

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

**Report of the Trustees and  
Audited Financial Statements for the Year Ended 31st March 2020  
for  
Sports Partnership Herefordshire And  
Worcestershire  
Trading as Active Herefordshire & Worcestershire**

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

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

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for the Year Ended 31st March 2020**

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

**Reference and Administrative Details  
for the Year Ended 31st March 2020**

<b>TRUSTEES</b>	L M Fish A G Gilmour F B Howie (Vice Chair) (resigned 1.12.20) S M Scriven D J Strutt J H W Teal (Chair) J J O'Toole R Widdowson S M Hart Director
<b>COMPANY SECRETARY</b>	S L Brewster
<b>REGISTERED OFFICE</b>	Hines Building University of Worcester Henwick Grove Worcester Worcestershire WR2 6AJ
<b>REGISTERED COMPANY NUMBER</b>	08822764 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	1184297
<b>INDEPENDENT AUDITORS</b>	The Richards Sandy Partnership Ltd (Statutory Auditor) Thorneloe House 25 Barbourne Road Worcester Worcestershire WR1 1RU
<b>CHIEF EXECUTIVE OFFICER</b>	S L Brewster
<b>BANKERS</b>	Lloyds Bank 4 The Cross Worcester WR1 3PY

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

**Report of the Trustees  
for the Year Ended 31st March 2020**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

The charity's objects are:

- the advancement of amateur sport for the benefit of local communities in England, and primarily Herefordshire and Worcestershire;
- to promote the physical and mental health and wellbeing of members of the public in the area of benefit by the provision or assistance with the provision of facilities for sport, exercise and physical and training; and
- to advance the education of the public in the area of benefit with regard to sport science, sport and physical activity, including by carrying out, facilitating and/or enabling research into the benefits of sports and physical activity and the publication of the useful results of such research.

### **Significant activities**

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

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

- **School Games**  
A programme funded by Sport England National Lottery funding, designed to deliver competitive school sport to all young people.
- **Satellite Clubs**  
Establishes new and regular opportunities for inactive young people aged 14-19 to participate in sport or physical activity.
- **Primary PE & School Sport**  
Uses funding from Sport England to support local, eligible schools to spend their PPSP funding effectively.
- **Workforce**  
Provides training and support for volunteering and professional sports coaches.
- **Postural Stability Instruction (PSI)**  
Exercise classes aimed at preventing falls in older people.
- **Active Lives Survey**  
The Active Lives Survey (ALS) for Children and Young people is undertaken to gain a detailed insight into the current physical activity habits of the nation's children and young people (aged 5 to 16).

### **Grantmaking**

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

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

### **Volunteers**

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

**Sports Partnership Herefordshire And  
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**Report of the Trustees  
for the Year Ended 31st March 2020**

**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities**

The charity achieved all key performance indicators across its Sport England funded programmes. The largest being school games. Whilst the summer events across both counties went ahead, exceeding previous years attendances, due to the coronavirus outbreak the winter events were cancelled.

We were successful in a re-application to Worcestershire Council Council to run the postural stability instruction programme. Working in partnership with the council we adapted the programme to be more accessible and flexible, complementing face to face instruction with a home exercise programme.

We were also successful in an application to the Community Lottery Fund for a project to use physical activity as a way of reducing loneliness and isolation focused on our more rural communities. This is a four-year project working across both counties in collaboration with key partners.

During the year the charity received charitable status with Charity Commissions.

**Fundraising activities**

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

**FINANCIAL REVIEW**

**Financial position**

At the year end the charity had unrestricted reserves of £635,253 (2019 - £676,846), including designated reserves of £395,900 (2019 - £400,000) and restricted reserves of £235,460 (2019 - £175,929).

**Principal funding sources**

The charity is currently very dependent on Sport England funding to fulfil its objects. Sport England Funding accounted for 66% (2019 - 67%) of the charity's total income.

**Reserves policy**

Most of the charity's restricted fund income is received as a single annual grant for a period that overlaps the financial year end of the charity, so that at the year end the charity has received (or has accrued for) grant income that is partly to be spent in the first part of the next financial year. All restricted funds relating to specific project held at the year end is planned to be expended by the end of the annual grant period to which such funding relates.

The charity has the following designated funds:

- **Operational Reserve**

The trustees have agreed to put reserves to one side so that if significant funding is lost time is allocated to seek alternatives. If alternative sources of funding are not secured and the charity had to be wound down this can be managed and any commitments honoured. This includes salaries, commitments to stakeholders and that obligations to programme. The level of this reserve is set at £250,000 (2019 - £250,000), based on approx. 6 month's budgeted expenditure (excluding some activities funded by fund providers other than Sports England).

- **Redundancy Fund**

Redundancy costs not an eligible cost for any of the grants / contract that the charity currently run. In order to ensure that, in the event that the charity needs to cease operations, redundancies are fully funded, the charity has set aside an additional amount of £50,000 (2019 - £50,000).

