

THE BRITISH SPORTS TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 JULY 2020

Registered Company number: 04597192
Registered Charity number: 1095326

THE BRITISH SPORTS TRUST
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

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THE BRITISH SPORTS TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 JULY 2020

President	The Baroness Grey-Thompson DBE, DL
Directors and Trustees	D Lewis – Chair (to 9 September 2020) D Cove – Vice Chair (to 9 September 2020) S Dowling – Chair (from 9 September 2020) N Cameron (appointed 4 March 2020) – Vice Chair (from 9 September 2020) D Goggins J Lanning J Norrington E North (appointed 4 March 2020) E Spence (appointed 4 March 2020) R Ramsey M Turnbull-Kemp
Chief Executive	R Norman
Company Secretary	W Firth
Registered office	24 Linford Forum Rockingham Drive Linford Wood Milton Keynes Buckinghamshire MK14 6LY
Website	www.sportsleaders.org
Independent Auditor	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG

THE BRITISH SPORTS TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 JULY 2020

The trustees are pleased to present their annual directors' report together with the financial statements of the Trust for the year ended 31 July 2020.

These financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice effective 1 January 2019 applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and the Republic of Ireland (FRS102).

1. AIMS AND OBJECTIVES

The objects of the Trust, as set out in the charitable company's memorandum of association, are the provision or assistance in the provision of facilities, courses, training programmes and resources to enable, assist and encourage the education of persons, including those considered to be in financial hardship, in leadership, coaching and organisation of sport and physical recreation; and the general purposes of any charitable bodies, or such other purposes as shall be exclusively charitable, as the trustees, may from time to time decide.

The Trust's vision is that every young person should have the opportunity to realise their potential and have the power to improve personal employability and generate social cultural change through volunteering and motivating their peers.

2. HOW OUR ACTIVITIES DELIVER PUBLIC BENEFIT

For over 30 years the Trust, has championed the importance of behavioural and leadership skills development as an essential element in youth education and learning. More than one million young people have achieved the Trust's awards and qualifications. In the light of compelling evidence of the direct and wider benefits of its work the Trust continues to develop and promote these essential life skills.

The potential for young people to lead, engage and inspire peers and local communities is universally acknowledged and the importance, relevance and value of behavioural skills, social inclusion and engagement continues to grow.

Developing leadership and behavioural skills directly benefits the individual and enhances their life prospects and has a significant, positive impact on the wider economy. Improved skills in problem solving, team working, self-management and communication increase effectiveness and add value in all areas of endeavour.

The Trust is working hard to equip its learners with skills that ensure young people succeed in the 21st century whilst continuing to encourage active lifestyles and positive social action.

In setting out the objectives and activities of the charitable company the trustees have considered fully the Charity Commission's general guidance on public benefit.

3. SUMMARY OF ACHIEVEMENTS AND PERFORMANCE: 2019-2020

Every day the trust's qualifications, awards, resources and training help young people to realise their potential; building key transferable life skills through peer leadership and helping to develop confidence, resilience and character to overcome challenges and positively influence their future.

Despite a positive, stable and progressive initial six months pursuing our Growth strategy aimed at reaching more young people within education, the remaining six months have been dominated by Covid19, where the need for young people to acquire and demonstrate these qualities of character, resilience and confidence has never been more necessary.

In order to continue to support our learners, tutors, and centres, Covid19 has required a quantum shift in the way that we serve our users by fundamentally challenging the way we operate.

To achieve this change in such a short period has required the whole organisation to deploy the skills that are espoused in our learning namely; self-belief, teamwork, problem solving, communication and self-management.

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FOR THE YEAR ENDED 31 JULY 2020

The Covid19 national lockdown effectively 'closed' many schools and community organisations, leaving young people at home with significant limitations to education, development and social opportunities but also significantly reducing centre registrations for SLQ Sports Leaders courses.

In response, we shifted our strategic focus from 'Growth' to 'Survival' with a focus on supporting active centres to deliver home-based resilience activities to young people.

Our initial resilience activities were expanded into the 'I Can, I Am' resilience programme allowing young people to directly address the impact of Covid19 while continuing to build their life skills and combat the effects of 'toxic stress', identified by Harvard University as caused by emergency interruptions to the education of young people. The I Can, I Am programme successfully reached over 6,000 young people during lockdown.

