed to enhance performance analysis. Replacement of the community bowls club pitch irrigation system, community gym equipment upgrade, and enhancement to the gymnasium was completed to support the elite athletes and community users across Lilleshall.

At **PYB** investment focused on essential improvements to fire compartmentation and new fire doors in line with the Fire risk assessment. Redevelopment of cottages to purpose designed schools' accommodation was completed to provide dedicated space to increase school use at the National Centre.

Coach Development, Research, Innovation and Inspiration

Our contribution to this strategic priority is predominantly delivered through PYB our National Centre for the outdoors. People being more active outdoors is one of the largest growth areas and our work supports the whole sector to promote, encourage, and develop increased participation in the outdoors.

During 2024/25, **PYB** contributed towards talent development through delivering top-end NGB qualifications, with the provision of places across hike, climb (Mountain Training), paddle (Paddle UK) and bike (British Cycling) schemes. The NGB and skills course programme ensures the next generation of outdoor instructors are well prepared to safely lead, manage, motivate, and inspire others in outdoor activities. Qualified instructors return to coach across a wide range of settings such as adventure businesses, outdoor and activity centres, schools and club volunteers. In 2024/25, 7,300 people were trained in community / skills development courses to support their safe participation in outdoor activities. 2,870 people were trained in formal qualifications to go into a range of settings to train and educate people accessing the outdoors. Research from MTT and the NGB's demonstrates this workforce will support 140,000 people within the first year of being qualified.

At **Bisham** and **Lilleshall** our partner academies for tennis and football provide opportunities for young people to continue their sporting journey but with a focus on supporting their education and training for future career opportunities.

Plans for future periods

Our operating plan provides for:

- Finalising the contractual arrangements for the extension of the NSCs ready for April 2026.
- Working collaboratively with Serco and MTT to ensure the operators maximise usage of the NSCs with appropriate balance of opportunities for community users, talent development, elite participation, and commercial opportunities.
- Continue to respond to the significant financial challenges presented by inflationary rises, cost of living, and demand led pressures. We will explore with our partners opportunities for innovation to create a more sustainable operating model for our partners.
- Supporting talented athletes and NGB World Class programmes, specifically supporting new requirements for the Los Angeles 2028 Olympic and Paralympic Cycle.
- Continuing to be an example of best practice and innovation to support the wider public sector sport and physical sector, focusing on connection to health and utilising data to demonstrate impact.
- Explore a master plan for Bisham and Lilleshall to meet future needs of NGBs, key users and customers to ensure NSC remain sector leading, retain key partners on long term agreements and continue to move towards reducing SE subsidy towards ongoing ownership costs.
- Implementing initiatives as part of Every Moves Environmental Sustainability strategy and action plan for the NSCs to further reduce energy consumption and work towards the target net zero carbon across the NSC portfolio.

Green Initiatives

We continued to put in place measures to increase the sustainability of the entirety of our operations this year. We are actively working to deliver on the actions within Every Moves strategy.

Strategically we commissioned a report to benchmark our carbon consumption and provide recommends for initiatives required to meeting our objectives to be carbon neutral by 2030 and net zero by 2040. This work will guide our investment decisions to achieve our targets. We also explored the opportunity for the NSCs to contribute to Biodiversity Net Gain. Engaging with consultants, we explored how the natural environments of the NSCs can be enhanced / improved to support biodiversity net gain.

We have progressed with several green and environmentally sustainable schemes and projects to continue to move to more sustainable operations and management of the NSC.

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At **Lilleshall**, these included planting 264 trees, enhancing site awareness to help preserve green newts and toads, working with Ministry of Justice to install specialist tree boxes for bees to colonise, investing in additional PV panels, replaced old windows with modern double glazing in the Queens building and upgraded outdoor sports lights on the grass pitches and several indoor sports halls with modern LED lights.

At **Bisham**, installation of green waste bays to allow synthetic grass cuttings, potentially containing microfibres, to be disposed of in an environmentally friendly manner, successfully tested electronic robots to cut grass and enhance pitch line marking, which reduced the need to use traditional petrol tractors and lawn mowers and saved on manually intensive labour hours.

At **all NSCs**, the technical team optimised building management systems to reduce the use of fossil fuels, with success seen at Lilleshall with the Biomass boiler creating a significant reduction in oil consumption.

Directors' Report

Financial review

Our operational activities, including grant making, are funded by property income and returns from the investment fund (see note 9). Asset investment activities are funded from gifts of assets from Sport England. Total income for the year was £3.4 million (2024: £5.9 million). These resources were invested into the NSCs for the Charity to achieve its objectives as set out on page 2.

Separate funds are maintained to identify and account for the principal funding sources of the Charity. The details of these funds are set out in notes 13 and 14. None of these funds are in deficit.

Net expenditure for the year is £1.0 million (2024: Net income of £0.3 million). The decrease in total income of £2.5 million from £5.9 million was due to a lower level of assets gifted.

A small operational deficit was generated on day-to-day activities in the year of £11,000 (2024: £2,000) as shown in the table below, after awarding community grants (see note 4) of £15,000 (2024: £10,000).

	2025	2024
	£'000	£'000
Property income	914	887
Investment income	32	32
Charitable activities	(4,426)	(5,651)
Add back:		
- Depreciation and amortisation	3,630	3,803
- Impairment (reversal)/charge	(244)	843
- Gifts in kind	83	84
Operating deficit	(11)	(2)

The value of our funds increased by £1.6 million from £126.7 million as set out in note 6. This is mainly due to increases in the value of Land & buildings carrying value of £2.6 million and Gifted Assets of £2.4 million, offset by depreciation and impairment reversals of £3.3 million.

The financial position of the Charity is supported by ESC as per note 1.14.

We have management policies in place to cover grants, investments, and reserves as set out below.

Future developments

See **Plans for future periods** and **Green Initiatives** in the **Strategic Report**

Grants policy

We accept applications from not-for-profit organisations supporting the sporting activities of disadvantaged people including young people, people with disabilities, lower socio-economic groups and ethnic minority groups.

Awards are given to either encourage sports participation, subsidise the cost of taking part or provide facilities and equipment.

The funding available in the current year was utilised through a partnership with Get Berkshire Active which focuses on working with early years and family support service providers to improve the pathway for physical development through school, and a grant to the 'Fit for Dancing – Fit for Life' project run by Arty Party Limited which is a dance and fitness project for adults with learning disabilities and neurodiverse participants based in Telford.

Investment policy

Our investment policy relating to the portfolio of equity investments is to:

- achieve the best financial return within an acceptable level of risk and a target level of income determined annually
- maintain the real capital value of the funds whilst generating a sustainable level of investment income to contribute to the ongoing activities including grant-making
- where appropriate, we may choose to use capital to supplement its grant making activities

Our investment funds were invested in the Sarasin Endowments Fund managed by Sarasin & Partners from 2020/21. The investment manager maintains a balanced portfolio which achieves lower volatility than a pure equity investment and provides us with quarterly reports and updates on key issues, and ad-hoc reporting as and when required.

During 2024/25 the contract for the investment manager was re-procured and the reappointment of Sarasin & Partners was approved by the Trustees, commencing in May 2025 for a four-year period (including extension options).

Reserves policy

Our financial position is supported by ESC.

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We aim to maintain a level of unrestricted reserves equating to at least three months of expenditure. We consider that this level will provide sufficient funds to meet our operational expenditure and to provide a contingency against unforeseen expenditure. The investment fund is also available for liquidity purposes if required, although, these assets are not intended for sale.

Our reserves policy defines reserves as restricted or unrestricted.

Restricted reserves are those which cannot readily be realised and used for an alternative purpose other than that specified; principally these are in relation to fixed assets gifted from ESC or funded by ESC's Lottery Fund. Restricted reserves at 31 March 2025 amounted to £125.6 million (2024: £124.1 million).

Unrestricted reserves are where the use of these funds is not restricted and can be applied to the ongoing operational aspects of the organisation. Unrestricted reserves at 31 March 2025 amounted to £2.6 million (2024: £2.5 million).

Trustees of the Charity during the year were:

- Geoff Wilson
- Robin Black
- Simon Burnett
- Ross Gissane
- Robert Hamblin (Appointed 27 January 2025)
- Sajid Hussain (Term ended 31 January 2025)
- Harry Kutty
- Rachel Moffat
- Abu Nasir
- Lucy Scott (Appointed 27 January 2025)
- Joanne Simpson
- Robert Wadsworth

All appointments to the Charity for the position of Chair, Trustee and Company Secretary are made by ESC and are in accordance with:

- The Parent/Subsidiary Memorandum
- The Memorandum and Articles of Association of the Charity
- ESC's Recruitment and Selection Guidelines: Subsidiary Boards

Upon appointment, Trustees receive corporate governance, financial and legal information in relation to the Charity in the form of its Memorandum and Articles of Association and other governance and policy documents, the annual report,

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management accounts, Charity Commission guidance and the Seven Principles of Public Life.

A robust induction programme is in place which provides newly appointed Trustees with an overview of the governance and operations of the Charity and ESC.

The Company Secretary: Jitendra Patel

Registered Office: Sport Park, 3 Oakwood Drive, Loughborough, Leicestershire, England, LE13 3QF

Banker: Barclays Bank Plc, London Corporate Banking, 1 Churchill Place, London, E14 5HP

Solicitor: Hewitsons, Kildare House, 3 Dorset Rise, London, EC4Y 8EN

Investment Manager: Sarasin & Partners LLP, 100 St. Paul's Churchyard, London EC4M 8BU

Auditor: The Comptroller and Auditor General, National Audit Office, 157 – 197 Buckingham Palace Road, Victoria, London SW1W 9SP

Risk management

The ESC board work with the Trustees to identify the key risks facing the charity which are included in the ESC Group's risk map and reviewed by its Audit, Risk and Governance committee.

Principle risks and uncertainties

The main risks concern the valuation of the key assets of the charity (NSC property portfolio and Investments portfolio) both of which are managed on its behalf by third parties with a proven track record of delivering value for money and being effective agents for these assets. The other risk is of having insufficient funds for grant making and this is mitigated by ensuring that the reserves policy is followed by the investment portfolio generating adequate annual income and net income being derived from the charity's operational activities in operating the NSCs.

Statement as to disclosure of information to auditors

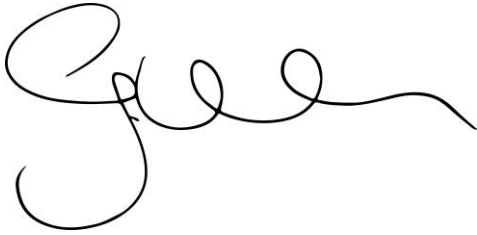
The Trustees who were in office on the date of approval of these accounts have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware.

Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

The Sports Council Trust Company

The Trustees as Company Directors approve the Strategic Report and the Directors' Report included as part of the Trustees' report on pages 1 to 16.

By Order of the Board

A handwritten signature in black ink, appearing to read 'Geoff Wilson', with a large initial 'G' and a long horizontal flourish.

Geoff Wilson

Chair

24 June 2025

Trustees' Responsibility Statement

The Trustees are responsible for preparing the Annual Report and Accounts in accordance with applicable law and regulations.

Company Law requires the Trustees to prepare accounts for each financial year. Under that law the Trustees have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

The accounts are required by law to give a true and fair view of the state of affairs of the company at the year end and of the results of the company for that year. In preparing those accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis, as per note 1.14, of accounting unless they either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The certificate and report of the Comptroller and Auditor General to the members of The Sports Council Trust Company (Company number 2517615) and to the Houses of Parliament

Opinion on financial statements

I have audited the financial statements of The Sports Council Trust Company for the year ended 31 March 2025 which comprises The Sports Council Trust Company's

- Statement of Financial Position as at 31 March 2025;
- Statement of Financial Activities and Statement of Cash Flows for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements 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 my opinion the financial statements:

- give a true and fair view of the state of The Sports Council Trust Company's affairs as at 31 March 2025 and its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been properly prepared in accordance with the requirements of the Companies Act 2006; and
- have been properly prepared in accordance with the Charities Act 2011.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Entities in the United Kingdom (2024)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2024*. I have also applied the ethical standards relevant to public interest entities. I am independent of The Sports Council Trust Company in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that The Sports Council Trust Company's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other Information

The other information comprises information included in the Trustees' Annual Report and Trustees' Responsibility Statement but does not include the financial statements and my auditor's certificate and report thereon. The Trustees are responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

The Sports Council Trust Company

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

I have nothing to report in this regard.

Opinion on other matters

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

- the Trustee's Annual Report, including the Strategic Report and Directors' Report, and the Trustees' Responsibility Statement have been prepared in accordance with applicable legal requirements; and
- the information given in the Trustee's Annual Report, including the Strategic Report and Directors' Report, and the Trustees' Responsibility Statement for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

In the light of the knowledge and understanding of The Sports Council Trust Company and its environment obtained in the course of the audit, I have not identified material misstatements in the Trustee's Annual Report, including the Strategic Report and the Directors' Report, and the Trustees' Responsibility Statement.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Trustees' Annual Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit.

Responsibilities of the Trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Sports Council Trust Company from whom the auditor determines it necessary to obtain audit evidence.
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements, which give a true and fair view, in accordance with the Companies Act 2006 and the Charities Act 2011;
- preparing the Trustees' Annual Report in accordance with the Companies Act 2006 and the Charities Act 2011; and
- assessing The Sports Council Trust 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 entity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit and report on the financial statements in accordance with applicable law and International Standards on Auditing (ISAs (UK)).

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of The Sports Council Trust Company's accounting policies, key performance indicators and performance incentives.
- inquired of management, and those charged with governance, including obtaining and reviewing supporting documentation relating to The Sports Council Trust Company's policies and procedures on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including The Sports Council Trust Company's controls relating to The Sports Council Trust Company's compliance with the Companies Act 2006, Government Resources and Accounts Act 2000, Charities Act 2011 and Managing Public Money.
- Inquired of management and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations; and
 - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within The Sports Council Trust Company for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override.

The Sports Council Trust Company

I obtained an understanding of The Sports Council Trust Company's framework of authority and other legal and regulatory frameworks in which The Sports Council Trust Company operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of The Sports Council Trust Company. The key laws and regulations I considered in this context included the Companies Act 2006, Government Resources and Accounts Act 2000, Charities Act 2011, Managing Public Money.

Audit response to identified risk

To respond to identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management and the Board of Trustees concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance, the Board of Trustees and internal audit reports; and
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Gareth Davies

27 June 2025

Comptroller and Auditor General (Statutory Auditor)

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Statement of Financial Activities for the year ended 31 March 2025
(including Income and Expenditure account)

		2025	2025	2025	2024
	Note	Restricted	Unrestricted	Total	Total
		£'000	£'000	£'000	£'000
Income from					
Donations and legacies	2	2,383	83	2,466	5,011
Other trading activities	3	-	914	914	887
Investments		-	32	32	32
Total		2,383	1,029	3,412	5,930
Expenditure on					
Charitable activities	4	(3,355)	(1,071)	(4,426)	(5,651)
Total		(3,355)	(1,071)	(4,426)	(5,651)
Net gain on investments	9	-	9	9	64
Net (expenditure)/income		(972)	(33)	(1,005)	343
Other recognised gains					
Gains on revaluation of fixed assets	13, 14	2,431	144	2,575	2,746
Net movement of funds		1,459	111	1,570	3,089
Reconciliation of funds					
Total funds brought forward		124,133	2,537	126,670	123,581
Total funds carried forward	6	125,592	2,648	128,240	126,670

The Statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure relate to continuing activities.

The notes on pages 28 to 43 form an integral part of these accounts

Statement of Financial Position as at 31 March 2025

Company number 2517615, Charity number 803779

	Note	2025 £'000	2024 £'000
Fixed assets			
Intangible assets	7	-	46
Tangible assets	8	126,971	125,353
Investments	9	887	878
Total fixed assets		127,858	126,277
Current assets			
Debtors	10	178	360
Cash at bank		358	450
Total current assets		536	810
Liabilities			
Creditors	11	(154)	(317)
Provisions	12	-	(100)
Total current liabilities		(154)	(417)
Net current assets		382	393
Net assets		128,240	126,670
The funds of the charity			
Restricted capital funds		65,584	64,916
Restricted revaluation reserve		60,008	59,217
Total restricted funds	13	125,592	124,133
Unrestricted income funds		1,665	1,672
Unrestricted revaluation reserve		983	865
Total unrestricted funds	14	2,648	2,537
Total charity funds	15	128,240	126,670

The accounts are exempt from the requirements of Part 16 of the Companies Act 2006 under section 482 (non-profit-making companies subject to public sector audit) of that Act.

The accounts on pages 25 to 43 were approved by the Board of Trustees and were signed on its behalf by:



Geoff Wilson

Chair

24 June 2025

The notes on pages 28 to 43 form an integral part of these accounts

Statement of cash flows

	Note	2025 £'000	2024 £'000
Cash flow from operating activities			
Net cash (used in) operating activities	16	(124)	(162)
Net cash (used in) operating activities		(124)	(162)
Cash flow from investing activities			
Income from investments		32	32
Net cash provided by investing activities		32	32
Change in cash balances in the year		(92)	(130)
Changes in cash balances during the year			
Balance at 1 April		450	580
Change in cash balances in the reporting period		(92)	(130)
Balance at 31 March		358	450

The notes on pages 28 to 43 form an integral part of these accounts

Notes to the accounts

1 Accounting policies

1.1 Basis of accounting

The accounts have been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities SORP (FRS 102) Second Edition issued October 2019 effective from January 2019, FRS 102, and the Companies Act 2006.

The accounts have been prepared on a going concern basis under the historical cost convention, modified by the revaluation of assets and liabilities to fair value.

The Sports Council Trust Company meets the definition of a public benefit entity under FRS 102.

The principal accounting policies adopted in the preparation of the accounts are set out below.

1.2 Income

Income from donations and legacies includes gifted assets, gifts in kind, and grants.

The value of gifts of assets is based on the amount expensed by the donor.

The value of gifts in kind is based on a reasonable estimate of the value of time spent on the administration service provided to the Charity by The English Sports Council (ESC).

Grants are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability.

Other trading activities is made up of freehold and leasehold income which is recognised on a receivable basis.

Income from investments is recognised on a receipt basis due to the timing of statements from the investment fund. The accounting treatment adopted materially matches income accrued.

1.3 Charitable activities

Community grants awarded are recognised in the period in which the grant is approved and communicated to the award recipients.

All other charitable activity expenditure is recognised when a liability is incurred.

Governance costs include those costs incurred in the governance of the Charity and its assets and are primarily associated with constitutional and financial requirements.

The provision of facilities costs is set out in note 4. Costs are allocated to activities directly or to location or usage.

Costs directly related to activities are general administration costs of the Charity. Location costs are costs incurred in connection with freehold and leasehold property occupied by ESC, Mountain Training Trust and British Rowing. Usage costs relate to depreciation, and impairments on tangible fixed assets. Support costs in relation to making community grant awards are not material.

1.4 Intangible fixed assets

Intangible fixed assets predominantly comprise software installed and utilised in our computer systems. Software is amortised on a straight-line basis over three years. The capitalisation threshold is £1,000 and assets purchased below the capitalisation threshold are expensed in year. Intangible assets are reviewed annually for impairment and are stated at amortised historic cost.

1.5 Tangible fixed assets

Tangible fixed assets are either gifted to the Charity by ESC (funded by GIA) or funded directly by the Lottery grant from ESC.

Land and buildings

Full valuations are carried out by external experts quinquennially for land, buildings and bund, supplemented by annual indexation.

The last full valuation of land and buildings was carried out as at 31 March 2024.

Valuations are based on Depreciated Replacement Cost (DRC) for specialist properties, Existing Use Value (EUV) for residential properties and fair value for other properties.

The DRC basis generates an open market valuation of the land. The valuation of each building is derived through an estimate being made of the gross current replacement cost of the buildings and other site works, from which deductions are then made to allow for age, condition and obsolescence.

The EUV basis generates a valuation based on the current use of the building, disregarding any potential for future development or higher value uses. It is calculated by analysing market transactions of similar residential properties in the local area but then applying a discount adjustment for the varying degrees of disbenefit and lack of privacy due to their location within the operating National Sports Centre estate.

Any assets under construction are valued at the costs incurred to date.

Artworks and antiques

Artworks and antiques are valued by external experts. Valuations are derived with reference to the retail market (at the valuation date) and the probable cost of replacing the items when compared with items in a similar condition. The last full valuation of artworks and antiques was carried out as at 31 March 2024 and this is carried out every five years.

Equipment and leasehold improvements

Other property, plant and equipment have not been revalued as fair value is not considered to be materially different to depreciated historic cost.

The capitalisation threshold is £1,000 and assets purchased below the capitalisation threshold are usually expensed in year, except for grouped assets.

Grouped assets are assets, which individually, are less than £1,000 however together they form a single collective asset.

Depreciation

Depreciation is provided on all tangible fixed assets, except freehold land and artworks and antiques, at rates calculated to write off the cost or valuation, less estimated residual value evenly over its expected useful life as follows:

Buildings (as advised by external expert)	Unexpired life, maximum of 60 years
Bund (as advised by external expert)	40 years as advised by external expert
Leasehold improvement	Expected life of lease
Equipment	5 years

Impairment reviews are undertaken annually. No depreciation is charged in the year of acquisition or construction. A full year's depreciation is charged in the year of disposal.

1.6 Investments

Subsequent to purchase, listed stocks and shares are measured at fair value through other comprehensive income based on reference to the market in which they exist and are not held for trading.

There are no investments other than those set out in note 9.

1.7 Debtors

Debtors are recognised at fair value, which represents the value of settlement.

1.8 Creditors and provisions

These are recognised when there is a present obligation from a past event that will probably result in a transfer of funds to a third party which can be measured or reliably estimated.

1.9 Funds

Details of all restricted and unrestricted funds are provided in notes 13 and 14.

Restricted funds: These funds are earmarked by the donor for specific purposes.

Unrestricted funds: These funds comprise general funds that are expendable at the discretion of the Trustees in furtherance of the objects of the Charity and which have not been designated for other purposes.

1.10 Property operating leases

Payments made under operating leases (rental agreements) are recognised in the Statement of financial activities on a straight-line basis over the term of the lease. Lease incentives (e.g., rent-free periods) are recognised as an integral part of the total lease expense, over the term of the lease.

1.11 Dilapidations

Full provision for the probable cost of dilapidations at the date of the expected termination of the lease is made in the accounts in the year in which it is decided not to renew the lease.

1.12 Taxation

No taxation is chargeable on the Charity's activities which are of a charitable nature, and thus outside the scope of corporation tax.

1.13 Use of estimates and judgement

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenditure. Actual results may differ from the estimates used.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Estimates are made in relation to tangible fixed assets held by the National Sports Centres including the valuation and revaluation, dilapidation, impairment and

depreciation of Land and Buildings, the valuation of artwork and antiques and the value of gifts in kind.

1.14 Going concern

The financial position of the Charity is supported by ESC. The ESC is the major provider of funds through the gifting of assets and provision of deficit funding for the NSCs' operations. The Charity does not usually commit to any capital expenditure that requires funding from its own resources. After making enquiries of the management of ESC, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for at least the next 12 months from the date of approval of the financial statements.

Accordingly, the Charity continues to adopt the going concern basis in preparing these accounts.

1.15 Value Added Tax

The Charity is in a group VAT registration scheme with ESC and is jointly and severally liable for all group VAT liabilities. No VAT is charged on transactions between fellow members of the VAT group. Any irrecoverable VAT incurred by the Charity is met on its behalf by ESC.

2 Donations and legacies

	2025 £'000			2024 £'000		
	Restricted	Unrestricted	Total	Restricted	Unrestricted	Total
Gifts of fixed assets	2,383	-	2,383	4,927	-	4,927
Gifts in kind administration service	-	83	83	-	84	84
Total	2,383	83	2,466	4,927	84	5,011

Gifts of fixed assets and gifts in kind administration service are from ESC.

3 Other trading activities

	2025 £'000	2024 £'000
Property income	914	887

The income above is from property occupied by ESC, Mountain Training Trust, and British Rowing. It includes rent, rates, service charges and other property costs such as repairs, maintenance, and legal costs.

4 Charitable activities

	2025			2024		
	Restricted £'000	Unrestricted £'000	Total £'000	Restricted £'000	Unrestricted £'000	Total £'000
Community grants awarded						
Get Berkshire Active	-	8	8	-	10	10
Fit for Dancing – Fit for Life	-	14	14	-	-	-
Wycombe Wanderers Sport and Education Trust	-	(7)	(7)	-	-	-
Total community grants	-	15	15	-	10	10
Governance costs (note 5)						
Board expenses	-	7	7	-	3	3
Audit fees	-	30	30	-	40	40
Total governance costs	-	37	37	-	43	43
Provision of facilities¹						
Costs directly related to activities						
ESC administration charge	-	28	28	-	28	28
Gift in kind administration charge	-	83	83	-	84	84
Sub-total	-	111	111	-	112	112
Location costs						
Property costs	-	859	859	-	819	819
Legal and professional	-	16	16	-	21	21
Bank charges	-	1	1	-	-	-
Sub-total	-	876	876	-	840	840
Usage						
Depreciation	3,586	45	3,631	3,745	58	3,803
Impairment charge/(reversal)	(231)	(13)	(244)	783	60	843
Sub-total	3,355	32	3,387	4,528	118	4,646
Total provision of facilities	3,355	1,019	4,374	4,528	1,070	5,598
Total charitable activities	3,355	1,071	4,426	4,528	1,123	5,651

¹ Provision of facilities costs are allocated as set out in the accounting policies note 1.3.

4 Charitable activities (continued)

All income and expenditure relating to the National Sports Centres management contract are accounted for by the ESC including any performance-based bonus. The ESC funds the operational deficit of the National Sports Centres which was £4.9 million in 2025 (2024: £5 million).

5 Governance and staff costs

The Charity employed no staff in 2024 and 2025.

ESC provides a financial and administration service to the Charity, under the terms of a service level agreement, for which a charge is made (note 2).

10 Trustees (2024: 6) were paid travel during the year of £7,000 (2024: £3,000)

The Trustees did not receive fees or allowances for the year (2024: Nil) either directly from the Charity or the parent body ESC.

The audit fees for the year were £30,000 (2024: £40,000). There were no fees for non-audit work in 2024 and 2025.

6 Reconciliation of the movement in funds

	2025	2024
	£'000	£'000
Net assets at 1 April	126,670	123,581
Capital investment		
Gifted assets (ESC)	2,383	4,927
Other movements		
Net revaluation of fixed assets	2,819	1,903
Depreciation	(3,630)	(3,803)
Operational (deficit)/surplus	(11)	(2)
Increase in value of investments	9	64
Net assets at 31 March	128,240	126,670

7 Intangible fixed assets

	Software £'000	Total £'000
Cost/valuation		
At 1 April 2024	139	139
Additions	-	-
At 31 March 2025	139	139
Amortisation		
At 1 April 2024	(93)	(93)
Charge for the year	(46)	(46)
At 31 March 2025	(139)	(139)
Net book value		
At 31 March 2024	46	46
At 31 March 2025	-	-

Assets are valued in accordance with the accounting policy note 1.4.

8 Tangible fixed assets

	Land £'000	Buildings and bund £'000	Assets under construction £'000	Leasehold improvements £'000	Equipment £'000	Artworks and antiques £'000	Total £'000
Cost/valuation							
At 1 April 2024	19,476	142,968	12	194	3,137	827	166,614
Gifted assets	-	1,213	264	-	906	-	2,383
Disposals	-	(48)	-	-	(271)	-	(319)
Revaluation	28	2,547	-	-	-	-	2,575
Reclassifications	-	-	-	1	-	(1)	-
At 31 March 2025	19,504	146,680	276	195	3,772	826	171,253
Depreciation							
At 1 April 2024	12	(38,780)	-	(165)	(2,365)	37	(41,261)
Charge for year	-	(3,372)	-	(15)	(197)	-	(3,584)
Disposals	-	48	-	-	271	-	319
Impairment	-	244	-	-	-	-	244
At 31 March 2025	12	(41,860)	-	(180)	(2,291)	37	(44,282)
Net book value							
At 31 March 2024	19,488	104,129	12	30	831	863	125,353
At 31 March 2025	19,516	104,820	276	15	1,481	863	126,971

The net book value of revalued assets under historic cost is as follows: Land £3,649k (2024: £3,649k); Buildings and bund £60,923k (2024: £61,417k).

Assets are valued in accordance with the accounting policy note 1.5.

8 Tangible fixed assets (continued)

The last full valuation of land, buildings and bund was carried out as at 31 March 2024 by Gerald Eve LLP, a regulated firm of Chartered Surveyors which provides expert advice in asset valuations and surveying. The valuation was prepared in accordance with the requirements of the RICS Valuation Global Standard 2022 and the UK national standards and guidance set out in national supplement (November 2018 edition), and Financial Reporting Standard (FRS) 102.

The valuation of the non-specialised properties was undertaken on a Fair Value basis, on the assumption of continuation of the existing use. Specialised properties were valued by reference to Depreciated Replacement Cost (DRC). It has been assumed that the replacement build cost rates used in DRC valuations based on knowledge of the current costs of constructing general and specialised sport facility accommodation as well as information from Building Cost Information Service (BCIS) and other published cost data, provides an accurate valuation of these properties. It has been assumed that existing buildings valued as they stand using Gross Internal Floor areas (GIAs) by reference to the cost of providing either modern equivalent assets (MEAs) capable of delivering the required service provision, or for the listed structures as historically important assets, further refines an accurate valuation of these properties.

The valuation of the non-specialised residential properties was undertaken on an Existing Use Value basis, on the assumption of continuation of the existing use and that the values of these properties are comparable to similar residential properties in the local area. A discount has been applied to the values for the varying degrees of disbenefit and privacy due to their location within the operating National Sports Centre estate.

Obsolescence of properties has also been factored into the valuations considering physical factors (the age, condition and the probable costs of future maintenance), functional factors (the suitability of the properties for their present use and the prospect of continuance or use for some other purpose – usually considering legislative change, for instance compliance with sustainability and energy efficiency legislation) and economic factors (the extent of any loss in value resulting from external economic factors).

Land, buildings, and bund comprise freehold properties. All assets are owned, no assets are supported by either finance leases or PFI contracts.

There is a collection of artworks, furniture and fittings at Bisham Abbey that date from the 16th century. The historical significance of these assets classifies the collection as Artworks and antiques. The collection was last valued as at 31 March 2024 by Sotheby's.

9 Investments

	2025	2024
	£'000	£'000
Listed stocks and securities		
Market value at 1 April	878	814
Revaluation of investment	9	64
Market value at 31 March	887	878

Investments as at 31 March 2025 represents holdings in the Sarasin Endowments Fund.

The holding is classified as 'not held for trading.'

The historical cost of the asset at 31 March 2025 was £0.7 million (2024: £0.7 million).

10 Debtors

	2025	2024
	£'000	£'000
Amounts falling due within one year		
Trade debtors	23	36
Accrued income	123	255
Total	146	291
Amounts falling due after more than one year		
English Sports Council	32	69
Total	32	69
Total	178	360

11 Creditors

	2025	2024
	£'000	£'000
Amounts falling due within one year		
Trade creditors	-	5
Accruals	154	312
Total	154	317

12 Provisions

	Total £'000
Balance at 1 April 2024	100
Provision release	(100)
Balance at 31 March 2025	-

The provision is dilapidations for Bloomsbury Street. The lease expired in November 2022 with no option to extend. Provisions were made following a series of assessments since the lease expiry totalling £554k. Following negotiations between the landlord and DCMS, a settlement is expected within the following year from funds previously paid and the provision was released based on advice from the landlord and their knowledge of the final settlement.