- **Pension Fund**

When the charity was created a number of staff TUPEd across from Worcester City Council. As part of the TUPE transfer, the charity became a member of the Worcestershire Local Government Pension Scheme (a defined benefit scheme). At the point of transfer Worcester City Council absorbed the pension deficits relating to these staff, on the understanding that all future liabilities were the responsibility of the charity. Pension liabilities are calculated every three years via the LGPS actuary report. The charity has set a further amount aside to mitigate against any fluctuations in the schemes value, currently set at £95,900 (2019 - £100,000).

In addition, Sports England annual funding is usually received 7 months after the start of the annual period to which it relates, so the charity is required to hold cash reserves to fund all related expenditure prior to the receipt of this funding.

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

**Report of the Trustees  
for the Year Ended 31st March 2020**

**FINANCIAL REVIEW**

At the year end the charity had general unrestricted reserves of £239,353 (2019 - £276,846). The trustees of the charity plan to use these funds as follows:

- As some grants are dependent on performance, a level of contingency is required to manage cash flow and unexpected events. £100,000 is allocated for this purpose.
- Three significant non-sport England sources of funding ended within the current financial year. To continue the charity's current level of operation within these work areas, a commitment of £50,000 has been allocated to cover salaries, on costs and operation commitments for an additional year whilst contracts are being re-commissioned and to allow time to seek alternatives.
- The remaining fund are to be designated for projects as yet not defined. These will be subject to board approval on a project by project case.

**Going concern**

The charity's core funding agreement with Sports England is expected to continue for the foreseeable future, although this is susceptible to changes in government policy.

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

**Covid-19**

Some of the operations of the charity have postponed or adapted due to the coronavirus outbreak.

Two of the charity's major funders (Sport England and Community Lottery Fund) were quick to confirm that all existing funding was secure and could be re-purposed to support the community in staying active. All KPIs have also been suspended as face o face delivery has been suspended.

Our face to face delivery of the postural stability instruction programme has been suspended, but with the support of the funder (Worcestershire County Council) the resources re-purposed to support the Here2Help initiative.

Income generated through delivery will be significantly impacted but this has been mitigated with additional grants from Sport England in tackling inequalities.

The charity's staff have started working from home, as the charity's office at the University of Worcester has been closed down for the duration of the outbreak.

**FUTURE PLANS**

The Sports Partnership Herefordshire and Worcestershire (SPHW) have been successful in securing 'Primary' and 'Programme' funding from Sport England which runs until March 2021. Other significant grants / commissions include:

- Strength and Balance contract via Worcestershire County Council (recommissioned September 2019 running until September 2022)
- Youth Engagement Project commission by the Police and Crime Commissioner (PCC - until March 2020 currently going through a retendering process)
- Macmillan - Move More Project (ends November 2019)
- This Community Can't a Community Lottery Grant

All contracts / grants are time limited, some have the potential to be re-commissioned and some will not, consequently long / medium term planning remains a challenge.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

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

**Sports Partnership Herefordshire And  
Worcestershire  
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**Report of the Trustees  
for the Year Ended 31st March 2020**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Recruitment and appointment of new trustees**

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

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

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

**Organisational structure**

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

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

**Induction and training of new trustees**

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

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

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

The Partnership will support trustee development within available resources.

**Key management remuneration**

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

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

**Trustee indemnity provisions**

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

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

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

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

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

**Sports Partnership Herefordshire And  
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**Report of the Trustees  
for the Year Ended 31st March 2020**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued**

In so far as the trustees are aware:

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

**AUDITORS**

The auditors, The Richards Sandy Partnership Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

Approved by order of the board of trustees on 1st December 2020 and signed on its behalf by:

J H W Teal - Trustee



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

**Opinion**

We have audited the financial statements of Sports Partnership Herefordshire And Worcestershire (the 'charitable company') for the year ended 31st March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 24 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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 Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

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

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

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

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

**Responsibilities of trustees**

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

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

**Our responsibilities for the audit of the financial statements**

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

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Use of our report**

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

Nicholas Paul Sandy FCA (Senior Statutory Auditor)  
for and on behalf of The Richards Sandy Partnership Ltd  
(Statutory Auditor)  
Thorneloe House  
25 Barbourne Road  
Worcester  
Worcestershire  
WR1 1RU

1st December 2020

**Note:**

The maintenance and integrity of the Sports Partnership Herefordshire And Worcestershire website is the responsibility of the trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