In parallel, all SLQ Sports Leaders existing qualifications, resources, assessment materials and processes were adapted to allow current learners to complete their learning while ensuring that future programmes could be successfully delivered by centres whether this required young people to learn from home, in-person or a blend of both.

Through a series of centre engagement webinars, over 300 centres reported 97% confidence in future delivery of SLQ Sports Leaders courses following the Covid19 adapted resources, processes and protocols.

To further improve centre confidence, our 'customer journey' has rapidly moved online, ensuring that delivery adaptations remain robust and effectively engage centres and tutors without placing additional administrative burden on them.

From initial engagement, training, and delivery, through to quality assurance and learner certification, all have been adapted to remote, digital delivery in order to future-proof activity and ensure learners can continue to progress and develop whatever form 'the new normal' takes.

Investment from the Colson Trust has allowed developing of a 'real-time' digital monitoring and engagement platform named 'Skills Tracker' to take place during 2019/20. Skills Tracker is scheduled for piloting in autumn 2020 with roll-out intended for early 2021 as a free platform for centres to monitor the development of learner confidence through SLQ Sports Leaders courses. Skills Tracker will provide further insight across all SLQ Sports Leaders centres, learners, and courses and better inform our ability to innovate and add value. Skills Tracker has been developed with input from multiple active centres and our thanks in particular to Sean Doyle and Shenley Brook End for supporting this concept.

Despite the interruption to planned projects and delivery caused by Covid19, successful relationships have been maintained with key stakeholder and partners such as Sport England, Sport Ireland and Sport Wales and the Trustees and Leadership of SLQ Sports Leaders wish to record their particular thanks to Sport England for providing sector stakeholder grant funding supporting our Covid19 Survival strategy.

The trust has reacted positively in the face of considerable financial and operational challenge and has increased its' capability to support young people to develop essential life skills during this time and to support a positive future.

4. PLANS FOR FUTURE PERIODS

The Trust wants as many young people as possible to recognise their leadership potential; develop their employability and life skills and become socially-conscious role models through volunteering. It will continue to work closely with existing and new centres to deliver courses to achieve this. The Trust will continue to develop more opportunities for collaborative and innovative partnerships and to make leadership development more relevant to young people and the establishments that positively influence them.

5. FINANCIAL REVIEW

Operations and results have been impacted by the enduring Covid-19 epidemic. In the first seven months financial performance reflected the organisation's 'growth strategy'. The final five months, however, saw the closure of a large part of the customer base which has meant that operational revenue for the year is £678k, 31% lower than the prior year.

With the onset of Covid-19, in March and the associated restrictions, the organisation adopted a new strategy to adapt products to the 'new normal' and ensure that they remained available whatever the circumstances so that learners continue to acquire key skills. In practical terms this means that all areas of delivery from tutor training, moderation, certification course delivery are available on-line. This has allowed tutors to be confident that they would be able to teach and support learners whatever Covid-19 related restrictions are in place and resulted in a recovery of revenue in the Autumn term.

Whilst a skeleton team has focussed on this product development work the remaining staff joined the 'furlough' scheme. The money from this, as well as, a grant from Sport England has meant that overall income from charitable activities (operations and grants) is £2,130k (2019 £2,175k) with total income £2,167k (2019 £2,225k),

The reduction in expenses, £2,010k (2019 £2,140k) reflects the impact of Covid-19 on normal operations.

The overall surplus for the year was £158k (2019 £85k) and should be regarded as a positive result in the context of the current challenges to the Trust's activities.

Total reserves at the year-end was £1,294k. There has been a reduction in Restricted Funds of £50k reflecting the application of existing grants to the work of the Trust.

The current level of reserves is considered appropriate given the underlying seasonality of income against a cost base which is fixed in the short term and the additional, current, risks and uncertainties in the organisation's operating environment.

Investment Powers and Performance

The trustees have discretion to invest the Trust's money in accordance with the powers granted in the memorandum of association. The avoidance of risk and the safeguarding of the Trust's assets are paramount in any investment decision made by the Trustees.

Investments are held in cash deposit accounts and equity funds. Given the risk profile of the Trust and prevailing interest rates, the trustees are satisfied with the returns achieved.

