

Company number: 6541137

Charity number: 1123313 | SCO43161

Sported Foundation

Report and financial statements

For the year ended 31 December 2016

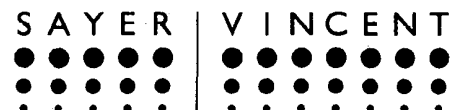


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Reference and administrative information

Company number	6541137
Charity number	1123313 SCO43161
Registered office	Cassini House 57–59 St James's Street LONDON SW1A 1LD
Operational address	Level 4, House of Sport 190 Great Dover Street LONDON SE1 4YB
Country of registration	England and Wales
Country of incorporation	United Kingdom
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: <ul style="list-style-type: none">– Sir Keith Mills– Baroness Susan Campbell (resigned 28 January 2016)– Dermot Heffernan (resigned 27 April 2017)– Nigel Keen– Alex Mills– Lady Maureen Mills– Alan Pascoe– Richard Powles (resigned 28 January 2016)– Carnegie Smyth– Nicola Walker– Trevor Watkins (appointed 28 January 2016)– Neil Wood (appointed 27 April 2017)– Richard Lewis (appointed 10 July 2017)

**Key management
personnel**

Chris Grant, Chief Executive
Kathryn Berry, Head of Member Services
Liz Brinsdon, Head of Income Generation (to 30 September 2016)
Tom Burstow, Deputy Chief Executive (from 23 November 2016)
Emma Heel, Head of Evidence and Learning
Paul Napthine, Head of Operations and Partnerships (to 6 June 2017)

Bankers

HSBC Private Bank (UK) Limited
78 St James's Street
LONDON SW1A 1JB

Solicitors

Pinsent Masons LLP
30 Crown Place, Earl Street LONDON
EC2A 4ES

Auditor

Sayer Vincent LLP
Invicta House, 108-114 Golden Lane LONDON
EC1Y 0TL

Trustees' annual report

The Trustees present their report and the audited financial statements for the year ended 31 December 2016.

Reference and administrative information set out on pages 1 and 2 form part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Our objectives

Sported's governing document, the memorandum and articles of association, set out its purposes:

- To advance the education of children and young people through participation in sport to provide opportunities for them to develop their full capacities
- To provide and assist in providing facilities for sport, recreation or other leisure time occupation of such persons who have need of such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances (in particular children and young people) or for the benefit of the public at large in the interests of social welfare and with the object of improving their conditions of life
- To promote the health of the public (especially young people) in particular through the provision of sports facilities and sports coaching
- To promote community participation in healthy recreation by providing facilities for the playing of sports capable of improving health
- Such other exclusively charitable purposes as the trustees shall in their absolute discretion decide.

Sported's purpose is to unleash and prove the power of sport to transform the lives of disadvantaged young people across the UK so they can fulfil their potential and transform their communities. Young people facing disadvantage are at a higher risk of encountering challenges associated with crime and antisocial behaviour, education and employment, health and wellbeing, community cohesion, and accessing sporting opportunities.

Where sport is used intentionally as a tool to engage young people, it can be a highly effective tool contributing to a number of positive outcomes across:

- Individual social, emotional and cognitive skills
- Individual achievements and behaviours
- Interpersonal relationships
- Benefits to society.

Sported's role is to help community clubs and groups, who are using the power of sport to tackle some of society's biggest problems, to become more sustainable and effective. We do this through capacity building and advocacy.

Our activities

Sported has established a membership base of over 3,000 community clubs and groups delivering Sport for Development. We support them, and develop the sector, in a number of ways.

Mentor placements

We have a network of volunteer business mentors who we match with our members on a one-to-one basis, providing expert consultancy on business issues ranging from financial planning and fundraising, to marketing and governance. Mentors work with a member on a specific area of support typically over a 3–9 month period. Volunteers are an important component of Sported's offering to sports and community organisations, material to enabling the delivery of our charitable activities.

Light touch engagements

Our volunteer network also provide support on a remote basis (i.e. 'by phone or email). Typically, these engagements add up to approximately six hours' contact time, and focus on a specific issue or challenge being faced by the group.

Member services

We offer a range of services and benefits to our members such as preferential access to insurance services, pro-bono legal support and regular funding bulletins.

Workshops and clinics

Across the UK, we run various workshops to help build members' capacity in specific areas including impact practice, marketing and communications, legal structures and finances. We also provide clinic sessions focused on funding applications and business planning.