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

**Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the Year Ended 31st March 2020**

	Notes	Unrestricted funds £	Restricted funds £	<b>2020 Total funds £</b>	2019 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	3	6,660	287,377	294,037	303,050
<b>Charitable activities</b>					
Sports Delivery and Participation	6	-	298,271	298,271	238,370
Postural Stability		69,223	-	69,223	84,487
Training and Workforce		-	48,000	48,000	48,000
Other trading activities	4	33,194	495	33,689	40,438
Investment income	5	200	-	200	201
<b>Total</b>		<u>109,277</u>	<u>634,143</u>	<u>743,420</u>	<u>714,546</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Sports Delivery and Participation	7	62,153	528,753	590,906	514,193
Postural Stability		75,774	-	75,774	78,567
Training and Workforce		7,849	50,953	58,802	56,557
<b>Total</b>		<u>145,776</u>	<u>579,706</u>	<u>725,482</u>	<u>649,317</u>
<b>NET INCOME/(EXPENDITURE)</b>		<u>(36,499)</u>	<u>54,437</u>	<u>17,938</u>	<u>65,229</u>
<b>Transfers between funds</b>	22	<u>(5,094)</u>	<u>5,094</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		<u>(41,593)</u>	<u>59,531</u>	<u>17,938</u>	<u>65,229</u>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		676,846	175,929	852,775	787,546
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>635,253</u></u>	<u><u>235,460</u></u>	<u><u>870,713</u></u>	<u><u>852,775</u></u>

The notes form part of these financial statements

**Sports Partnership Herefordshire And  
Worcestershire  
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**Balance Sheet  
31st March 2020**

	Notes	2020 £	2019 £
<b>FIXED ASSETS</b>			
Tangible assets	16	<b>6,890</b>	10,119
<b>CURRENT ASSETS</b>			
Debtors	17	<b>532,956</b>	184,168
Cash at bank		<b>373,265</b>	679,063
		<b>906,221</b>	863,231
<b>CREDITORS</b>			
Amounts falling due within one year	18	<b>(39,598)</b>	(20,575)
<b>NET CURRENT ASSETS</b>		<b>866,623</b>	842,656
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>873,513</b>	852,775
<b>CREDITORS</b>			
Amounts falling due after more than one year	19	<b>(2,800)</b>	-
<b>NET ASSETS</b>		<b>870,713</b>	852,775
<b>FUNDS</b>	22		
Unrestricted funds		<b>635,253</b>	676,846
Restricted funds		<b>235,460</b>	175,929
<b>TOTAL FUNDS</b>		<b>870,713</b>	852,775

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

The financial statements were approved by the Board of Trustees and authorised for issue on 1st December 2020 and were signed on its behalf by:

J H W Teal - Trustee

**Sports Partnership Herefordshire And  
Worcestershire  
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**Cash Flow Statement  
for the Year Ended 31st March 2020**

	Notes	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(305,932)	243,397
Tax paid		(66)	(50)
Net cash (used in)/provided by operating activities		<u>(305,998)</u>	<u>243,347</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		-	(764)
Interest received		200	201
Net cash provided by/(used in) investing activities		<u>200</u>	<u>(563)</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>679,063</u>	<u>436,279</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>373,265</u></u>	<u><u>679,063</u></u>

The notes form part of these financial statements

**Sports Partnership Herefordshire And  
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**Notes to the Cash Flow Statement  
for the Year Ended 31st March 2020**

<b>1.</b>	<b>RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2020</b>	2019
		<b>£</b>	<b>£</b>
	<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	<b>17,938</b>	65,229
	<b>Adjustments for:</b>		
	Depreciation charges	<b>3,229</b>	4,470
	Interest received	<b>(200)</b>	(201)
	(Increase)/decrease in debtors	<b>(348,788)</b>	190,331
	Increase/(decrease) in creditors	<b>21,889</b>	(16,432)
	<b>Net cash (used in)/provided by operations</b>	<b>(305,932)</b>	243,397
		<u><u>          </u></u>	<u><u>          </u></u>
<b>2.</b>	<b>ANALYSIS OF CHANGES IN NET FUNDS</b>		
		At 1.4.19	Cash flow
		£	£
	<b>Net cash</b>		<b>At 31.3.20</b>
	Cash at bank	<b>679,063</b>	<b>(305,798)</b>
		<u>          </u>	<u>          </u>
		<b>679,063</b>	<b>(305,798)</b>
		<u>          </u>	<u>          </u>
	<b>Total</b>	<b>679,063</b>	<b>(305,798)</b>
		<u><u>          </u></u>	<u><u>          </u></u>

The notes form part of these financial statements

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

**Notes to the Financial Statements  
for the Year Ended 31st March 2020**

**1. ACCOUNTING POLICIES**

**BASIS OF PREPARING THE FINANCIAL STATEMENTS**

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

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

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

**CHANGES IN ACCOUNTING POLICIES ON FIRST-TIME ADOPTION OF CHARITIES SORP**

On the first-time adoption of Charities SORP (FRS 102) the charity is required to change its accounting policy in regard to grant recognition from the accrual model to the performance model.

Under the performance model, grant income is recognised when the grants are receivable, where the point that the grant becomes receivable may be dependent on meeting performance related conditions. Restrictions in use imposed by the donor on the grant money received is not considered a performance related condition.

Under the accruals basis grant income is recognised in income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate.

The comparatives have been restated in line with the new accounting policy. See note 26 for further details.