Reserves Policy

The Trust aims to hold sufficient liquid reserves to ensure its continuing operation in the event of fluctuations in cash flows. The trustees regularly review the level of unrestricted reserves in the general fund by considering the risks associated with the various income streams and expenditure plans of the Trust. This enables an estimate to be made of the level of reserves that the trustees consider are sufficient to allow the Trust to meet its objectives given the risks that it faces as well as meet its' obligations. The Trustees currently consider the minimum level of reserves required £750,000

In concluding that this policy is prudent and appropriate the trustees have taken account of the following factors:

- The current level of demand for Sports Leaders awards;
- Recognition that a significant part of the Trust's expenditure is fixed in the short term;
- Income streams are variable and potentially uncertain; and
- The current economic climate.

The reserves policy is reviewed regularly and adapted to take account of changing circumstances. The net free reserves (general reserves less fixed assets) totalled £1.2m (2019: £1.0m), cash balances at 31 July 2020 were £1.58m (2019: £0.98m).

The trustees continue to monitor carefully the level of reserves. Given the seasonality of income as well as current risks and uncertainties, the Trustees are comfortable with the reserves at their current level.

6. STRUCTURE, GOVERNANCE AND MANAGEMENT

The British Sports Trust is a charity, registered with the Charity Commission, registered number 1095326.

Directors and Trustees

The Directors of the charitable company ("the Trust") are its Trustees for the purposes of charity law and throughout this report are collectively referred to as 'the trustees'.

Trustees are recruited by direct approach, introduction, or advertisement in appropriate publications. The process for the appointment of key Trustee roles of the Chair, Vice-Chair and Treasurer is made by and from existing trustees to ensure strong understanding of the work of the organisation in the Board's key personnel. New Trustees are inducted through meetings with Board members and senior staff as well as attendance at Board and Committee meetings. They are also encouraged to meet staff and experience tutor training and customer visits. Trustees follow the Sport and Recreation Alliance (SRA) Voluntary Code of Good Governance, a 'best practice' benchmark which gives a framework the application and review of all governance matters. The collective skills and experience of the Board are reviewed continually to ensure that they are sufficient to support the organisation effectively. New appointments to the Board have added experience in marketing, finance and awarding bodies.

Remuneration of Senior Staff

The trustees consider that the board of trustees and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day to day basis. All trustees give of their time freely and received no remuneration in the current or preceding year. Details of Trustees' expenses are disclosed in note 3 to the accounts.

The pay of key management personnel and other senior staff is reviewed annually by the trustees. Remuneration is benchmarked against similar roles and is linked to personal performance against agreed objectives and the performance of the organisation.

Risk Management

The trustees have overall responsibility for ensuring the Trust has appropriate systems of control, financial and otherwise. The trustees are also responsible for safeguarding the assets of the Trust and for taking reasonable steps for the prevention and detection of fraud and other irregularities. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- A long term strategic plan, annual business plan and an annual budget;
- Regular review of key performance indicators which will deliver the annual business plan to target and within budget;
- Regular review of financial results, variance from budgets and non-financial performance indicators;
- Delegation of authority and segregation of duties;
- Identification and management of risks;
- Self-evaluation of the Trust's Awarding Organisation functions in accordance with the regulatory bodies for this aspect of the Trust's work; and regular assessment and mitigation of business risk.

The systems and procedures for the management of risk are embedded in the operational and strategic management of the charity. The trustees consider that they have taken all appropriate steps to mitigate and manage these operational risks, principally through risk management processes which include strong delegation to named staff, training, stringent design and maintenance of operational procedures, and insurance of third party risks.

A special committee of the Board meets to assist and advise the Board in fulfilling its corporate governance and oversight responsibilities in relation to the management of risk, compliance with legislation and standards, its internal control structure, audit requirements and its external reporting responsibilities and the assurance of its awarding body status.

Business risk is considered and managed at all levels of the organisation. The trustees identify and manage the principal strategic risks the charity faces.

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 JULY 2020

Current key external risks relate to Covid and appear below together with their mitigation.

Covid effecting the uptake and delivery of courses and hence reducing income. This has been addressed through expense savings, external financial support and ensure learning can continue to be delivered in all teaching scenarios, including remotely.

The risk of staff illness / quarantine degrading service to customers. This has been mitigated by implementing effective home working.

The prioritisation of school/college budgets, post-Covid, leading to a financial impact. This potential has been factored into business planning whilst ensuring organisation meets market needs and pursues further funding and market opportunities. Internally the risks focus on the ability of the organisation resources to adapt and respond in an agile way to business led change.