All the above costs will be funded by ESC and thus accrued income has been recognised in these accounts (note 10).

13 Restricted funds

	Revaluation reserve (land and buildings) £'000	ESC GIA funded assets £'000	ESC Lottery funded assets £'000	Capital £'000	Other £'000	Total £'000
Balance at 1 April 2023	58,114	38,203	23,674	92	877	120,960
Gifted assets	-	4,927	-	-	-	4,927
Revaluation	2,774	-	-	-	-	2,774
Impairment	-	(794)	-	-	11	(783)
Depreciation	-	(2,641)	(1,084)	(3)	(17)	(3,745)
Amortisation of reserve	(1,671)	1,191	475	1	4	-
Balance at 31 March 2024	59,217	40,886	23,065	90	875	124,133
Gifted assets	-	2,383	-	-	-	2,383
Revaluation	2,431	-	-	-	-	2,431
Impairment reversal	-	229	-	-	2	231
Depreciation	-	(2,599)	(969)	(3)	(15)	(3,586)
Amortisation of reserve	(1,640)	1,233	404	-	3	-
Balance at 31 March 2025	60,008	42,132	22,500	87	865	125,592

ESC receives funding from two sources, Exchequer Grant-in-Aid (GIA) and the National Lottery Distribution Fund. These two sources of funding are required to be accounted for separately.

13 Restricted funds (continued)

ESC GIA Funded assets

This fund supports the initial acquisition and subsequent funding of tangible fixed asset additions at the National Sports Centres and is funded by ESC's Exchequer Grant-in-Aid.

ESC Lottery funded assets

This fund also supports the initial acquisition and subsequent funding of tangible fixed asset additions at the National Sports Centres and was funded by ESC's National Lottery Distribution Fund.

Capital

This fund supports improvements to facilities at the National Sports Centres and was donated by the Lawn Tennis Association.

Other

This fund is made up of facilities at Lilleshall funded by The Royal British Legion (TRBL) which are used for TRBL beneficiaries and Ministry of Defence personnel (£0.6 million) as well as the proceeds from the sale of Ashlands House, Crewkerne (£0.3 million) held as investments (note 9 and 14).

14 Unrestricted funds

	Revaluation reserve (land and buildings) £'000	Other £'000	Total £'000
Balance at 1 April 2023	927	1,694	2,621
Amortisation of reserve	(34)	34	-
Revaluation	(28)	-	(28)
Depreciation	-	(58)	(58)
Profit/(loss) on revaluation	-	(59)	(59)
Operational deficit	-	(3)	(3)
Revaluation of investments	-	64	64
Balance at 31 March 2024	865	1,672	2,537
Amortisation of reserve	(26)	26	-
Revaluation	144	-	144
Depreciation	-	(45)	(45)
Profit on revaluation	-	13	13
Operational deficit	-	(10)	(10)
Revaluation of investments	-	9	9
Total	983	1,665	2,648

Other

This fund is made up of movements in investment revaluations (note 9), depreciation on unrestricted assets and accumulated annual surpluses.

15 Reconciliation of net assets between funds

	Intangible fixed assets £'000	Tangible fixed assets £'000	Investments £'000	Other assets £'000	Total 2025 £'000	Total 2024 £'000
Restricted funds						
Revaluation reserve	-	60,008	-	-	60,008	59,217
ESC funded assets	-	42,132	-	-	42,132	40,886
ESC lottery fund	-	22,500	-	-	22,500	23,065
Capital	-	87	-	-	87	90
Other	-	865	-	-	865	875
Total	-	125,592	-	-	125,592	124,133
Unrestricted funds						
Revaluation reserve	-	983	-	-	983	864
Other	-	396	887	382	1,665	1,673
Total	-	1,379	887	382	2,648	2,537
Total funds	-	126,971	887	382	128,240	126,670

16 Net cash flow from operating activities

	2025 £'000	2024 £'000
Net (expenditure)/income	(1,005)	343
Gifted assets	(2,383)	(4,927)
Impairment (reversal)/charge	(244)	843
Net (gains)/losses on investments	(9)	(64)
Investment income	(32)	(32)
Depreciation	3,630	3,803
Decrease/(increase) in debtors	182	588
(Decrease)/increase in creditors	(163)	(262)
(Decrease) in provisions	(100)	(454)
Total	(124)	(162)

17 Commitments under operating leases

	2025 £'000	2024 £'000
Not later than one year	57	57
Later than one year and not later than five years	228	228
Later than five years	24	81
Total	309	366

All the Charity's commitments under leases to pay rentals are shown above. These leases relate to offices occupied by ESC and all costs are recharged to ESC. Future commitments are expected to be met through their occupation of the properties.

The rental income for the year amounted to £0.9 million (2024: £0.9 million) all of which was receivable from ESC. Note 8 sets out in the Leasehold Improvement column the capital value held in relation to the properties leased to ESC.

18 Capital commitments and contingent assets/liabilities

	2025 £'000	2024 £'000
Capital commitments – contracted but not provided for	76	56
Total	76	56

There are no contingent liabilities or contingent assets for the current year (2024: Nil).

19 Parent body rights over assets

Grants made by ESC to the Charity since June 1990 were made on the basis that any tangible fixed assets acquired by such grants should be available for clawback (return of sale proceeds to the Exchequer and Lottery) in the event of disposal or change of use.

On 5 October 1994, the Charity Commission granted an Order under the Charities Act 1993 by which the Charity must repay to ESC the whole proceeds of sales of fixed assets, or such part as represents public funds, sold on or after 1 April 1989, which were originally purchased in whole or in part with funds provided by the Exchequer.

20 Derivatives and other financial instruments

The Charity relies mainly on grant, donation, and property funding to finance its operations. Other than cash resources and items such as debtors and creditors that arise from its operations, it holds no other financial instruments other than the investments referred to in note 9, nor enters into derivative transactions.

The return from investments is not material and therefore the Charity is not exposed to significant market risk. The Board regularly undertakes reviews to mitigate the risks of performance of this instrument.

The Charity performs all transactions in Sterling and therefore has no currency exchange risk. The Charity does not enter into any forward foreign currency contracts or similar financial instruments. The Charity does not borrow money and therefore has no exposure to interest rate risk or liquidity risk in this regard. Cash balances are held in commercial bank accounts and attract market rates of interest. The Charity does not enter into any interest rate swaps or similar financial instruments.

21 Related party transactions

The Charity has a close working relationship with its parent body ESC. ESC is the Charity's main provider of funds enabling the Charity to carry out its charitable objectives. It also provides a financial and administrative service to the Charity through a gift in kind (note 2) and an annual charge of £28,000 (2024: £28,000).

ESC gifts fixed asset additions to the National Sports Centres the details of which are set in note 2. In 2025 this amounted to £2.4 million (2024: £4.9 million).

Included within note 3 in other trading activities are recharges to ESC for property costs, repairs and legal and professional costs in respect of properties occupied by ESC. The amounts included in note 3 are set out below plus the amounts outstanding at the end of the financial year for these recharges.

	2025 £'000	2024 £'000
Income	875	831
Amount owing from English Sports Council	(32)	(69)

Trustees are selected from a variety of backgrounds and experience. Where conflicts of interest occur, these are declared at each meeting and a Trustee will excuse themselves from any decisions related to the item in question. If the Chair has a conflict another Trustee will chair the meeting when the item is discussed. There were no related party transactions where a Trustee declared a current or past interest relating to the Charity's activities.

22 Security

ESC was granted a mortgage debenture on 21 December 2006 incorporating a charge over all the Lottery grant funded assets provided for The Rowing Lake. This mortgage debenture was novated to The Sports Council Trust Company on 29 March 2012.

23 Ultimate parent body

The charity's parent body is ESC known as Sport England and is the Government agency that works to make sure everyone can experience the benefits of sport and physical activity. The results of The Charity are consolidated in the accounts of ESC. The accounts of ESC Group are available from its registered office at Sport Park, 3 Oakwood Drive, Loughborough, Leicestershire, England, LE13 3QF.

24 Post balance sheet events

There have been no other post balance sheet events and the annual report and accounts were authorised for issue on the date of certification by the Comptroller and Auditor General.

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THE SPORTS COUNCIL TRUST COMPANY

England & Wales - Charity number 803779

Accounts

The Sports Council Trust Company

Company number 2517615

Charity number 803779

[A subsidiary company of The English Sports Council]

Annual Report and Accounts 2023 – 2024

For the period 1 April 2023 to 31 March 2024

The Sports Council Trust Company

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Presented to Parliament pursuant to Article 6(2)(b) of the
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TRUSTEES REPORT

The Trustees present their Annual Report on the affairs of The Sports Council Trust Company together with the accounts and auditor's report for the year ended 31 March 2024.

Strategic Report

Structure, governance and management

Constitution of The Sports Council Trust Company

The Sports Council Trust Company ("the Charity") is a company limited by guarantee (Company number 2517615) incorporated in England. It is governed by its Memorandum and Articles of Association and is a registered charity with the Charity Commission (Charity number 803779).

The sole member and parent body for the financial years presented in this report was The English Sports Council (ESC) operating as Sport England.

The operating and governance framework between ESC (the Parent) and the Charity (the Subsidiary), is outlined in the Parent/Subsidiary Memorandum, effective from 1 May 2012 and last updated in December 2012, between the two parties.

Organisational structure

The Charity is administered by a Board of Trustees that regularly meets to discuss the objectives and activities of the Charity. The directors of the Charity are its Trustees. During the financial year ending 31 March 2024 the Board met 4 times.

The Board is composed of a Chair and 9 Trustees as of 31 March 2024. You can find more details about each Trustee on page 15.

The Chair is responsible for the management of the Charity's operations. To ensure we are best placed to meet our strategic goals, the Chair delegates authority for the day-to-day administration to officers of Sport England. This is done through Service Level and Agency Agreements (SLA) that include the provision of staff to manage the operational contracts of the National Sports Centres (NSCs). This means that the Charity has no employees.

Objectives and Activities

The Charity was founded to preserve and safeguard the physical and mental health of communities across the UK. We do this by promoting physical recreation (including sports) and education, as well as providing facilities that are available to members of the public.

During 2023/24 the Charity focused on:

- Increasing participation in sport and physical activity by providing a range of activity opportunities to the public through the National Sports Centres (NSCs)
- Creating, improving and maintaining world class training facilities at the NSCs
- Ensuring that the NSCs continue to promote holistic sports development programmes
- Safeguarding the NSC's business recovery from the current economic climate
- Exploring the options to extend the management contracts for the NSCs
- Awarding grants to local sporting and community organisations
- Monitoring the performance of our investments and available funding

The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Charity's aims, objectives, and achievements, and in planning future activities.

Our strategy

We achieve our public benefit purpose through the management and operation of facilities that every member of the community can benefit from.

During the year, the Charity continued to own three NSCs:

- Bisham Abbey National Sports Centre (Bisham)
- Lilleshall National Sports Centre (Lilleshall)
- Plas y Brenin the National Centre for the Outdoors (PYB)

We also own the Redgrave and Pinsent Rowing Lake (the Rowing Lake), which is currently leased to British Rowing.

These four facilities are uniquely placed to help us achieve our primary goal of helping members of the public play more sport and enjoy the many benefits of regular physical activity. By giving people access to high quality sports facilities, we are helping make communities happier, healthier and better connected. The NSCs also provide elite sports men and women world-class places to train for international sporting competitions, helping to further increase the sporting prestige of the UK around the world.

We have four main strategic objectives:

- Support the delivery of a National Governing Body-driven sporting system which can accommodate and develop talent at community, club and elite level.
- Enhance talent development and world class performance by providing a mix of high-quality sports facilities and support in a unique sporting environment.
- Foster effective coach development, research, innovation and inspiration by delivering programmes and activities that have a significant impact on sporting activities and its availability.
- Ensuring effective operation of the NSCs, through the development of commercial and community participation activities, without impacting our ability to achieve our other objectives.

We deliver against our four objectives through management contracts let in 2011, which run for a 15-year period. The Charity's Board oversaw the tendering process and letting of the contracts while the Sport England Board gave approval for us to enter the contracts in 2011. Bisham and Lilleshall are operated on behalf of the SCTC by Serco Leisure. PYB is operated by Mountain Training Trust (MTT). The Redgrave and Pinsent Rowing Lake is leased to the Amateur Rowing Association for 25 years from its opening in April 2006.

The National Sport Centres

Our NSCs and Rowing Lake are unlike other facilities in the UK's sporting landscape. They not only provide world class training facilities for the country's Olympic and Paralympic athletes; they also provide the places and spaces for local communities to be active and participate in sport and physical activity.

As active environments, the NSCs are recognised nationally and increasingly internationally, as examples of best practice for integrating sport and physical activity with other services like health, education, and training. They are not just about providing a place to train, but a hub for community activity.

Our NSCs are an important part of Sport England's reputation as a leader across the sport and leisure sector. Sport England's role as the client of three sector leading facilities (on behalf of The Sports Council Trust Company) provides credibility within the market. This is particularly true in relation to Sport England's strategic role working with Local Authorities, Trusts and Operators to drive continual improvement in local leisure provision.

This kind of collaboration is a crucial part of what makes the NSCs so special. They're a leading example of partnership and cross sector/partner relationships working towards

shared strategic objectives and local outcomes. Our partners consistently reference the strength of the partnership to help them achieve their own objectives – contributing to Sport England's wider role in supporting the sector and encouraging collaboration to maximise local community outcomes.

As part of the Elite Training Centre network, the NSCs are among the 18 Centres that host world class Olympic and Paralympic programmes. The partnership of National Governing Bodies, UK Sport institute (UKSI), UK Sport and Sport England works together to make the country's elite training environments more effective, contributing to a more sustainable elite sport system.

The four NSCs that are owned by the Charity are:

Bisham Abbey

Based in Berkshire, Bisham is a compact site which accommodates a range of water sports, football, rugby, tennis, hockey and public community use.

It features a community fitness centre, studios and health suite, squash courts, indoor and outdoor tennis courts, two grass pitches, two artificial pitches and an elite strength and conditioning gym and Intensive Rehabilitation Unit operated by UKSI.

The site is supported by modern accommodation, catering facilities and a 12th century Abbey which forms the centrepiece of the site. It is home to England Hockey, UKSI, Living Tennis, FAB Academy, British Rowing, RFU talent development teams and is extensively used by the local community.

Lilleshall

In the heart of Shropshire, Lilleshall has a range of sports facilities spread throughout the substantial grounds. These include a dedicated indoor and outdoor archery range, gymnasium, nine grass pitches, two artificial grass pitches and a UKSI strength and conditioning area.

Supporting the sports facilities, Lilleshall has over 250 modern bedrooms and catering facilities for use by members of the public and athletes. A dedicated modern office building co-locates several NGB Head offices including British Gymnastics, UKSI and Archery GB. The centre is home to partners including GB Hockey, Home Office, the Royal British Legion, Crossbar Coaching and extensively used by the local community.

Plas y Brenin

Located in Snowdonia, PYB is an iconic venue and provides a focal point for a year-round programme of mountain sports courses and outdoor activities. The centre's facilities include two climbing wall areas, an abseil tower, canoe training pool and a low rope course. The centre is an important resource for the British Mountaineering Council, Paddle UK, GB Orienteering and British Cycling.

Redgrave and Pinsent Rowing Lake

Transferred to ownership of the Charity in 2006, the facility is a purpose built, internationally recognised 2,100m rowing lake set on the River Thames. The facilities include clubhouse, boat store, gymnasium, offices, catering and conferencing facilities.

British Rowing leases the Rowing Lake and boathouse from us and undertakes an extensive programme of rowing development and training. The facility continues to be the single most important factor underpinning the training and preparation of the GB Rowing Team for major international competition.

SCTC current economic climate response

The NSCs have continued recovery from Covid-19. The recovery was impacted by the continued economic instability. Rising costs associated with energy, inflation and interest rates had a significant impact on the financial performance of all the NSCs during 2023/24. Sport England provided financial support to help the operators with business recovery, the current economic climate and business transformation activity. This was critical for the continued recovery of the NSCs and ensured all facilities and services at each centre to continue to remain fully operational for elite, community, and commercial activity.

This approach has helped protect the onsite sport partners and contributed to the recovery of participation and usage to pre-pandemic levels in 2023/24. Community, elite and commercial throughput targets were exceeded at Bisham and Lilleshall.

At PYB, demand remained constant throughout the year for governing body leadership, skills and training courses. Community courses and commercial bookings demonstrated growth against 2022/23.

Building on the lessons learnt during Covid-19, a pragmatic and collaborative approach was maintained by SCTC and Sport England as the most appropriate way to respond to the unprecedented impact placed upon the NSC contracts and the operators themselves. All parties approached discussions positively with a focus on

understanding impact, mitigation measure and identifying how all parties could contribute to supporting the NSCs business recovery.

Our Performance

The performance of the NSCs is managed by Sport England through a Service Level and Agency Agreement (SLA) with The Sports Council Trust Company.

The requirements in the contracts set ambitious standards to meet the NSC strategic objectives. A balanced scorecard and set of Key Performance Indicator's (KPIs) are used to continually measure performance.

The key performance measures we use range across three categories:

- Internal business processes
- Continuous improvement
- Customer perspective

The operators of our NSCs are required to perform in the top quartile nationally on the National Benchmark Service and QUEST, Sport England's recommended tools for continuous improvement in the leisure industry.

These measures are linked to the aims of the Charity and Sport England's objectives of increasing participation nationally.

Overall contract performance standards have been successfully delivered in line with the increased operations of the NSCs. Under continued challenging circumstances due to the current economic climate Serco and MTT have met, and at times exceeded, their contractual performance standards with no deductions or performance failures during 2023/24. Both operators maintained excellent results in external quality assurance, customer and facility management audits assuring that the assets continued to be well managed and maintained.

What we have achieved

The proactive approach taken by SCTC, Sport England, Serco and MTT enabled a valuable contribution towards our objectives to be made. We remain focused on our duty to promote the success of SCTC and achieve its charitable purpose as described in the Objectives and Activities section on page 2.

Examples of NSC contributing to uniting the movement

Bisham Living Tennis Academy, Serco and the local community members worked collaboratively to support 6 Ukrainian tennis talent pathway athletes to relocate to Bisham and train as part of the Living Tennis performance programme. Families have been supported by the local community and businesses for accommodation and financial support to enable the athletes to continue their sporting careers.

The Bisham-based over 60's 'Primetimers' has continued to thrive during 2023/24, with additional classes introduced to meet increasing demand. The programme aimed to engage and maintain physical and social activity in the older demographic, and these are now regularly attracting 20 people training 3 times per week.

Bisham FAB academy has seen an increase in attendance in their academy, community youth training sessions and all-girls sessions. The FAB academy was supported by SCTC during the pandemic, so it is encouraging to see their recovery and the impact their programme is having at Bisham.

Bisham has partnered with the RFU to host Under 16 to Under 21 men's and women's age group squads for development training camps and preparation for the respective 6 Nations competitions. The partnership expanded to also include the RFU Rugby Sevens World Class programme who are accessing facilities and UKSI services to support their Olympic preparations.

Bisham and Lilleshall have played an integral part of the National Governing Body (NGB) sports preparation for the Paris 2024 Olympics and Paralympics Games. We have not only assisted our resident onsite sports but also supported athletes from across other Olympic and Paralympic sports through sports medicine and rehabilitation support through UKSI and the Intensive Rehabilitation Unit.

Lilleshall hosted GB Hockey to deliver residential camps for National Age Groups and Elite Development Programmes. These programmes are critical to developing future athletes. The programme is focused on improving the number of athletes from currently under-represented groups to access the Hockey performance pathway.

Lilleshall partnered with Sport Parkinsons to provide a new programme of weekly sessions to support members of the local community living with Parkinsons. The programme commenced in November 2023.

PYB worked in partnership with the Mountain Adventure Fund to provide inner-city children with the opportunity to be inspired and motivated by the outdoors. The programme provided a significant change in landscape from urban environments

giving children the opportunity to build safe and lifelong habits for participation in the outdoors. Volunteers were training at PYB during April-June to ensure that teachers and coaches returned to schools with skills to support continued participation. 20 Children attended summer camps before the programme expanded to 200 children in the Autumn.

Following the success of the #ShePaddle event in 2022/23 PYB expanded the programme in 2023/24 to #ShePaddles and #SheClimbs. The events led to the delivery of a series of specialised courses for women, increasing female participation in outdoor activities.

Unique Sporting Environment

Bisham and Lilleshall were formally accredited as Elite Training Centres by UK Sport following an external assessment through the UK Sport Excellence Framework. The accreditation recognised the world class facilities and services provided to the NGB Olympic and Paralympic programmes.

Capital and lifecycle investment programmes were delivered as planned during 2023/24 delivering c.£5m to maintain and enhance the infrastructure of the NSCs. Surveys were commissioned to identify any presence of reinforced autoclave aerated concrete (RACC) across the NSCs. There was no evidence or risk of RACC having been used within any of the NSC assets.

At **Bisham** we undertook extensive asset maintenance, refurbishment, and capital improvements focused on the listed building assets during 2023/24. Internal refurbishment and redecoration of the Abbey was completed to support the commercial activities including Weddings, conferencing and sports camp bookings at Bisham. A programme of fire door replacement for the listed heritage building was also completed.

At **Lilleshall** the new Archery Performance Centre was completed in November 2023 ready for Archery GB to commence their winter training programme in the leadup to Paris 2024 Olympic and Paralympic Games. The collaboration between Sport England, UK Sport, Serco, and Archery GB to deliver this facility will mean Archery GB will remain a long-term key partner at Lilleshall.

The multi-surface artificial turf pitch was replaced at Lilleshall after reaching the end of life. The new surface provides a high-quality surface for delivery of community football, hockey and multi-sport activities.

A new artistic gymnastics floor was completed within the elite gymnastics' hall. The flooring will support British Gymnastics in preparation for competition at the Paris 2024 Olympic Games.

At **PYB** we undertook asset maintenance, refurbishment, and capital improvements. A new pontoon was constructed on the lake to support greater access to the lake to meet the growing demand of water-based activities in wild swimming, stand up paddle board and canoeing.

Full internal and external redecoration, guttering and replacement fire escape stairs were completed as part of the planned maintenance programme.

A fire risk assessment and a fire building strategy were completed in 2023/24. A scheduled programme of works is planned for 2024/25 to enhance fire safety in line with the Fire strategy.

Coach Development, Research, Innovation and Inspiration

Our contribution to this strategic priority is largely delivered through PYB our National Centre for the outdoors. People being more active outdoors is one of the largest growth areas and our work supports the whole sector to promote, encourage, and develop increased participation in the outdoors.

During 2023/24, **PYB** contributed towards talent development through delivering top-end NGB qualifications, with the provision of places across hike, climb (Mountain Training), paddle (Paddle UK) and bike (British Cycling) schemes. The NGB and skills course programme ensures the next generation of outdoor instructors are well prepared to safely lead, manage, motivate, and inspire others in outdoor activities. Qualified instructors return to coach across a wide range of settings such as adventure businesses, outdoor and activity centres, schools and club volunteers.

PYB partnered with the National Trust to train 100 walk leaders from Black, Asian and ethnic minority backgrounds to qualify as lowland or hill walk leaders. The project plays an important role in broadening the diversity of leaders to support increasing the diversity of people accessing and benefitting from being active in the outdoors.

Lilleshall was chosen to host a Diploma in Sporting Excellence (DiSE). This programme was a partnership between GB Hockey and Loughborough College to provide education qualifications to athletes who are currently progressing through the hockey talent pathway.

Plans for future periods

Our operating plan provides for:

- Consideration of the options for the extension of the operating contracts for the NSC's which are due to expire in 2026. A working group of the Board has been established to explore the options in more detail and make recommendations to the SCTC Board, and approval by Sport England's Board.
- Working collaboratively with Serco and MTT to ensure the operators can provide vital opportunities for community, talent development, elite participation, and commercial opportunities.
- Responding to the significant financial challenges presented by inflationary rises, cost of living, and demand led pressures to ensure the NSCs continue to contribute to SCTC and wider Sport England strategic objectives to ensure everyone can experience the benefits of being active.
- Supporting talented athletes and NGB World Class programmes, specifically supporting preparations for Paris 2024 Olympic and Paralympic Games.
- Continuing to be an example of best practice and innovation to support the wider public sector sport and physical sector, focusing on connection to health and utilising data to demonstrate impact.
- Implementing initiatives as part of the Environmental Sustainability strategy and action plan for the NSCs to further reduce energy consumption and work towards the target net zero carbon across the NSC portfolio.

Green Initiatives

We continued to put in place measures to increase the sustainability of the entirety of our operations this year.

The Government's Get Active strategy sets out its ambitions to enable the nation to be more active. Sustainability is one of the strategy's three core priorities recognising the importance of the sport and physical activity sector being more financially and environmentally sustainable. This reinforces the commitment made in Sport England's Uniting the Movement strategy to 'step up environmental sustainability'. As owners of the National Centres, SCTC have supported proposals with Sport England's Environmental Policy and draft action plan. The action plan sets out how the NSCs can improve their environmental sustainability over the medium term. A more strategic approach to improving the environmental sustainability of the NSCs is welcomed and will form a key focus for SCTC in 2024/25.

At an operational level, the new Archery Centre was designed and delivered to be environmentally efficient, with south-facing solar panels on the roof along with

additional battery storage to ensure the benefit is gained all year-round. Hot water will be generated via air source heat pumps which are located externally to avoid the building requiring any kind of gas supply. The heat pumps ensure that the building increases its energy efficiency and reduces its carbon footprint. A case study of the project has been produced to share with partners when considering similar facilities.

The programme to replace old inefficient lighting with LEDs continues across the sites with the Jubilee Hall completed at Lilleshall in 2023/24.

Electric vehicle charging points were increased at both Bisham and Lilleshall due to increased demand.

The Biomass heating system at Lilleshall continues to significantly reduce the site's reliance upon oil (Fossil Fuel) as the main source of energy.

Directors' Report

Financial review

Our operational activities, including grant making, are funded by property income and returns from the investment fund (see note 9). Asset investment activities are funded from gifts of assets from Sport England. Total income for the year was £5.9 million (2023: £2.9 million). These resources were invested into the NSCs for the Charity to achieve its objectives as set out on page 2.

Separate funds are maintained to identify and account for the principal funding sources of the Charity. The details of these funds are set out in notes 13 and 14. None of these funds are in deficit.

The financial statements have been restated to incorporate the impact of a material error in the calculation of the building valuations. During the year, the documentation relating to the floor areas of the National Sport Centre sites at Bisham and Lilleshall were reviewed and the Gross Internal Area of the buildings as applied for the valuations was corrected. When applied to previous years, this resulted in increased property valuations as at 31 March 2019, 31 March 2020, 31 March 2021, 31 March 2022 and 31 March 2023. The restatement adjustment has increased the value of tangible fixed assets and gain on revaluation of fixed assets and associated depreciation, at each date (see note 25 for further details and the impact on the financial statements).

Net income for the year is £0.3 million (2023: Net expenditure of £1.8 million - restated). The large increase in income of £3.0 million from £2.9 million was mainly the gifting of assets in relation to the new Archery Facility at the Lilleshall National Sports Centre from ESC.

We generated a small operational deficit on our day-to-day activities in the year of £2,000 (2023: £3,000 surplus - restated) as shown in the table below, after awarding community grants (see note 4) of £10,000 (2023: £30,000).

	2024	2023
		restated
	£'000	£'000
Property income	887	1,353
Investment income	32	27
Charitable activities	(5,651)	(4,700)
Add back:		
- Depreciation and amortisation	3,803	3,384
- Impairment charge/(reversal)	843	(136)
- Gifts in kind	84	75
Operating (deficit)/surplus	(2)	3

The value of our funds increased by £3.1 million from £123.6 million (restated) as set out in note 6. This is mainly due to increases in the value of Land & buildings carrying value of £2.7 million and Gifted Assets of £4.9 million, offset by depreciation and impairments of £4.6 million.

The financial position of the Charity is supported by ESC as per note 1.15.

We have management policies in place to cover grants, investments, and reserves as set out below.

Future developments

See **Plans for future periods** and **Green Initiatives** in the **Strategic Report**

Grants policy

We accept applications from not-for-profit organisations supporting the sporting activities of disadvantaged people including young people, people with disabilities, lower socio-economic groups and ethnic minority groups.

Awards are given to either encourage sports participation, subsidise the cost of taking part or provide facilities and equipment.

100% of the funding available was utilised through a partnership with Get Berkshire Active which focuses on working with early years and family support service providers to improve the pathway for physical development through school.

Investment policy

Our investment policy relating to the portfolio of equity investments is to:

- achieve the best financial return within an acceptable level of risk and a target level of income determined annually
- maintain the real capital value of the funds whilst generating a sustainable level of investment income to contribute to the ongoing activities including grant-making
- where appropriate, we may choose to use capital to supplement its grant making activities

Our investment funds were invested in the Sarasin Endowments Fund managed by Sarasin & Partners from 2020/21. The investment manager maintains a balanced portfolio which achieves lower volatility than a pure equity investment and provides us with quarterly reports and updates on key issues, and ad-hoc reporting as and when required.

During 2020/21 the contract for the investment manager was re-procured and the reappointment of Sarasin & Partners was approved by the Trustees, commencing in May 2021 for a four-year period (including extension options). The trustees are currently considering the options for the extension of this contracts which is due to expire in 2025.

Reserves policy

Our financial position is supported by ESC.

We aim to maintain a level of unrestricted reserves equating to at least three months of expenditure. We consider that this level will provide sufficient funds to meet our operational expenditure and to provide a contingency against unforeseen expenditure. The investment fund is also available for liquidity purposes if required, although, these assets are not intended for sale.

Our reserves policy defines reserves as restricted or unrestricted.

Restricted reserves are those which cannot readily be realised and used for an alternative purpose other than that specified; principally these are in relation to fixed assets gifted from ESC or funded by ESC's Lottery Fund. Restricted reserves at 31 March 2024 amounted to £124 million (2023: £121 million - restated).

Unrestricted reserves are where the use of these funds is not restricted and can be applied to the ongoing operational aspects of the organisation. Unrestricted reserves at 31 March 2024 amounted to £2.5 million (2023: £2.6 million - restated).

Trustees of the Charity during the year were:

- Graeme Dell (Resigned on 21 December 2023)
- Robin Black
- Simon Burnett
- Ross Gissane
- Sajid Hussain
- Harry Kutty
- Rachel Moffat
- Abu Nasir (Appointed on 1 January 2024)
- Joanne Simpson
- Robert Wadsworth
- Geoff Wilson (Appointed on 22 December 2023)

All appointments to the Charity for the position of Chair, Trustee and Company Secretary are made by ESC and are in accordance with:

- The Parent/Subsidiary Memorandum
- The Memorandum and Articles of Association of the Charity
- ESC's Recruitment and Selection Guidelines: Subsidiary Boards

Upon appointment, Trustees receive corporate governance, financial and legal information in relation to the Charity in the form of its Memorandum and Articles of Association and other governance and policy documents, the annual report, management accounts, Charity Commission guidance and the Seven Principles of Public Life.

A robust induction programme is in place which provides newly appointed Trustees with an overview of the governance and operations of the Charity and ESC.