**GOING CONCERN**

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

**INCOME**

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

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

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

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

**EXPENDITURE**

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

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

**Sports Partnership Herefordshire And  
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**Notes to the Financial Statements - continued  
for the Year Ended 31st March 2020**

**1. ACCOUNTING POLICIES - continued**

**ALLOCATION AND APPORTIONMENT OF COSTS**

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

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

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

**TANGIBLE FIXED ASSETS**

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

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

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

**TAXATION**

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

**FUND ACCOUNTING**

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

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

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

**OPERATING LEASES**

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

**PENSION COSTS**

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

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

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



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**Notes to the Financial Statements - continued  
for the Year Ended 31st March 2020**

**1. ACCOUNTING POLICIES - continued**

**PENSION COSTS**

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

**FINANCIAL INSTRUMENTS**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all of its financial instruments.

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

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

**Basic Financial Assets**

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

**Basic Financial Liabilities**

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

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

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

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

**Critical areas of judgement**

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

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

**Sports Partnership Herefordshire And  
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**Notes to the Financial Statements - continued  
for the Year Ended 31st March 2020**

**3. DONATIONS AND LEGACIES**

	<b>2020</b>	2019
	£	£
Grants	<b>294,037</b>	303,050

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

	<b>2020</b>	2019
	£	£
Sport England	<b>217,933</b>	237,590
Police Crime and Comm West Mercia	<b>35,905</b>	35,905
Worcestershire County Council	<b>20,000</b>	-
Macmillan Cancer Support	<b>13,539</b>	18,735
Wychavon District Council	<b>6,660</b>	6,660
Wyre Forest District Council	-	4,160
	<b>294,037</b>	303,050

**4. OTHER TRADING ACTIVITIES**

	<b>2020</b>	2019
	£	£
Course income	<b>12,059</b>	14,415
PSI takings	<b>12,619</b>	17,666
Commercial income	<b>9,011</b>	8,357
	<b>33,689</b>	40,438

**5. INVESTMENT INCOME**

	<b>2020</b>	2019
	£	£
Bank interest	<b>200</b>	201

**6. INCOME FROM CHARITABLE ACTIVITIES**

		<b>2020</b>	2019
	Activity	£	£
Grants and contract income	Sports Delivery and Participation	<b>298,271</b>	238,370
Grants and contract income	Postural Stability	<b>69,223</b>	84,487
Grants and contract income	Training and Workforce	<b>48,000</b>	48,000
		<b>415,494</b>	370,857

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

	<b>2020</b>	2019
	£	£
Sport England	<b>275,349</b>	274,822
Worcestershire County Council	<b>69,223</b>	81,000
Big Lottery	<b>68,248</b>	-
Macmillan Cancer Support	<b>1,174</b>	7,298
Herefordshire Council	-	3,487
Special Olympics Great Britain	-	2,500
Lawn Tennis Association	<b>1,500</b>	750
Oakland Foundation Limited	-	1,000
	<b>415,494</b>	370,857

**Sports Partnership Herefordshire And  
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**Notes to the Financial Statements - continued  
for the Year Ended 31st March 2020**

**7. CHARITABLE ACTIVITIES COSTS**

	Direct Costs (see note 8) £	Grant funding of activities (see note 9) £	Support costs (see note 10) £	Totals £
Sports Delivery and Participation	128,613	88,044	374,249	590,906
Postural Stability	47,368	-	28,406	75,774
Training and Workforce	13,648	14,242	30,912	58,802
	<u>189,629</u>	<u>102,286</u>	<u>433,567</u>	<u>725,482</u>

**8. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	2020 £	2019 £
Equipment	9,380	7,318
Venue hire	9,668	11,483
Coaching and tutor fees	30,685	35,334
Programme management	82,012	80,588
Courses	16,024	9,733
Hospitality and refreshments	4,596	3,106
Design and printing	5,852	6,693
Licences and subscriptions	-	660
Photography and videography	8,280	6,850
Branded merchandise	21,107	25,128
Bad debts	-	175
Depreciation	2,025	2,700
	<u>189,629</u>	<u>189,768</u>

**9. GRANTS PAYABLE**

	2020 £	2019 £
Sports Delivery and Participation	88,044	39,099
Training and Workforce	14,242	6,545
	<u>102,286</u>	<u>45,644</u>

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

	2020 £	2019 £
Ignite CIC	24,151	-
Freedom Leisure	6,464	4,536
Heart of Worcestershire College	6,600	-
Whitecross Hereford	5,700	3,500
Sundry small grants (less than £5,000 each)	59,371	37,608
	<u>102,286</u>	<u>45,644</u>

**Sports Partnership Herefordshire And  
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**Notes to the Financial Statements - continued  
for the Year Ended 31st March 2020**

**10. SUPPORT COSTS**

	Management £	Governance costs £	Totals £
Sports Delivery and Participation	367,339	6,910	374,249
Postural Stability	28,406	-	28,406
Training and Workforce	30,912	-	30,912
	<u>426,657</u>	<u>6,910</u>	<u>433,567</u>