The risk mitigation actions identified in the review process are embedded in the current strategy and monitored by the Board.

Fundraising

The Trust does not fund raise from the general public but is mindful of the code issued by the Fundraising Regulator should any fundraising activity be required in the future.

7. STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 JULY 2020

Disclosure of information to auditors

The trustees who held office at the date of approval of this Trustees' Report confirm that, so far as they are each aware, there is no relevant audit information of which the charitable company's auditors are unaware; and each trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

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

On behalf of the Board of Trustees

Shaun Dowling

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S Dowling

Chair of the Board of Trustees

Dated: 2nd December 2020.....

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE BRITISH SPORTS TRUST

Opinion

We have audited the financial statements of the British Sports Trust for the year ended 31 July 2020 which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2020 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate;
- or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE BRITISH SPORTS TRUST

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (which incorporates the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Use of this report

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

Lee Stokes (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place, London
London EC4R 1AG

Date

THE BRITISH SPORTS TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Income & Expenditure Account)

FOR THE YEAR ENDED 31 JULY 2020

	Note	Unrestricted funds £	Restricted funds £	31 July 2020 £	31 July 2019 £
Income from:					
Donations and legacies		194,053	25,000	219,053	38,157
<i>Charitable activities</i>					
Sports Leader award income		1,496,947	-	1,496,947	2,175,667
Grants		441,501	-	441,501	-
Investments		10,083	-	10,083	11,707
Total income		<u>2,142,584</u>	<u>25,000</u>	<u>2,167,584</u>	<u>2,225,531</u>
Expenditure on:					
<i>Raising funds</i>					
Costs of generating voluntary income	4	1,980	-	1,980	1,980
<i>Charitable activities</i>					
Sports Leaders awards		1,932,159	-	1,932,159	2,050,717
Other charitable expenditure	13	-	75,528	75,528	87,407
Total expenditure	4	<u>1,934,139</u>	<u>75,528</u>	<u>2,009,667</u>	<u>2,140,104</u>
Net movement in funds		208,445	(50,528)	157,917	85,427
Balances brought forward at 1 August 2019		1,037,680	98,402	1,136,082	1,050,655
Balances carried forward at 31 July 2020	13	<u><u>1,246,125</u></u>	<u><u>47,874</u></u>	<u><u>1,293,999</u></u>	<u><u>1,136,082</u></u>

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

All results derive from continuing activities in the UK.

The notes on pages 12 to 21 form part of the financial statements. Details of comparative figures by fund are given in note 15.

THE BRITISH SPORTS TRUST COMPANY NUMBER: 04597192**BALANCE SHEET****AS AT 31 JULY 2020**

	Note	2020	2019
		£	£
FIXED ASSETS			
Tangible assets	5	32,780	37,965
CURRENT ASSETS			
Debtors	7	229,454	388,358
Cash at bank and in hand		1,575,871	976,528
		<u>1,805,325</u>	<u>1,364,886</u>
CREDITORS: amounts falling due within one year	8	(308,837)	(256,490)
NET CURRENT ASSETS		1,496,488	1,108,396
CREDITORS: amounts falling due after one year	10	(215,909)	-
PROVISION FOR LIABILITIES AND CHARGES	9	(19,360)	(10,279)
NET ASSETS		<u>1,293,999</u>	<u>1,136,082</u>
FUNDS			
Unrestricted funds - General	14	1,246,125	1,037,680
Restricted funds	14	47,874	98,402
TOTAL CHARITY FUNDS		<u>1,293,999</u>	<u>1,136,082</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within part 15 of the Companies Act 2006.

The financial statements were approved and authorised for issue by the Trustees on 2nd December 2020 and were signed on their behalf by:

Shaun Dowling

.....
S Dowling
Trustee

J Lanning

.....
J Lanning
Trustee

The notes on pages 12 to 21 form part of these accounts.