Bespoke projects

In 2016, we have continued to develop and run projects designed to build member capacity with our partners. These include sporteducate with Deutsche Bank, Bridging the Gap with Sport England, Engage Her with Sport Northern Ireland, Serves with the Tennis Foundation and Developing Community Football Clubs with the Scottish FA .

Grant making

We administer grant programs on behalf of partners including the BT Supporters Club; The Kristian Gerhard Jebsen Foundation; the Allchurches Trust and the County Durham Community Foundation. Each of these grant programmes addresses its own set of criteria and indicators, all of which fall clearly within the scope of Sported's aims and objectives.

Strategic report

Strategic objectives

"Sported: The Way Forward" sets out the charity's strategic objectives for the period 2016 – 2021 in the following four areas

1. Member services – by 2021 90% of our members will access a benefit or service annually and rate it good or excellent
2. Operations and partnerships – we shall add value through targeted projects
3. Evidence and learning – by 2018 we shall have systems in place to refresh and disseminate a comprehensive knowledge base relating to good practice in sport for development
4. Income generation – we shall cover our costs through a mix of restricted and unrestricted funding and build a reserve in line with charity best practice

Progress on achieving our strategic objectives is presented below.

Member services

At the end of 2016, we had 3,246 member groups across the UK reaching more than 500,000 young people aged between 11 and 25. During 2016, 1,567 members benefited directly from free services offered through their Sported membership.

99 volunteer mentor placements were completed across the UK amounting to approximately 3,500 hours of volunteer support to member clubs and groups; 73% of these groups rated the support as "excellent".

225 light touch engagements were completed amounting to approximately 1,100 hours of volunteer support; 71% of these were rated as "excellent".

We delivered 68 workshops on capacity building, marketing, impact practice and fundraising; 90% of participants rated these as "good" or "excellent".

£759k of funding was leveraged to Sported members from other sources through our support. Funding support continues to be one of the most sought after services by members.

£326k in direct grants were made to 50 Sported member organisations. Some examples of these include:

- £6k to North East Athletic Club to implement a programme to encourage desistance from substance misuse;
- £8k to Empire Fighting Chance to support their work to tackle youth violence and crime through boxing, mentoring and support;
- £3.5k to the Academy of Hard Knocks to fund a programme of mixed martial arts, healthy living, safety education & various fitness exercises to change the mindset of young people involved in anti-social behaviour or displaying behavioural issues.

Operations and partnerships

We recruited and inducted 33 new volunteer mentors in 2016 with the total number of mentors being 311 at year's end. We provide regular newsletters as well as use social media such as LinkedIn and Twitter to communicate and engage with our volunteers.

Further, we continue to build quality partnerships with a diverse range of partners and at the end of the year we had twelve active partnerships focusing on capacity building, young people, women and girls in sport and other issues across the four home nations of the UK.

Evidence and learning

During the year we completed the development of the Sported Capacity Model to measure changes in the capacity and sustainability of our members. Surveys are completed pre and post support to measure change across a number of elements. Based on a sample of completed surveys during the period:

- 87% of respondents improved their mission and structure
- 70% of respondents improved the relevance of their skills and knowledge
- 60% of respondents improved their finances
- 57% of respondents became more embedded in the community
- 51% of respondents improved their ability to deliver.

The charity continues to play an active role in the progressing relevant policy and the development of the Sport for Development sector.

We have maintained active dialogue with policy makers and have supported the implementation of policy including the Department for Culture Media and Sport's "Sporting Future – A New Strategy for an Active Nation"; Sport England's "Toward an Active Nation" strategy and Sport Scotland's Clubs and Communities Framework.

Further, Sported is a leading member of the Sport for Development Coalition – a group of charities and organisations working to promote and grow the sector. We played a leading role in Coalition's development of "The Sport for Development Shared Outcomes and Measurement Framework" to promote a shared and more consistent measurement of impact, thereby strengthening the evidence base for the sector.

Finally, the Sportworks tool, developed based on research commissioned by Sported, has been successfully utilised by a range of organisations to evidence the social impact of their Sport for Development programmes.

Income generation

Sported receives a combination of general grants/donations, which are unrestricted and can be used as the charity chooses and restricted grants to support specific projects. We are well positioned to contribute to meeting the objectives of our funders, which are in line with our own strategic objectives.

During 2016 we increased the number of funded projects and consequently a greater proportion of expenditure was funded from project funding. All funded programmes are on target with good relationships with our partners.