The Company Secretary: Jitendra Patel (Richard Mabbitt resigned on 4 June 2024)

Registered Office: Sport Park, 3 Oakwood Drive, Loughborough, Leicestershire, England, LE13 3QF

Banker: Barclays Bank Plc, London Corporate Banking, 1 Churchill Place, London, E14 5HP

Solicitor: Hewitsons, Kildare House, 3 Dorset Rise, London, EC4Y 8EN

Investment Manager: Sarasin & Partners LLP, 100 St. Paul's Churchyard, London EC4M 8BU

Auditor: The Comptroller and Auditor General, National Audit Office, 157 – 197 Buckingham Palace Road, Victoria, London SW1W 9SP

Risk management

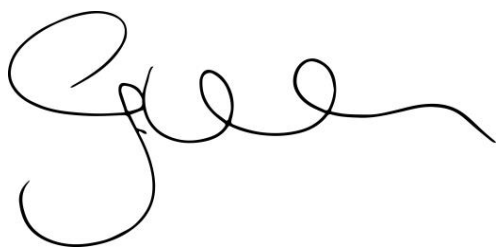
The ESC board work with the Trustees to identify the key risks facing the charity which are included in the ESC Group's risk map and reviewed by its Audit, Risk and Governance committee.

Statement as to disclosure of information to auditors

The Trustees who were in office on the date of approval of these accounts have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

The Trustees as Company Directors approve the Strategic Report and the Directors' Report included as part of the Trustees' report on pages 1 to 16.

By Order of the Board

A handwritten signature in black ink, appearing to read 'Geoff', with a long, sweeping horizontal line extending to the right.

Geoff Wilson

Chair

12 December 2024

Trustees' Responsibility Statement

The Trustees are responsible for preparing the Annual Report and Accounts in accordance with applicable law and regulations.

Company Law requires the Trustees to prepare accounts for each financial year. Under that law the Trustees have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

The accounts are required by law to give a true and fair view of the state of affairs of the company at the year end and of the results of the company for that year. In preparing those accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis, as per note 1.15, of accounting unless they either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**The certificate and report of the Comptroller and Auditor General
to the members of The Sports Council Trust Company (Company
number 2517615) and to the Houses of Parliament**

Opinion on financial statements

I have audited the financial statements of The Sports Council Trust Company for the year ended 31 March 2024 under the Government Resources and Accounts Act 2000.

The Financial Statements which comprise The Sports Council Trust Company's

- Statement of Financial Position as at 31 March 2024;
- Statement of Financial Activities and Statement of Cash Flows for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In my opinion the financial statements:

- give a true and fair view of the state of The Sports Council Trust Company's affairs as at 31 March 2024 and its net income for the year then ended; and
- 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; and
- have been properly prepared in accordance with the Charities Act 2011.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Entities in the United Kingdom (2022)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019*. I am independent of The Sports Council Trust Company in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that The Sports Council Trust Company's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other Information

The other information comprises information included in the Trustees' Annual Report and Trustees' Responsibility Statement but does not include the financial statements and my auditor's certificate and report thereon. The Trustees are responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit or otherwise appears to be materially misstated.

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

I have nothing to report in this regard.

Opinion on other matters

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

- the information given in the Trustee's Annual Report, including the Strategic Report and Directors' Report, and the Trustees' Responsibility Statement for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustee's Annual Report, including the Strategic Report and Directors' Report, and the Trustees' Responsibility Statement have been prepared in accordance with applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of The Sports Council Trust Company and its environment obtained in the course of the audit, I have not identified material misstatements in the Trustee's Annual Report, including the Strategic Report and the Directors' Report, and the Trustees' Responsibility Statement.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit.

Responsibilities of the Trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Sports Council Trust Company from whom the auditor determines it necessary to obtain audit evidence.
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements, which give a true and fair view, in accordance with the Companies Act 2006 and the Charities Act 2011;
- preparing the Trustees' Annual Report in accordance with the Companies Act 2006 and the Charities Act 2011; and
- assessing The Sports Council Trust 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 entity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit and report on the financial statements in accordance with the applicable law and Government Resources and Accounts Act 2000.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of The Sports Council Trust Company's accounting policies.
- inquired of management, and those charged with governance, including obtaining and reviewing supporting documentation relating to The Sports Council Trust Company's policies and procedures on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including The Sports Council Trust Company's controls relating to The Sports Council Trust Company's compliance with the Companies Act 2006, Government Resources and Accounts Act 2000, Charities Act 2011 and Managing Public Money.
- Inquired of management and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations; and
 - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within The Sports Council Trust Company for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of The Sports Council Trust Company's framework of authority and other legal and regulatory frameworks in which The Sports Council Trust Company operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of The Sports Council Trust Company. The key laws and regulations I considered in this context included the Companies Act 2006, Government Resources and Accounts Act 2000, Charities Act 2011, Managing Public Money.

Audit response to identified risk

To respond to identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management and the Board of Trustees concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance, the Board of Trustees and internal audit reports; and
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

I have no observations to make on these financial statements.

Gareth Davies

16 December 2024

Comptroller and Auditor General (Statutory Auditor)

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

**Statement of Financial Activities for the year ended 31 March 2024
(including Income and Expenditure account)**

		2024	2024	2024	2023 restated
	Note	Restricted £'000	Unrestricted £'000	Total £'000	Total £'000
Income from					
Donations and legacies	2	4,927	84	5,011	1,534
Other trading activities	3	-	887	887	1,353
Investments		-	32	32	27
Total		4,927	1,003	5,930	2,914
Expenditure on					
Charitable activities	4, 25	(4,528)	(1,123)	(5,651)	(4,700)
Total		(4,528)	(1,123)	(5,651)	(4,700)
Net gain/(losses) on investments	9	-	64	64	(52)
Net income/(expenditure)		399	(56)	343	(1,838)
Other recognised gains					
Gains/(losses) on revaluation of fixed assets	13, 14, 25	2,774	(28)	2,746	8,911
Net movement of funds		3,173	(84)	3,089	7,073
Reconciliation of funds					
Total funds brought forward	25	120,960	2,621	123,581	116,508
Total funds carried forward	6	124,133	2,537	126,670	123,581

A restatement of the prior period has been performed as a new valuation for the estate was obtained for the property values as at 31 March 2023. Please refer to note 25.

The Statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure relate to continuing activities.

The notes on pages 29 to 46 form an integral part of these accounts

Statement of Financial Position as at 31 March 2024

Company number 2517615, Charity number 803779

	Note	2024 £'000	2023 restated £'000
Fixed assets			
Intangible assets	7	46	92
Tangible assets	8, 25	125,353	122,280
Investments	9	878	814
Total fixed assets		126,277	123,186
Current assets			
Debtors	10	360	948
Cash at bank		450	580
Total current assets		810	1,528
Liabilities			
Creditors	11	(317)	(579)
Provisions	12	(100)	(554)
Total current liabilities		(417)	(1,133)
Net current assets		393	395
Net assets		126,670	123,581

Statement of Financial Position as at 31 March 2024 (continued)

Company number 2517615, Charity number 803779

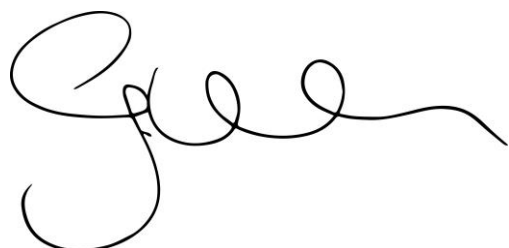
The funds of the charity

Restricted capital funds		64,916	62,846
Restricted revaluation reserve		59,217	58,114
Total restricted funds	13, 25	124,133	120,960
Unrestricted income funds		1,672	1,694
Unrestricted revaluation reserve		865	927
Total unrestricted funds	14, 25	2,537	2,621
Total charity funds	15, 25	126,670	123,581

A restatement of the prior period has been performed as a new valuation for the estate was obtained for the property values as at 31 March 2023. Please refer to note 25.

The accounts are exempt from the requirements of Part 16 of the Companies Act 2006 under section 482 (non-profit-making companies subject to public sector audit) of that Act.

The accounts on pages 25 to 46 were approved by the Board of Trustees and were signed on its behalf by:



Geoff Wilson

Chair

12 December 2024

The notes on pages 29 to 46 form an integral part of these accounts

Statement of cash flows

	Note	2024 £'000	2023 £'000
Cash flow from operating activities			
Net cash (used in) operating activities	16	(162)	(24)
Net cash (used in) operating activities		(162)	(24)
Cash flow from investing activities			
Income from investments		32	27
Net cash provided by investing activities		32	27
Change in cash balances in the year		(130)	3
Changes in cash balances during the year			
Balance at 1 April		580	577
Change in cash balances in the reporting period		(130)	3
Balance at 31 March		450	580

The notes on pages 29 to 46 form an integral part of these accounts

Notes to the accounts

1 Accounting policies

1.1 Basis of accounting

The accounts have been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities SORP (FRS 102) Second Edition issued October 2019 effective from January 2019, FRS 102, and the Companies Act 2006.

The accounts have been prepared on a going concern basis under the historical cost convention, modified by the revaluation of assets and liabilities to fair value.

The Sports Council Trust Company meets the definition of a public benefit entity under FRS 102.

The principal accounting policies adopted in the preparation of the accounts are set out below.

1.2 Income

Income from donations and legacies includes gifted assets, gifts in kind, and grants.

The value of gifts of assets is based on the amount expensed by the donor.

The value of gifts in kind is based on a reasonable estimate of the value of time spent on the administration service provided to the Charity by The English Sports Council (ESC).

Grants are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability.

Other trading activities is made up of freehold and leasehold income which is recognised on a receivable basis.

Income from investments is recognised on a receipt basis due to the timing of statements from the investment fund. The accounting treatment adopted materially matches income accrued.

1.3 Charitable activities

Community grants awarded are recognised in the period in which the grant is approved and communicated to the award recipients.

All other charitable activity expenditure is recognised when a liability is incurred.

Governance costs include those costs incurred in the governance of the Charity and its assets and are primarily associated with constitutional and financial requirements.

The provision of facilities costs is set out in note 4. Costs are allocated to activities directly or to location or usage.

Costs directly related to activities are general administration costs of the Charity. Location costs are costs incurred in connection with freehold and leasehold property occupied by ESC, Mountain Training Trust and British Rowing. Usage costs relate to depreciation, and impairments on tangible fixed assets. Support costs in relation to making community grant awards are not material.

1.4 Dividends

The Charity is prohibited by its Articles of Association from declaring a dividend.

1.5 Intangible fixed assets

Intangible fixed assets predominantly comprise software installed and utilised in our computer systems. Software is amortised on a straight-line basis over three years. The capitalisation threshold is £1,000 and assets purchased below the capitalisation threshold are expensed in year. Intangible assets are reviewed annually for impairment and are stated at amortised historic cost.

1.6 Tangible fixed assets

Tangible fixed assets are either gifted to the Charity by ESC (funded by GIA) or funded directly by the Lottery grant from ESC.

Land and buildings

Full valuations are carried out by external experts quinquennially for land, buildings and bund, supplemented by annual indexation.

The last full valuation of land and buildings was carried out as at 31 March 2024

Valuations are based on Depreciated Replacement Cost (DRC) for specialist properties, and fair value for other properties.

The DRC basis generates an open market valuation of the land. The valuation of each building is derived through an estimate being made of the gross current replacement cost of the buildings and other site works, from which deductions are then made to allow for age, condition and obsolescence.

Any assets under construction are valued at the costs incurred to date.

Artworks and antiques

Artworks and antiques are valued by external experts. Valuations are derived with reference to the retail market (at the valuation date) and the probable cost of replacing the items when compared with items in a similar condition. The last full valuation of artworks and antiques was carried out as at 31 March 2024 this is carried out every five years.

Equipment and leasehold improvements

Other property, plant and equipment have not been revalued as fair value is not considered to be materially different to depreciated historic cost.

The capitalisation threshold is £1,000 and assets purchased below the capitalisation threshold are usually expensed in year, except for grouped assets.

Grouped assets are assets, which individually, are less than £1,000 however together they form a single collective asset.

Depreciation

Depreciation is provided on all tangible fixed assets, except freehold land and artworks and antiques, at rates calculated to write off the cost or valuation, less estimated residual value evenly over its expected useful life as follows:

Buildings (as advised by external expert)	Unexpired life, maximum of 60 years
Bund (as advised by external expert)	40 years as advised by external expert
Leasehold improvement	Expected life of lease
Equipment	5 years

Impairment reviews are undertaken annually. No depreciation is charged in the year of acquisition or construction. A full year's depreciation is charged in the year of disposal.

1.7 Investments

Subsequent to purchase, listed stocks and shares are measured at fair value through other comprehensive income based on reference to the market in which they exist and are not held for trading.

There are no investments other than those set out in note 9.

1.8 Debtors

Debtors are recognised at fair value, which represents the value of settlement.

1.9 Creditors and provisions

These are recognised when there is a present obligation from a past event that will probably result in a transfer of funds to a third party which can be measured or reliably estimated.

1.10 Funds

Details of all restricted and unrestricted funds are provided in notes 12 and 13.

Restricted funds: These funds are earmarked by the donor for specific purposes.

Unrestricted funds: These funds comprise general funds that are expendable at the discretion of the Trustees in furtherance of the objects of the Charity and which have not been designated for other purposes.

1.11 Property operating leases

Payments made under operating leases (rental agreements) are recognised in the Statement of financial activities on a straight-line basis over the term of the lease. Lease incentives (e.g., rent-free periods) are recognised as an integral part of the total lease expense, over the term of the lease.

1.12 Dilapidations

Full provision for the probable cost of dilapidations at the date of the expected termination of the lease is made in the accounts in the year in which it is decided not to renew the lease.

1.13 Taxation

No taxation is chargeable on the Charity's activities which are of a charitable nature, and thus outside the scope of corporation tax.

1.14 Use of estimates and judgement

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenditure. Actual results may differ from the estimates used.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Estimates are made in relation to tangible fixed assets held by the National Sports Centres including the valuation and revaluation, dilapidation, impairment and

The Sports Council Trust Company

depreciation of Land and Buildings, the valuation of artwork and antiques and the value of gifts in kind.

1.15 Going concern

The financial position of the Charity is supported by ESC. The ESC is the major provider of funds through the gifting of assets and provision of deficit funding for the NSCs' operations. The Charity does not usually commit to any capital expenditure that requires funding from its own resources. After making enquiries of the management of ESC, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for at least the next 12 months from the date of approval of the financial statements.

Accordingly, the Charity continues to adopt the going concern basis in preparing these accounts.

1.16 Value Added Tax

The Charity is in a group VAT registration scheme with ESC and is jointly and severally liable for all group VAT liabilities. No VAT is charged on transactions between fellow members of the VAT group. Any irrecoverable VAT incurred by the Charity is met on its behalf by ESC.

2 Donations and legacies

	2024			2023		
	£'000			£'000		
	Restricted	Unrestricted	Total	Restricted	Unrestricted	Total
Gifts of fixed assets	4,927	-	4,927	1,459	-	1,459
Gifts in kind	-	84	84	-	75	75
administration service						
Total	4,927	84	5,011	1,459	75	1,534

Gifts of fixed assets and gifts in kind administration service are from ESC.

3 Other trading activities

	2024	2023
	£'000	£'000
Property income	887	1,353

The income above is from property occupied by ESC, Mountain Training Trust, and British Rowing. It includes rent, rates, service charges and other property costs such as repairs, maintenance, and legal costs.

4 Charitable activities

	2024			2023		
	Restricted £'000	Unrestricted £'000	Total £'000	Restated Restricted £'000	Restated Unrestricted £'000	Restated Total £'000
Community grants awarded						
Get Berkshire Active	-	10	10	-	39	39
More Leisure Community Trust	-	-	-	-	(9)	(9)
Total community grants	-	10	10	-	30	30
Governance costs (note 5)						
Board expenses	-	3	3	-	2	2
Audit fees	-	40	40	-	22	22
Total governance costs	-	43	43	-	24	24
Provision of facilities¹						
Costs directly related to activities						
ESC administration charge	-	28	28	-	29	29
Gift in kind administration charge	-	84	84	-	75	75
Sub-total	-	112	112	-	104	104
Location costs						
Property costs	-	819	819	-	1,287	1,287
Legal and professional	-	21	21	-	7	7
Sub-total	-	840	840	-	1,294	1,294
Usage						
Depreciation	3,745	58	3,803	3,330	54	3,384
Impairment charge/(reversal)	783	60	843	(136)	-	(136)
Sub-total	4,528	118	4,646	3,194	54	3,248
Total provision of facilities	4,528	1,070	5,598	3,194	1,452	4,646
Total charitable activities	4,528	1,123	5,651	3,194	1,506	4,700

¹ Provision of facilities costs are allocated as set out in the accounting policies note 1.3.

4 Charitable activities (continued)

The valuation of buildings has been restated in the prior year which has also changed the depreciation and impairment reversal (see note 25).

All income and expenditure relating to the National Sports Centres management contract are accounted for by the ESC including any performance-based bonus. The ESC funds the operational deficit of the National Sports Centres which was £5 million in 2024 (2023: £6 million).

5 Governance and staff costs

The Charity employed no staff in 2023 and 2024.

ESC provides a financial and administration service to the Charity, under the terms of a service level agreement, for which a charge is made (note 2).

6 Trustees (2023: 5) were paid travel during the year of £2,000 (2023: £2,000)

The Trustees did not receive fees or allowances for the year (2023: Nil) either directly from the Charity or the parent body ESC.

The audit fees for the year were £40,000 (2023: £22,000). There were no fees for non-audit work in 2023 and 2024.

6 Reconciliation of the movement in funds

	2024	2023 restated
	£'000	£'000
Net assets at 1 April	123,581	116,508
Capital investment		
Gifted assets (ESC)	4,927	1,459
Other movements		
Net revaluation of fixed assets	1,903	9,047
Depreciation	(3,803)	(3,384)
Operational (deficit)/surplus	(2)	3
Increase/(decrease) in value of investments	64	(52)
Net assets at 31 March	126,670	123,581

The valuation of buildings has been restated in the prior year which has also changed the depreciation charge (see note 25).

7 Intangible fixed assets

	Software £'000	Total £'000
Cost/valuation		
At 1 April 2023	139	139
Additions	-	-
At 31 March 2024	139	139
Amortisation		
At 1 April 2023	(47)	(47)
Charge for the year	(46)	(46)
At 31 March 2024	(93)	(93)
Net book value		
At 31 March 2023	92	92
At 31 March 2024	46	46

Assets are valued in accordance with the accounting policy note 1.5.

8 Tangible fixed assets

	Land £'000	Buildings and bund £'000	Assets under construction £'000	Leasehold improvements £'000	Equipment £'000	Artworks and antiques £'000	Total £'000
Cost/valuation							
At 1 April 2023 (restated)	20,212	135,105	238	194	2,365	827	158,941
Gifted assets	-	4,442	12	-	473	-	4,927
Revaluation	(736)	3,482	-	-	-	-	2,746
Reclassifications	-	(61)	(238)	-	299	-	-
At 31 March 2024	19,476	142,968	12	194	3,137	827	166,614
Depreciation							
At 1 April 2023 (restated)	12	(34,309)	-	(149)	(2,253)	38	(36,661)
Charge for year	-	(3,689)	-	(15)	(53)	-	(3,757)
Impairment	-	(841)	-	-	-	(2)	(843)
At 31 March 2024	12	(38,839)	-	(164)	(2,306)	36	(41,261)
Net book value							
At 31 March 2023 (restated)	20,224	100,796	238	45	112	865	122,280
At 31 March 2024	19,488	104,129	12	30	831	863	125,353

The valuation of buildings and associated depreciation and impairment have been restated in the prior year (see note 25).

8 Tangible fixed assets (continued)

The net book value of revalued assets under historic cost is as follows: Land £3,649k (2023: £3,649k); Buildings and bund £61,417k (2023: £59,198k)

Assets are valued in accordance with the accounting policy note 1.6.

The last full valuation of land, buildings and bund was carried out as at 31 March 2024 by Gerald Eve LLP, a regulated firm of Chartered Surveyors which provides expert advice in asset valuations and surveying. The valuation was prepared in accordance with the requirements of the RICS Valuation Global Standard 2022 and the UK national standards and guidance set out in national supplement (November 2018 edition), and Financial Reporting Standard (FRS) 102.

The valuation of the non-specialised properties was undertaken on a Fair Value basis, on the assumption of continuation of the existing use. Specialised properties were valued by reference to Depreciated Replacement Cost (DRC). The replacement build cost rates used in DRC valuations are based on knowledge of the current costs of constructing general and specialised sport facility accommodation as well as information from Building Cost Information Service (BCIS) and other published cost data. Existing buildings are valued as they stand using Gross Internal Floor areas (GIAs) by reference to the cost of providing either modern equivalent assets capable of delivering the required service provision or for the listed structures as historically important assets.

Land, buildings, and bund comprise freehold properties. All assets are owned, no assets are supported by either finance leases or PFI contracts.

There is a collection of artworks, furniture and fittings at Bisham Abbey that date from the 16th century. The historical significance of these assets classifies the collection as Artworks and antiques. The collection was last valued as at 31 March 2024 by Sotheby's.

9 Investments

	2024	2023
Listed stocks and securities	£'000	£'000
Market value at 1 April	814	865
Adjustment of value as at 1 April	-	1
Revaluation of investment	64	(52)
Market value at 31 March	878	814

Investments as at 31 March 2024 represents holdings in the Sarasin Endowments Fund. The holding is classified as 'not held for trading.'

The historical cost of the asset at 31 March 2024 was £0.7 million (2023: £0.7 million).

10 Debtors

	2024 £'000	2023 £'000
Amounts falling due within one year		
Trade debtors	36	9
Accrued income	255	385
Total	291	394
Amounts falling due after more than one year		
English Sports Council	69	554
Total	69	554
Total	360	948

11 Creditors

	2024 £'000	2023 £'000
Amounts falling due within one year		
Trade creditors	5	15
English Sports Council	-	112
Accruals	312	452
Total	317	579

12 Provisions

	Total £'000
Balance at 1 April 2023	554
Provision release	(454)
Balance at 31 March 2024	100
Amounts falling due within one year	
Total	100

The provision is dilapidations for Bloomsbury Street. The lease expired in November 2022 with no option to extend. Provisions were made following a series of assessments since the lease expiry totalling £554k. Following negotiations between the landlord and DCMS, a settlement is expected within the following year and we have reduced the value of our provision down to £100k based on advice from DCMS and their knowledge of the final settlement.

All the above costs will be funded by ESC and thus accrued income has been recognised in these accounts (note 10).

13 Restricted funds

	Revaluation reserve (land and buildings)	ESC GIA funded assets	ESC Lottery funded assets	Capital	Other	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2022 (restated)	50,624	38,016	24,281	94	884	113,899
Gifted assets	-	1,459	-	-	-	1,459
Revaluation	8,796	-	-	-	-	8,796
Impairment reversal	-	128	2	-	6	136
Depreciation	-	(2,343)	(969)	(3)	(15)	(3,330)
Amortisation of reserve	(1,306)	943	360	1	2	-
Balance at 31 March 2023	58,114	38,203	23,674	92	877	120,960
Gifted assets	-	4,927	-	-	-	4,927
Revaluation	2,774	-	-	-	-	2,774
Impairment	-	(794)	-	-	11	(783)
Depreciation	-	(2,641)	(1,084)	(3)	(17)	(3,745)
Amortisation of reserve	(1,671)	1,191	475	1	4	-
Balance at 31 March 2024	59,217	40,886	23,065	90	875	124,133

The valuation of buildings and associated depreciation and impairment have been restated in the prior year which has impacted movements in restricted reserves and its total (see note 25).

ESC receives funding from two sources, Exchequer Grant-in-Aid (GIA) and the National Lottery Distribution Fund. These two sources of funding are required to be accounted for separately.

ESC GIA Funded assets

This fund supports the initial acquisition and subsequent funding of tangible fixed asset additions at the National Sports Centres and is funded by ESC's Exchequer Grant-in-Aid.

ESC Lottery funded assets

This fund also supports the initial acquisition and subsequent funding of tangible fixed asset additions at the National Sports Centres and was funded by ESC's National Lottery Distribution Fund.

13 Restricted funds (continued)

Capital

This fund supports improvements to facilities at the National Sports Centres and was donated by the Lawn Tennis Association.

Other

All income and expenditure relating to the National Sports Centres management contract are accounted for by the ESC including any performance-based bonus. The ESC funds the operational deficit of the National Sports Centres which was £5 million in 2024 (2023: £6 million).

This fund is made up of facilities at Lilleshall funded by The Royal British Legion (TRBL) which are used for TRBL beneficiaries and Ministry of Defence personnel (£0.6 million) as well as the proceeds from the sale of Ashlands House, Crewkerne (£0.3 million) held as investments (note 9 and 14).

14 Unrestricted funds

	Revaluation reserve (land and buildings) £'000	Other £'000	Total £'000
Balance at 1 April 2022 (restated)	842	1,767	2,609
Amortisation of reserve	(30)	30	-
Revaluation	115	-	115
Depreciation	-	(54)	(54)
Operational surplus	-	3	3
Revaluation of investments	-	(52)	(52)
Balance at 31 March 2023	927	1,694	2,621
Amortisation of reserve	(34)	34	-
Revaluation	(28)	-	(28)
Depreciation	-	(58)	(58)
Profit/(loss) on revaluation	-	(59)	(59)
Operational deficit	-	(3)	(3)
Revaluation of investments	-	64	64
Total	865	1,672	2,537

The valuation of buildings and associated depreciation and impairment have been restated in the prior year which has impacted movements in unrestricted reserves and its total (see note 25).

Other

This fund is made up of movements in investment revaluations (note 9), depreciation on unrestricted assets and accumulated annual surpluses.

15 Reconciliation of net assets between funds

	Intangible fixed assets	Tangible fixed assets	Investments	Other assets	Total 2024	Total 2023 restated
	£'000	£'000	£'000	£'000	£'000	£'000
Restricted funds						
Revaluation reserve	-	59,217	-	-	59,217	58,114
ESC funded assets	-	40,886	-	-	40,886	38,203
ESC lottery fund	-	23,065	-	-	23,065	23,674
Capital	-	90	-	-	90	92
Other	-	875	-	-	875	877
Total	-	124,133	-	-	124,133	120,960
Unrestricted funds						
Revaluation reserve	-	864	-	-	864	927
Other	46	356	878	393	1,673	1,694
Total	46	1,220	878	393	2,537	2,621
Total funds	46	125,353	878	393	126,670	123,581

The valuation of buildings and associated depreciation and impairment have been restated in the prior year which has impacted movements in restricted and unrestricted reserves and their totals (see note 25).

16 Net cash flow from operating activities

	2024	2023 restated
	£'000	£'000
Net expenditure	343	(1,838)
Gifted assets	(4,927)	(1,459)
Impairment charge/(reversal)	843	(136)
Net (gains)/losses on investments	(64)	52
Investment income	(32)	(27)
Depreciation	3,803	3,384
Decrease/(increase) in debtors	588	110
(Decrease)/increase in creditors	(262)	(110)
(Decrease) in provisions	(454)	-
Total	(162)	(24)

The valuation of buildings has been restated in the prior year which has impacted depreciation and impairment reversal.

17 Commitments under operating leases

	2024	2023
	£'000	£'000
Not later than one year	57	57
Later than one year and not later than five years	228	228
Later than five years	81	138
Total	366	423

All the Charity's commitments under leases to pay rentals are shown above. These leases relate to offices occupied by ESC and all costs are recharged to ESC. Future commitments are expected to be met through their occupation of the properties.

The rental income for the year amounted to £0.9 million (2023: £0.8 million) all of which was receivable from ESC. Note 8 sets out in the Leasehold Improvement column the capital value held in relation to the properties leased to ESC.

18 Capital commitments and contingent assets/liabilities

	2024	2023
	£'000	£'000
Capital commitments – contracted but not provided for	56	3,362
Total	56	3,362

The 2023/24 commitments represent a construction contract to deliver a new Archery Facility at the Lilleshall National Sports Centre, this amounted to £3,362k, that completed in the current year.

There are no contingent liabilities or contingent assets for the current year (2023: Nil).

19 Parent body rights over assets

Grants made by ESC to the Charity since June 1990 were made on the basis that any tangible fixed assets acquired by such grants should be available for clawback (return of sale proceeds to the Exchequer and Lottery) in the event of disposal or change of use.

On 5 October 1994, the Charity Commission granted an Order under the Charities Act 1993 by which the Charity must repay to ESC the whole proceeds of sales of fixed assets, or such part as represents public funds, sold on or after 1 April 1989, which were originally purchased in whole or in part with funds provided by the Exchequer.

20 Derivatives and other financial instruments

The Charity relies mainly on grant, donation, and property funding to finance its operations. Other than cash resources and items such as debtors and creditors that arise from its operations, it holds no other financial instruments other than the investments referred to in note 9, nor enters into derivative transactions.

The return from investments is not material and therefore the Charity is not exposed to significant market risk. The Board regularly undertakes reviews to mitigate the risks of performance of this instrument.

The Charity performs all transactions in Sterling and therefore has no currency exchange risk. The Charity does not enter into any forward foreign currency contracts or similar financial instruments. The Charity does not borrow money and therefore has no exposure to interest rate risk or liquidity risk in this regard. Cash balances are held in commercial bank accounts and attract market rates of interest. The Charity does not enter into any interest rate swaps or similar financial instruments.

21 Related party transactions

The Charity has a close working relationship with its parent body ESC. ESC is the Charity's main provider of funds enabling the Charity to carry out its charitable objectives. It also provides a financial and administrative service to the Charity through a gift in kind (note 2) and an annual charge of £28,000 (2023: £29,000).

ESC gifts fixed asset additions to the National Sports Centres the details of which are set in note 2. In 2024 this amounted to £4.9 million (2023: £1.5 million).

Included within note 3 in other trading activities are recharges to ESC for property costs, repairs and legal and professional costs in respect of properties occupied by ESC. The amounts included in note 3 are set out below plus the amounts outstanding at the end of the financial year for these recharges.

	2024 £'000	2023 £'000
Income	831	1,315
Amount owing from English Sports Council	(69)	(442)

Trustees are selected from a variety of backgrounds and experience. Where conflicts of interest occur, these are declared at each meeting and a Trustee will excuse themselves from any decisions related to the item in question. If the Chair has a conflict another Trustee will chair the meeting when the item is discussed. There were no related party transactions where a Trustee declared a current or past interest relating to the Charity's activities.

22 Security

ESC was granted a mortgage debenture on 21 December 2006 incorporating a charge over all the Lottery grant funded assets provided for The Rowing Lake. This mortgage debenture was novated to The Sports Council Trust Company on 29 March 2012.

23 Ultimate parent body

The charity's parent body is ESC known as Sport England and is the Government agency that works to make sure everyone can experience the benefits of sport and physical activity. The results of The Charity are consolidated in the accounts of ESC. The accounts of ESC Group are available from its registered office at Sport Park, 3 Oakwood Drive, Loughborough, Leicestershire, England, LE13 3QF.

24 Post balance sheet events

Richard Mabbitt resigned as Company Secretary on 7 June 2024 and was replaced by Jitendra Patel on 7 June 2024.

Other than this, there have been no other post balance sheet events and the annual report and accounts were authorised for issue on the date of certification by the Comptroller and Auditor General.

25 Prior year adjustments

The financial statements have been restated to incorporate the impact of a material error in the calculation of the building valuations.

During the year, the documentation relating to the floor areas of the National Sport Centre sites at Bisham and Lilleshall were reviewed and the Gross Internal Area of the buildings as applied for the valuations was corrected. When applied to previous years, this resulted in increased property valuations as at 31 March 2019, 31 March 2020, 31 March 2021, 31 March 2022 and 31 March 2023. The restatement adjustment has increased the value of tangible fixed assets and gain on revaluation of fixed assets and associated depreciation and impairment, at each date.