THE BRITISH SPORTS TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2020

	31 July 2020		31 July 2019	
	£	£	£	£
Cash flows from operating activities:				
<i>Net cash provided by/(used in) operating activities</i>		346,752		113,044
Cash flows from investing activities:				
Dividends, interest and rent from investments	10,083		11,707	
Purchase of property, plant and equipment	(7,491)		(39,291)	
<i>Net cash provided by investing activities</i>		2,592		(27,584)
Cash flows from financing activities:				
Cash inflows from new borrowing		250,000		-
Change in cash and cash equivalents in the reporting period		599,344		85,420
Cash and cash equivalents at the beginning of the reporting period		976,528		891,108
Cash and cash equivalents at the end of the reporting period		1,575,871		976,528

Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2020 £	2019 £
Net income for the reporting Year (as per the statement of financial activities)	157,917	85,427
Adjustments for:		
Depreciation charges	12,676	5,863
Dividends, interest and rents from investments	(10,083)	(11,707)
Decrease/(increase) in debtors	158,904	(37,144)
Increase in creditors and provision	27,337	70,565
Net cash provided by/(used in) operating activities	346,752	113,004

Analysis of cash and cash equivalents	2020 £	2019 £
Cash in hand	1,575,871	976,528
Total cash and cash equivalents	1,575,871	976,528

THE BRITISH SPORTS TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2020

Reconciliation of net debt	01/08/2019 £	Cashflows £	31/07/2020 £
Cash at bank and in hand	976,528	599,343	1,575,871
CBIL Loan	-	(250,000)	(250,000)
	<hr/>	<hr/>	<hr/>
Total	976,528	349,343	1,325,871
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP effective 1 January 2019 (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

Preparation of accounts on a going concern basis

The trustees consider there are no material uncertainties about the charity's ability to continue as a going concern. The review of our financial position, reserves levels and future plans gives trustees confidence the charity remains a going concern for the foreseeable future.

The trustees believe that the Trust is well placed to manage its business risks successfully and have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Consequently, they are content to continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results ultimately may differ from those estimates.

The trustees do not consider there to be critical estimates and judgements applicable to the financial statements.

Consolidation

Consolidated accounts have not been prepared for the Trust and its subsidiary undertaking, BST Marketing Limited, under paragraph 24.12 of the Charities SORP (FRS 102) as the results of BST Marketing Limited are not material to the group (see note 6).

The Trust is exempt, by virtue of being subject to the small company's regime of the Companies Act 2006, from the requirement to prepare group financial statements. Consequently, these financial statements present information about the Trust as an individual undertaking and not its group.

THE BRITISH SPORTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

1. ACCOUNTING POLICIES (continued)

Income

Income is recognised in the period in which economic benefit passes to the charity, receipt is probable and the amount can be measured with reasonable certainty.

Charitable activities in furtherance of the Trust's objectives represents income from;

- i) Individual candidate registration fees
- ii) Packages of a discrete number of candidate registrations and tutor training products (licences, packages, introductory offers, loyalty offers)
- iii) Training products
- iv) Bespoke education services (Partnership Services)
- v) Administration fees (incl T&C)
- vi) Revenue grants
- vii) Donations and Income tax recoverable in respect of covenanted or gift aid donations.

Income is recognised as follows;

- i) Individual candidate registration fees are recognised in the period in which the candidate numbers are declared by the customer
- ii) Package fees are recognised in the period in which receipt is probable.
- iii) Training event fees are recognised in the period in which the training takes place.
- iv) Bespoke education services income is recognised in the period in which receipt is probable.
- v) Administration fees are recognised in the financial period in which receipt is probable.
- vi) Revenue grants are recognised as income when there is evidence of entitlement to the grant, receipt is probable and quantifiable and when any donor imposed conditions regarding entitlement have been met.
- vii) Donations are recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Income tax recoverable in respect of covenanted or gift aid donations is recognised when it has been received from HM Revenue and Customs.

Deferred income

Revenue grants that are received subject to donor-imposed conditions outside of the control of the Trust are only recognised as income when the conditions are met. Grants received before conditions have been fulfilled are carried forward as deferred income.

Expenditure and basis of allocation of costs

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. Expenditure is categorised according to its nature and purpose having regard to the Trust's status as a charity:

- costs of raising funds include the salaries, direct expenditure, and overhead costs associated with promotion of the Trust.
- cost of charitable activities in furtherance of the Trust's objectives, the provision of facilities, courses and training programmes, includes salary, property and other costs of running and administering the Trust. It also includes all costs associated with delivering specific projects.
- governance costs include the legal and administrative costs associated with ensuring that all legal and statutory obligations of the Trust are met.

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

THE BRITISH SPORTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets

Only assets with a value in excess of £250 are capitalised.