In 2015 we built a strong pipeline of funders and in 2016 new funding streams were opened up in across four key sources: Trusts & Foundations; Sports & Governmental Bodies; Corporates and High Net Worth Individuals providing a diversified funding portfolio.

We continue to grow and expand a strong pipeline of funders from all sources providing a solid foundation for the year ahead.

Beneficiaries of our services

The primary beneficiaries of our services are Sported members. Our members consist of groups across the UK who are using sport as a tool to develop disadvantaged young people aged 11–25.

There are three types of membership:

- Associate (typically larger strategic organisations)
- Premium (mainly youth and community organisations)
- Standard (similar to premium members but often limited by their governance structure).

As in previous years the significant majority are premium members (approximately 90%).

Of the groups that make up our membership:

- 59% are entirely volunteer-led
- 41% are working in the 20% most deprived areas of the UK based on the Indices of Multiple Deprivation
- 25% are targeting disabled people
- 67% have income of less than £25k.

All of the groups we support are working with young people with the objective of improving their lives. All Sported members will be supporting young people who face disadvantage, whether this be through poverty, disability or marginalisation, and will often focus on outcomes such as positive changes to individuals' social, emotional and cognitive capabilities, achievements and positive changes in behaviour, and stronger inter-personal relationships.

Members will have a clear focus on at least one of the following areas, and through this, will be making a positive contribution to their communities and society:

- Education and employability
- Crime and anti-social behaviour
- Health and wellbeing
- Inequality in sports participation
- Community cohesion.

Every prospective member is interviewed before being accepted into membership, in order to ensure that they meet our criteria of delivering Sport for Development and are ready to comply with appropriate governance requirements.

Financial review

At the 31 December 2016 year-end net assets were £299k (2015: £1,334k). Expenditure was £2,213k for the year (2015: £1,846k). This included significant expenses associated with the Deutsche Bank-funded sporteducate programme. The restricted funding for these grants and activities was mainly received in 2015, which accounts for the increased 2016 deficit of £1,035k (2015: £298k).

The decrease in assets reflects the continuation of the historical trend of utilising Sported's founding donation to fund the provision of its services and grants to members and other activities. Developing long term sustainable funding of both restricted and unrestricted funds remains a central focus.

As noted above, new funding streams were opened up in 2016. Excluding the restricted funding for the sporteducate programme, restricted income grew from £430k in 2015 to £730k in 2016, with unrestricted income remaining at similar levels.

Financial factors going forward

The 2017 budget targets a further increase in revenues, in order to deliver £2.1 million income which will enable the charity to start rebuilding its reserves. In 2017 we are securing long term funding, cementing relationships with existing and new funding partners with multi-year contracts that support our strategic objectives.

Costs are closely managed, and will generally only be increased on a fixed-term basis where additional inputs are covered by new or additional externally-sourced funding.

Principal risks and uncertainties

The Strategic Leadership Team and the Finance and Audit Sub Committee of the Board undertake a formal review of risk management annually. Risks are identified and assessed and mitigation strategies put in place to minimise the impact.

Risks and mitigation strategies are assessed quarterly by the Strategic Leadership Team and reviewed by the Finance and Audit Sub Committee.

The key risk identified is that sufficient funding to meet running costs is not secured. Key mitigation strategies include a strong focus on conversion of existing funding prospects and bids, securing multi-year funding, continued development of new and diverse funding streams that support our strategic objectives and tight cost management.

Going concern

Trustees have considered plans for the twelve months from this report and have a reasonable expectation of receiving adequate resources to continue operations. This is based on detailed cash projections that demonstrate considerable amounts of contracted funding and a strong

pipeline for 2017, 2018 and beyond. In addition we have developed a contingency plan to reduce costs that can be put into place should circumstances require it, and a loan facility has been secured through Sir Keith Mills to support working capital requirements.

Reserves policy

Total reserves at 31 December 2016 were £299k of which £286k were restricted. As noted, Trustees have secured a loan facility of £500k through Sir Keith Mills, which is adequate to cover 13 weeks expenditure in line with the reserves policy. This will be reviewed periodically to ensure that the expenditure profile and assessment of future funding risks are assessed and the reserves position is appropriate.

Plans for the future

March 2018 will be the 10th anniversary of Sported's founding. We plan to use this occasion to enhance our visibility and reputation and further promote the Sport for Development sector.