25 Prior year adjustments (continued)

The effects of restating the prior year fixed asset valuations are shown below:

	2023					
	Restated	Previously stated	Adjustment	Restated	Previously stated	Adjustment
	Restricted £'000	Restricted £'000		Unrestricted £'000	Unrestricted £'000	

Statement of Financial

Activities

Expenditure on charitable activities	(3,194)	(3,105)	(89)	(1,506)	(1,505)	(1)
Gains/(losses) on revaluation of fixed assets	8,796	8,552	244	115	114	1
Net movement in funds	7,061	6,906	155	12	12	-
Total funds brought forward	113,899	111,119	2,780	2,609	2,594	15
Total funds carried forward	120,960	118,025	2,935	2,621	2,606	15

Note 4

Charitable activities

Depreciation	3,330	3,228	102	54	54	-
Impairment (reversal)	(136)	(123)	(13)	-	(1)	1
Total charitable activities	3,194	3,105	89	1,506	1,505	1

Note 13

Restricted funds

Balance at 31 March 2022	113,899	111,119	2,780
Revaluation	8,796	8,552	244
Impairment reversal	136	123	13
Depreciation	(3,330)	(3,228)	(102)
Balance at 31 March 2023	120,960	118,025	2,935

Note 14

Unrestricted funds

Balance at 31 March 2022	2,609	2,594	15
Revaluation	115	114	1
Depreciation	(54)	(54)	-
Impairment reversal	-	1	(1)
Balance at 31 March 2023	2,621	2,606	15

25 Prior year adjustments (continued)

The effects of restating the prior year fixed asset valuations are shown below:

	2023		
	Restated £'000	Previously stated £'000	Adjustment £'000
Statement of Financial Position			
Tangible fixed assets	122,280	119,330	2,950
Total fixed assets	123,186	120,236	2,950
Net assets	123,581	120,631	2,950
Restricted capital funds	62,846	62,899	(53)
Restricted revaluation reserve	58,114	55,126	2,988
Total restricted funds	120,960	118,025	2,935
Unrestricted income funds	1,694	1,689	5
Unrestricted revaluation reserve	927	917	10
Total unrestricted funds	2,621	2,606	15
Total charity funds	123,581	120,631	2,950
Note 8	Buildings and bund		
Tangible fixed assets	Restated £'000	Previously stated £'000	Adjustment £'000
Cost/valuation at 31 March 2023	135,106	131,866	3,240
Depreciation at 31 March 2023	(34,309)	(34,019)	(290)
Net book value			
At 31 March 2023	100,797	97,847	2,950

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THE SPORTS COUNCIL TRUST COMPANY

England & Wales - Charity number 803779

Accounts

The Sports Council Trust Company

Company number 2517615

Charity number 803779

[A subsidiary company of The English Sports Council]

Annual Report and Accounts 2022 – 2023

For the period 1 April 2022 to 31 March 2023

The Sports Council Trust Company

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For the period 1 April 2022 to 31 March 2023

Presented to Parliament pursuant to Article 6(2)(b) of the Government Resources and Accounts Act 2000 (Audit of Non-profit-making Companies) Order 2009

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The Trustees present their Annual Report on the affairs of The Sports Council Trust Company together with the accounts and auditor's report for the year ended 31 March 2023.

Strategic Report

Structure, governance and management

Constitution of The Sports Council Trust Company

The Sports Council Trust Company ("the Charity") is a company limited by guarantee (Company number 2517615). It is governed by its Memorandum and Articles of Association and is a registered charity with the Charity Commission (Charity number 803779).

The sole member and parent body for the financial years presented in this report was The English Sports Council (ESC) operating as Sport England.

The operating and governance framework between ESC (the Parent) and the Charity (the Subsidiary), is outlined in the Parent/ Subsidiary Memorandum, effective from 1 May 2012 and last updated in December 2012, between the two parties.

Organisational structure

The Charity is administered by a Board of Trustees that regularly meets to discuss the objectives and activities of the Charity. The directors of the Charity are its Trustees. During the financial year ending 31 March 2023 the Board met 4 times.

The Board is composed of a Chair and 8 Trustees as of 31 March 2023. You can find more details about each Trustee on page 14.

The Chair is responsible for the management of the Charity's operations. In order to ensure we are best placed to meet our strategic goals, the Chair delegates authority for the day-to-day administration to officers of Sport England. This is done through Service Level and Agency Agreements (SLA) that include the provision of staff to manage the operational contracts of the National Sports Centres (NSCs). This means that the Charity has no employees.

Objectives and Activities

The Charity was founded to preserve and safeguard the physical and mental health of communities across the UK. We do this by promoting physical recreation (including sports) and education, as well as providing facilities that are available to members of the public.

During 2022/23 the Charity focused on:

- Increasing participation in sport and physical activity by providing a range of activity opportunities to the public through the National Sports Centres (NSCs)
- Creating, improving and maintaining world class training facilities at the NSCs
- Ensuring that the NSCs continue to promote holistic sports development programmes
- Safeguarding the NSC's business recovery from the impact of Covid-19 and the current economic climate
- Awarding grants to local sporting and community organisations
- Monitoring the performance of our investments and available funding

The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Charity's aims, objectives, and achievements, and in planning future activities.

Our strategy

We achieve our public benefit purpose through the management and operation of facilities that every member of the community can benefit from.

During the year, the Charity continued to own three NSCs:

- Bisham Abbey National Sports Centre (Bisham)
- Lilleshall National Sports Centre (Lilleshall)
- Plas y Brenin the National Centre for the Outdoors (PYB)

We also own the Redgrave and Pinsent Rowing Lake (the Rowing Lake), which is currently leased to British Rowing.

These four facilities are uniquely placed to help us achieve our primary goal of helping members of the public play more sport and enjoy the many benefits of regular physical activity. By giving people access to high quality sports facilities, we are helping make communities happier, healthier and better connected. The NSCs also provide elite sports men and women world-class places to train for international sporting competitions, helping to further increase the sporting prestige of the UK around the world.

We have four main strategic objectives:

- Support the delivery of a National Governing Body-driven sporting system which can accommodate and develop talent at community, club and elite level.
- Enhance talent development and world class performance by providing a mix of high-quality sports facilities and support in a unique sporting environment.
- Foster effective coach development, research, innovation and inspiration by delivering programmes and activities that have a significant impact on sporting activities and its availability.
- Ensuring effective operation of the NSCs, through the development of commercial and community participation activities, without impacting our ability to achieve our other objectives.

We deliver against our four objectives through management contracts let in 2011, which run for a 15-year period. The Charity's Board oversaw the tendering process and letting of the contracts while the Sport England Board gave approval for us to enter the contracts in 2011. Bisham and Lilleshall are operated on behalf of the SCTC by Serco Leisure. PYB is operated by Mountain Training Trust (MTT).

The National Sport Centres

Our NSCs and Rowing Lake are unlike other facilities in the UK's sporting landscape. They not only provide world class training facilities for the country's Olympic and Paralympic athletes; they also provide the places and spaces for local communities to be active and participate in sport and physical activity.

As active environments, the NSCs are recognised nationally and increasingly internationally, as examples of best practice for integrating sport and physical activity with other services like health, education, and training. They are not just about providing a place to train, but a hub for community activity.

Our NSCs are an important part of Sport England's reputation as a leader across the sport and leisure sector. Sport England's role as the client of three sector leading facilities (on behalf of The Sports Council Trust Company) provides credibility within the market. This is particularly true in relation to Sport England's strategic role working with Local Authorities, Trusts and Operators to drive continual improvement in local leisure provision. This role was critical during 2020-22 as public leisure provision continued to be severely impacted by the Covid-19 pandemic. The NSC's formed part of

Sport England's strategic response providing leadership and best practice to support Local Authority public leisure services as they continued to recover from the impact of the pandemic and protect vital services to enable people to be physically active.

This kind of collaboration is a crucial part of what makes the NSCs so special. They're a leading example of partnership and cross sector/partner relationships working towards shared strategic objectives and local outcomes. Our partners consistently reference the strength of the partnership to help them achieve their own objectives – contributing to Sport England's wider role in supporting the sector and encouraging collaboration to maximise local community outcomes.

As part of the Elite Training Centre network, the NSCs are among the 18 Centres that host world class Olympic and Paralympic programmes. The partnership of National Governing Bodies, UK Sport institute (UKSI), UK Sport and Sport England works together to make the country's elite training environments more effective, contributing to a more sustainable elite sport system.

The four NSCs that are owned by the Charity are:

Bisham Abbey

Based in Berkshire, Bisham is a compact site which accommodates a range of water sports, football, rugby, tennis, hockey and public community use.

It features a community fitness centre, studios and health suite, squash courts, indoor and outdoor tennis courts, two grass pitches, two artificial pitches and an elite strength and conditioning gym and Intensive Rehabilitation Unit operated by UKSI.

The site is supported by modern accommodation, catering facilities and a 12th century Abbey which forms the centrepiece of the site. It is home to England Hockey, UKSI, Living Tennis, FAB Academy, British Rowing, RFU talent development teams and is extensively used by the local community.

Lilleshall

In the heart of Shropshire, Lilleshall has a range of sports facilities spread throughout the substantial grounds. These include a dedicated indoor and outdoor archery range, gymnasium, nine grass pitches, two artificial grass pitches and a UKSI strength and conditioning area.

Supporting the sports facilities, Lilleshall has over 250 modern bedrooms and catering facilities for use by members

of the public and athletes. A dedicated modern office building co-locates several NGB Head offices including British Gymnastics, UKSI and Archery GB. The centre is home to partners including GB Hockey, Home Office, the Royal British Legion, Crossbar Coaching and extensively used by the local community.

Plas y Brenin

PYB is managed by MTT, a charity established for the advancement of outdoor recreation generally practised in cliff and mountain environments. MTT is committed to providing first class outdoor training at the most affordable price.

Located in Snowdonia, PYB provides a focal point for a year-round programme of mountain sports courses and outdoor activities. The centre's facilities include two climbing wall areas, an abseil tower, canoe training pool and a low rope course. The centre is an important resource for the British Mountaineering Council, Birmingham City University, GB Orienteering and British Cycling.

Redgrave and Pinsent Rowing Lake

Transferred to ownership of the Charity in 2006, the facility is a purpose built, internationally recognised 2,100m rowing lake set on the River Thames. The facilities include clubhouse, boat store, gymnasium, offices, catering and conferencing facilities.

British Rowing leases the Rowing Lake and boathouse from us and undertakes an extensive programme of rowing development and training. The facility continues to be the single most important factor underpinning the training and preparation for the GB Rowing Team for major international competition.

SCTC Coronavirus and current economic climate Response

Continued recovery from Covid-19 as well as the economic instability caused by the Ukraine conflict had a significant impact upon the financial performance of all the NSCs during 2022/23. Sport England provided financial support to help the operators with business recovery, the current economic climate and business transformation activity. This was critical in enabling all facilities and services at each centre to remain fully operational for elite, community and commercial activity.

Commercial and elite throughput at Bisham and Lilleshall showed the biggest increases since the pandemic, whilst community throughput at both sites showed steady growth.

Commercial throughput at both sites exceeded pre-pandemic figures with Bisham recording almost three times the figures of 2019.

Demand stabilised throughout the year for governing body leadership, skills and training courses. Grassroot course demand was lower than anticipated. However, forward bookings for the first period of next year is looking healthier. MTT delivered their winter course programme including Scotland courses, International Mountain Leader and the Paddle sports programme. Commercial bookings and activity were lower than target and this will be a focus for MTT next year.

Building on the lessons learnt during 2020/21, a pragmatic and collaborative approach was maintained by the SCTC and Sport England as the most appropriate way to respond to the unprecedented impact placed upon the NSC contracts and the operators themselves. All parties approached discussions positively with a focus on understanding impact, mitigation measure and identifying how all parties could contribute to supporting

the NSCs business recovery following the pandemic.

Our Performance

The performance of the NSCs is managed by Sport England through a Service Level and Agency Agreement (SLA) with The Sports Council Trust Company.

The requirements in the contracts set ambitious standards to meet the NSC strategic objectives. A balanced scorecard and set of Key Performance Indicator's (KPIs) are used to continually measure performance.

The key performance measures we use range across three categories:

- Internal business processes
- Continuous improvement
- Customer perspective

The operators of our NSCs are required to perform in the top quartile nationally on the National Benchmark Service and QUEST, Sport England's recommended tools for continuous improvement in the leisure industry.

These measures are clearly linked to the aims of the Charity and ESC's objectives of increasing participation nationally.

Overall contract performance standards have been successfully delivered in line with the increased

operations of the NSCs. Under continued challenging circumstances due to the current economic climate Serco and MTT have met, and at times exceeded, their contractual performance standards with no deductions or performance failures during 2022/23. Both operators maintained excellent results in external quality assurance, customer and facility management audits providing assurance that the assets continued to be well managed and maintained.

What we have achieved

The proactive approach taken by SCTC, Sport England, Serco and MTT enabled a valuable contribution towards our objectives to be made.

We remain focused on our duty to promote the success of SCTC and achieve its charitable purpose as described in the Objectives and Activities section on page 2.

Community, Club and Elite; examples NSC contributing to uniting the movement

Bisham hosted Powerhouse Games, together with the charity, Power2Inspire and Get Berkshire Active. The event brought together volunteers from Visa, school children and sports stars to compete in a range of sports, including walking football, blind

football, new age kurling, sitting volleyball, sitting netball, zonal basketball, goalball, Kwik cricket, tri-golf, short tennis and boccia. Olympic gold medallist rower Paul Bennett, World Champion rower Ollie Cook, double World Champion motorcyclist and winter Paralympian Talan Skeels-Piggins and Paralympic swimmer Katie Crowhurst were amongst a whole host of sports stars who attended.

The Bisham-based over 60's 'Primetimers' class, initially aimed at attracting new gym and class members has continued to thrive, with additional classes introduced to meet increasing demand for the popular classes. The aim of the classes was to engage and maintain physical and social activity in the older demographic and these are now currently regularly attracting 20 people training 3 times per week.

The Spanish national women's football team selected Bisham as the training base during the Women's European Championships. This was a successful commercial event that helped inspire local girls to participate in football. Bisham FAB academy has seen an increase in interest and attendance in their evening community youth training sessions with FAB running an all-girls session every Thursday

providing a friendly platform to encourage more girls to participate.

The sailing school at Bisham is now the largest inland Royal Yachting Association (RYA) training centre in the UK and a RYA Sailability Centre of Excellence. The Sailing School provides training to children from 8 years to adults in sailing and motor boating skills. The school founded the Charity "Rivertime Accessible Boating Thames" eight years ago, which specialises in providing access to water sports for the severely disabled. The sailing school has strong links with local and regional special needs schools enabling children with significant support requirements to access and participate regularly in water activities.

Bisham and Lilleshall provided support to Ukrainian refugees, offering the facilities to enable local Ukrainians to get together and socialise. Bisham also hosted a community barbeque, inviting Ukrainian families with their local host families. Over 80 guests attended and enjoyed river craft activities. Bisham has a number of Ukrainians working onsite and the team are working closely with them to provide as much support as possible. Archery GB at Lilleshall hosted the 'Shropshire Supports Refugees Archery Event'. This offered refugees who have settled in Shropshire the opportunity to

experience the sport in the UK and to give them access to clubs to continue their interest. The event attracted around 40 children aged from 4 to 21 years from Syria and Afghanistan, with soft arrows provided for the younger attendees.

Lilleshall provided a green space for a health and wellbeing initiative with Boho Collective, a nature-focused parent/toddler group providing outdoor activities and socialisation. The programme is aimed at adults who have experienced lifestyle changes through bringing up children. 10 weekly sessions were held, with an average of 15 attending each session. Serco worked with the organisation to ensure risk assessments and health and safety checks were completed on time. They also helped to select the right target audience of adults who live in remote areas as they were most likely to be experiencing social isolation. The success of the programme has ensured it will be repeated in the spring.

PYB delivered a pilot Mountain Training Lowland training course to Experience Community CIC staff and volunteers in Leeds. The course was designed in collaboration with Experience Community (EC) with the specific purpose to allow wheelchair users to become qualified as lowland leaders.

The aim of Experience Community CIC is to make the outdoors accessible to wheelchair users. The qualification enables the EC leaders /volunteers to provide outdoor experiences in their local communities. Six EC volunteers and leaders were trained and are now working towards their assessment.

In collaboration with Canoe Wales MTT delivered the #ShePaddle event in 2022 where 70 mixed ability female paddlers from all over the UK attended a weekend of paddle sports activities. The success of this event has led to further summer events with the aim of increasing female participation in paddle sport activities.

Unique Sporting Environment

Capital and lifecycle investment programmes were delivered as planned during 22/23 delivering c.£4m to maintain and enhance the infrastructure of the NSCs.

At **Bisham** we undertook extensive maintenance, refurbishment and improvement safety works in response to a number of independent surveys, replaced the 3G football surface and in addition changed the type of surface to accommodate both football and rugby activity, refurbished the public gym changing rooms, redeveloped the main sports centre office into a hybrid environment and installed a new

pontoon on the river edge enabling more customers to access the water safely.

At **Lilleshall** we undertook extensive maintenance and improvement safety works in response to a number of independent surveys, replaced the roof of Ford Hall, (a listed building), replaced the gymnasium hall heating system and enhanced parking facilities by the synthetic surfaces. A new £3.6m Archery facility is due to complete before this winter's Archery season, enabling elite athletes to make the best possible preparations for next year's Paris Olympics. The collaboration approach between Sport England, UK Sport, Serco and Archery GB to delivering this facility will mean Archery GB will remain a long-term key partner. The Royal British Legion, Sport England and Serco officers are progressing plans to develop a National Rehabilitation Centre. The programme is well aligned to our strategic objectives addressing equality and diversity, health and wellbeing and economic growth for communities of servicemen and women and their families.

At **PYB** we undertook refurbishment and improvement safety works in response to several independent surveys and replaced a heating system.

Coach Development, Research, Innovation and Inspiration

Our contribution to this strategic priority is largely delivered through PYB our National Centre for the outdoors. People being more active outdoors is one of the largest growth areas and our work supports the whole sector to promote, encourage, and develop increased participation in the outdoors.

During this year:

- PYB contributed towards talent development through delivering top end qualifications, with the provision of places across climb (Mountain Training), paddle (British Canoeing) and bike (British Cycling) schemes. Candidates are trained to directly coach, instruct and lead others across a variety of abilities and age ranges and in a wide range of settings such as adventure businesses, outdoor and activity centres, schools and club volunteers.
- Direct support was provided by PYB to Mountain Training UK, the BMC, British Cycling and British Canoeing, with PYB instructors attending a range of technical and development groups focused on coaching standards and safe working practices.

- PYB joined forces with eight of the UK leading outdoor organisations (The Association of British Climbing Walls, The British Mountaineering Council, The Camping and Caravanning Club, The National Indoor Climbing Awards Scheme, Mountain Training, The Outdoor Industries Association and Ramblers) to understand and improve diversity in the adventure activities sector. The group commissioned Leeds Beckett University to conduct the research who produced a comprehensive research report 'Your Movement Matters'.

Plans for future periods

Our operating plan provides for:

- Working collaboratively with Serco and MTT to ensure the operators can provide vital opportunities for community, talent development and elite participation
- Responding to the significant financial challenges presented by inflationary rises, cost of living, and demand led pressures to ensure the NSCs continue to contribute to SCTC and wider Sport England strategic objectives to ensure everyone can experience the benefits of being active

- Re-designing service provision and outcomes to respond to changing needs to support the local community and outdoor sector to re-engage with sport and physical activity contributing to wider physical, social and mental outcomes. Supporting talented athletes and NGB World Class Olympic and Paralympic programmes, specifically supporting preparations for Paris 2024
- Continuing to be an example of best practice and innovation to support the wider public sector sport and physical sector
- Exploring and implementing initiatives to further reduce energy consumption and work towards achieving net zero carbon across the NSC portfolio
- Exploring the options for the extension to the Management Contracts at the NSCs

Green Initiatives

We continued to put in place measures to increase the sustainability of the entirety of our operations this year.

Sport England appointed an environmental sustainability consultant to support the move towards understanding the NSC environmental impact and how it can be reduced. The aim is to work with operators and partners to find ways to

reduce the NSC overall carbon footprint.

Construction of the new Archery facility began during this period and will include several green initiatives; south-facing solar panels on the roof along with additional battery storage to ensure the benefit is gained all year-round. Hot water will be generated via air source heat pumps which are located externally to avoid the building requiring any kind of gas supply. The heat pumps ensure that the building increases its energy efficiency and reduces its carbon footprint.

MTT retained accreditation of the Green Dragon Environmental Standard. This standard is awarded to organisations that demonstrate effective environmental management and take action to understand, monitor and control the impacts that their operations have on their surroundings.

The Biomass heating system at Lilleshall continues to significantly reduce the site's reliance upon oil (Fossil Fuel) as the main source of energy.

Directors' Report

Financial review

Our operational activities, including grant making, are funded by property income and returns from the investment fund (see note 9). Asset investment activities are funded from gifts of assets from Sport England. Total income for the year was £2.9 million (2022: £2.8 million). These resources were invested into the NSCs for the Charity to achieve its objectives as set out on page 2.

Separate funds are maintained to identify and account for the principal funding sources of the Charity. The details of these funds are set out in notes 12 and 13. None of these funds are in deficit.

Net expenditure for the year is £1.7 million (2022: £1.8 million). The small increase in income of £0.1 million from £2.8 million was offset by similar loss on investments.

We generated a small operational surplus on our day-to-day activities in the year of £3,000 (2022: £8,000) as shown in the table below, after awarding community grants (see note 4) of £30,000 (2022: £52,000).

	2023 £'000	2022 £'000
Property income	1,353	1,602
Investment income	27	23
Charitable activities	(4,610)	(4,686)
Add back:		
Depreciation	3,282	3,284
Impairment (reversal)	(124)	(310)
Gifts in kind	75	94
Loss on disposal	-	1
Operating Surplus	3	8

The value of our funds increased to £120.6 million from £113.7 million as set out in note 6. The increase is mainly due to increase in value of Land & buildings carrying value of £8.8 million and Gifted Assets of £1.5 million, offset by depreciation of £3.3 million.

The financial position of the Charity is supported by ESC as per note 1.15.

We have management policies in place to cover grants, investment, and reserves as set out below.

Future developments

See **Plans for future periods** and **Green Initiatives** in the **Strategic Report**

Grants policy

We accept applications from not-for-profit organisations supporting the sporting activities of disadvantaged people including young people, people with disabilities, lower socio-economic groups and ethnic minority groups.

Awards are given to either encourage sports participation, subsidise the cost of taking part or provide facilities and equipment.

86% of the funding available was utilised through a partnership with Get Berkshire Active which focuses on working with early years and family support service providers to improve the pathway for physical development through school.

Investment policy

Our investment policy relating to the portfolio of equity investments is to:

- achieve the best financial return within an acceptable level of risk and a target level of income determined annually
- maintain the real capital value of the funds whilst generating a sustainable level of investment income to contribute to the

ongoing activities including grant-making

- where appropriate, we may choose to use capital to supplement its grant making activities

Our investment funds were invested in the Sarasin Endowments Fund managed by Sarasin & Partners from 2020/21. The investment manager maintains a balanced portfolio which achieves lower volatility than a pure equity investment and provides us with quarterly reports and updates on key issues, and ad-hoc reporting as and when required.

During 2020/21 the contract for the investment manager was re-procured and the reappointment of Sarasin & Partners was approved by the Trustees in April 2021.

Reserves policy

Our financial position is supported by ESC.

Our aim is to maintain a level of unrestricted reserves equating to at least three months of expenditure. We consider that this level will provide sufficient funds to meet our operational expenditure, and to provide a contingency against unforeseen expenditure. The investment fund is also available for liquidity purposes if

required, although, these assets are not intended for sale.

Our reserves policy defines reserves as restricted or unrestricted.

Restricted reserves are those which cannot readily be realised and used for an alternative purpose other than that specified; principally these are in relation to fixed assets gifted from ESC or funded by ESC's Lottery Fund.

Restricted reserves at 31 March 2023 amounted to £118 million (2022: £111.1 million).

Unrestricted reserves are where the use of these funds is not restricted and can be applied to the ongoing operational aspects of the organisation.

Unrestricted reserves at 31 March 2023 amounted to £2.6 million (2022: £2.6 million).

Trustees of the Charity during the year were:

- Graeme Dell (Chair)
- Dave Cove (Resigned on 22 July 2022)
- Andrew Watson (Resigned on 22 July 2022)
- Robin Black (Appointed on 20 April 2022)
- Simon Burnett (Appointed on 20 April 2022)
- Ross Gissane (Appointed on 01 Feb 2023)

- Sajid Hussain (Appointed on 01 Feb 2023)
- Harry Kutty (Appointed on 01 Feb 2023)
- Rachel Moffat (Appointed on 01 Feb 2023)
- Joanne Simpson (Appointed on 01 Feb 2023)
- Robert Wadsworth (Appointed on 01 Feb 2023)

All appointments to the Charity for the position of Chair, Trustee and Company Secretary are made by ESC and are in accordance with:

- The Parent/ Subsidiary Memorandum
- The Memorandum and Articles of Association of the Charity
- ESC's Recruitment and Selection Guidelines: Subsidiary Boards

Upon appointment, Trustees receive corporate governance, financial and legal information in relation to the Charity in the form of its Memorandum and Articles of Association and other governance and policy documents, the annual report, management accounts, Charity Commission guidance and the Seven Principles of Public Life.

A robust induction programme is in place which provides newly appointed Trustees with an overview of the governance and operations of the Charity and ESC.

The Company Secretary Richard Mabbitt

Registered Office, Sport Park, 3
Oakwood Drive, Loughborough,
Leicestershire, England, LE13 3QF

Banker, Barclays Bank Plc, London
Corporate Banking, 1 Churchill Place,
London, E14 5HP

Solicitor, Hewitsons, Kildare House, 3
Dorset Rise, London, EC4Y 8EN

Investment Manager, Sarasin &
Partners LLP, 100 St. Paul's Churchyard,
London EC4M 8BU

Auditor, The Comptroller and Auditor
General, National Audit Office, 157 – 197
Buckingham Palace Road, Victoria,
London SW1W 9SP

Trustees' Responsibility Statement

The Trustees are responsible for preparing the Annual Report and Accounts in accordance with applicable law and regulations.

Company Law requires the Trustees to prepare accounts for each financial year. Under that law the Trustees have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

The accounts are required by law to give a true and fair view of the state of affairs of the company at the year end and of the results of the company for that year. In preparing those accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis, as per note 1.15, of accounting unless they either intend to liquidate the company or to cease operations

or have no realistic alternative but to do so.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Statement as to disclosure of information to auditors

The Trustees who were in office on the date of approval of these accounts have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to

Trustees' Responsibility Statement

establish that it has been
communicated to the auditors.

The Trustees as Company Directors
approve the Strategic Report and the
Directors' Report included as part of
the Trustees' report on pages 1 to 15.

By Order of the Board

A handwritten signature in black ink, appearing to read 'Graeme Dell', with a long horizontal stroke extending from the bottom.

Graeme Dell

Chair

13 July 2023

The certificate and report of the Comptroller and Auditor
General to the members of The Sports Council Trust Company
and to the Houses of Parliament

Opinion on financial statements

I certify that I have audited the financial statements of The Sports Council Trust Company for the year ended 31 March 2023 under the Government Resources and Accounts Act 2000. The Financial Statements which comprise The Sports Council Trust Company's

- Statement of Financial Position as at 31 March 2023;
- Statement of Financial Activities and Statement of Cash Flows for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In my opinion the financial statements:

- give a true and fair view of the state of The Sports Council Trust Company's affairs as at 31 March 2023 and its net expenditure for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;

- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been properly prepared in accordance with the Charities Act 2011.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Entities in the United Kingdom (2022)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019*. I am independent of The Sports Council Trust Company in accordance with the ethical

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requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that The Sports Council Trust Company's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other Information

The other information comprises information included in the Trustees' Annual Report and Trustees' Responsibility Statement, but does not include the financial statements and my auditor's certificate and report thereon. The Trustees are responsible for the other information.

My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit or otherwise appears to be materially misstated.

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

The certificate and report of the Comptroller and Auditor General to the members of The Sports Council Trust Company and to the Houses of Parliament

I have nothing to report in this regard.

Opinion on other matters

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

- the Trustee's Annual Report, including the Strategic Report and Directors' Report, and the Trustees' Responsibility Statement have been prepared in accordance with applicable legal requirements; and
- the information given in the Trustee's Annual Report, including the Strategic Report and Directors' Report, and the Trustees' Responsibility Statement for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

In the light of the knowledge and understanding of The Sports Council Trust Company and its environment obtained in the course of the audit, I have not identified material misstatements in the Trustee's Annual Report, including the Strategic Report and the Directors' Report, and the Trustees' Responsibility Statement.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit.

Responsibilities of the Trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Sports Council Trust Company from whom the auditor determines it necessary to obtain audit evidence.

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- Preparing financial statements, which give a true and fair view, in accordance with the Companies Act 2006 and the Charities Act 2011;
- Ensuring such internal controls are in place as Trustees determine are necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- Preparing the Trustees' Annual Report in accordance with the Companies Act 2006 and the Charities Act 2011; and
- assessing The Sports Council Trust 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 directors either intend to liquidate the entity or the group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with applicable law.

My objectives are to obtain reasonable assurance about whether

the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

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General to the members of The Sports Council Trust Company
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**Identifying and assessing potential
risks related to non-compliance
with laws and regulations, including
fraud**

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of The Sports Council Trust Company's accounting policies.
- inquired of the management, and those charged with governance, including obtaining and reviewing supporting documentation relating to The Sports Council Trust Company's policies and procedures on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including The Sports Council Trust Company's controls relating to The Sports Council Trust Company's

compliance with the Companies Act 2006, Charities Act 2011 and Managing Public Money.

- Inquired of management and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations; and
 - they had knowledge of any actual, suspected, or alleged fraud;
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within The Sports Council Trust Company for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of The Sports Council Trust Company's framework of authority as well as

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other legal and regulatory frameworks in which The Sports Council Trust Company operates, I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of The Sports Council Trust Company. The key laws and regulations I considered in this context included the Companies Act 2006, the Charities Act 2011, Managing Public Money and the Government Resources and Accounts Act 2000.

Audit response to identified risk

To respond to identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management and the Board of Trustees concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and internal audit reports; and
- in addressing the risk of through management override of controls, I tested the appropriateness of

journal entries and other adjustments; assessed whether the judgements on estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities.

This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I communicate with those charged with governance regarding, among

The certificate and report of the Comptroller and Auditor
General to the members of The Sports Council Trust Company
and to the Houses of Parliament

other matters, the planned scope
and timing of the audit and
significant audit findings, including
any significant deficiencies in internal
control that I identify during my
Report.

I have no observations to make on
these financial statements.