The cost of tangible fixed assets is written off in equal instalments over their expected useful lives to their estimated residual value as follows:

Leasehold improvements	-	over the period to the next break clause in the lease
Furniture and equipment	-	10 years
Computer equipment	-	3 - 5 years (see below)

Included within computer equipment, are website development costs which represent the design and content cost associated with the development of The British Sport Trust's website. They are capitalised only to the extent that they lead to the creation of an enduring asset delivering benefits at least equal to the amount capitalised. They are recorded in the balance sheet in the year in which they are incurred. Such costs are amortised over their useful economic life of 4 years.

Investments

The Charity has an investment in the following wholly owned subsidiaries:

Name	Status	Company number
BST Marketing Limited	Dormant	03622363
Sports Leaders UK Limited	Dormant	05620594
SQL Skills Limited	Dormant	05620595

Financial Instruments

The company only enters into basic financial instruments that results in the recognition of financial assets and liabilities like trade debtors, amounts owed by group companies, other debtors, trade creditors and other creditors. Financial assets are measured at amortised cost and are assessed at the end of each reporting period. Financial liabilities are measured at the present value of future cash flows and subsequently measured at amortised cost.

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Fund accounting

Funds held by the Trust are:

- Unrestricted funds – funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Designated funds – unrestricted funds that have been earmarked by the trustees for particular projects.
- Restricted funds – funds that can only be used for particular restricted purposes within the objects of the Trust. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

THE BRITISH SPORTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

1. ACCOUNTING POLICIES (continued)

Taxation

The British Sports Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2012 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2012 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Operating leases

Operating lease rentals are charged to the statement of financial activities on a straight-line basis over the period of the lease.

Pension benefits

The charitable company operates a defined contribution pension scheme for employees. The costs of the scheme are charged to the Statement of Financial Activities as they fall due.

Employee benefits

Short term benefits

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

Employee termination benefits

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

2. NET MOVEMENT IN FUNDS

	2020 £	2019 £
The result for the year has been arrived at after charging:		
Auditor's remuneration – audit fees	13,400	12,800
Depreciation	12,676	5,863
	<u> </u>	<u> </u>

3. STAFF COSTS

	2020 £	2019 £
Staff costs were as follows:		
Salaries and wages	1,267,897	1,252,959
Social security costs	117,101	117,356
Regular pension scheme contributions	67,252	65,295
	<u> </u>	<u> </u>
	1,452,250	1,435,610
	<u> </u>	<u> </u>
	2020	2019
	No.	No.
The monthly average number of staff employed in the period	<u>37</u>	<u>33</u>

No trustee of the Trust received any remuneration during the current or preceding period. £3,108 (2019: £3,251) was paid during the year to 4 (2019: 5) trustees as reimbursement of expenses incurred in the execution of duties on behalf of the Trust.

The following number of staff received emoluments in excess of £60,000 (excluding employer pension costs):

THE BRITISH SPORTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

3. STAFF COSTS (cont.)

	2020 No.	2019 No.
£60,001 to £70,000	-	1
£70,001 to £80,000	1	-
£80,001 to £90,000	1	1

In respect of the staff who received emoluments in excess of £60,000 the following employer contributions were paid into a defined contribution pension scheme:

31,499 £21,083

Regular pension contributions of £117,101 (2019: £117,356) were made in the period for the provision of retirement benefits under a money purchase scheme. The number of employees, at the end of the period, who were contributing to this scheme was 24(2019: 23).

Total remuneration of key management personnel for the period was £322,990 (2019: £326,121).

4. EXPENDITURE

	Direct Staff Costs £	Other Direct Costs £	Support Costs £	2020 £	2019 £
Cost of raising funds					
Cost of generating voluntary income	-	1,980	-	1,980	1,980
Charitable expenditure					
Sports leaders awards					
Awarding organisation	1,376,722	304,624	250,812	1,932,159	2,050,717
	1,376,722	304,624	250,812	1,932,159	2,050,717
Restricted funds	75,528	-	-	75,528	87,407
	1,452,250	304,624	250,812	2,007,687	2,138,124
Total expenditure	1,452,250	306,604	250,812	2,009,667	2,140,104

PRIOR YEAR EXPENDITURE

	Direct Staff Costs £	Other Direct Costs £	Support Costs £	2019 £
Cost of raising funds				
Cost of generating voluntary income	-	1,980	-	1,980
Charitable expenditure				
Sports leaders awards				
Awarding organisation	1,348,203	422,654	279,860	2,050,717
	1,348,203	422,654	279,860	2,050,717
Restricted funds	87,407	-	-	87,407
	1,435,610	422,654	279,860	2,138,124
Total expenditure	1,435,610	424,634	279,860	2,140,104