In addition to our 2021 strategic objectives, we have identified four more immediate targets, which together constitute our 2018 Mission which will guide our work in 2017:

- To build the capacity of 1,000 additional Sport for Development groups across the UK (and be able to demonstrate this impact)
- To provide services rated as "very good" or "excellent" to a further 2000 clubs and groups
- To be trusted on the basis of our authoritative knowledge and evidence base to leverage £3,000,000 in grants to our members from the public purse and/or other sources
- To be a named partner of all 4 Home Nation Sports Councils.

Building on the work done to produce our first Impact Statement in June 2017, we shall publish a full Impact Report in 2018.

Structure, governance and management

Governing document

The charity is a charitable company limited by guarantee, incorporated on 20 March 2008 and registered as a charity with the Charity Commission on 25 March 2008.

The company was established under a memorandum of association that established the objects and powers of the charitable company and it is governed under its articles of association.

Trustees

The Trustees are the directors of the charitable company. New trustees are appointed according to the charity's governing document, and to meet specified capability requirements.

New Trustees go through a formal induction and training process and are encouraged to meet our beneficiaries.

All Trustees give their time voluntarily and receive no benefits from the charity. No Trustees claimed expenses from the charity in 2016, 2015 or in 2014.

Organisational structure and decision making

The Board of Trustees, which can have up to 10 members, administers the charity. The Board meets four times a year and there is a committee covering finance and audit. A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the charity.

The Trustees review the aims, strategic objectives and activities of the charity each year and approve all decisions relating to strategy and budget. Decisions concerning the allocation of grants to third parties are underpinned by a rigorous assessment process led by the key management personnel, and are subject to peer review before final sign-off by the Chief Executive Officer and Trustees.

Reporting

The Trustees receive quarterly reports on Sported activities, which include progress against the strategic objectives and key performance indicators, learning and suggestions for the future.

Trustees also receive financial reports as well as Chief Executive Officer's report.

Sported prepares reports to funders throughout the year in line with funders' requirements, to evaluate the success of projects and report on expenditure.

Public benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set. Refer also to the Strategic Report.

Remuneration policy

The Strategic Leadership Team reviews the staffing structure annually to ensure salaries are fair and reasonable, taking into account both internal comparability of responsibilities and external market factors.

The Chief Executive Officer approves any proposed revisions to salary grades, with Chief Executive Officer remuneration agreed by the Trustees. In advance of each financial year the Chief Executive Officer will recommend the level of inflationary uplift to be applied to salaries to the Trustees in a way which seeks to balance the need to retain staff and the affordability of any pay awards.

Related parties and relationships with other organisations

KEM Management Limited is a related party of Sported Foundation by virtue of Sir Keith Mills, a Trustee of Sported Foundation, being the sole director and shareholder of KEM Management Limited. Pinsent Masons LLP, the charity's Solicitors, is a related party of Sported Foundation by virtue of Trevor Watkins, a Trustee of Sported Foundation, being a partner in Pinsent Masons LLP.

Trading subsidiary

Sported Foundation has a wholly owned trading subsidiary, Sported Trading Limited, incorporated in England and Wales (company number 08623400). The Trustees of Sported Foundation do not consider the results of Sported Trading Limited to be material to the charity and so have decided not to produce consolidated accounts.

Statement of responsibilities of the Trustees

The Trustees (who are also directors of Sported Foundation for the purposes of company law) are responsible for preparing the Trustees' annual report including the Strategic 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate 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.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- 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 auditor is 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. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2016 was 10 (2015: 10). The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP were appointed as the charitable company's auditor in 2016.

The Trustees' annual report has been approved by the trustees on 21 September 2017 and signed on their behalf by

A handwritten signature in black ink, appearing to be "KM", written in a cursive style. The signature is positioned above a horizontal line.

Name: Sir Keith Mills Title: Chairman

Independent auditor's report
To the members of Sported Foundation

Independent auditor's report to the members of Sported Foundation

Opinion

We have audited the financial statements of Sported Foundation (the 'charitable company') for the year ended 31 December 2016 which comprise the statement of financial activities, balance sheet, statement of cash flows 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 December 2016 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
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 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 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.

Emphasis of matter – Going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1d in the financial statements concerning the charitable company's ability to continue as a going concern. The financial statements do not include any adjustments that would result if the charitable company was unable to continue as a going concern. Our opinion is not qualified in respect of this matter.