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

				2020	2019
	Sports Delivery and Participation £	Postural Stability £	Training and Workforce £	Total activities £	Total activities £
Wages	239,052	28,112	30,000	297,164	277,865
Social security	25,799	-	-	25,799	24,827
Pensions	40,065	-	-	40,065	34,378
Rent	11,485	-	-	11,485	11,381
Insurance	2,386	-	-	2,386	2,159
Telephone	1,304	-	-	1,304	2,333
Postage and office supplies	5,532	-	-	5,532	4,694
Advertising and marketing	13,116	294	-	13,410	7,928
Sundries	39	-	-	39	1,849
Subscriptions	3,835	-	-	3,835	2,839
Other support costs	23,522	-	912	24,434	35,400
Depreciation	1,204	-	-	1,204	1,770
Auditors' remuneration	3,240	-	-	3,240	1,920
Auditor's fees for other services	3,670	-	-	3,670	4,562
	<u>374,249</u>	<u>28,406</u>	<u>30,912</u>	<u>433,567</u>	<u>413,905</u>

**11. NET INCOME/(EXPENDITURE)**

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

	2020 £	2019 £
Auditors' remuneration	3,240	1,920
Auditor's fees for other services	3,670	4,562
Depreciation - owned assets	3,229	4,470
Other operating leases	11,485	11,381
	<u>11,485</u>	<u>11,381</u>

**Sports Partnership Herefordshire And  
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**Notes to the Financial Statements - continued  
for the Year Ended 31st March 2020**

**12. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31st March 2020 nor for the year ended 31st March 2019.

**TRUSTEES' EXPENSES**

There were no trustees' expenses paid for the year ended 31st March 2020 nor for the year ended 31st March 2019.

**13. STAFF COSTS**

	<b>2020</b>	2019
	£	£
Wages and salaries	<b>297,164</b>	277,865
Social security costs	<b>25,799</b>	24,827
Other pension costs	<b>40,065</b>	34,378
	<u><b>363,028</b></u>	<u>337,070</u>

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

	<b>2020</b>	2019
	13	12
Average number of employees	<u>13</u>	<u>12</u>

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

Total remuneration (including employer pension costs) paid to key management personnel totalled £72,544 (2019 - £70,966).

**14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	10,820	292,230	303,050
<b>Charitable activities</b>			
Sports Delivery and Participation	1,000	237,370	238,370
Postural Stability	84,487	-	84,487
Training and Workforce	-	48,000	48,000
Other trading activities	39,828	610	40,438
Investment income	201	-	201
<b>Total</b>	<u>136,336</u>	<u>578,210</u>	<u>714,546</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Sports Delivery and Participation	88,372	425,821	514,193
Postural Stability	78,567	-	78,567
Training and Workforce	14,027	42,530	56,557
<b>Total</b>	<u>180,966</u>	<u>468,351</u>	<u>649,317</u>
<b>NET INCOME/(EXPENDITURE)</b>	<u>(44,630)</u>	<u>109,859</u>	<u>65,229</u>

**Sports Partnership Herefordshire And  
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**Notes to the Financial Statements - continued  
for the Year Ended 31st March 2020**

**14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	721,477	66,069	787,546
<b>TOTAL FUNDS CARRIED FORWARD</b>	676,847	175,928	852,775

**15. CORPORATION TAX**

The charity registered as a charity on 8 July 2019. Following this it is exempt from corporation tax on its charitable activities. In previous years the charity paid corporation tax on its trading activities, with its non-trading activities deemed exempt from corporation tax due to the mutual trading exemption.

The total corporation tax charge for the year was £nil (2019 - £66).

**16. TANGIBLE FIXED ASSETS**

	Sports equipment £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>				
At 1st April 2019 and 31st March 2020	14,400	1,400	5,102	20,902
<b>DEPRECIATION</b>				
At 1st April 2019	6,300	735	3,748	10,783
Charge for year	2,025	133	1,071	3,229
At 31st March 2020	8,325	868	4,819	14,012
<b>NET BOOK VALUE</b>				
At 31st March 2020	6,075	532	283	6,890
At 31st March 2019	8,100	665	1,354	10,119

**17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Trade debtors	8,494	7,760
Accrued income	495,992	168,967
Prepayments	28,470	7,441
	532,956	184,168

**Sports Partnership Herefordshire And  
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**Notes to the Financial Statements - continued  
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**18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>30,218</b>	4,068
Corporation tax	-	66
Pension creditor (see note 25)	<b>1,300</b>	-
Deferred income	-	1,030
Accrued expenses	<b>8,080</b>	15,411
	<u><b>39,598</b></u>	<u>20,575</u>

Deferred income relates to future course income received in advance.