THE BRITISH SPORTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

4. EXPENDITURE (Cont.)

Staff costs are allocated based on activity. An analysis of support costs is shown below:

	2020 £	2019 £
Charitable expenditure:		
Premises and insurance	73,877	74,197
Office running costs	143,3501	178,008
Depreciation	12,676	5,863
Other	-	239
	<u>229,904</u>	<u>258,307</u>
Governance costs:		
Audit fee	13,400	12,800
Accountancy and other non-audit fees	4,400	2,100
Committee expenses	3,108	6,643
	<u>20,908</u>	<u>21,553</u>
	<u><u>250,812</u></u>	<u><u>279,860</u></u>

5. TANGIBLE FIXED ASSETS

	Furniture and Equipment £	Computer Equipment £	Total £
Cost			
At 1 August 2019	6,000	200,405	206,405
Additions	-	7,491	7,491
Disposals	-	(9,145)	(9,145)
At 31 July 2020	<u>6,000</u>	<u>198,751</u>	<u>204,751</u>
Depreciation			
At 1 August 2019	6,000	162,440	168,440
Charge for period	-	12,676	12,676
Disposals	-	(9,145)	(9,145)
At 31 July 2020	<u>6,000</u>	<u>165,971</u>	<u>171,971</u>
Net Book Value			
At 31 July 2020	<u>-</u>	<u>32,780</u>	<u>32,780</u>
At 31 July 2019	<u><u>-</u></u>	<u><u>37,965</u></u>	<u><u>37,965</u></u>

THE BRITISH SPORTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

6. INVESTMENTS

The Charity owns the whole of the ordinary share capital in the following dormant companies:

BST Marketing Limited £2 (2019: £2)
 Sports Leaders UK Limited, £2 (2019: £2)
 SQL Skills Limited, £2 (2019: £2)

The shares are fully provided for and are held at nil value.

7. DEBTORS: amounts falling due within one year

	2020	2019
	£	£
Sports Leader awards debtors	151,178	336,862
Amount due from subsidiary company	-	4,464
Other debtors	46,529	1,886
Prepayments	31,622	44,919
Accrued income	125	227
	<u>229,454</u>	<u>388,358</u>

8. CREDITORS: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	45,909	83,461
Taxation and social security	28,158	29,040
CBIL Loan	34,091	-
Other creditors	48,128	26,560
Accruals	91,654	62,374
Deferred income	60,897	55,055
	<u>308,837</u>	<u>256,490</u>
Deferred Income analysis		
Brought forward	55,055	32,900
Recognised in the period	60,897	55,055
Released in the period	(55,055)	(32,900)
	<u>60,897</u>	<u>55,055</u>

9. PROVISION FOR LIABILITIES AND CHARGES

	Short Leasehold Dilapidations £
Balance as at 1 July 2019	10,279
Movement in period	9,081
	<u>19,360</u>
Balance as at 31 July 2020	<u>19,360</u>

THE BRITISH SPORTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

10. CREDITORS: amounts falling due after more than one year

	2020 £	2019 £
CBIL Loan	215,909	-
	<u>215,909</u>	<u>-</u>
Analysis of loans		
Wholly repayable within five years	197,917	-
Wholly repayable within more than five years	52,083	-
	<u>250,000</u>	<u>-</u>
Less: included in current liabilities	34,091	-
	<u>215,909</u>	<u>-</u>
Amounts included above	<u>215,909</u>	<u>-</u>

The above CBIL loan is repayable over 72 months starting in November 2020 at a rate of interest of 2.1%.

11. PENSION COMMITMENTS

Defined contribution scheme:

The scheme invests in Scottish Widows pension funds. Contributions are made by way of a salary sacrifice. The charitable company matches member's contributions up to a maximum of 7% of pensionable salary, together with the saving in employer's national insurance.

12. COMMITMENTS

Total commitments under non-cancellable operating leases at 31 July 2020 are as follows:

	2020			2019		
	Land and Buildings £	Other £	Total £	Land and Buildings £	Other £	Total £
Operating lease payments due						
Within one year	19,500	216	19,716	26,000	864	26,864
In the second to fifth years inclusive	-	-	-	19,500	216	19,716
	<u>19,500</u>	<u>216</u>	<u>19,716</u>	<u>45,500</u>	<u>1,080</u>	<u>46,580</u>

13. RELATED PARTY TRANSACTIONS

There were no related party transactions in the current or preceding year.