Gareth Davies

17 July 2023

**Comptroller and Auditor General
(Statutory Auditor)**

National Audit Office

157-197 Buckingham Palace Road

Victoria

London

SW1W 9SP

Statement of Financial Activities for the year ended 31 March 2023

(Including Income and Expenditure Account)

	Note	2023 Restricted £'000	2023 Unrestricted £'000	2023 Total £'000	2022 Total £'000
Income from					
Donations and legacies	2	1,459	75	1,534	1,204
Other trading activities	3	-	1,353	1,353	1,602
Investments		-	27	27	23
Total		1,459	1,455	2,914	2,829
Expenditure on					
Charitable activities	4	(3,105)	(1,505)	(4,610)	(4,686)
Total		(3,105)	(1,505)	(4,610)	(4,686)
Net (Losses)/ gain on investments	9	-	(52)	(52)	18
Net expenditure		(1,646)	(102)	(1,748)	(1,839)
Other recognised gains					
Gains on revaluation of fixed assets	12/13	8,552	114	8,666	7,228
Net movement of funds		6,906	12	6,918	5,389
Reconciliation of funds					
Total funds brought forward		111,119	2,594	113,713	108,324
Total funds carried forward	6	118,025	2,606	120,631	113,713

The Statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure relate to continuing activities.

The notes on pages 28 to 47 form an integral part of these accounts

Statement of Financial Position as at 31 March 2023

Company number 2517615, Charity number 803779

	Note	2023 £'000	2022 £'000
Fixed assets			
Intangible assets	7	92	139
Tangible assets	8	119,330	112,317
Investments	9	814	865
Total fixed assets		120,236	113,321
Current assets			
Debtors	10	948	1,058
Cash at bank		580	577
Total current assets		1,528	1,635
Liabilities: amounts falling due within one year			
Creditors	11	(579)	(689)
Provisions	17	(554)	(554)
Total current liabilities		(1,133)	(1,243)
Net current assets		395	392
Net assets		120,631	113,713
The funds of the charity			
Restricted capital funds		62,899	63,342
Restricted revaluation reserve		55,126	47,777
Total restricted funds	12	118,025	111,119
Unrestricted income funds		1,689	1,761
Unrestricted revaluation reserve		917	833
Total unrestricted funds	13	2,606	2,594
Total charity funds	14	120,631	113,713

The accounts are exempt from the requirements of Part 16 of the Companies Act 2006 under section 482 (non-profit-making companies subject to public sector audit) of that Act.

The accounts on pages 25 to 47 were approved by the Board of Trustees and were signed on its behalf by:



Graeme Dell
Chair
13 July 2023

The notes on pages 28 to 47 form an integral part of these accounts

Statement of Cash Flow for the year ended 31 March 2023

	Note	2023 £'000	2022 £'000
Cash flow from operating activities			
Net cash (used in)/provided by operating activities	15	(24)	(29)
Net cash provided by/ (used in) operating activities		(24)	(29)
Cash flow from investing activities			
Income from investments		27	23
Net cash provided by/ (used in) investing activities		27	23
Change in cash balances in the reporting period		3	(6)
Changes in cash balances during the year			
Balance at 1 April		577	583
Change in cash balances in the reporting period		3	(6)
Balance at 31 March		580	577

The notes on pages 28 to 47 form an integral part of these accounts

1 Accounting policies

1.1 Basis of accounting

The accounts have been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities SORP (FRS 102) Second Edition issued October 2019 effective from January 2019, FRS 102, and the Companies Act 2006.

The accounts have been prepared on a going concern basis under the historical cost convention, modified by the revaluation of assets and liabilities to fair value.

The principal accounting policies adopted in the preparation of the accounts are set out below.

1.2 Income

Income from donations and legacies includes gifted assets, gifts in kind, and grants.

The value of gifts of assets is based on the amount actually expensed by the donor.

The value of gifts in kind is based on a reasonable estimate of the value of time spent on the administration service provided to the Charity by The English Sports Council (ESC).

Grants are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability.

Other trading activities is made up of freehold and leasehold income which is recognised on a receivable basis.

Income from investments is recognised on a receipt basis due to the timing of statements from the investment fund. The accounting treatment adopted materially matches income accrued.

1.3 Charitable activities

Community grants awarded are recognised in the period in which the grant is approved and communicated to the award recipients.

All other charitable activity expenditure is recognised when a liability is incurred.

Governance costs include those costs incurred in the governance of the Charity and its assets and are primarily associated with constitutional and financial requirements.

The provision of facilities costs is set out in note 4. Costs are allocated to activities directly or to location or usage.

Costs directly related to activities are general administration costs of the Charity. Location costs are costs incurred in connection with freehold and leasehold property occupied by ESC, Mountain Training Trust and British Rowing. Usage costs relate to depreciation, and impairments on tangible fixed assets. Support costs in relation to making community grant awards are not material.

1.4 Dividends

The Charity is prohibited by its Articles of Association from declaring a dividend.

1.5 Intangible assets

Intangible assets predominantly comprise software installed and utilised in our computer systems. Software is amortised on a straight-line basis over three years. The capitalisation threshold is £1,000 and assets purchased below the capitalisation threshold are expensed in year. Intangible assets are reviewed annually for impairment and are stated at amortised historic cost.

1.6 Tangible fixed assets

Tangible fixed assets funded by the Lottery grant from ESC were paid for directly by the Charity and funds drawn down from ESC against the Lottery grant. All other capital works

are paid for by ESC and the assets gifted to the Charity.

Land and buildings

Full valuations are carried out by external experts quinquennially for land, buildings and bund, supplemented by annual indexation.

The last full valuation of land and buildings was carried out as at 31 March 2019.

Valuations are based on Depreciated Replacement Cost (DRC) for specialist properties, and fair value for other properties.

The DRC basis generates an open market valuation of the land. The valuation of each building is derived through an estimate being made of the gross current replacement cost of the buildings and other site works, from which deductions are then made to allow for age, condition and obsolescence.

Any assets under construction are valued at the costs incurred to date.

Artworks and antiques

Artworks and antiques are valued by external experts. Valuations are derived with reference to the retail market (at the valuation date) and the probable cost of replacing the items when compared with items in a similar condition. The last full

valuation of artworks and antiques was carried out as at 31 March 2019, this is carried out every five years.

Equipment and leasehold improvements

Other property, plant and equipment have not been revalued as fair value is not considered to be materially different to depreciated historic cost.

The capitalisation threshold is £1,000 and assets purchased below the capitalisation threshold are usually expensed in year, except for grouped assets.

Grouped assets are assets, which individually, are less than £1,000 however together they form a single collective asset.

Depreciation

Depreciation is provided on all tangible fixed assets, except freehold land and artworks and antiques, at rates calculated to write off the cost or valuation, less estimated residual value evenly over its expected useful life as follows:

Buildings (as advised by external expert)	Unexpired life, maximum of 60 years
Bund (as advised by external expert)	40 years as advised by external expert
Leasehold improvement	Expected life of lease
Equipment	5 years

Impairment reviews are undertaken annually. No depreciation is charged in the year of acquisition or construction. A full year's depreciation is charged in the year of disposal.

1.7 Property operating leases

Payments made under operating leases (rental agreements) are recognised in the Statement of financial activities on a straight-line basis over the term of the lease. Lease incentives (e.g., rent-free periods) are recognised as an integral part of the total lease expense, over the term of the lease.

1.8 Dilapidations

Full provision for the probable cost of dilapidations at the date of the expected termination of the lease is made in the accounts in the year in which it is decided not to renew the lease.

1.9 Investments

Subsequent to purchase, listed stocks and shares are measured at fair value through other comprehensive income based on reference to the market in which they exist and are not held for trading.

There are no investments other than those set out in note 9.

1.10 Debtors

Debtors are recognised at fair value, which represents the value of settlement.

1.11 Creditors and provisions

These are recognised when there is a present obligation from a past event that will probably result in a transfer of funds to a third party which can be measured or reliably estimated.

1.12 Funds

Details of all restricted and unrestricted funds are provided in notes 12 and 13.

Restricted funds: These funds are earmarked by the donor for specific purposes.

Unrestricted funds: These funds comprise general funds that are expendable at the discretion of the Trustees in furtherance of the objects of the Charity and which have not been designated for other purposes.

1.13 Taxation

No taxation is chargeable on the Charity's activities which are of a charitable nature, and thus outside the scope of corporation tax.

1.14 Use of estimates and judgement

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenditure. Actual results may differ from the estimates used.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Estimates are made in relation to tangible fixed assets held by the National Sports Centres including the valuation and revaluation, dilapidation, impairment and depreciation of Land and Buildings, the valuation of artwork and antiques and the value of gifts in kind.

1.15 Going concern

The financial position of the Charity is supported by ESC. The ESC is the major provider of funds through the gifting of assets and provision of deficit funding for the NSCs' operations. The Charity does not usually commit to any capital expenditure that requires funding from its own resources. After making enquiries of the management of ESC, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for at least the next 12 months from the date of approval of the financial statements.

Accordingly, the Charity continues to adopt the going concern basis in preparing these accounts

2 Donations and legacies

	2023 £'000			2022 £'000		
	Restricted	Un- restricted	Total	Restricted	Un- restricted	Total
Gifts of fixed assets	1,459	-	1,459	1,110	-	1,110
Gifts in kind administration service	-	75	75	-	94	94
Total	1,459	75	1,534	1,110	94	1,204

Gifts of fixed assets and gifts in kind administration service are from ESC.

3 Other trading activities

	2023 £'000	2022 £'000
Property Income	1,353	1,602

The income above is from property occupied by ESC, Mountain Training Trust, and British Rowing. It includes rent, rates, service charges and other property costs such as repairs, maintenance, and legal costs.

4 Charitable activities

	2023 £'000			2022 £'000		
	Restricted	Un- restricted	Total	Restricted	Un- restricted	Total
Community grants awarded						
Get Berkshire Active	-	39	39	-	45	45
Wycombe Wanderers	-	-	-	-	7	7
S&E Trust						
More Leisure Community Trust	-	(9)	(9)	-	-	-
Total community grants		30	30	-	52	52
Governance costs (note 5)						
Trustees' expenses	-	2	2	-	-	-
Audit fees	-	22	22	-	17	17
Total governance costs	-	24	24	-	17	17
Provision of facilities¹						
Costs directly related to activities						
ESC administration charge	-	29	29	-	28	28
Gift in kind administration charge	-	75	75	-	94	94
Sub-total	-	104	104	-	122	122
Locations costs						
Property costs	-	1,287	1,287	-	1,522	1,522
Legal and professional	-	7	7	-	(2)	(2)
Sub-total	-	1,294	1,294	-	1,520	1,520
Usage						
Depreciation	3,228	54	3,282	3,234	50	3,284
Loss on disposal	-	-	-	1	-	1
Impairment (reversal)/charge	(123)	(1)	(124)	(309)	(1)	(310)
Sub-total	3,105	53	3,158	2,926	49	2,975

4 Charitable activities (continued)

		2023 £'000		2022 £'000			
Restricted	Restricted	Un- restricted	Total	Restricted	Un- restricted	Total	
Total provision of facilities	3,105	1,451	4,556	2,926	1,691	4,617	
Total charitable activities	3,105	1,505	4,610	2,926	1,760	4,686	

All income and expenditure relating to the National Sports Centres management contract are accounted for by the ESC including any performance-based bonus. The ESC funds the operational deficit of the National Sports Centres which was £6 million in 2023 (2022: £5 million). This included £1.1 million (2022: £2.2 million) of Covid-19 related financial assistance to the operators (see pages 5 to 6).

¹Provision of facilities costs are allocated as set out in the accounting policies note 1.3.

5 Governance and staff costs

The Charity employed no staff in 2022 and 2023.

ESC provides a financial and administration service to the Charity, under the terms of a service level agreement, for which a charge is made (note 2).

Five Trustees (2022: none) were paid travel during the year of £2,000 (2022: Nil)

The Trustees did not receive fees or allowances for the year (2022: Nil) either directly from the Charity or the parent body ESC.

The audit fees for the year were £22,000 (2022: £17,000). There were no fees for non-audit work in 2023 and 2022.

6 Reconciliation of the movement in funds

	2023 £'000	2022 £'000
Net assets at 1 April	113,713	108,324
Capital investment		
Gifted assets (ESC)	1,459	1,110
Other movements		
Net revaluation of fixed assets	8,790	7,538
Depreciation	(3,282)	(3,284)
Operational surplus/(deficit)	3	8
Increase/ (decrease) in value of investments	(52)	18
Loss on disposal	-	(1)
Net assets at 31 March	120,631	113,713

7 Intangible fixed assets

	Software £'000	Total £'000
Cost / Valuation		
At 1 April 2022	139	139
Additions	-	-
At 31 March 2023	139	139
Amortisation and impairments		
At 1 April 2022	-	-
Charge for the year	(47)	(47)
At 31 March 2023	(47)	(47)
Net Book Value		
At 31 March 2022	139	139
At 31 March 2023	92	92

Assets are valued in accordance with the accounting policy note 1.5.

8 Tangible fixed assets

	Land	Buildings and bund	Assets under Construction	Leasehold improvement	Equipment	Artworks and antiques	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost / Valuation							
At 1 April 2022	20,557	121,647	-	1,168	2,375	827	146,574
Disposals	-	-	-	(974)	(24)	-	(998)
Gifted assets	-	1,206	238	-	15	-	1,459
Revaluation	(347)	9,013	-	-	-	-	8,666
Additions	-	-	-	-	-	-	-
At 31 March 2023	20,210	131,866	238	194	2,366	827	155,701
Depreciation and impairments							
At 1 April 2022	12	(31,011)	-	(1,080)	(2,216)	38	(34,257)
Charge for year	-	(3,132)	-	(43)	(60)	-	(3,235)
Impairment reversal	-	124	-	-	-	-	124
Disposals	-	-	-	974	23	-	997
At 31 March 2023	12	(34,019)	-	(149)	(2,253)	38	(36,371)
Net Book Value							
At 31 March 2022	20,569	90,636	-	88	159	865	112,317
At 31 March 2023	20,222	97,847	238	45	113	865	119,330

The net book value of revalued assets under historic cost is as follows: Land £3,649k (2022: £3,649k); Buildings and bund £59,198 (2022: £59,652k)

Assets are valued in accordance with the accounting policy note 1.6.

The last full valuation of land, buildings and bund was carried out as at 31 March 2019 by Gerald Eve LLP, a regulated firm of Chartered Surveyors which provides expert advice in asset valuations and surveying. The valuation was prepared in accordance with the requirements of the RICS Valuation Global Standard 2017 and

8 Tangible fixed assets (Continued)

the UK national standards and guidance set out in national supplement (November 2018 edition), and Financial Reporting Standard (FRS) 102.

The valuation of the non-specialised properties was undertaken on a Fair Value basis, on the assumption of continuation of the existing use. Specialised properties were valued by reference to Depreciated Replacement Cost (DRC). The replacement build cost rates used in DRC valuations are based on knowledge of the current costs of constructing general and specialised sport facility accommodation as well as information from Building Cost Information Service (BCIS) and other published cost data. Existing buildings are valued as they stand using Gross Internal Floor areas (GIAs) by reference to the cost of providing either modern equivalent assets capable of delivering the required service provision or for the listed structures as historically important assets.

Land, buildings, and bund comprise freehold properties. All assets are owned, no assets are supported by either finance leases or PFI contracts.

There is a collection of artworks, furniture and fittings at Bisham Abbey that date from the 16th century. The historical significance of these assets classifies the collection as Artworks and antiques. The collection was last valued as at 31 March 2019 by Sotheby's.

9 Investments

Listed stocks and securities	2023 £'000	2022 £'000
Market value at 1 April	865	848
Adjustment of value as at 1 April	1	(1)
Disposal	-	-
Revaluation of investment	(52)	18
Market value at 31 March	814	865

Investments as at 31 March 2023 represents holdings in the Sarasin Endowments Fund. The holding is classified as 'not held for trading.'

The historical cost of the asset at 31 March 2023 was £0.7 million (2022: £0.7 million).

10 Debtors

	2023 £'000	2022 £'000
Amounts falling due within one year		
Trade debtors	9	-
Prepayments	-	273
Accrued income	385	231
Total	394	504
Amounts falling due after more than one year		
ESC	554	554
Total	554	554
Total	948	1,058

11 Creditors

	2023 £'000	2022 £'000
Amounts falling due within one year		
Trade Creditors	15	32
ESC	112	121
Deferred income	-	273
Accruals	452	263
Total	579	689

12 Restricted capital funds

	Reval- uation reserve (land and buildings)	ESC GIA Funded assets ¹	ESC Lottery funded assets ²	Capital ³	Other ⁴	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2021	41,821	38,085	24,934	96	882	105,818
Gifted assets	-	1,110	-	-	-	1,110
Revaluation	7,117	-	-	-	-	7,117
Impairment reversal	-	213	83	-	13	309
Depreciation	-	(2,109)	(1,109)	(2)	(14)	(3,234)
Amortisation of reserve	(1,073)	711	361	-	1	-
Disposal of fixed assets	(88)	88	-	-	-	-
Loss on disposal	-	(1)	-	-	-	(1)
Grant received in the year	-	-	-	-	-	-
Balance at 31 March 2022	47,777	38,097	24,269	94	882	111,119
Gifted assets	-	1,459	-	-	-	1,459
Revaluation	8,552	-	-	-	-	8,552
Impairment reversal	-	103	13	-	7	123
Depreciation	-	(2,248)	(962)	(3)	(15)	(3,228)
Amortisation of reserve	(1,203)	848	353	-	2	-
Transfers	-	-	-	-	-	-
Loss on disposal	-	-	-	-	-	-
Grant received in the year	-	-	-	-	-	-
Balance at 31 March 2023	55,126	38,259	23,673	91	876	118,025

ESC receives funding from two sources, Exchequer Grant-in-Aid (GIA) and the National Lottery Distribution Fund. These two sources of funding are required to be accounted for separately.

¹ESC GIA Funded assets

This fund supports the initial acquisition and subsequent funding of tangible fixed asset additions at the National Sports Centres and is funded by ESC's Exchequer Grant-in-Aid.

12 Restricted capital funds (Continued)

²ESC Lottery funded assets

This fund also supports the initial acquisition and subsequent funding of tangible fixed asset additions at the National Sports Centres and was funded by ESC's National Lottery Distribution Fund.

³Capital

This fund supports improvements to facilities at the National Sports Centres and was donated by the Lawn Tennis Association.

⁴Other

All income and expenditure relating to the National Sports Centres management contract are accounted for by the ESC including any performance-based bonus. The ESC funds the operational deficit of the National Sports Centres which was £6 million in 2023 (2022: £5 million). This included £1.1 million (2022: £2.2 million) of Covid-19 related financial assistance to the operators (see page 5).

This fund is made up of facilities at Lilleshall funded by The Royal British Legion (TRBL) which are used for TRBL beneficiaries and Ministry of Defence personnel (£0.6 million) as well as the proceeds from the sale of Ashlands House, Crewkerne (£0.3 million) held as investments (note 9 and 14).

13 Unrestricted income funds

	Revaluation reserve (land and buildings)	Other ¹	Total
	£'000	£'000	£'000
Balance at 1 April 2021	748	1,758	2,506
Amortisation of reserve	(26)	26	-
Revaluation	111	-	111
Depreciation	-	(50)	(50)
Profit/(loss) on revaluation	-	1	1
Operational deficit	-	8	8
Revaluation of investments	-	18	18
Balance at 31 March 2022	833	1,761	2,594
Amortisation of reserve	(30)	30	-
Revaluation	114	-	114
Depreciation	-	(54)	(54)
Profit/(loss) on revaluation	-	1	1
Operational deficit	-	3	3
Revaluation of investments	-	(52)	(52)
Balance at 31 March 2023	917	1,689	2,606

¹Other

This fund is made up of movements in investment revaluations (note 9), depreciation on unrestricted assets and accumulated annual surpluses.

14 Reconciliation of net assets between funds

	Intangible Fixed asset £'000	Tangible fixed assets £'000	Invest- ments £'000	Other assets £'000	Total 2023 £'000	Total 2022 £'000
	£'000					
Restricted funds						
Revaluation reserve	-	55,126	-	-	55,126	47,777
ESC Funded assets	-	38,257	-	-	38,257	38,097
ESC Lottery fund	-	23,674	-	-	23,674	24,269
Capital	-	92	-	-	92	94
Other	-	876	-	-	876	882
Total	-	118,025	-	-	118,025	111,119
Unrestricted funds						
Revaluation reserve	-	916	-	-	916	833
Other	92	389	814	395	1,690	1,761
Total	92	1,305	814	395	2,606	2,594
Total funds	92	119,330	814	395	120,631	113,713

15 Net cash flow from operating activities

	2023 £'000	2022 £'000
Net expenditure	(1,748)	(1,839)
Gifted assets	(1,459)	(1,110)
Impairment (reversal)/charge	(124)	(310)
Net (gains)/losses on investments	52	(18)
Investment income	(27)	(23)
Depreciation	3,282	3,284
Decrease / (increase) in debtors	110	(305)
(Decrease) / increase in creditors	(110)	112
Increase in provisions	-	179
Loss on disposal	-	1
Total	(24)	(29)

16 Commitments under operating leases

	2023 £'000	2022 £'000
Not later than one year	240	518
Between two and five years	662	95
Total	902	613

All the Charity's commitments under leases to pay rentals are shown above. These leases relate to offices occupied by ESC and all costs are recharged to ESC. Future commitments are expected to be met through their occupation of the properties. The rental income for the year amounted to £0.8 million (2022: £0.8 million) all of which was receivable from ESC. Note 8 sets out in the Leasehold Improvement column the capital value held in relation to the properties leased to ESC.

17 Provisions

	Total £'000
Balance at 1 April 2022	554
Balance at 31 March 2023	554
Amounts falling due within one year	554
Total	554

The provision is dilapidations for Bloomsbury Street. The lease expired in November 2022 with no option to extend. A provision of £0.2million was made in 2015 to cover the costs of dilapidations. In March 2020, a dilapidations assessment was commissioned and undertaken by the Building Surveying team of the Bloomsbury Street property management company, Avison Young. This report indicated an increase of the cost of dilapidations to £375k. In February 2022 a further dilapidation assessment was undertaken which indicated an increase of the cost of Dilapidation to £554k.

All the above costs will be funded by ESC and thus accrued income has been recognised in these accounts (note 10).

There are no contingent liabilities or contingent assets for the current year (2022: Nil).

18 Value added tax

The Charity is in a group VAT registration scheme with ESC and is jointly and severally liable for all group VAT liabilities. No VAT is charged on transactions between fellow members of the VAT group. Any irrecoverable VAT incurred by the Charity is met on its behalf by ESC.

19 Capital commitments

The 2022/23 commitments represent a construction contract to deliver a new Archery Facility at the Lilleshall National Sports Centre, this amounted to £3,362k.

20 Parent body rights over assets

Grants made by ESC to the Charity since June 1990 were made on the basis that any tangible fixed assets acquired by such grants should be available for clawback (return of sale proceeds to the Exchequer and Lottery) in the event of disposal or change of use.

On 5 October 1994, the Charity Commission granted an Order under the Charities Act 1993 by which the Charity must repay to ESC the whole proceeds of sales of fixed assets, or such part as represents public funds, sold on or after 1 April 1989, which were originally purchased in whole or in part with funds provided by the Exchequer.

21 Derivatives and other financial instruments

The Charity relies mainly on grant, donation, and property funding to finance its operations. Other than cash resources and items such as debtors and creditors that arise from its operations, it holds no other financial instruments other than the investments referred to in note 9, nor enters into derivative transactions.

The return from investments is not material and therefore the Charity is not exposed to significant market risk. The Board regularly undertakes reviews to mitigate the risks of performance of this instrument.

The Charity performs all transactions in Sterling and therefore has no currency exchange risk. The Charity does not enter into any forward foreign currency contracts or similar financial instruments. The Charity does not borrow money and therefore has no exposure to interest rate risk or liquidity risk in this regard. Cash balances are held in commercial bank accounts and attract market rates of interest. The Charity does not enter into any interest rate swaps or similar financial instruments.

22 Related party transactions

The Charity has a close working relationship with its parent body ESC. ESC is the Charity's main provider of funds enabling the Charity to carry out its charitable objectives. It also provides a financial and administrative service to the Charity through a gift in kind (note 2) and an annual charge of £29,000 (2022: £28,000).

ESC gifts fixed asset additions to the National Sports Centres the details of which are set in note 2. In 2023 this amounted to £1.5 million (2022: £1.1 million).

Included within note 3 in other trading activities are recharges to ESC for property costs, repairs and legal and professional costs in respect of properties occupied by ESC. The amounts included in note 3 are set out below plus the amounts outstanding at the end of the financial year for these recharges.

	2023	2022
	£'000	£'000
Income	1,315	1,602
Amount owing from ESC	(442)	(433)

22 Related party transactions (Continued)

Trustees are selected from a variety of backgrounds and experience. Where conflicts of interest occur, these are declared at each meeting and a Trustee will absent him/herself from any decisions related to the item in question. If the Chair has a conflict another Trustee will chair the meeting when the item is discussed. There were no transactions where a Trustee declared a current or past interest relating to the Charity's activities.

23 Security

ESC was granted a mortgage debenture on 21 December 2006 incorporating a charge over all the Lottery grant funded assets provided for The Rowing Lake. This mortgage debenture was novated to The Sports Council Trust Company on 29 March 2012.

24 Ultimate parent body

The charity's parent body is ESC known as Sport England and is the Government agency that works to make sure everyone can experience the benefits of sport and physical activity. The results of The Charity are consolidated in the accounts of ESC. The accounts of ESC Group are available from its registered office at Sport Park, 3 Oakwood Drive, Loughborough, Leicestershire, England, LE13 3QF.

25 Post balance sheet events

There have been no material post balance sheet events and the annual report and accounts were authorised for issue on the date of certification by the Comptroller and Auditor General.

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THE SPORTS COUNCIL TRUST COMPANY

England & Wales - Charity number 803779

Accounts

The Sports Council Trust Company

Company number 2517615

Charity number 803779

[A subsidiary company of The English Sports Council]

Annual Report and Accounts 2021 - 2022

For the period 1 April 2021 to March 2022

HC 1038

The Sports Council Trust Company

Annual Report and Accounts 2021 - 2022

For the period 1 April 2021 to March 2022

Presented to Parliament pursuant to Article 6(2)(b) of the Government Resources and Accounts Act 2000 (Audit of Non-profit-making Companies) Order 2009

(SI 2009/476)

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The Trustees present their Annual Report on the affairs of The Sports Council Trust Company together with the accounts and auditor's report for the year ended 31 March 2022.

Strategic Report

Structure, governance and management

Constitution of The Sports Council Trust Company

The Sports Council Trust Company ("the Charity") is a company limited by guarantee (Company number 2517615). It is governed by its Memorandum and Articles of Association and is a registered charity with the Charity Commission (Charity number 803779).

The sole member and parent body for the financial years presented in this report was The English Sports Council (ESC) operating as Sport England.

The operating and governance framework between ESC (the Parent) and the Charity (the Subsidiary), is outlined in the Parent/Subsidiary Memorandum, effective from 1 May 2012 and last updated in December 2012, between the two parties.

Organisational structure

The Charity is administered by a Board of Trustees that regularly meets to discuss the objectives and activities of the Charity. The directors of the Charity are its Trustees. During the financial year ending 31 March 2022 the Board met four times.

The Board is composed of a Chair and three Trustees as of 31 March 2022. You can find more details about each Trustee on page 11

The Chair is responsible for the management of the Charity's operations. In order to ensure

we're best placed to meet our strategic goals, the Chair delegates authority for the day-to-day administration to officers of Sport England. This is done through Service Level and Agency Agreements (SLA) that include the provision of staff to manage the operational contracts of the National Sports Centres (NSCs). This means that the Charity has no employees.

Objectives and Activities

The Charity was founded to preserve and safeguard the physical and mental health of communities across the UK. We do this by promoting physical recreation (including sports) and education, as well as providing facilities that are available to members of the public.

During 2021/22 the Charity focused on:

- Increasing participation in sport and physical activity by providing a range of activity opportunities to the public through the National Sports Centres (NSCs)
- Creating, improving and maintaining world class training facilities at the NSCs
- Ensuring that the NSCs continue to promote holistic sports development programmes
- Safeguarding the NSCs from the impact of Covid-19
- Awarding grants to local sporting and community organisations
- Monitoring the performance of our investments and available funding

The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Charity's aims, objectives and achievements and in planning future activities.

Our strategy

We achieve our public benefit purpose through the management and operation of facilities that every member of the community can benefit from.

During the year, the Charity continued to own three NSCs:

- Bisham Abbey National Sports Centre (Bisham)
- Lilleshall National Sports Centre (Lilleshall)
- Plas y Brenin the National Centre for the Outdoors (PYB)

We also own the Redgrave and Pinsent Rowing Lake (the Rowing Lake), which is currently leased to British Rowing.

These four facilities are uniquely placed to help us achieve our primary goal of helping members of the public play more sport and enjoy the many benefits of regular physical activity. By giving people access to high quality sports facilities, we are helping make communities happier, healthier and better connected. The NSCs also provide elite sports men and women world-class places to train for international sporting competitions, helping to further increase the sporting prestige of the UK around the world.

We have four main strategic objectives:

- Support the delivery of a National Governing Body-driven sporting system which can accommodate and develop talent at community, club and elite level

- Enhance talent development and world class performance by providing a mix of high-quality sports facilities and support in a unique sporting environment
- Foster effective coach development, research, innovation and inspiration by delivering programmes and activities that have a significant impact on sporting activities and its availability
- Ensuring effective operation of the NSCs, through the development of commercial and community participation activities, without impacting our ability to achieve our other objectives.

We deliver against our four objectives through management contracts let in 2011, which run for a 15-year period. The Charity's Board oversaw the tendering process and letting of the contracts while the Sport England Board gave approval for us to enter the contracts in 2011. Bisham and Lilleshall are operated on behalf of the SCTC by Serco Leisure. PYB is operated by Mountain Training Trust (MTT)

The National Sport Centres

Our NSCs and Rowing Lake are unlike other facilities in the UK's sporting landscape. They not only provide world class training facilities for the country's Olympic and Paralympic athletes; they also provide the places and spaces for local communities to be active and participate in sport and physical activity.

As active environments, the NSCs are recognised nationally, and increasingly internationally, as examples of best practice for integrating sport and physical activity with other services like health, education, and training. They're not just about providing a place to train, but a hub for community activity.

Our NSCs are an important part of Sport England's reputation as a leader across the sport and leisure sector. Sport England's role as the client of three sector leading facilities (on behalf of The Sports Council Trust Company) provides credibility within the market. This is particularly true in relation to Sport England's strategic role working with Local Authorities, Trusts and Operators to drive continual improvement in local leisure provision. This role was critical during 2021/22 as public leisure provision continued to be severely impacted by the Covid-19 pandemic. The NSC's formed part of Sport England's strategic response providing leadership and best practice to support Local Authority public leisure services as they continued to recover from the impact of the pandemic and protect vital services to enable people to be physically active.

This kind of collaboration is a crucial part of what makes the NSCs so special. They're a leading example of partnership and cross sector/partner relationships working towards shared strategic objectives and local outcomes. Our partners consistently reference the strength of the partnership to help them achieve their own objectives – contributing to Sport England's wider role in supporting the sector and encouraging collaboration to maximise local community outcomes.

As part of the Elite Training Centre network, the NSCs are among the 18 Centres that host world class Olympic and Paralympic programmes. The partnership of National Governing Bodies, English Institute of Sport (EIS), UK Sport and Sport England works together to make the country's elite training environments more effective, contributing to a more sustainable elite sport system.

The NSCs continue to push boundaries and drive innovation in order to establish if they

can be replicated and significantly impact the sporting landscape. During 2021/22 the NSCs played a crucial role assisting Sport England to support public sector leisure provision, local authorities and operators tackle COVID-19, providing best practice examples and guidance to help local authorities protect vital public leisure services across the country.

The four NSCs that are owned by the Charity are:

Bisham Abbey

Based in Berkshire, Bisham is a compact site which accommodates a range of water sports, football, rugby, tennis, hockey and public community use.