**19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Pension creditor (see note 25)	<u><b>2,800</b></u>	<u>-</u>

**20. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Within one year	<u><b>2,165</b></u>	<u>2,125</u>

**21. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Restricted funds</b>	<b>Designated funds</b>	<b>General unrestricted funds</b>	<b>Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	-	-	6,890	<b>6,890</b>
Debtors	517,398	-	15,558	<b>532,956</b>
Cash at bank	48,640	324,625	-	<b>373,265</b>
Creditors - due within 1 year	(6,775)	(1,300)	(31,523)	<b>(39,598)</b>
Creditors - due after 1 year	-	(2,800)	-	<b>(2,800)</b>
Inter-fund loans	(323,803)	75,375	248,428	-
Total funds	<u>225,460</u>	<u>395,900</u>	<u>239,353</u>	<u><b>870,713</b></u>

Sports England issued annual grants to the charity covering the period September 2019 to August 2020 which were received by the charity in April 2020. Because of this, the charity used cash held allocated to unrestricted and designated funds to pay for restricted fund expenditure relating to these Sports England grants for the period September 2019 to March 2020. This has been accounted for as inter-fund loans in the above table.

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**Notes to the Financial Statements - continued  
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**22. MOVEMENT IN FUNDS**

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
<b>Unrestricted funds</b>				
General fund	276,846	(32,399)	(5,094)	239,353
Designated fund	250,000	-	-	250,000
Redundancy fund	50,000	-	-	50,000
Pension fund	100,000	(4,100)	-	95,900
	<u>676,846</u>	<u>(36,499)</u>	<u>(5,094)</u>	<u>635,253</u>
<b>Restricted funds</b>				
Core	28,635	19,397	-	48,032
Satellite Clubs	50,855	2,978	-	53,833
Workforce	4,317	3,397	-	7,714
Primary School Funding	17,901	(9,150)	-	8,751
School Games Worcestershire	32,723	(4,762)	-	27,961
School Games Herefordshire	32,722	6,946	-	39,668
Other Youth Development	3,167	2,466	-	5,633
Macmillan	-	1,212	-	1,212
DfE (CYP)	1,257	(6,351)	5,094	-
Active Communities fund	-	42,656	-	42,656
Special Olympics Hereford	4,352	(4,352)	-	-
	<u>175,929</u>	<u>54,437</u>	<u>5,094</u>	<u>235,460</u>
<b>TOTAL FUNDS</b>	<u><u>852,775</u></u>	<u><u>17,938</u></u>	<u><u>-</u></u>	<u><u>870,713</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	109,277	(141,676)	(32,399)
Pension fund	-	(4,100)	(4,100)
	<u>109,277</u>	<u>(145,776)</u>	<u>(36,499)</u>
<b>Restricted funds</b>			
Core	251,472	(232,075)	19,397
Satellite Clubs	95,856	(92,878)	2,978
Workforce	40,000	(36,603)	3,397
Primary School Funding	41,987	(51,137)	(9,150)
School Games Worcestershire	46,001	(50,763)	(4,762)
School Games Herefordshire	45,499	(38,553)	6,946
Other Youth Development	35,905	(33,439)	2,466
Macmillan	1,174	38	1,212
DfE (CYP)	8,001	(14,352)	(6,351)
Active Communities fund	68,248	(25,592)	42,656
Special Olympics Hereford	-	(4,352)	(4,352)
	<u>634,143</u>	<u>(579,706)</u>	<u>54,437</u>
<b>TOTAL FUNDS</b>	<u><u>743,420</u></u>	<u><u>(725,482)</u></u>	<u><u>17,938</u></u>



**Sports Partnership Herefordshire And  
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**Notes to the Financial Statements - continued  
for the Year Ended 31st March 2020**

**22. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.4.18 £	Net movement in funds £	At 31.3.19 £
<b>Unrestricted funds</b>			
General fund	321,477	(44,631)	276,846
Designated fund	250,000	-	250,000
Redundancy fund	50,000	-	50,000
Pension fund	100,000	-	100,000
	<u>721,477</u>	<u>(44,631)</u>	<u>676,846</u>
<b>Restricted funds</b>			
Core	33,367	(4,732)	28,635
Satellite Clubs	17,454	33,401	50,855
Workforce	-	4,317	4,317
Primary School Funding	9,073	8,828	17,901
School Games Worcestershire	2,473	30,250	32,723
School Games Herefordshire	1,327	31,395	32,722
Other Youth Development	-	3,167	3,167
DfE (CYP)	-	1,257	1,257
Special Olympics Hereford	2,375	1,977	4,352
	<u>66,069</u>	<u>109,860</u>	<u>175,929</u>
<b>TOTAL FUNDS</b>	<u>787,546</u>	<u>65,229</u>	<u>852,775</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	136,336	(180,967)	(44,631)
<b>Restricted funds</b>			
Core	256,326	(261,058)	(4,732)
Satellite Clubs	94,835	(61,434)	33,401
Workforce	40,074	(35,757)	4,317
Primary School Funding	42,467	(33,639)	8,828
School Games Worcestershire	45,376	(15,126)	30,250
School Games Herefordshire	45,374	(13,979)	31,395
Other Youth Development	35,905	(32,738)	3,167
Macmillan	7,298	(7,298)	-
DfE (CYP)	8,000	(6,743)	1,257
Special Olympics Hereford	2,555	(578)	1,977
	<u>578,210</u>	<u>(468,350)</u>	<u>109,860</u>
<b>TOTAL FUNDS</b>	<u>714,546</u>	<u>(649,317)</u>	<u>65,229</u>