THE BRITISH SPORTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

14. FUNDS

	General £	Restricted Funds £	Total £
Opening balance at 1 July 2019	1,037,680	98,402	1,136,082
Net income/(expenditure)	208,445	(50,528)	157,917
Balance as at 31 July 2020	1,246,125	47,874	1,293,999
Represented by:			
Tangible fixed assets	32,780	-	32,780
Net current assets	1,448,614	47,874	1,496,488
CREDITORS: amounts falling due after one year	(215,909)	-	(215,909)
Provisions for liabilities and charges	(19,360)	-	(19,360)
At 31 July 2020	1,246,125	47,874	1,293,999

Prior Year

	General £	Restricted Funds £	Total £
Opening balance at 1 July 2019	897,846	152,809	1,050,655
Net income/(expenditure)	139,834	(54,407)	85,427
Balance as at 31 July 2019	1,037,680	98,402	1,136,082
Tangible fixed assets	37,965		37,965
Net current assets	1,009,994	98,402	1,108,396
Provisions for liabilities and charges	(10,279)		(10,279)
At 31 July 2019	1,037,680	98,402	1,136,082

Unrestricted funds: represent funds which the Trustees are free to use in accordance within the charitable objects.

General funds: represent funds which the Trustees are free to use in accordance within the charitable objects.

Designated funds: are unrestricted funds which have been ring fenced by the Trustees' to support specific projects: principally for the delivery of Sports Leaders courses to disadvantaged individuals, some in deprived areas.

Restricted funds consist of donations made for specific purposes:

Gannochy Trust/Robertson Trust

The funds from these donors were provided to further support project work with the disadvantaged in Scotland.

Sports Council of Wales

This fund is restricted to supporting work and projects in Wales.

Mulberry Trust

This fund is restricted to supporting work and projects in Scotland.

THE BRITISH SPORTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

14. FUNDS (cont.)

Year Ended July 2020

Donor	Balance b/f £	Income £	Expenditure £	Balance c/f £
Mulberry Trust – Scottish Projects Officer	3,948		(3,948)	-
Sports Council of Wales	-	25,000	(25,000)	-
Robertson Trust	6,250	-	(6,250)	-
Colson Fellowship Trust	88,204		(40,329)	47,874
	<u>98,402</u>	<u>25,000</u>	<u>(75,528)</u>	<u>47,874</u>

Year Ended July 2019

Donor	Balance b/f £	Income £	Expenditure £	Balance c/f £
Gannochy Trust	-	-	(2,500)	-
Mulberry Trust	3,948	8,000	(6,719)	3,948
Sports Council of Wales	-	10,000	(27,916)	-
Robertson Trust	6,250	15,000	(13,750)	6,250
Colson Fellowship Trust	88,204	-	(36,522)	88,204
	<u>98,402</u>	<u>33,000</u>	<u>(87,407)</u>	<u>98,402</u>

15. COMPANY LIMITED BY GUARANTEE

The charitable company is limited by guarantee and has no share capital. In the event of a winding up, every member undertakes to contribute an amount not exceeding £10 to the assets of the charitable company.

THE BRITISH SPORTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

16. ACTIVITIES BY FUND IN THE PREVIOUS YEAR

	Unrestricted funds £	Restricted funds £	31 July 2019 £
Income from:			
Donations and legacies	5,157	33,000	38,157
<i>Charitable activities</i>			
Sports Leader award income	2,175,667	-	2,175,667
Investments	11,707	-	11,707
Total income	2,192,531	33,000	2,225,531
Expenditure on:			
<i>Raising funds</i>			
Costs of generating voluntary income	1,980	-	1,980
<i>Charitable activities</i>			
Sports Leaders awards	2,050,717	-	2,050,717
Other charitable expenditure	-	87,407	87,407
Total expenditure	2,052,697	87,407	2,140,104
Net movement in funds	139,834	(54,407)	85,427
Balances brought forward at 1 August 2018	897,846	152,809	1,050,655
Balances carried forward at 31 July 2019	1,037,680	98,402	1,136,082

Y/E Accounts.

Final Audit Report

2020-11-26

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