It features a community fitness centre, studios and health suite, squash courts, indoor and outdoor tennis courts, two grass pitches, two artificial pitches and an elite strength and conditioning gym and Intensive Rehabilitation Unit operated by EIS.

The site is supported by modern accommodation, catering facilities and a 12th century Abbey which forms the centrepiece of the site. It is home to England Hockey, EIS, Living Tennis, FAB Academy, British Rowing and extensively used by the local community.

Lilleshall

In the heart of Shropshire, Lilleshall has a range of sports facilities spread throughout the substantial grounds. These include a dedicated indoor and outdoor archery range, gymnasium, nine grass pitches, two artificial grass pitches and an EIS strength and conditioning area.

Supporting the sports facilities, Lilleshall has over 250 modern bedrooms and catering facilities for use by members of the public

and athletes. A dedicated modern office building co-locates several NGB Head offices including British Gymnastics, EIS and British Archery. The centre is home to partners including GB Hockey, Home Office, the Royal British Legion, Crossbar Coaching and extensively used by the local community.

Plas y Brenin

PYB is managed by MTT, a charity established for the advancement of outdoor recreation generally practised in cliff and mountain environments. MTT is committed to providing first class outdoor training at the most affordable price.

Located in Snowdonia, PYB provides a focal point for a year-round programme of mountain sports courses and outdoor activities. The centre's facilities include two climbing wall areas, an abseil tower, canoe training pool and a low rope course. The centre is an important resource for the British Mountaineering Council, Birmingham City University, GB Orienteering, British Cycling and the University of Central Lancaster.

Redgrave and Pinsent Rowing Lake

Transferred to ownership of the Charity in 2006, the facility is a purpose built, internationally recognised 2,100m rowing lake set on the River Thames. The facilities include clubhouse, boat store, gymnasium, offices, catering and conferencing facilities.

British Rowing leases the Rowing Lake and boathouse from us and undertakes an extensive programme of rowing development and training. The facility continues to be the single most important factor underpinning the training and preparation for the GB Rowing Team for major international competition.

SCTC Coronavirus Response

COVID-19 has continued to have an unprecedented impact upon participation and financial performance of all the NSCs during 2021/22. This has significantly restricted our ability to deliver against our strategic objectives during the year.

The most significant constraint was the continued impact around COVID-19 restrictions. National lock downs and restrictions constrained service delivery throughout the year with 3 of the 4 NSC's either closed or operating with restricted use. The nature of these measures had significant implications for both the 'supply' in terms of the opening and capacity of the NSCs and the 'demand' in terms of customer and partner confidence and ability to return and utilise the services across the NSC's.

Building on the lessons learnt during 2020/21, a pragmatic and collaborative approach was maintained by the SCTC and Sport England as the most appropriate way to respond to the unprecedented impact placed upon the NSC contracts and the operators themselves. All parties approached discussions positively with a focus on understanding impact, mitigation measure and identifying how all parties could contribute to supporting the NSCs during the pandemic.

Options to respond to the impact of COVID-19 were limited. Without continued additional financial support the operating contracts were at risk of financial failure with a real prospect of the NSCs facing a prolonged period of closure. The ability to remobilise contracts would be complicated, costly and time consuming, anywhere between 6 and 18 months before the facilities would again be open to the public. This would have a devastating effect on participation levels, outdoor sector support and world class

training programmes at a time when the benefits of sport and physical activity were never so apparent and essential to contribute to the nations recovery from COVID-19.

A collaborative approach between SCTC, Sport England, and the Operators has been maintained to protect the NSC assets, the operators and mitigated the cost to SCTC / Sport England as much as possible. This approach provided immediate financial reassurance to the operators but also a flexible approach to respond to the fast-changing circumstances to protect NSCs. The financial impact of Covid-19 is discussed in more detail in the Financial Review section on page 9.

Our Performance

The performance of the NSCs is managed by Sport England through a Service Level Agreement (SLA) with The Sports Council Trust Company.

The requirements in the contracts set ambitious standards to meet the NSC strategic objectives. A balanced scorecard and set of Key Performance Indicator's (KPIs) are used to continually measure performance.

The key performance measures we use range across four categories:

- Internal business processes
- Continuous improvement
- Customer perspective
- Financial

The operators of our NSCs are required to perform in the top quartile nationally on the National Benchmark Service and QUEST, Sport England's recommended tools for continuous improvement in the leisure industry.

These measures are clearly linked to the aims of the Charity and ESC's objectives of increasing participation nationally.

This year, COVID-19 has prevented Serco and MTT from delivering some of the contract performance standards. These have predominantly been associated with utilisation of facilities and participation KPIs. Where necessary departure from the contract standards has been agreed with the operators via variations to the contracts.

Overall contract performance standards have been successfully reintroduced in line with the re-opening and increased operations of the NSCs. Under continued challenging circumstances Serco and MTT have met, and often exceeded, their contractual performance standards with no deductions or performance failures during 2021/22. Both operators maintained excellent results in external quality assurance, customer and facility management audits providing assurance that the assets continued to be well managed and maintained.

What we have achieved

Our ability to deliver against our strategic objectives was significantly restricted throughout 2021/22. The proactive approach taken by SCTC, Sport England, Serco and MTT enabled a valuable contribution towards our objectives to be made.

We remain focused on our duty to promote the success of SCTC and achieve its charitable purpose as described in the Objectives and Activities section on page 1.

Community, Club and Elite Activity

The NSCs were successfully reopened to the public from the 12 April 2021 and remained open with gradual easing of restrictions on the 17 May and 21 June 2021.

We closely monitored the recovery of usage throughout the year. Since re-opening in April our insight shows an accelerated return to activity at Bisham and Lilleshall compared to the recovery following the first two lockdowns. The recovery plateaued at around 75% compared with participation levels during the same period in 2019.

Comparative evaluation from Sport England's Moving Communities data indicated Bisham and Lilleshall's public facilities recovered in line with the wider leisure sector and industry benchmark.

Despite restrictions being fully lifted there remains a proportion of customers who are not returning to the facilities. Our National Centres insight indicates a range of factors including ongoing consumer confidence, particularly in the older age group, perceived levels of fitness and changes to working arrangements as key themes.

Our key sport onsite partners, who were protected with our support during lockdown, have recovered strongly to almost 100% of pre pandemic participation levels, delivering a full range of programmes for children and young adults across the NSCs. There has also been growth in sports camp bookings as limited international travel has resulted in pre-season and camp-based training being retained in the UK.

As part of Tokyo 2020 (postponed until 2021) preparation Government dispensation was granted to elite athletes to continue to train and travel in preparation for the games. As part of the Elite Training Centre Network Bisham and Lilleshall were reopened for elite

use during the lockdown periods to provide a safe, world class environment for our host NGB sports. Every athlete based at these NSCs successfully travelled to Tokyo to compete in their respective events. The performance of both teams has been hailed as an incredible achievement given the complex challenges faced by the sports in preparing for a delayed Games during the pandemic. It is a testament to the staff and the collaborative work of Sport England, Serco, UK Sport, EIS and the NGB's.

Unique Sporting Environment

Capital and lifecycle investment programmes were delivered as planned during 21/22 delivering c.£3m to maintain and enhance the infrastructure of the NSCs.

At Lilleshall the refurbishment of the Queen Café and the refurbishment of Gainhams Lodge were completed.

At PYB window replacement, equipment storage, rolling training pool refurbishment and creation of an outdoor classroom were delivered.

The Royal British Legion Executive Team and Board have signed off plans to extend the partnership with SCTC, Sport England and Serco to create a National Rehabilitation Centre at Lilleshall. The programme is well aligned to our strategic objectives addressing equality and diversity, health and wellbeing and economic growth for communities of servicemen and women and their families.

Plans for the redevelopment of Archery facilities have progressed. Strategic support from GB Archery, UK Sport and Sport England was achieved. The scheme will progress during 22/23.

Coach Development, Research, Innovation and Inspiration

Our contribution to this strategic priority is largely delivery through PYB our National Centre for the outdoors. People being more active outdoors is one of the largest growth areas and our work supports the whole eco-system to promote, encourage, and develop increased participation in the outdoors.

During this year we:

- Delivered over 200 in person activity sessions to over 800 people working in the outdoors
- Started the recovery of our outdoor course programmes with 23 NGB training and assessment courses delivered across hill walking, mountaineering, sea kayaking, rock climbing, mountain biking and safety, rescue and first aid – reaching over 28,000 individuals
- Delivered an extensive range of Continued Professional Development and best practice to 4,100 people – sharing knowledge and skills for more people to be active in the outdoors

Bisham and Lilleshall NSCs have been utilised to support Sport England develop a benchmark strategy for energy consumption. The aim is to use this information to develop a standard document giving guidance to achieve reduced energy in use and a route to net zero carbon (NZC) sports buildings.

The NSCs continue to support Sport England strategic response to Covid-19. The NSCs and the operating contracts continued to support the recovery of wider public leisure provision throughout 2021/22. Case studies and regular dialogue with Local Authorities on the approach taken to the Sport England contract supported local leaders across England as they continued to work with their operators to protect local facilities, providing opportunities for people to be active.

Plans for future periods

Our operating plan provides for:

- Working collaboratively with Serco and MTT to ensure the operators can continue to recover and reinvent services to provide vital opportunities for community and elite participation
- Responding to the significant financial challenges presented by inflationary rises, cost of living, Covid-19 and demand led pressures to ensure the NSCs continue to contribute to SCTC and wider Sport England strategic objectives to ensure everyone can experience the benefits of being active
- Re-design service provision and outcomes to respond to changing needs to support the local community and outdoor sector to re-engage with sport and physical activity contributing to wider physical, social and mental outcomes. Support talented athletes and NGB World Class Olympic and Paralympic programmes, specifically supporting preparations for Birmingham 2022 and Paris 2024
- Continue to be an example of best practice and innovation to support the wider public sector sport and physical sector in recovery from Covid-19
- Explore and implement initiatives to further reduce energy consumption and work towards achieving net zero carbon across the NSC portfolio
- Explore the options for the extension to the Management Contracts at the NSC's

Green Initiatives

We continued to put in place measures to increase the sustainability of the entirety of our operations this year.

Bisham and Lilleshall successfully retained Environmental accreditation to ISO:50001. This international standard recognises organisations that implement an energy management system (EnMS) based on a model of continuous improvement in order to enhance the efficiency of their energy usage.

Our EnMS will allow us to reduce our energy use and associated costs and achieve full compliance with energy saving schemes like the UK Energy Savings Opportunity Scheme.

MTT retained accreditation of the Green Dragon Environmental Standard. This standard is awarded to organisations that demonstrate effective environmental management and take action to understand, monitor and control the impacts that their operations have on their surroundings.

The Biomass heating system at Lilleshall has significantly reduced the sites reliance upon oil (Fossil Fuel) as the main source of energy.

Directors' Report

Financial review

Our operational activities, including grant making, are funded by property income and returns from the investment fund (see note 9). Asset investment activities are funded from gifts of assets from Sport England. Total income for the year was £2.8million (2021: £2.8million). These resources were invested into the NSCs for the Charity to achieve its objectives as set out on pages 1 and 2.

Separate funds are maintained to identify and account for the principal funding sources of the Charity. The details of these funds are set out in notes 12 and 13. None of these funds are in deficit.

Net expenditure for the year is £1.8million (2021: £1.5million). The increase in the net expenditure of £0.3million is primarily due to the net impact of increase in property cost for the year.

We generated a small operational surplus on our day-to-day activities in the year of £8,000 (2021: £16,000 deficit), after awarding community grants of £52,000 (2021: £83,000) as shown in the table below. The loss was due to increased community grants as agreed by us.

	2022 £'000	2021 £'000
Property income	1,602	1,315
Investment income	23	34
Charitable activities	(4,686)	(4,469)
Add back:		
Depreciation	3,284	3,028
Impairment (reversal)/charge	(310)	(66)
Gifts in kind	94	114
Loss on disposal	1	28
Operating Surplus/ (deficit)	8	(16)

The value of our funds increased to £113.7million from £108.3million as set out in note 6. The increase is mainly due to increase in value of Land & buildings carrying value of £7.5million and Gifted Assets of £1.1million, offset by depreciation of £3.3million.

The closure of the NSCs as a result of Covid-19 has not had a financial impact on SCTC as Sport England has provided financial support to the operators as noted on page 5.

We have management policies in place to cover grants, investment, and reserves as set out below.

Future developments

See **Plans for future periods** and **Green Initiatives** in the **Strategic Report**

Grants policy

We accept applications from not-for-profit organisations supporting the sporting activities of disadvantaged people including young people, people with disabilities, lower socio-economic groups and ethnic minority groups.

Awards are given to either encourage sports participation, subsidise the cost of taking part or provide facilities and equipment.

86% of the funding available was utilised through a partnership with Get Berkshire Active which focuses on working with early years and family support service providers to improve the pathway for physical development through school.

Investment policy

Our investment policy relating to the portfolio of equity investments is to:

- achieve the best financial return within an acceptable level of risk and a target level of income determined annually.
- maintain the real capital value of the funds whilst generating a sustainable level of investment income to contribute to the ongoing activities including grant-making.
- where appropriate, we may choose to use capital to supplement its grant making activities.

Our investment funds were invested in the Sarasin Endowments Fund managed by Sarasin & Partners for 2020/21. The investment manager maintains a balanced portfolio which achieves lower volatility than a pure equity investment and provides us with quarterly reports and updates on key issues, and ad-hoc reporting as and when required.

During 2020/21 the contract for the investment manager was re-procured and the reappointment of Sarasin & Partners was approved by the Trustees in April 2021.

Reserves policy

Our financial position is supported by ESC.

Our aim is to maintain a level of unrestricted reserves equating to at least three months of expenditure. We consider that this level will provide sufficient funds to meet our operational expenditure, and to provide a contingency against unforeseen expenditure. The investment fund is also available for liquidity purposes if required, although, these assets are not intended for sale.

Our reserves policy defines reserves as restricted or unrestricted.

Restricted reserves are those which cannot readily be realised and used for an alternative purpose other than that specified; principally these are in relation to fixed assets gifted from ESC or funded by ESC's Lottery Fund. Restricted reserves at 31 March 2022 amounted to £111.1million (2021: £105.8million).

Unrestricted reserves are where the use of these funds is not restricted and can be applied to the ongoing operational aspects of the organisation. Unrestricted reserves at 31 March 2022 amounted to £2.6million (2021: £2.5million).

Trustees of the Charity during the year were:

- Graeme Dell (Chair)
- Dave Cove
- Helen Martin (Resigned on 7 December 2021).
- Andrew Watson

A recruitment process, which was initially scheduled to start last year but was delayed due to Covid-19, has commenced during 2022 to recruit up to four further trustees.

All appointments to the Charity for the position of Chair, Trustee and Company Secretary are made by ESC and are in accordance with:

- The Parent/Subsidiary Memorandum
- The Memorandum and Articles of Association of the Charity
- ESC's Recruitment and Selection Guidelines: Subsidiary Boards.

Upon appointment, Trustees receive corporate governance, financial and legal information in relation to the Charity in the form of its Memorandum and Articles of Association and other governance and policy documents, the annual report, management accounts, Charity Commission guidance and the Seven Principles of Public Life.

A robust induction programme is in place which provides newly appointed Trustees with an overview of the governance and operations of the Charity and ESC.

The Company Secretary Richard Mabbitt was appointed as Company Secretary from 17 February 2021.

Registered Office, Sport Park, 3 Oakwood Drive, Loughborough, Leicestershire, England, LE13 3QF

Banker, Barclays Bank Plc, London Corporate Banking, 1 Churchill Place, London, E14 5HP

Solicitor, Hewitsons, Kildare House, 3 Dorset Rise, London, EC4Y 8EN

Investment Manager, Sarasin & Partners LLP, 100 St. Paul's Churchyard, London EC4M 8BU

Auditor, The Comptroller and Auditor General, National Audit Office, 157 – 197 Buckingham Palace Road, Victoria, London SW1W 9SP

Trustees' Responsibility Statement

The Trustees are responsible for preparing the Annual Report and Accounts in accordance with applicable law and regulations.

Company Law requires the Trustees to prepare accounts for each financial year. Under that law the Trustees have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

The accounts are required by law to give a true and fair view of the state of affairs of the company at the year end and of the results of the company for that year. In preparing those accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed,
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether

due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Statement as to disclosure of information to auditors

The Trustees who were in office on the date of approval of these accounts have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

The Trustees as Company Directors approve the Strategic Report and the Directors' Report included as part of the Trustees' report on pages 1 to 11.

By Order of the Board



Graeme Dell
Chair
13 January 2023

The certificate and report of the Comptroller and Auditor General to the members of The Sports Council Trust Company and to the Houses of Parliament

Opinion on financial statements

I certify that I have audited the financial statements of The Sports Council Trust Company for the year ended 31 March 2022 under the Government Resources and Accounts Act 2000. The Financial Statements which comprise The Sports Council Trust Company's

- Statement of Financial Position as at 31 March 2022;
- Statement of Financial Activities and Statement of Cash Flows for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In my opinion the financial statements:

- give a true and fair view of the state of The Sports Council Trust Company's affairs as at 31 March 2022 and its incoming resources and application of resources for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- in accordance with the Charities Act 2011.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to

the purposes intended by Parliament and the financial transactions recorded in the

financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Entities in the United Kingdom*. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of The Sports Council Trust Company in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that The Sports Council Trust Company's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on The Sports Council

The certificate and report of the Comptroller and Auditor General to the members of The Sports Council Trust Company and to the Houses of Parliament

Trust Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this certificate.

Other Information

The other information comprises information included in the Trustees' Annual Report but does not include the financial statements and my auditor's certificate thereon. The Trustees are responsible for the other information.

My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

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

I have nothing to report in this regard.

Opinion on other matters

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

- the Trustee's Annual Report, including the Strategic Report and Directors' Report, has been prepared in accordance with applicable legal requirements; and
- the information given in the Trustee's Annual Report, including the Strategic Report and Directors' Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

In the light of the knowledge and understanding of The Sports Council Trust Company and its environment obtained in the course of the audit, I have not identified material misstatements in the Trustee's Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit.

Responsibilities of the Trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as Trustees determine are necessary to enable the preparation of financial statements to be free from

The certificate and report of the Comptroller and Auditor General to the members of The Sports Council Trust Company and to the Houses of Parliament

material misstatement, whether due to fraud or error;

- assessing The Sports Council Trust 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 directors either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit certify and report on the financial statements in accordance with the Government Resources and Account Act 2000.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, we considered the following:

- nature of the sector, control environment and operational performance including the design of The Sports Council Trust Company's accounting policies.
- Inquiring of the management, and those charged with governance, including obtaining and reviewing supporting documentation relating to The Sports Council Trust Company's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including The Sports Council Trust Company's controls relating to The Sports Council Trust Company's compliance with the Companies Act 2006, Charities Act 2011, Managing Public Money and Government Resources and Accounts Act 2000.
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives

The certificate and report of the Comptroller and Auditor General to the members of The Sports Council Trust Company and to the Houses of Parliament

that may exist within The Sports Council Trust Company for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, and bias in management estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override of controls.

I also obtained an understanding of The Sports Council Trust Company's framework of authority as well as other legal and regulatory frameworks in which The Sports Council Trust Company operates, focusing on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of The Sports Council Trust Company. The key laws and regulations I considered in this context included the Companies Act 2006, the Charities Act 2011, Managing Public Money and the Government Resources and Accounts Act 2000.

Audit response to identified risk

As a result of performing the above, the procedures I implemented to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- enquiring of management, the Board of Trustees and in-house legal counsel concerning actual and potential litigation and claims;
- reading and reviewing minutes of meetings of those charged with governance and internal audit reports; and

in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

The certificate and report of the Comptroller and Auditor
General to the members of The Sports Council Trust Company
and to the Houses of Parliament

Report

I have no observations to make on these
financial statements.

Gareth Davies

16 January 2023

Comptroller and Auditor General (Statutory
Auditor)

National Audit Office

157-197 Buckingham Palace Road

Victoria

London

SW1W 9SP

Statement of Financial Activities

(Including Income and Expenditure Account)

	Note	2022 Restricted £'000	2022 Unrestricted £'000	2022 Total £'000	2021 Total £'000
Income from					
Donations and legacies	2	1,110	94	1,204	1,437
Other trading activities	3	-	1,602	1,602	1,315
Investments		-	23	23	34
Total		1,110	1,719	2,829	2,786
Expenditure on					
Charitable activities	4	(2,926)	(1,760)	(4,686)	(4,469)
Total		(2,926)	(1,760)	(4,686)	(4,469)
Net gains/(losses) on investments	9	-	18	18	202
Net expenditure		(1,816)	(23)	(1,839)	(1,481)
Other recognised (losses)/gains					
Gains/(losses) on revaluation of fixed assets	12/13	7,117	111	7,228	302
Net movement of funds		5,301	88	5,389	(1,179)
Reconciliation of funds					
Total funds brought forward		105,818	2,506	108,324	109,503
Total funds carried forward	6	111,119	2,594	113,713	108,324

The Statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure relate to continuing activities.

The notes on pages 21 to 35 form an integral part of these accounts

Statement of Financial Position

(Including Income and Expenditure Account)

Company number 2517615, Charity number 803779

	Note	2022 £'000	2021 £'000
Fixed assets			
Intangible assets	7	139	-
Tangible assets	8	112,317	107,092
Investments	9	865	848
Total fixed assets		113,321	107,940
Current assets			
Debtors	10	1,058	753
Cash at bank		577	583
Total current assets		1,635	1,336
Liabilities: amounts falling due within one year			
Creditors	11	(689)	(577)
Provisions	17	(554)	-
Total current liabilities		(1,243)	(577)
Net current assets		392	759
Total assets less current liabilities		113,713	108,699
Liabilities: amounts falling due after more than one year			
Provisions	17	-	(375)
Net assets		113,713	108,324
The funds of the charity			
Restricted capital funds		63,342	63,997
Restricted revaluation reserve		47,777	41,821
Total restricted funds	12	111,119	105,818
Unrestricted income funds		1,761	1,758
Unrestricted revaluation reserve		833	748
Total unrestricted funds	13	2,594	2,506
Total charity funds	14	113,713	108,324

The accounts are exempt from the requirements of Part 16 of the Companies Act 2006 under section 482 (non-profit-making companies subject to public sector audit) of that Act.

The accounts on pages 18 to 35 were approved by the Board of Trustees and were signed on its behalf by:



Graeme Dell

Chair

13 January 2023

The notes on pages 21 to 35 form an integral part of these accounts

Statement of Cash Flow

	Note	2022 £'000	2021 £'000
Cash flow from operating activities			
Net cash (used in)/provided by operating activities	15	(29)	275
Net cash provided by/(used in) operating activities		(29)	275
Cash flow from investing activities			
Income from investments		23	34
Purchase of Gainham's Lodge		-	(550)
Sale of investments		-	297
Net cash provided by/(used in) investing activities		23	(219)
Change in cash balances in the reporting period		(6)	56
Changes in cash balances during the year			
Balance at 1 April		583	527
Change in cash balances in the reporting period		(6)	56
Balance at 31 March		577	583

The notes on pages 21 to 35 form an integral part of these accounts

1 Accounting policies

1.1 Basis of accounting

The accounts have been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities SORP (FRS 102) Second Edition issued October 2019 effective from January 2019, FRS 102, and the Companies Act 2006.

The accounts have been prepared on a going concern basis under the historical cost convention, modified by the revaluation of assets and liabilities to fair value.

The principal accounting policies adopted in the preparation of the accounts are set out below.

1.2 Income

Income from donations and legacies includes gifted assets, gifts in kind, and grants.

The value of gifts of assets is based on the amount actually expensed by the donor.

The value of gifts in kind is based on a reasonable estimate of the value of time spent on the administration service provided to the Charity by The English Sports Council (ESC).

Grants are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability.

Other trading activities is made up of freehold and leasehold income which is recognised on a receivable basis.

Income from investments is recognised on a receipt basis due to the timing of statements from the investment fund. The

accounting treatment adopted materially matches income accrued.

1.3 Charitable activities

Community grants awarded are recognised in the period in which the grant is approved and communicated to the award recipients.

All other charitable activity expenditure is recognised when a liability is incurred.

Governance costs include those costs incurred in the governance of the Charity and its assets and are primarily associated with constitutional and financial requirements.

The provision of facilities costs is set out in note 4. Costs are allocated to activities directly or to location or usage.

Costs directly related to activities are general administration costs of the Charity. Location costs are costs incurred in connection with freehold and leasehold property occupied by ESC, Mountain Training Trust and British Rowing. Usage costs relate to depreciation, and impairments on tangible fixed assets. Support costs in relation to making community grant awards are not material.

1.4 Dividends

The Charity is prohibited by its Articles of Association from declaring a dividend.

1.5 Intangible assets

Intangible assets predominantly comprise software installed and utilised in our computer systems. Software is amortised on a straight-line basis over three years. The capitalisation threshold is £1,000 and assets purchased below the capitalisation threshold are expensed in year. Intangible assets are reviewed annually for impairment and are stated at amortised historic cost.

1.6 Tangible fixed assets

Tangible fixed assets funded by the Lottery grant from ESC were paid for directly by the Charity and funds drawn down from ESC against the Lottery grant. All other capital works are paid for by ESC and the assets gifted to the Charity, the exception during the year was the purchase of Gainham's Lodge (see Financial Review on page 9).

Land and buildings

Full valuations are carried out by external experts quinquennially for land, buildings and bund, supplemented by annual indexation.

The last full valuation of land and buildings was carried out as at 31 March 2019.

Valuations are based on Depreciated Replacement Cost (DRC) for specialist properties, and open market value for other properties.

The DRC basis generates an open market valuation of the land. The valuation of each building is derived through an estimate being made of the gross current replacement cost of the buildings and other site works, from which deductions are then made to allow for age, condition and obsolescence.

Any assets under construction are valued at the costs incurred to date.

Artworks and antiques

Artworks and antiques are valued by external experts. Valuations are derived with reference to the retail market (at the valuation date) and the probable cost of replacing the items when compared with items in a similar condition. The last full valuation of artworks and antiques was carried out as at 31 March 2019.

Equipment and leasehold improvements

Other property, plant and equipment have not been revalued as fair value is not considered to be materially different to depreciated historic cost.

The capitalisation threshold is £1,000 and assets purchased below the capitalisation threshold are usually expensed in year, except for grouped assets.

Grouped assets are assets, which individually, are less than £1,000 however together they form a single collective asset.

Depreciation

Depreciation is provided on all tangible fixed assets, except freehold land and artworks and antiques, at rates calculated to write off the cost or valuation, less estimated residual value evenly over its expected useful life as follows:

Buildings (as advised by external expert)	Unexpired life, maximum of 60 years
Bund (as advised by external expert)	40 years as advised by external expert
Leasehold improvement	Expected life of lease
Equipment	5 years

Impairment reviews are undertaken annually. No depreciation is charged in the year of acquisition or construction. A full year's depreciation is charged in the year of disposal.

1.7 Property operating leases

Payments made under operating leases (rental agreements) are recognised in the Statement of financial activities on a straight-line basis over the term of the lease. Lease incentives (e.g. rent-free periods) are recognised as an integral part of the total lease expense, over the term of the lease.

1.8 Dilapidations

Full provision for the probable cost of dilapidations at the date of the expected termination of the lease is made in the accounts in the year in which it is decided not to renew the lease.

1.9 Investments

Subsequent to purchase, listed stocks and shares are measured at fair value through other comprehensive income based on reference to the market in which they exist and are not held for trading.

There are no investments other than those set out in note 9.

1.10 Debtors

Debtors are recognised at fair value, which represents the value of settlement.

1.11 Creditors and provisions

These are recognised when there is a present obligation from a past event that will probably result in a transfer of funds to a third party which can be measured or reliably estimated.

1.12 Funds

Details of all restricted and unrestricted funds are provided in notes 12 and 13.

Restricted funds: These funds are earmarked by the donor for specific purposes.

Unrestricted funds: These funds comprise general funds that are expendable at the discretion of the Trustees in furtherance of the objects of the Charity and which have not been designated for other purposes.

1.13 Taxation

No taxation is chargeable on the Charity's activities which are of a charitable nature, and thus outside the scope of corporation tax.

1.14 Use of estimates and judgement

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenditure. Actual results may differ from the estimates used.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Estimates are made in relation to tangible fixed assets held by the National Sports Centres including the valuation and revaluation, dilapidation, impairment and depreciation of Land and Buildings, the valuation of artwork and antiques and the value of gifts in kind.

1.15 Going concern

The financial position of the Charity is supported by ESC. The ESC is the major provider of funds through the gifting of assets and provision of deficit funding for the NSCs' operations. The Charity does not usually commit to any capital expenditure that requires funding from its own resources. After making enquiries of the management of ESC, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for at least the next 12 months from the date of approval of the financial statements.

Accordingly, the Charity continues to adopt the going concern basis in preparing these accounts.

2 Donations and legacies

	2022 £'000			2021 £'000		
	Restricted	Unrestricted	Total	Restricted	Unrestricted	Total
Gifts of fixed assets	1,110	-	1,110	1,073	-	1,073
Exchequer grant (ESC)	-	-	-	250	-	250
Gifts in kind administration service	-	94	94	-	114	114
Total	1,110	94	1,204	1,323	114	1,437

Gifts of fixed assets and gifts in kind administration service are from ESC.

The Exchequer grant from ESC was used to part-finance the purchase of Gainham's Lodge.

3 Other trading activities

	2022 £'000	2021 £'000
Property Income	1,602	1,315

The income above is from property occupied by ESC, Mountain Training Trust and British Rowing. It includes rent, rates, service charges and other property costs such as repairs, maintenance and legal costs.

4 Charitable activities

	2022 £'000			2021 £'000		
	Restricted	Unrestricted	Total	Restricted	Unrestricted	Total
Community grants awarded						
Energize Shropshire, Telford & Wrekin	-	-	-	-	30	30
Get Berkshire Active	-	45	45	-	43	43
Wycombe Wanderers S & E Trust	-	7	7	-	10	10
More Leisure Community Trust	-	-	-	-	-	-
Total community grants	-	52	52	-	83	83
Governance costs (note 5)						
Trustees' expenses	-	-	-	-	-	-
Audit fees	-	17	17	-	17	17
Total governance costs	-	17	17	-	17	17
Provision of facilities¹						
Costs directly related to activities						
ESC administration charge	-	28	28	-	28	28
Gift in kind administration charge	-	94	94	-	114	114
Sub-total	-	122	122	-	142	142
Locations costs						
Property costs	-	1,522	1,522	-	1,223	1,223
Legal and professional	-	(2)	(2)	-	14	14
Sub-total	-	1,520	1,520	-	1,237	1,237
Usage						
Depreciation	3,234	50	3,284	2,983	45	3,028
Loss on disposal	1	-	1	28	-	28
Impairment (reversal)/charge	(309)	(1)	(310)	(66)	-	(66)
Sub-total	2,926	49	2,975	2,945	45	2,990
Total provision of facilities	2,926	1,691	4,617	2,945	1,424	4,369
Total charitable activities	2,926	1,760	4,686	2,945	1,524	4,469

All income and expenditure relating to the National Sports Centres management contract are accounted for by the ESC including any performance-based bonus. The ESC funds the operational deficit of the National Sports Centres which was £5million in 2022 (2021: £5.5million). This included £2.2million (2021: £2.3million) of Covid-19 related financial assistance to the operators (see page 5).

¹Provision of facilities costs are allocated as set out in the accounting policies note 1.3.