**PURPOSE OF DESIGNATED FUNDS**

**Operational reserve fund**

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

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

**Sports Partnership Herefordshire And  
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**Notes to the Financial Statements - continued  
for the Year Ended 31st March 2020**

**22. MOVEMENT IN FUNDS - continued**

**Redundancy fund**

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

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

**Pension fund**

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

Following the triennial full actuarial valuation as at 31 March 2019 of the LGPS that relates to the charity, the charity has made suitable provisions for their requirements to pay lump sum contributions for the next 3 years. The remaining balance in this designated fund is not expected to be expended for at least another 3 years.

**PURPOSE OF RESTRICTED FUNDS**

**Core fund**

Funding received from Sport England towards salaries and on-costs.

**Satellite Clubs fund**

Funds to establish new and regular opportunities for inactive people aged 14-19 to participate in sport or physical activity.

**Workforce fund**

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

**Primary School Funding**

The Primary PE and Sport Premium (PPSP) is ring fenced money to primary schools in order to improve the quality of primary PE; this funding has been committed by the Government until 2020. A significant focus of the premium is how it can be used to provide sustained development of sport, physical activity and PE within schools.

**Strong and Steady Exercise Programme fund**

Funding to deliver the Council's strength and balance postural stability exercise programme. Income is generated through a participation fee each week.

**School Games Worcestershire and School Games Herefordshire funds**

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

**Other Youth Development fund**

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

**Macmillan fund**

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

**DfE (CYP) fund**

Exchequer funding for training Volunteer leaders and coaches within schools/colleges.

**Active Communities fund**

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

**Sports Partnership Herefordshire And  
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**Notes to the Financial Statements - continued  
for the Year Ended 31st March 2020**

**22. MOVEMENT IN FUNDS - continued**

**TRANSFERS BETWEEN FUNDS**

During the year £5,094 (2019 - £nil) was transferred from the general fund to DfE (CYP) fund in order to cover the deficit in the year on that fund.

**23. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31st March 2020.

**24. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES**

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

**25. PENSION COMMITMENTS**

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

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The agreed contribution rates for future years are 21.5% per cent for employers, with employees paying variable rates depending on their level of gross wages received each month. In addition the charity is scheduled to pay the LGPS £4,100 (2019 - £nil) in additional lump sum top up payments to cover their share of the pension scheme's deficit, payable over the next 3 years. These costs have been accrued for in the financial statements.

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

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Creditors: amounts falling due within one year (note 18)	<b>1,300</b>	-
Creditors: amounts falling due after more than one year (note 19)	<b>2,800</b>	-
	<u><b>4,100</b></u>	<u>-</u>
 Multi-employee defined benefit schemes - lump sum top-up payments	 <b>4,100</b>	 -
	<u><b>4,100</b></u>	<u>-</u>

Employer pension costs for the year were as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Multi-employee defined benefit schemes	<b>18,938</b>	18,723
Multi-employee defined benefit schemes - lump sum top-up payments	<b>4,100</b>	-
Defined contribution schemes	<b>17,027</b>	15,655
	<u><b>40,065</b></u>	<u>34,378</u>

**Sports Partnership Herefordshire And  
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**Notes to the Financial Statements - continued  
for the Year Ended 31st March 2020**

**26. CHANGE IN ACCOUNTING POLICY OF FIRST TIME ADOPTION OF CHARITIES SORP**

On adoption of Charities SORP (FRS 102) the charity is required to change its accounting policy in regard to grant recognition from the accrual model to the performance model.

Under the performance model, grant income is recognised when the grants are receivable, where the point that the grant becomes receivable may be dependent on meeting performance related conditions. Restrictions in use imposed by the donor on the grant money received is not considered a performance related condition.

Under the accruals basis grant income is recognised in income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate.

The comparatives have been amended as a result of this change in accounting policy as follows:

**Balance sheet as at 31 March 2018**

	As originally stated	Effect of change in accounting policy	As restated
Tangible fixed assets	13,825	-	13,825
Debtors	374,499	-	374,499
Cash at bank	436,279	-	436,279
Creditors - due within one year	(189,798)	152,741	(37,057)
Creditors - due after more than one year	(400,000)	400,000	-
	<u>234,805</u>	<u>552,741</u>	<u>787,546</u>
<b>Reserves</b>			
Unrestricted funds	234,805	486,672	721,477
Restricted funds	-	66,069	66,069
	<u>234,805</u>	<u>552,741</u>	<u>787,546</u>

**Balance sheet as at 31 March 2019**

	As originally stated	Effect of change in accounting policy	As restated
Tangible fixed assets	10,119	-	10,119
Debtors	93,690	90,478	184,168
Cash at bank	679,063	-	679,063
Creditors - due within one year	(143,525)	122,950	(20,575)
Creditors - due after more than one year	(400,000)	400,000	-
	<u>239,347</u>	<u>613,428</u>	<u>852,775</u>
<b>Reserves</b>			
Unrestricted funds	239,347	437,499	676,846
Restricted funds	-	175,929	175,929
	<u>239,347</u>	<u>613,428</u>	<u>852,775</u>

**Sports Partnership Herefordshire And  
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**Notes to the Financial Statements - continued  
for the Year Ended 31st March 2020**

**26. CHANGE IN ACCOUNTING POLICY OF FIRST TIME ADOPTION OF CHARITIES SORP - continued**

**Statement of financial activities for the year ended 31 March 2019**

Note that because of the change in format from a statement of income and retained earnings as prepared in the financial statements for the year ended 31 December 2018 to a statement of financial activities in these financial statements, it is considered impractical to show the effect of the change in accounting policy in more detail than total income and total expenditure.

	As originally stated	Effect of change in accounting policy	As restated
Income	663,560	50,986	714,546
Expenditure	(659,018)	9,701	(649,317)
	<hr/>	<hr/>	<hr/>
Net income/(expenditure)	4,542	60,687	65,229
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Split between:			
Unrestricted funds	4,542	(49,172)	(44,630)
Restricted funds	-	109,859	109,859
	<hr/>	<hr/>	<hr/>
	4,542	60,687	65,229
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Note that the charity had originally accounted for repayment of unspent grant money to the original donor as payments of grants issued to institutions.

**Sports Partnership Herefordshire And  
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**Detailed Statement of Financial Activities  
for the Year Ended 31st March 2020**

	2020 £	2019 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Grants	<b>294,037</b>	303,050
<b>Other trading activities</b>		
Course income	<b>12,059</b>	14,415
PSI takings	<b>12,619</b>	17,666
Commercial income	<b>9,011</b>	8,357
	<hr/> <b>33,689</b>	<hr/> 40,438
<b>Investment income</b>		
Bank interest	<b>200</b>	201
<b>Charitable activities</b>		
Grants and contract income	<b>415,494</b>	370,857
	<hr/> <b>743,420</b>	<hr/> 714,546
<b>Total incoming resources</b>		
	<hr/> <b>743,420</b>	<hr/> 714,546
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Equipment	<b>9,380</b>	7,318
Venue hire	<b>9,668</b>	11,483
Coaching and tutor fees	<b>30,685</b>	35,334
Programme management	<b>82,012</b>	80,588
Courses	<b>16,024</b>	9,733
Hospitality and refreshments	<b>4,596</b>	3,106
Design and printing	<b>5,852</b>	6,693
Licences and subscriptions	-	660
Photography and videography	<b>8,280</b>	6,850
Branded merchandise	<b>21,107</b>	25,128
Bad debts	-	175
Depn of sports equipment	<b>2,025</b>	2,700
Grants to institutions	<b>102,286</b>	45,644
	<hr/> <b>291,915</b>	<hr/> 235,412
<b>Support costs</b>		
<b>Management</b>		
Wages	<b>297,164</b>	277,865
Social security	<b>25,799</b>	24,827
Pensions	<b>40,065</b>	34,378
Rent	<b>11,485</b>	11,381
Insurance	<b>2,386</b>	2,159
Telephone	<b>1,304</b>	2,333
Postage and office supplies	<b>5,532</b>	4,694
Advertising and marketing	<b>13,410</b>	7,928
Sundries	<b>39</b>	1,849
Subscriptions	<b>3,835</b>	2,839
Training	<b>3,369</b>	6,334
Travel	<b>12,164</b>	14,585
Carried forward	<b>416,552</b>	391,172

This page does not form part of the statutory financial statements

**Sports Partnership Herefordshire And  
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**Detailed Statement of Financial Activities  
for the Year Ended 31st March 2020**

	2020 £	2019 £
<b>Management</b>		
Brought forward	<b>416,552</b>	391,172
Computer	<b>6,436</b>	8,178
Professional fees	<b>2,375</b>	6,213
Bank charges	<b>90</b>	90
Depn of fixtures and fittings	<b>133</b>	167
Depn of computer equipment	<b>1,071</b>	1,603
	<hr/> <b>426,657</b>	<hr/> 407,423
 <b>Governance costs</b>		
Auditors' remuneration	<b>3,240</b>	1,920
Auditor's fees for other services	<b>3,670</b>	4,562
	<hr/> <b>6,910</b>	<hr/> 6,482
 Total resources expended	<hr/> <b>725,482</b>	<hr/> 649,317
 <b>Net income</b>	<hr/> <b>17,938</b> <hr/>	<hr/> 65,229 <hr/>