5 Governance and staff costs

The Charity employed no staff in 2022 and 2021.

ESC provides a financial and administration service to the Charity, under the terms of a service level agreement, for which a charge is made (note 2).

No Trustee (2021: three) was paid travel during the year.

The Trustees did not receive fees or allowances for the year (2021: Nil) either directly from the Charity or the parent body ESC.

The audit fees for the year were £17,000 (2021: £16,800). There were no fees for non-audit work in 2022 and 2021.

6 Reconciliation of the movement in funds

	2022 £'000	2021 £'000
Net assets at 1 April	108,324	109,503
Capital investment		
Gifted assets (ESC)	1,110	1,073
Exchequer funded assets (Gainham's Lodge)	-	250
Other movements		
Net revaluation of fixed assets	7,538	368
Depreciation	(3,284)	(3,028)
Operational surplus/(deficit)	8	(16)
Increase/ (decrease) in value of investments	18	202
Loss on disposal	(1)	(28)
Net assets at 31 March	113,713	108,324

7 Intangible fixed assets

	Software	Total
	£'000	£'000
At 1 April 2021	-	-
Additions	139	139
At 31 March 2022	139	139
Amortisation and impairments		
At 1 April 2021	-	-
At 31 March 2022	-	-
Net Book Value		
At 31 March 2021	-	-
At 31 March 2022	139	139

Assets are valued in accordance with the accounting policy note 1.5.

8 Tangible fixed assets

	Land	Buildings and bund	Leasehold improvement	Equipment	Artworks and antiques	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost / Valuation						
At 1 April 2021	18,854	115,322	1,168	2,746	827	138,917
Disposals	-	(161)	-	(381)	-	(542)
Gifted assets	-	961	-	10	-	971
Revaluation	1,703	5,525	-	-	-	7,228
Additions	-	-	-	-	-	-
At 31 March 2022	20,557	121,647	1,168	2,375	827	146,574
Depreciation and impairments						
At 1 April 2021	12	(28,413)	(956)	(2,506)	38	(31,825)
Charge for year	-	(3,069)	(124)	(91)	-	(3,284)
Impairment reversal	-	310	-	-	-	310
Disposals	-	161	-	381	-	542
At 31 March 2022	12	(31,011)	(1,080)	(2,216)	38	(34,257)
Net Book Value						
At 31 March 2021	18,866	86,909	212	240	865	107,092
At 31 March 2022	20,569	90,636	88	159	865	112,317

The net book value of revalued assets under historic cost is as follows: Land £3,649k (2021: £3,649k); Buildings and bund £59,652k (2021: £60,660k)

Assets are valued in accordance with the accounting policy note 1.6.

The last full valuation of land, buildings and bund was carried out as at 31 March 2019 by Gerald Eve LLP, a regulated firm of Chartered Surveyors which provides expert advice in asset valuations and surveying. The valuation was prepared in accordance with the requirements of the RICS Valuation Global Standard 2017 and the UK national standards and guidance set out in national supplement (November 2018 edition), and Financial Reporting Standard (FRS) 102.

The valuation of the non-specialised properties was undertaken on a Fair Value basis, on the assumption of continuation of the existing use. Specialised properties were valued by reference to Depreciated Replacement Cost (DRC). The replacement build cost rates used in DRC valuations are based on knowledge of the current costs of constructing general and specialised sport facility accommodation as well as information from Building Cost Information Service (BCIS) and other published cost data. Existing buildings are valued as they stand using Gross Internal Floor areas (GIAs) by reference to the cost of providing either modern equivalent assets capable of delivering the required service provision or for the listed structures as historically important assets.

Land, buildings and bund comprise freehold properties. All assets are owned, no assets are supported by either finance leases or PFI contracts.

There is a collection of artworks, furniture and fittings at Bisham Abbey that date from the 16th century. The historical significance of these assets classifies the collection as Artworks and antiques. The collection was last valued as at 31 March 2019 by Sotheby's.

9 Investments

Listed stocks and securities	2022 £'000	2021 £'000
Market value at 1 April	848	943
Adjustment of value as at 1 April	(1)	-
Disposal		(297)
Revaluation of investment	18	202
Market value at 31 March	865	848

Investments as at 31 March 2022 represents holdings in the Sarasin Endowments Fund. The holding is classified as 'not held for trading'.

The historical cost of the asset at 31 March 2022 was £0.7million (2021: £0.7million).

10 Debtors

	2022 £'000	2021 £'000
Amounts falling due within one year		
Trade debtors	-	-
Prepayments	273	7
Accrued income	231	371
Total	504	378
Amounts falling due after more than one year		
ESC	554	375
Total	554	375
Total	1,058	753

11 Creditors

	2022 £'000	2021 £'000
Amounts falling due within one year		
Trade Creditors	32	24
ESC	121	137
Deferred income	273	7
Accruals	263	409
Total	689	577

12 Restricted capital funds

	Revaluation reserve (land and buildings)	ESC GIA Funded assets ¹	ESC Lottery funded assets ²	Capital ³	Other ⁴	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2020	42,431	38,101	25,552	99	892	107,075
Gifted assets	-	1,073	-	-	-	1,073
Revaluation	365	-	-	-	-	365
Impairment reversal	-	43	20	-	3	66
Depreciation	-	(2,057)	(909)	(3)	(14)	(2,983)
Amortisation of reserve	(959)	675	283	-	1	-
Disposal of fixed assets	(16)	1	15	-	-	-
Loss on disposal	-	(1)	(27)	-	-	(28)
Grant received in the year	-	250	-	-	-	250
Balance at 31 March 2021	41,821	38,085	24,934	96	882	105,818
Gifted assets	-	1,110	-	-	-	1,110
Revaluation	7,117	-	-	-	-	7,117
Impairment reversal	-	213	83	-	13	309
Depreciation	-	(2,109)	(1,109)	(2)	(14)	(3,234)
Amortisation of reserve	(1,073)	711	361	-	1	-
Transfers	(88)	88	0	-	-	-
Loss on disposal	-	(1)	0	-	-	(1)
Grant received in the year	-	0	-	-	-	-
Balance at 31 March 2022	47,777	38,097	24,269	94	882	111,119

ESC receives funding from two sources, Exchequer Grant-in-Aid (GIA) and the National Lottery Distribution Fund. These two sources of funding are required to be accounted for separately.

¹ESC GIA Funded assets

This fund supports the initial acquisition and subsequent funding of tangible fixed asset additions at the National Sports Centres and is funded by ESC's Exchequer Grant-in-Aid.

²ESC Lottery funded assets

This fund also supports the initial acquisition and subsequent funding of tangible fixed asset additions at the National Sports Centres and was funded by ESC's National Lottery Distribution Fund.

³Capital

This fund supports improvements to facilities at the National Sports Centres and was donated by the Lawn Tennis Association.

⁴Other

All income and expenditure relating to the National Sports Centres management contract are accounted for by the ESC including any performance-based bonus. The ESC funds the operational deficit of the National Sports Centres which was £5million in 2021 (2020: £5.5million). This included £2.2million (2021: £2.3million) of Covid-19 related financial assistance to the operators (see page 5).

This fund is made up of facilities at Lilleshall funded by The Royal British Legion (TRBL) which are used for TRBL beneficiaries and Ministry of Defence personnel (£0.6million) as well as the proceeds from the sale of Ashlands House, Crewkerne (£0.3million) held as investments (note 9 and 14).

13 Unrestricted income funds

	Revaluation reserve (land and buildings)	Other ¹	Total
	£'000	£'000	£'000
Balance at 1 April 2020	839	1,589	2,428
Amortisation of reserve	(28)	28	-
Revaluation	(63)	-	(63)
Depreciation	-	(45)	(45)
Operational deficit	-	(16)	(16)
Revaluation of investments	-	202	202
Balance at 31 March 2021	748	1,758	2,506
Amortisation of reserve	(26)	26	-
Revaluation	111	-	111
Depreciation	-	(50)	(50)
Profit/(loss) on revaluation	-	1	1
Operational deficit	-	8	8
Revaluation of investments	-	18	18
Balance at 31 March 2022	833	1,761	2,594

¹Other

This fund is made up of movements in investment revaluations (note 9), depreciation on unrestricted assets and accumulated annual surpluses.

14 Reconciliation of net assets between funds

	Intangible Fixed asset £'000	Tangible fixed assets £'000	Investments £'000	Other assets £'000	Total 2022 £'000	Total 2021 £'000
Restricted funds						
Revaluation reserve		47,777	-	-	47,777	41,820
ESC Funded assets	-	38,097	-	-	38,097	38,085
ESC Lottery fund		24,269	-	-	24,269	24,935
Capital		94	-	-	94	96
Other		882	-	-	882	882
Total	-	111,119	-	-	111,119	105,818
Unrestricted funds						
Revaluation reserve		833	-	-	833	748
Other	139	365	865	392	1,761	1,758
Total	139	1,198	865	392	2,594	2,506
Total funds	139	112,317	865	392	113,713	108,324

15 Net cash flow from operating activities

	2022 £'000	2021 £'000
Net expenditure	(1,839)	(1,481)
Gifted assets	(1,110)	(1,073)
Impairment (reversal)/charge	(310)	(66)
Net (gains)/losses on investments	(18)	(202)
Investment income	(23)	(34)
Depreciation	3,284	3,028
Decrease / (increase) in debtors	(305)	469
(Decrease) / increase in creditors	112	(394)
Increase in provisions	179	-
Loss on disposal	1	28
Total	(29)	275

16 Commitments under operating leases

	2022 £'000	Restated 2021 £'000
Not later than one year	518	847
Between two and five years	95	613
Later than five years	-	-
Total	613	1,460

All the Charity's commitments under leases to pay rentals are shown above. These leases relate to offices occupied by ESC and all costs are recharged to ESC. Future commitments are expected to be met through their occupation of the properties.

The rental income for the year amounted to £0.8million (2021: £0.7million) all of which was receivable from ESC. Note 8 sets out in the Leasehold Improvement column the capital value held in relation to the properties leased to ESC.

17 Provisions

	Total £'000
Balance at 1 April 2021	375
Provisions made during the year	179
Balance at 31 March 2022	554
Amounts falling due within one year	554
Amounts falling due after more than one year	-
Total	554

The provision is dilapidations for Bloomsbury Street. The lease expired in November 2022 with no option to extend. A provision of £0.2million was made in 2015 to cover the costs of dilapidations. In March 2020 a dilapidations assessment was commissioned and undertaken by the Building Surveying team of the Bloomsbury Street property management company, Avison Young. This report indicated an increase of the cost of dilapidations to £375k. In February 2022 a further dilapidation assessment was undertaken which indicated an increase of the cost of Dilapidation to £554k.

All the above costs will be funded by ESC and thus accrued income has been recognised in these accounts (note 10).

There are no contingent liabilities or contingent assets for the current year (2021: Nil).

18 Value added tax

The Charity is in a group VAT registration scheme with ESC and is jointly and severally liable for all group VAT liabilities. No VAT is charged on transactions between fellow members of the VAT group. Any irrecoverable VAT incurred by the Charity is met on its behalf by ESC.

19 Capital commitments

The Charity had no capital commitments contracted but not provided for in the financial statements during the year (2021: Nil).

20 Parent body rights over assets

Grants made by ESC to the Charity since June 1990 were made on the basis that any tangible fixed assets acquired by such grants should be available for clawback (return of sale proceeds to the Exchequer and Lottery) in the event of disposal or change of use.

On 5 October 1994, the Charity Commission granted an Order under the Charities Act 1993 by which the Charity must repay to ESC the whole proceeds of sales of fixed assets, or such part as represents public funds, sold on or after 1 April 1989, which were originally purchased in whole or in part with funds provided by the Exchequer.

21 Derivatives and other financial instruments

The Charity relies mainly on grant, donation, and property funding to finance its operations. Other than cash resources and items such as debtors and creditors that arise from its operations, it holds no other financial instruments other than the investments referred to in note 9, nor enters into derivative transactions.

The return from investments is not material and therefore the Charity is not exposed to significant market risk. The Board regularly undertakes reviews to mitigate the risks of performance of this instrument.

The Charity performs all transactions in Sterling and therefore has no currency exchange risk. The Charity does not enter into any forward foreign currency contracts or similar financial instruments. The Charity does not borrow money and therefore has no exposure to interest rate risk or liquidity risk in this regard. Cash balances are held in commercial bank accounts and attract market rates of interest. The Charity does not enter into any interest rate swaps or similar financial instruments.

22 Related party transactions

The Charity has a close working relationship with its parent body ESC. ESC is the Charity's main provider of funds enabling the Charity to carry out its charitable objectives. It also provides a financial and administrative service to the Charity through a gift in kind (note 2) and an annual charge of £28,000 (2021: £28,000).

ESC gifts fixed asset additions to the National Sports Centres the details of which are set in note 2. In 2022 this amounted to £1.1million (2021: £1.1million).

Included within note 3 in other trading activities are recharges to ESC for property costs, repairs and legal and professional costs in respect of properties occupied by ESC. The amounts included in note 3 are set out below plus the amounts outstanding at the end of the financial year for these recharges.

	2022 £'000	2021 £'000
Income	1,602	1,287
Amount owing from ESC	(433)	(238)

Trustees are selected from a variety of backgrounds and experience. Where conflicts of interest occur, these are declared at each meeting and a Trustee will absent him/herself from any decisions related to the item in question. If the Chair has a conflict another Trustee will chair the meeting when the item is discussed. There was one transaction where a Trustee declared a current or past interest relating to the Charity's activities.

	Awards made in 2021-22 £'000	Awards unpaid at 31 March 2022 £'000
Dave Cove: Board member, Wycombe Wanderers S & E Trust	-	7

23 Security

ESC was granted a mortgage debenture on 21 December 2006 incorporating a charge over all the Lottery grant funded assets provided for The Rowing Lake. This mortgage debenture was novated to The Sports Council Trust Company on 29 March 2012.

24 Ultimate parent body

The charity's parent body is ESC known as Sport England and is the Government agency that works to make sure everyone can experience the benefits of sport and physical activity. The results of The Charity are consolidated in the accounts of ESC. The accounts of ESC Group are available from its registered office at Sport Park, 3 Oakwood Drive, Loughborough, Leicestershire, England, LE13 3QF.

25 Post balance sheet events

There have been no material post balance sheet events and the annual report and accounts were authorised for issue on the date of certification by the Comptroller and Auditor General.

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THE SPORTS COUNCIL TRUST COMPANY

England & Wales - Charity number 803779

Accounts

The Sports Council Trust Company

Company number 2517615

Charity number 803779

[A subsidiary company of The English Sports Council]

Annual Report and Accounts

For the Year Ended 31 March 2021

HC 353



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Annual Report and Accounts

For the Year Ended 31 March 2021

Presented to Parliament pursuant to Article 6(2)(b) of the Government Resources and Accounts Act 2000 (Audit of Non-profit-making Companies) Order 2009

(SI 2009/476)

Ordered by the House of Commons to be printed on 8 July 2021

HC 353

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The Trustees present their Report on the affairs of The Sports Council Trust Company together with the accounts and auditor's report for the year ended 31 March 2021.

Structure, governance and management

Constitution of The Sports Council Trust Company

The Sports Council Trust Company ("the Charity") is a company limited by guarantee (Company number 2517615). It is governed by its Memorandum and Articles of Association and is a registered charity with the Charity Commission (Charity number 803779).

The sole member and parent body for the financial years presented in this report was The English Sports Council (ESC) operating as Sport England.

The operating and governance framework between ESC (the Parent) and the Charity (the Subsidiary), is outlined in the Parent/Subsidiary Memorandum, effective from 1 May 2012 and last updated in December 2012, between the two parties.

Organisational structure

The Charity is administered by a Board of Trustees that regularly meets to discuss the objectives and activities of the Charity. The directors of the Charity are its Trustees. During the financial year ending 31 March 2021 the Board met four times.

The Board is composed of a Chair and three Trustees as of 31 March 2021. You can find more details about each Trustee on page 10.

The Chair is responsible for the management of the Charity's operations. In order to ensure we're best placed to meet our strategic goals, the Chair delegates authority for the day-to-day administration to officers

of Sport England. This is done through Service Level and Agency Agreements (SLA) that include the provision of staff to manage the operational contracts of the National Sports Centres (NSCs). This means that the Charity has no employees.

Objectives and Activities

The Charity was founded to preserve and safeguard the physical and mental health of communities across the UK. We do this by promoting physical recreation (including sports) and education, as well as providing facilities that are available to members of the public.

During 2020/21 the Charity focused on:

- Increasing participation in sport and physical activity by providing a range of activity opportunities to the public through the NSCs
- Creating, improving and maintaining world class training facilities at the NSCs
- Ensuring that the NSCs continue to promote holistic sports development programmes
- Safeguarding the NSCs' from the impact of Covid-19
- Awarding grants to local sporting and community organisations
- Monitoring the performance of our investments and available funding

The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Charity's aims, objectives and achievements and in planning future activities.

Our strategy

We achieve our public benefit purpose through the management and operation of facilities that every member of the community can benefit from.

During the year, the Charity continued to own three NSCs:

- Bisham Abbey (Bisham)
- Lilleshall National Sports Centre
- Plas y Brenin the National Centre for the Outdoors (PYB)

We also own the Redgrave and Pinsent Rowing Lake (the Rowing Lake), which is currently leased to British Rowing.

These four facilities are uniquely placed to help us achieve our primary goal of helping members of the public play more sport and enjoy the many benefits of regular physical activity. By giving people access to high quality sports facilities, we are helping make communities happier, healthier and better connected. The NSCs also provide elite sports men and women a world-class place to train for international sporting competitions, helping to further increase the sporting prestige of the UK around the world.

We have four main strategic objectives:

- Support the delivery of a National Governing Body-driven sporting system which can accommodate and develop talent at **community, club and elite level**
- Enhance talent development and world class performance by providing a mix of high-quality sports facilities and support in a **unique sporting environment**
- Foster effective **coach development, research, innovation and inspiration** by delivering programmes and activities that have a significant impact on sporting activities and its availability

- **Ensuring effective operation** of the NSCs, through the development of commercial and community participation activities, without impacting our ability to achieve our other objectives.

We deliver against our four objectives through management contracts let in 2011, which run for a 15-year period. The Charity's Board oversaw the tendering process and letting of the contracts while the Sport England Board gave approval for us to enter the contracts in 2011. Bisham and Lilleshall are operated on behalf of the Charity by Serco Leisure. Plas y Brenin is operated by Mountain Training Trust (MTT).

The National Sport Centres

Our NSCs and Rowing Lake are unlike other facilities in the UK's sporting landscape. They not only provide world class training facilities for the country's Olympic and Paralympic athletes; they also provide the places and spaces for local communities to be active and participate in sport and physical activity.

As active environments, the NSCs are recognised nationally, and increasingly internationally, as examples of best practice for integrating sport and physical activity with other services like health, education, and training. They're not just about providing a place to train, but a hub for community activity.

Our NSCs are an important part of Sport England's reputation as a leader across the sport and leisure sector. Sport England's role as the client of three sector leading facilities (on behalf of The Sports Council Trust Company) provides credibility within the market. This is particularly true in relation to Sport England's strategic role working with Local Authorities, Trusts, and Operators to drive continual improvement in local leisure provision. This role was critical

during 2020/21 as public leisure provision was severely impacted by the Covid-19 pandemic. The NSCs' formed part of Sport England's strategic response providing leadership and best practice to support public leisure services during the pandemic.

This kind of collaboration is a crucial part of what makes the NSCs so special. They are a leading example of partnership and cross sector/partner relationships working towards shared strategic objectives and local outcomes. Our partners consistently reference the strength of the partnership to help them achieve their own objectives – contributing to Sport England's wider role in supporting the sector and encouraging collaboration to maximise local community outcomes.

As part of the Elite Training Centre network, the NSCs are among the 18 Centres that host world class Olympic and Paralympic programmes. The partnership of National Governing Bodies (NGBs), English Institute of Sport (EIS), UK Sport and Sport England works together and makes the country's elite training environments more effective, contributing to a more sustainable elite sport system.

The NSCs continue to push boundaries and drive innovation in order to establish if they can be replicated and significantly impact the sporting landscape. During 2020/21 the NSCs played a crucial role assisting Sport England to support public sector leisure provision, local authorities and operators tackle Covid-19, providing best practice examples and guidance to help local authorities protect vital public leisure services across the country.

The four NSCs that are owned by the Charity are:

Bisham Abbey

Based in Berkshire, Bisham is a compact site which accommodates a range of water sports, football, rugby, tennis, hockey and public community use.

It features community fitness centre, studios and health suite, squash courts, indoor and outdoor tennis courts, two grass pitches, two artificial pitches and an elite strength and conditioning gym and Intensive Rehabilitation Unit operated by EIS.

The site is supported by modern accommodation, catering facilities and a 12th century Abbey which forms the centrepiece of the site. It is home to England Hockey, EIS, Living Tennis, FAB Academy, British Rowing and extensively used by the local community.

Lilleshall

In the heart of Shropshire, Lilleshall has a range of sports facilities spread throughout the substantial grounds. These include a dedicated indoor and outdoor archery range, gymnasium, nine natural turf football pitches, two artificial grass pitches and an EIS strength and conditioning area.

Supporting the sports facilities, Lilleshall has over 250 modern bedrooms and catering facilities for use by members of the public and athletes. A dedicated modern office building co-locates several NGB Head offices including British Gymnastics, EIS and British Archery. The centre is home to partners including GB Hockey, Home Office, the Royal British Legion, Crossbar Coaching and extensively used by the local community.

In February 2021, the Charity purchased the freehold property, Gainham's Lodge, located within the grounds of the Lilleshall National Sports Centre (Financial review,

page 8). The strategic objective of the purchase was to gain full control of the site to allow for redevelopment to increase capacity and improve the quality of provision for community and elite sport and reduce the operational subsidy provided by Sport England.

Plas y Brenin

Plas y Brenin (PYB) is managed by MTT, a charity established for the advancement of outdoor recreation generally practised in cliff and mountain environments. MTT is committed to providing first class outdoor training at the most affordable price.

Located in Snowdonia, PYB provides a focal point for a year-round programme of mountain sports courses and outdoor activities. The centre's facilities include two climbing wall areas, an abseil tower, canoe training pool and a low rope course. The centre is an important resource for the British Mountaineering Council, Birmingham City University, GB Orienteering, British Cycling and the University of Central Lancaster.

Redgrave and Pinsent Rowing Lake

Transferred to ownership of the Charity in 2006, the facility is a purpose built, internationally recognised 2,100m rowing lake set on the River Thames. The facilities include clubhouse, boat store, gymnasium, offices, catering and conferencing facilities.

British Rowing leases the Rowing Lake and boathouse from us and undertakes an extensive programme of rowing development and training. The facility continues to be the single most important factor underpinning the training and preparation for the GB Rowing Team for major International competition.

Coronavirus Pandemic Response

Covid-19 has had an unprecedented and immediate impact upon participation and financial performance of all the NSCs during 2020/21. This has significantly restricted our ability to deliver against our strategic objectives during the year.

The most significant constraint was the continued uncertainty around Covid-19 restrictions. National lock downs and national and local 'tiered' restrictions constrained service delivery throughout the year. The nature of these measures had significant implications for both the 'supply' in terms of the opening and capacity of the NSCs and the 'demand' in terms of customer and partner confidence to return and whether facilities would be open and available.

Bisham and Lilleshall were able to open from 25 July for both community and elite use and the introduction of tiered restrictions in October still allowed both the community and elite activity to continue. Both NSC's were closed during the second National lockdown for community use. However, elite athletes were granted dispensation and Sport England, Serco, EIS and the NGB's worked closely to continue to provide a daily training environment for all Olympic and Paralympic programmes.

Bisham and Lilleshall were successfully reopened on the 3 December 2020. Return to Play plans were implemented successfully with the sites again providing facilities and services for community users in addition to the NGB World Class Programmes.

The third lockdown from 5 January meant the closure of the centres to community use while elite activity could continue with dispensation for elite athletes remaining.

PYB was only open between 13 July and 22 October during the year. The activity during

Trustees' Report

this period was reduced due to the higher tier levels in the north of England forcing courses to be cancelled or postponed. It was agreed for PYB to remain closed after the second lockdown which ended in early December 2020 with only some off-site activity being undertaken by the team.

A pragmatic and collaborative approach was considered by the Charity and Sport England as the most appropriate way to respond to the unprecedented impact placed upon the NSC contracts and the operators themselves. The instruction to close all leisure centres made by the Government on 20 March 2020 was a qualifying change of law and placed the responsibility for the financial impact of the facility closure with the Charity.

All parties approached discussions positively with a focus on understanding impact, mitigation measure and identifying how all parties could contribute to supporting the NSCs during the pandemic.

Options to respond to the impact of Covid-19 were limited. Without financial support the operating contracts were at risk of financial failure with a real prospect of the NSCs facing a prolonged period of closure. The ability to remobilise contracts would be complicated, costly and time consuming, anywhere between 6 and 18 months before the facilities would again be open to the public. This would have a devastating effect on participation levels, outdoor sector support and world class training programmes at a time when the benefits of sport and physical were never so apparent and essential to contribute to the nations recovery from Covid-19.

A negotiated position which protected the NSC assets, the operators and mitigated the cost to the Charity and Sport England as much as possible was reached. This approach provided immediate financial

reassurance to the operators but also a flexible approach to respond to the fast-changing circumstances to protect NSCs. As a result, financial assistance of £2.3m (2020: £360k) was provided by Sport England to the operators of the NSCs'.

The postponement of the Tokyo Olympics and Paralympics by a year to 2021 has put significant pressure upon the elite sports system. The NSCs will play a crucial role in providing a daily training environment for Team GB and Paralympic GB athletes as they continue to prepare for the Games.

Sport England has provided within its budgets for 2021/22 a further £1.3m of financial assistance to the operators to support the reopening in line with the roadmap announced by Government in February 2021.

Principal Risks and Uncertainties

We identify and review the major risks at every Board meeting using a formal risk register to ensure all reasonable steps are taken to mitigate the risks identified. Our risk strategy sets out our approach to risk, including the levels of risk we're willing to accept in order to achieve our organisational goals. A dynamic approach to reviewing risk was continued this year, allowing us to add, amend and close risks as appropriate.

Our risks are focused on strategic matters. The management of these operational risks is delegated to officers of Sport England through the SLA. We consider the following risks to be the most significant:

- The management contractors we engage to operate the NSCs may underperform and fail to meet agreed sporting outcomes and financial targets. This risk rating escalated significantly

due to Covid-19 (see below) and the failure of the operators is considered our most significant risk due to the potential inability to find alternative providers at this time.

- Suppliers unable to fulfil contractual obligations in managing the NSCs' as a result of wider commercial pressures brought about by Covid-19 / wider economic downturn and impacts on the leisure sector.
- Growing demands on Sport England's budget (including those resulting from Covid-19) mean less capital funding available to invest in the National Centres.
- Health and safety, and safeguarding issues resulting from the public use of our facilities.
- Our investments made may not achieve capital growth or generate sufficient income to support charitable objects. The investment manager contract was re-procured during the year to mitigate against this risk.
- Our strategic objectives may not align sufficiently with Sport England's strategy, resulting in Sport England not prioritising the NSCs for investment.
- Losing our charitable status as a result of i) insufficient funds being generated for the awarding of grants/the failure to award grants, ii) insufficient community use of sites and/or iii) failure to maintain public benefit and use of funds.

Additional risks not presently known to us, or those which we currently deem immaterial, may also impact on operations.

Our Performance

The performance of the NSCs' is managed by Sport England through a Service Level Agreement (SLA) with The Sports Council Trust Company.

The requirements in the contracts set ambitious standards to meet the NSC strategic objectives. A balanced scorecard and set of Key Performance Indicators (KPIs) are used to continually measure performance.

The key performance measures we use range across four categories:

- Internal business processes
- Continuous improvement
- Customer perspective
- Financial

The operators of our NSCs are required to perform in the top quartile nationally on National Benchmark Service and QUEST, Sport England's recommended tools for continuous improvement in the leisure industry.

These measures are clearly linked to the aims of the Charity and ESC's objectives of increasing participation nationally.

This year, Covid-19 has prevented Serco and MTT from delivering all the contract performance standards. These have predominantly been associated with utilisation of facilities and participation KPIs. Where necessary departure from the contract standards has been agreed with the operators via variations to the contracts.

Outside of these areas a robust set of performance standards remained in place and measured as normal business practice. Under extremely challenging circumstances Serco and MTT have met, and often

exceeded, their contractual performance standards with no deductions or performance failures during 2020/21. Both operators maintained excellent results in external quality assurance, customer and facility management audits providing assurance that the assets continued to be well managed and maintained.

What we have achieved

Our ability to deliver against our strategic objectives was significantly restricted throughout 2020/21. The proactive approach taken by the Charity, Sport England, Serco and MTT enabled a valuable contribution towards our objectives to be made.

Plans for future periods

Our operating plan provides for:

- Working collaboratively with Serco and MTT to ensure the operators can remobilise services as Covid-19 restrictions are lifted and provide vital opportunities for community and elite participation in line with relevant Government legislation and guidance.
- Utilising insight and customer engagement to understand changing attitudes and behaviours towards sport, physical activity and the outdoors.
- Re-design service provision and outcomes to respond to changing needs to support the local community and outdoor sector to re-engage with sport and physical activity contributing to wider physical, social and mental outcomes.

- Support talented athletes and NGB World Class Olympic and Paralympic programmes to re-establish training and support preparations for Tokyo 2021 and Birmingham 2022.
- To be an example of best practice and innovation to support the wider public sector sport and physical sector in recovery from Covid-19.

Green Initiatives

We continued to put in place measures to increase the sustainability of the entirety of our operations this year.

Bisham and Lilleshall successfully retained Environmental accreditation to ISO:50001. This international standard recognises organisations that implement an energy management system (EnMS) based on a model of continuous improvement in order to enhance the efficiency of their energy usage.

Our EnMS will allow us to reduce our energy use and associated costs and achieve full compliance with energy saving schemes like the UK Energy Savings Opportunity Scheme.

MTT retained accreditation of the Green Dragon Environmental Standard. This standard is awarded to organisations that demonstrate effective environmental management and take action to understand, monitor and control the impacts that their operations have on their surroundings.

Financial review

Our operational activities, including grant making, are funded by property income and returns from the investment fund (see note 8). Asset investment activities are funded from gifts of assets from Sport England. Total income for the year was £2.8million (2020: £2.9million). These resources were invested into the NSCs, used to purchase Gainham's Lodge and awarded as community grants for the Charity to achieve its objectives as set out on pages 1 and 2.

Separate funds are maintained to identify and account for the principal funding sources of the Charity. The details of these funds are set out in notes 11 and 12. None of these funds are in deficit.

Net expenditure for the year is £1.5million (2020: £2.1million). The decrease in the net expenditure of £0.6million is primarily due to the net impact of:

- £0.3million increase in income due the Exchequer grant received
- £0.2million gain on the value of the investment.

We generated a small operational deficit on our day to day activities in the year of £16,000 (2020: £7,000 deficit), after awarding community grants of £83,000 (2020: £68,000) as shown in the table below. The loss was due to increased community grants as agreed by us.

	2021 £'000	2020 £'000
Property income	1,315	1,663
Investment income	34	35
Charitable activities	(4,469)	(4,950)
Add back:		
Depreciation	3,028	3,097
Impairment (reversal)/charge	(66)	58
Gifts in kind	114	90
Loss on disposal	28	-
Operating Deficit	(16)	(7)

The value of our funds decreased to £108.3million from £109.5million as set out in note 6. The decrease is mainly due to depreciation charge for the year of £3million offset by Gifted Assets of £1.1million and the purchase of Gainham's Lodge of £0.6million.

The purchase of Gainham's Lodge during the year was funded through:

- £0.3m sale of the Crewkerne fund within the investment held in the Sarasin Endowment Fund (note 8)
- £0.3m Exchequer grant from ESC

The closure of the NSCs as a result of Covid-19 has not had a financial impact on SCTC as Sport England has provided financial support to the operators as noted on page 5.

We have management policies in place to cover grants, investment, and reserves as set out below.

Grants policy

We accept applications from not-for-profit organisations supporting the sporting activities of disadvantaged people including young people, people with disabilities, lower socio-economic groups and ethnic minority groups.

Awards are given to either encourage sports participation, subsidise the cost of taking part or provide facilities and equipment.

There was a specific focus on mental well-being during the year with 60% of the funding available being utilised through partnerships with Energise Shropshire Telford and Wrekin and Get Berkshire Active and 40% accessible for other community funding.

Investment policy

Our investment policy relating to the portfolio of equity investments is to:

- achieve the best financial return within an acceptable level of risk and a target level of income determined annually.
- maintain the real capital value of the funds whilst generating a sustainable level of investment income to contribute to the ongoing activities including grant-making.
- where appropriate, we may choose to use capital to supplement its grant making activities.

Our investment funds were invested in the Sarasin Endowments Fund managed by Sarasin & Partners for 2020/21. The investment manager maintains a balanced portfolio which achieves lower volatility than a pure equity investment and provides us with quarterly reports and updates on key issues, and ad-hoc reporting as and when required.

During 2020/21 the contract for the investment manager was re-procured and the reappointment of Sarasin & Partners was approved by the Trustees in April 2021.

Reserves policy

Our financial position is supported by ESC.

Our aim is to maintain a level of unrestricted reserves equating to at least three months of expenditure. We consider that this level will provide sufficient funds to meet our operational expenditure, and to provide a contingency against unforeseen expenditure. The investment fund is also available for liquidity purposes if required, although, these assets are not intended for sale.

Our reserves policy defines reserves as restricted or unrestricted.

Restricted reserves are those which cannot readily be realised and used for an alternative purpose other than that specified; principally these are in relation to fixed assets gifted from ESC or funded by ESC's Lottery Fund. Restricted reserves at 31 March 2021 amounted to £105.8million (2020: £107million).

Unrestricted reserves are where the use of these funds is not restricted and can be applied to the ongoing operational aspects of the organisation. Unrestricted reserves at 31 March 2021 amounted to £2.5million (2020: £2.4million).

Trustees' Report

Trustees of the Charity during the year were:

- Graeme Dell (Interim Chair)
- Dave Cove
- Andrew Watson
- Helen Martin.

A recruitment process, which was initially scheduled to start last year but was delayed due to Covid-19, will commence during 2021 to recruit up to four further trustees. This includes a replacement for Helen Martin who on 1 April 2021 tendered her resignation but agreed to continue as a Trustee until a replacement is appointed.

All appointments to the Charity for the position of Chair, Trustee and Company Secretary are made by ESC and are in accordance with:

- The Parent/Subsidiary Memorandum
- The Memorandum and Articles of Association of the Charity
- ESC's Recruitment and Selection Guidelines: Subsidiary Boards.

Upon appointment, Trustees receive corporate governance, financial and legal information in relation to the Charity in the form of its Memorandum and Articles of Association and other governance and policy documents, the annual report, management accounts, Charity Commission guidance and the Seven Principles of Public Life.

A robust induction programme is in place which provides newly appointed Trustees with an overview of the governance and operations of the Charity and ESC.

The Company Secretary who served during the year was Hannah Kerly until 17 February 2021. Richard Mabbitt was appointed from 17 February 2021.

Registered Office, First Floor, 21
Bloomsbury Street, London, WC1B 3HF

Banker, Barclays Bank Plc, London
Corporate Banking, 1 Churchill Place,
London, E14 5HP

Solicitor, Hewitsons, Kildare House, 3
Dorset Rise, London, EC4Y 8EN

Investment Manager, Sarasin & Partners
LLP, 100 St. Paul's Churchyard, London
EC4M 8BU

Auditor, The Comptroller and Auditor
General, 157 – 197 Buckingham Palace
Road, Victoria, London SW1W 9SP

Trustees' Responsibility Statement

The Trustees are responsible for preparing the Annual Report and Accounts in accordance with applicable law and regulations.

Company Law requires the Trustees to prepare accounts for each financial year. Under that law the Trustees have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

The accounts are required by law to give a true and fair view of the state of affairs of the company at the year end and of the results of the company for that year. In preparing those accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed,
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is

necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Statement as to disclosure of information to auditors

The Trustees who were in office on the date of approval of these accounts have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

The Trustees as Company Directors approve the Strategic Report included as part of the Trustees' report on pages 1 to 11.

By Order of the Board

Graeme Dell
Chair
1 July 2021

The certificate and report of the Comptroller and Auditor General to the members of The Sports Council Trust Company

Opinion on financial statements

I have audited the financial statements of The Sports Council Trust Company for the year ended 31 March 2021 under the Government Resources and Accounts Act 2000. The financial statements comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and the related notes, including the significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) in conformity with the requirements of the Companies Act 2006 and the Charities Act 2011.

In my opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of the net movement of funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006 and Charities Act 2011.

Opinion on regularity

In our opinion, in all material respects the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10

'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of The Sports Council Trust Company in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that The Sports Council Trust Company's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

The certificate and report of the Comptroller and Auditor General to the members of The Sports Council Trust Company

Other Information

The other information comprises information included in the Trustees' Report but does not include the financial statements and my auditor's report thereon. The Trustees are responsible for the other information. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinion on other matters

In my opinion:

- the information given in the Trustee's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustee's Report has been prepared in accordance with applicable legal requirements

Matters on which I report by exception

In the light of the knowledge and understanding of The Sports Council Trust Company and its environment obtained in

the course of the audit, I have not identified material misstatements in the Trustee's report.

I have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires me to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit.

Responsibilities of the Trustees for the financial statements

As explained more fully in the Trustee's Responsibility Statement, the Trustees are responsible for:

- the preparation of the financial statements and for being satisfied that they give a true and fair view.
- such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
- assessing the 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 Trustee's either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The certificate and report of the Comptroller and Auditor General to the members of The Sports Council Trust Company

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, and report on the financial statements in accordance with the Government Resources and Accounts Act 2000.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included the following:

- Inquiring of management and those charged with governance, including obtaining and reviewing supporting documentation relating to The Sports Council Trust Company's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and

- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including The Sports Council Trust Company's controls relating to taxation legislation, the Charities Act 2011, Government Resources and Accounts Act 2000, and Companies Act 2006.
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition and posting of unusual journals; and
- obtaining an understanding of The Sports Council Trust Company's framework of authority as well as other legal and regulatory frameworks that The Sports Council Trust Company's operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of The Sports Council Trust Company's. The key laws and regulations I considered in this context included taxation legislation, the Charities Act 2011, Government Resources and Accounts Act 2000, and Companies Act 2006.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Board of Trustees and in-house legal

The certificate and report of the Comptroller and Auditor General to the members of The Sports Council Trust Company

counsel concerning actual and potential litigation and claims;

- reading minutes of meetings of those charged with governance and the Board; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and significant component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities.

This description forms part of my report.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Gareth Davies

7 July 2021

Comptroller and Auditor General

National Audit Office

157-197 Buckingham Palace Road

Victoria

London

SW1W 9SP

Statement of Financial Activities

(Including Income and Expenditure Account)

	Note	2021 Restrict ed £'000	2021 Unrestrict ed£'000	2021 Total £'000	2020 Total £'000
Income from					
Donations and legacies	2	1,323	114	1,437	1,189
Other trading activities	3	-	1,315	1,315	1,663
Investments		-	34	34	35
Total		1,323	1,463	2,786	2,887
Expenditure on					
Charitable activities	4	(2,945)	(1,524)	(4,469)	(4,950)
Total		(2,945)	(1,524)	(4,469)	(4,950)
Net gains/(losses) on investments	8	-	202	202	(49)
Net expenditure		(1,622)	141	(1,481)	(2,112)
Other recognised (losses)/gains					
Gains/(losses) on revaluation of fixed assets	11/12	365	(63)	302	(1,589)
Net movement of funds		(1,257)	78	(1,179)	(3,701)
Reconciliation of funds					
Total funds brought forward		107,075	2,428	109,503	113,204
Total funds carried forward	6	105,818	2,506	108,324	109,503

The Statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure relate to continuing activities.

The notes on pages 19 to 32 form an integral part of these accounts

Statement of Financial Position as at 31 March 2021

Company number 2517615

	Note	2021 £'000	2020 £'000
Fixed assets			
Tangible assets	7	107,092	108,158
Investments	8	848	943
Total fixed assets		107,940	109,101
Current assets			
Debtors	9	753	1,222
Cash at bank		583	527
Total current assets		1,336	1,749
Liabilities: amounts falling due within one year			
Creditors	10	(577)	(972)
Net current assets		759	777
Total assets less current liabilities		108,699	109,878
Liabilities: amounts falling due after more than one year			
Provisions	16	(375)	(375)
Net assets		108,324	109,503
The funds of the charity			
Restricted capital funds		63,997	64,644
Restricted revaluation reserve		41,821	42,431
Total restricted funds	11	105,818	107,075
Unrestricted income funds		1,758	1,589
Unrestricted revaluation reserve		748	839
Total unrestricted funds	12	2,506	2,428
Total charity funds	13	108,324	109,503

The accounts on pages 16 to 32 were approved by the Board of Trustees and were signed on its behalf by:

Graeme Dell
Chair
1 July 2021

The notes on pages 19 to 32 form an integral part of these accounts

Statement of Cash Flows

	Note	2021 £'000	2020 £'000
Cash flow from operating activities			
Net cash used in operating activities	14	275	472
Net cash provided by/(used in) operating activities		275	472
Cash flow from investing activities			
Income from investments		34	35
Purchase of Gainham's Lodge		(550)	-
Sale of investments		297	-
Net cash provided by investing activities		(219)	35
Change in cash balances in the reporting period		56	507
Changes in cash balances during the year			
Balance at 1 April		527	20
Change in cash balances in the reporting period		56	507
Balance at 31 March		583	527

The notes on pages 19 to 32 form an integral part of these accounts

1 Accounting policies

1.1 Basis of accounting

The accounts have been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities SORP (FRS 102) Second Edition issued October 2019 effective from January 2019, FRS 102, and the Companies Act 2006.

The accounts have been prepared on a going concern basis under the historical cost convention, modified by the revaluation of assets and liabilities to fair value.

The principal accounting policies adopted in the preparation of the accounts are set out below.

1.2 Income

Income from donations and legacies includes gifted assets, gifts in kind, and grants.

The value of gifts of assets is based on the amount actually expensed by the donor.

The value of gifts in kind is based on a reasonable estimate of the value of time spent on the administration service provided to the Charity by The English Sports Council (ESC).

Grants are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability.

Other trading activities is made up of freehold and leasehold income which is recognised on a receivable basis.

Income from investments is recognised on a receipt basis due to the timing of statements from the investment fund. The

accounting treatment adopted materially matches income accrued.

1.3 Charitable activities

Community grants awarded are recognised in the period in which the grant is approved and communicated to the award recipients.

All other charitable activity expenditure is recognised when a liability is incurred.

Governance costs include those costs incurred in the governance of the Charity and its assets and are primarily associated with constitutional and financial requirements.

The provision of facilities costs is set out in note 4. Costs are allocated to activities directly or to location or usage.

Costs directly related to activities are general administration costs of the Charity. Location costs are costs incurred in connection with freehold and leasehold property occupied by ESC, Mountain Training Trust and British Rowing. Usage costs relate to depreciation, and impairments on tangible fixed assets. Support costs in relation to making community grant awards are not material.

1.4 Dividends

The Charity is prohibited by its Articles of Association from declaring a dividend.

1.5 Tangible fixed assets

Tangible fixed assets funded by the Lottery grant from ESC were paid for directly by the Charity and funds drawn down from ESC against the Lottery grant. All other capital works are paid for by ESC and the assets gifted to the Charity, the exception during the year was the purchase of Gainham's Lodge (see Financial Review page 8).

Land and buildings

Full valuations are carried out by external experts quinquennially for land, buildings and bund, supplemented by annual indexation.

The last full valuation of land and buildings was carried out as at 31 March 2019.

Valuations are based on Depreciated Replacement Cost (DRC) for specialist properties, and open market value for other properties.

The DRC basis generates an open market valuation of the land. The valuation of each building is derived through an estimate being made of the gross current replacement cost of the buildings and other site works, from which deductions are then made to allow for age, condition and obsolescence.

Any assets under construction are valued at the costs incurred to date.

Artworks and antiques

Artworks and antiques are valued by external experts. Valuations are derived with reference to the retail market (at the valuation date) and the probable cost of replacing the items when compared with items in a similar condition. The last full valuation of artworks and antiques was carried out as at 31 March 2019.

Equipment and leasehold improvements

Other property, plant and equipment have not been revalued as fair value is not considered to be materially different to depreciated historic cost.

The capitalisation threshold is £1,000 and assets purchased below the capitalisation threshold are usually expensed in year, except for grouped assets.

Grouped assets are assets, which individually, are less than £1,000 however

together they form a single collective asset.

Depreciation

Depreciation is provided on all tangible fixed assets, except freehold land and artworks and antiques, at rates calculated to write off the cost or valuation, less estimated residual value evenly over its expected useful life as follows:

Buildings (as advised by external expert)	Unexpired life, maximum of 60 years
Bund (as advised by external expert)	40 years as advised by external expert
Leasehold improvement	Expected life of lease
Equipment	5 years

Impairment reviews are undertaken annually. No depreciation is charged in the year of acquisition or construction. A full year's depreciation is charged in the year of disposal.

1.6 Property operating leases

Payments made under operating leases (rental agreements) are recognised in the Statement of financial activities on a straight-line basis over the term of the lease. Lease incentives (e.g. rent-free periods) are recognised as an integral part of the total lease expense, over the term of the lease.

1.7 Dilapidations

Full provision for the probable cost of dilapidations at the date of the expected termination of the lease is made in the accounts in the year in which it is decided not to renew the lease.

1.8 Investments

Subsequent to purchase, listed stocks and shares are measured at fair value through other comprehensive income based on reference to the market in which they exist and are not held for trading.

There are no investments other than those set out in note 8.

1.9 Debtors

Debtors are recognised at fair value, which represents the value of settlement.

1.10 Creditors and provisions

These are recognised when there is a present obligation from a past event that will probably result in a transfer of funds to a third party which can be measured or reliably estimated.

1.11 Funds

Details of all restricted and unrestricted funds are provided in notes 11 and 12.

Restricted funds: These funds are earmarked by the donor for specific purposes.

Unrestricted funds: These funds comprise general funds that are expendable at the discretion of the Trustees in furtherance of the objects of the Charity and which have not been designated for other purposes.

1.12 Taxation

No taxation is chargeable on the Charity's activities which are of a charitable nature, and thus outside the scope of corporation tax.

1.13 Use of estimates and judgement

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the

accounting policies and the reported amounts of assets, liabilities, income and expenditure. Actual results may differ from the estimates used.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Estimates are made in relation to tangible fixed assets held by the National Sports Centres including the valuation and revaluation, dilapidation, impairment and depreciation of Land and Buildings, the valuation of artwork and antiques and the value of gifts in kind.

1.14 Going concern

The financial position of the Charity is supported by ESC. The ESC is the major provider of funds through the gifting of assets and provision of deficit funding for the NSCs' operations. The Charity does not usually commit to any capital expenditure that requires funding from its own resources. The exception during the year was the strategic purchase of Gainham's Lodge (see page 8). After making enquiries of the management of ESC, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for at least the next 12 months from the date of approval of the financial statements.

Accordingly, the Charity continues to adopt the going concern basis in preparing these accounts.

2 Donations and legacies

	2021 £'000			2020 £'000		
	Restrict ed	Unrestrict ed	Total	Restrict ed	Unrestrict ed	Total
Gifts of fixed assets	1,073	-	1,073	1,099	-	1,099
Exchequer grant (ESC)	250	-	250	-	-	-
Gifts in kind administration service	-	114	114	-	90	90
Total	1,323	114	1,437	1,099	90	1,189

Gifts of fixed assets and gifts in kind administration service are from ESC.

The Exchequer grant from ESC was used to part-finance the purchase of Gainham's Lodge.

3 Other trading activities

	2021 £'000	2020 £'000
Property Income	1,315	1,663

The income above is from property occupied by ESC, Mountain Training Trust and British Rowing. It includes rent, rates, service charges and other property costs such as repairs, maintenance and legal costs.

4 Charitable activities

	2021 £'000			2020 £'000		
	Restricted	Unrestricted	Total	Restricted	Unrestricted	Total
Community grants awarded						
Energize Shropshire, Telford & Wrekin	-	30	30	-	-	-
Get Berkshire Active	-	43	43	-	36	36
Wycombe Wanderers S & E Trust	-	10	10	-	15	15
More Leisure Community Trust	-	-	-	-	17	17
Total community grants	-	83	83	-	68	68
Governance costs (note 5)						
Trustees' expenses	-	-	-	-	1	1
Audit fees	-	17	17	-	17	17
Total governance costs	-	17	17	-	18	18
Provision of facilities¹						
Costs directly related to activities						
ESC administration charge	-	28	28	-	28	28
Gift in kind administration charge	-	114	114	-	90	90
Sub-total	-	142	142	-	118	118
Locations costs						
Property costs	-	1,223	1,223	-	1,591	1,591
Legal and professional	-	14	14	-	-	-
Sub-total	-	1,237	1,237	-	1,591	1,591
Usage						
Depreciation	2,983	45	3,028	3,059	38	3,097
Loss on disposal	28	-	28	-	-	-
Impairment (reversal)/charge	(66)	-	(66)	60	(2)	58
Sub-total	2,945	45	2,990	3,119	36	3,155
Total provision of facilities	2,945	1,424	4,369	3,119	1,745	4,864
Total charitable activities	2,945	1,524	4,469	3,119	1,831	4,950

All income and expenditure relating to the National Sports Centres management contract are accounted for by the ESC including any performance-based bonus. The ESC funds the operational deficit of the National Sports Centres which was £5.5million in 2021 (2020: £3.8million). This included £2.3 million (2020: £360k) of Covid-19 related financial assistance to the operators (see page 5).

¹Provision of facilities costs are allocated as set out in the accounting policies note 1.3.

5 Governance and staff costs

The Charity employed no staff in 2021 and 2020.

ESC provides a financial and administration service to the Charity, under the terms of a service level agreement, for which a charge is made (note 2).

Three Trustees (2020: three) were paid travel and expenses during the year of £142 as shown in note 4.

The Trustees did not receive fees or allowances for the year (2020: Nil) either directly from the Charity or the parent body ESC.

The audit fees for the year were £16,800 (2020: £16,800). There were no fees for non-audit work in 2021 and 2020.

6 Reconciliation of the movement in funds

	2021 £'000	2020 £'000
Net assets at 1 April	109,503	113,204
Capital investment		
Gifted assets (ESC)	1,073	1,099
Exchequer funded assets (Gainham's Lodge)	250	-
Other movements		
Net revaluation of fixed assets	368	(1,647)
Depreciation	(3,028)	(3,097)
Operational Deficit	(16)	(7)
Increase/ (decrease) in value of investments	202	(49)
Loss on disposal	(28)	-
Net assets at 31 March	108,324	109,503

7 Tangible fixed assets

	Land	Buildings and bund	Leasehold improvement	Equipment	Artworks and antiques	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost / Valuation						
At 1 April 2020	19,102	113,237	1,168	2,723	827	137,057
Disposals	-	(65)	-	-	-	(65)
Gifted assets	-	1,050	-	23	-	1,073
Revaluation	(248)	550	-	-	-	302
Additions	-	550	-	-	-	550
At 31 March 2021	18,854	115,322	1,168	2,746	827	138,917
Depreciation and impairments						
At 1 April 2020	12	(25,748)	(797)	(2,404)	38	(28,889)
Charge for year	-	(2,767)	(159)	(102)	-	(3,028)
Impairment reversal	-	66	-	-	-	66
Disposals	-	36	-	-	-	36
At 31 March 2021	12	(28,413)	(956)	(2,506)	38	(31,825)
Net Book Value						
At 31 March 2020	19,114	87,489	371	319	865	108,158
At 31 March 2021	18,866	86,909	212	240	865	107,092

Assets are valued in accordance with the accounting policy note 1.5.

The last full valuation of land, buildings and bund was carried out as at 31 March 2019 by Gerald Eve LLP, a regulated firm of Chartered Surveyors which provides expert advice in asset valuations and surveying. The valuation was prepared in accordance with the requirements of the RICS Valuation Global Standard 2017 and the UK national standards and guidance set out in national supplement (November 2018 edition), and Financial Reporting Standard (FRS) 102.

The valuation of the non-specialised properties was undertaken on a Fair Value basis, on the assumption of continuation of the existing use. Specialised properties were valued by reference to Depreciated Replacement Cost (DRC). The replacement build cost rates used in DRC valuations are based on knowledge of the current costs of constructing general and specialised sport facility accommodation as well as information from Building Cost Information Service (BCIS) and other published cost data. Existing buildings are valued as they stand using Gross Internal Floor areas (GIAs) by reference to the cost of providing either modern equivalent assets capable of delivering the required service provision or for the listed structures as historically important assets.

Land, buildings and bund comprise freehold properties. All assets are owned, no assets are supported by either finance leases or PFI contracts.

There is a collection of artworks, furniture and fittings at Bisham Abbey that date from the 16th century. The historical significance of these assets classifies the collection as Artworks and antiques. The collection was last valued as at 31 March 2019 by Sotheby's.

8 Investments

Listed stocks and securities	2021 £'000	2020 £'000
Market value at 1 April	943	992
Disposal	(297)	-
Revaluation of investment	202	(49)
Market value at 31 March	848	943

Investments as at 31 March 2021 represents holdings in the Sarasin Endowments Fund. The holding is classified as 'not held for trading'.

The disposal funded the purchase of Gainham's Lodge (see page 8).

The historical cost of the asset at 31 March 2021 was £0.7 million (2020: £0.9 million).

9 Debtors

	2021 £'000	2020 £'000
Amounts falling due within one year		
Trade debtors	-	71
Prepayments	7	263
Accrued income	371	513
Total	378	847
Amounts falling due after more than one year		
ESC	375	375
Total	375	375
Total	753	1,222

10 Creditors

	2021 £'000	2020 £'000
Amounts falling due within one year		
Trade Creditors	24	21
ESC	137	147
Deferred income	7	263
Accruals	409	541
Total	577	972

11 Restricted capital funds

	Revaluati on reserve (land and buildings)	ESC GIA Funded assets ¹	ESC Lottery funded assets ²	Capital ³	Other ⁴	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2019	45,124	38,371	26,371	101	915	110,882
Gifted assets	-	1,099	-	-	-	1,099
Revaluation	(1,787)	-	-	-	-	(1,787)
Impairment charge	-	(4)	(46)	-	(10)	(60)
Depreciation	-	(1,964)	(1,077)	(3)	(15)	(3,059)
Amortisation of reserve	(906)	599	303	1	2	-
Balance at 31 March 2020	42,431	38,101	25,552	99	892	107,075
Gifted assets	-	1,073	-	-	-	1,073
Revaluation	365	-	-	-	-	365
Impairment reversal	-	43	20	-	3	66
Depreciation	-	(2,057)	(909)	(3)	(14)	(2,983)
Amortisation of reserve	(959)	675	283	-	1	-
Disposal of fixed assets	(16)	1	15	-	-	-
Loss on disposal	-	(1)	(27)	-	-	(28)
Grant received in the year	-	250	-	-	-	250
Balance at 31 March 2021	41,821	38,085	24,934	96	882	105,818

ESC receives funding from two sources, Exchequer Grant-in-Aid (GIA) and the National Lottery Distribution Fund. These two sources of funding are required to be accounted for separately.

¹ESC GIA Funded assets

This fund supports the initial acquisition and subsequent funding of tangible fixed asset additions at the National Sports Centres and is funded by ESC's Exchequer Grant-in-Aid.

²ESC Lottery funded assets

This fund also supports the initial acquisition and subsequent funding of tangible fixed asset additions at the National Sports Centres and was funded by ESC's National Lottery Distribution Fund.

³Capital

This fund supports improvements to facilities at the National Sports Centres and was donated by the Lawn Tennis Association.

⁴Other

This fund is made up of facilities at Lilleshall funded by The Royal British Legion (TRBL) which are used for TRBL beneficiaries and Ministry of Defence personnel (£0.7million) as well as the proceeds from the sale of Ashlands House, Crewkerne (£0.3million) held in the investments (note 8 and 13).

12 Unrestricted income funds

	Revaluation reserve (land and buildings)	Other ¹	Total
	£'000	£'000	£'000
Balance at 1 April 2019	662	1,660	2,322
Amortisation of reserve	(21)	21	-
Revaluation	198	-	198
Impairment reversal	-	2	2
Depreciation	-	(38)	(38)
Operational deficit	-	(7)	(7)
Revaluation of investments	-	(49)	(49)
Balance at 31 March 2020	839	1,589	2,428
Amortisation of reserve	(28)	28	-
Revaluation	(63)	-	(63)
Depreciation	-	(45)	(45)
Operational deficit	-	(16)	(16)
Revaluation of investments	-	202	202
Balance at 31 March 2021	748	1,758	2,506

¹Other

This fund is made up of movements in investment revaluations (note 8), depreciation on unrestricted assets and accumulated annual surpluses.

13 Reconciliation of net assets between funds

	Tangible fixed assets £'000	Investment s £'000	Other assets £'000	Total 2021 £'000	Total 2020 £'000
Restricted funds					
Revaluation reserve	41,821	-	-	41,820	42,431
ESC Funded assets	38,085	-	-	38,085	38,101
ESC Lottery fund	24,934	-	-	24,935	25,552
Capital	96	-	-	96	99
Other	882	-	-	882	892
Total	105,818	-	-	105,818	107,075
Unrestricted funds					
Revaluation reserve	748	-	-	748	839
Other	526	848	384	1,758	1,589
Total	1,274	848	384	2,506	2,428
Total funds	107,092	848	384	108,324	109,503

14 Net cash flow from operating activities

	2021 £'000	2020 £'000
Net expenditure	(1,481)	(2,112)
Gifted assets	(1,073)	(1,099)
Impairment (reversal)/charge	(66)	58
Net (gains)/losses on investments	(202)	49
Investment income	(34)	(35)
Depreciation	3,028	3,097
Decrease / (increase) in debtors	469	680
(Decrease) / increase in creditors	(394)	(355)
Increase in provisions	-	189
Loss on disposal	28	-
Total	275	472

15 Commitments under operating leases

	2021 £'000	2020 £'000
Not later than one year	847	1,028
Between two and five years	1,461	1,745
Later than five years	-	-
Total	2,308	2,773

All the Charity's commitments under leases to pay rentals are shown above. These leases relate to offices occupied ESC and all costs are recharged to ESC. Future commitments are expected to be met through their occupation of the properties.

The rental income for the year amounted to £0.7 million (2020: £0.7 million) all of which was receivable from ESC. Note 7 sets out in the Leasehold Improvement column the capital value held in relation to the properties leased to ESC.

16 Provisions

	Total £'000
Balance at 1 April 2020	375
Provisions made during the year	-
Balance at 31 March 2021	375
Amounts falling due after more than one year	375
Total	375

The provision is dilapidations for Bloomsbury Street. The lease expires in November 2022 with no option to extend. A provision of £0.2million was made in 2015 to cover the costs of dilapidations. In March 2020 a dilapidations assessment was commissioned and undertaken by the Building Surveying team of the Bloomsbury Street property management company, Avison Young. This report indicated an increase of the cost of dilapidations to £375k.

All the above costs will be funded by ESC and thus accrued income has been recognised in these accounts (note 9).

There are no contingent liabilities or contingent assets for the current year (2020: Nil).

17 Value added tax

The Charity is in a group VAT registration scheme with ESC and is jointly and severally liable for all group VAT liabilities. No VAT is charged on transactions between fellow members of the VAT group. Any irrecoverable VAT incurred by the Charity is met on its behalf by ESC.

18 Capital commitments

The Charity had no capital commitments contracted but not provided for in the financial statements during the year (2020: Nil).

19 Parent body rights over assets

Grants made by ESC to the Charity since June 1990 were made on the basis that any tangible fixed assets acquired by such grants should be available for clawback (return of sale proceeds to the Exchequer and Lottery) in the event of disposal or change of use.

On 5 October 1994, the Charity Commission granted an Order under the Charities Act 1993 by which the Charity must repay to ESC the whole proceeds of sales of fixed assets, or such part as represents public funds, sold on or after 1 April 1989, which were originally purchased in whole or in part with funds provided by the Exchequer.

20 Derivatives and other financial instruments

The Charity relies mainly on grant, donation, and property funding to finance its operations. Other than cash resources and items such as debtors and creditors that arise from its operations, it holds no other financial instruments other than the investments referred to in note 8, nor enters into derivative transactions.

The return from investments is not material and therefore the Charity is not exposed to significant market risk. The Board regularly undertakes reviews to mitigate the risks of performance of this instrument.

The Charity performs all transactions in Sterling and therefore has no currency exchange risk. The Charity does not enter into any forward foreign currency contracts or similar financial instruments. The Charity does not borrow money and therefore has no exposure to interest rate risk or liquidity risk in this regard. Cash balances are held in commercial bank accounts and attract market rates of interest. The Charity does not enter into any interest rate swaps or similar financial instruments.

21 Related party transactions

The Charity has a close working relationship with its parent body ESC. ESC is the Charity's main provider of funds enabling the Charity to carry out its charitable objectives. It also provides a financial and administrative service to the Charity through a gift in kind (note 2) and an annual charge of £28,000 (2020: £28,000).

ESC gifts fixed asset additions to the National Sports Centres the details of which are set in note 2. In 2021 this amounted to £1.1million (2020: £1.1 million).

Included within note 3 in other trading activities are recharges to ESC for property costs, repairs and legal and professional costs in respect of properties occupied by ESC. The amounts included in note 3 are set out below plus the amounts outstanding at the end of the financial year for these recharges.

	2021 £'000	2020 £'000
Income	1,287	1,634
Amount owing from ESC	(238)	(105)

Trustees are selected from a variety of backgrounds and experience. Where conflicts of interest occur, these are declared at each meeting and a Trustee will absent him/herself from any decisions related to the item in question. If the Chair has a conflict another Trustee will chair the meeting when the item is discussed. There was one transaction where a Trustees declared a current or past interest relating to the Charity's activities.

	Awards made in 2020-21	Awards unpaid at 31 March 2021
Dave Cove: Board member, Wycombe Wanderers S & E Trust	10	-

22 Security

ESC was granted a mortgage debenture on 21 December 2006 incorporating a charge over all the Lottery grant funded assets provided for The Rowing Lake. This mortgage debenture was novated to The Sports Council Trust Company on 29 March 2012.

23 Ultimate parent body

The charity's parent body is ESC known as Sport England and is the Government agency that works to make sure everyone can experience the benefits of sport and physical activity. The results of The Charity are consolidated in the accounts of ESC. The accounts of ESC Group are available from its registered office at First Floor, 21 Bloomsbury Street, London, WC1B 3HF.

24 Post balance sheet events

There have been no material post balance sheet events and the annual report and accounts were authorised for issue on the date of certification by the Comptroller and Auditor General.







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