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

Independent auditor's report

To the members of Spoted Foundation

- 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 other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual 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' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Independent auditor's report

To the members of Spotted Foundation

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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

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 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. 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.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control

Independent auditor's report

To the members of Spotted Foundation

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Noelia Serrano (Senior statutory auditor)

22 September 2017

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Sported Foundation

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2016

	Note	Unrestricted £	Restricted £	2016 Total £	Unrestricted £	Restricted £	2015 Total £
Income from:							
Donations and legacies		436,198	-	436,198	469,137	-	469,137
Charitable activities							
Capacity building and advocacy	2	65,509	666,901	732,410	-	998,238	998,238
Other trading activities	3	7,738	-	7,738	62,500	-	62,500
Investments		1,452	-	1,452	18,797	-	18,797
Total income		510,897	666,901	1,177,798	550,434	998,238	1,548,672
Expenditure on:							
Raising funds	4	165,468	-	165,468	161,447	-	161,447
Charitable activities							
Capacity building and advocacy	4	871,996	1,175,892	2,047,888	1,002,692	682,332	1,685,024
Total expenditure		1,037,464	1,175,892	2,213,356	1,164,139	682,332	1,846,471
Net (expenditure) for the year and net movement in funds	6	(526,568)	(508,990)	(1,035,558)	(613,705)	315,906	(297,799)
Transfers between funds		18,170	(18,170)	-	-	-	-
Reconciliation of funds:							
Total funds brought forward		521,088	813,158	1,334,246	1,134,793	497,252	1,632,045
Total funds carried forward	17	12,690	285,998	298,688	521,088	813,158	1,334,246

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 18 to the financial statements.

Sported Foundation

Balance sheet

Company no. 6541137

As at 31 December 2016

	Note	£	2016 £	£	2015 £
Fixed assets:					
Tangible assets	12		7,536		7,877
Current assets:					
Debtors	13	138,046		198,045	
Cash at bank and in hand		360,452		1,569,100	
		<u>498,498</u>		<u>1,767,145</u>	
Liabilities:					
Creditors: amounts falling due within one year	14	(207,346)		(435,922)	
Net current assets			<u>291,152</u>		<u>1,331,223</u>
Total assets less current liabilities			<u>298,688</u>		<u>1,339,100</u>
Creditors: amounts falling due after one year	16		-		(4,854)
Total net assets	17		<u><u>298,688</u></u>		<u><u>1,334,246</u></u>
The funds of the charity:					
Restricted income funds	18		379,408		813,158
Restricted income funds in deficit	18		(57,218)		-
			<u>285,998</u>		<u>813,158</u>
Unrestricted income funds:					
General funds		12,690		521,088	
Total unrestricted funds			<u>12,690</u>		<u>521,088</u>
Total charity funds			<u><u>298,688</u></u>		<u><u>1,334,246</u></u>

Approved by the trustees on 21 September 2017 and signed on their behalf by


Name: Sir Keith Mills

Position: Chairman

Sported Foundation

Statement of cash flows

For the year ended 31 December 2016

	Note	2016	2015
		£	£
Cash flows from operating activities	19	(1,203,506)	(844,374)
Net cash provided by operating activities			
Cash flows from investing activities:			
Dividends, interest and rents from investments		1,452	18,797
Purchase of fixed assets		(6,594)	(5,074)
Net cash provided by investing activities		<u>(5,142)</u>	<u>13,723</u>
Change in cash and cash equivalents in the year		(1,208,648)	(830,651)
Cash and cash equivalents at the beginning of the year		<u>1,569,100</u>	<u>2,399,751</u>
Cash and cash equivalents at the end of the year	20	<u><u>360,452</u></u>	<u><u>1,569,100</u></u>

Sported Foundation

Notes to the financial statements

For the year ended 31 December 2016

1 Accounting policies

a) Statutory information

Sported Foundation is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is Cassini House, 57-59 St James's Street, London SW1A 1LD. The operational address is Level 5, House of Sport, 190 Great Dover Street, London SE1 4YB.

b) 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) (effective 1 January 2015) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. As noted in the trustees' report, the trustees have considered plans for the 12 months from the date of this report and have a reasonable expectation of receiving adequate resources through contracted and pipeline funding to continue operations. In addition a contingency plan to reduce costs has been developed, to be implemented if required and a loan facility secured to fund working capital requirements.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Sported Foundation

Notes to the financial statements

For the year ended 31 December 2016

1 Accounting policies (continued)

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

f) Donations of gifts, services and facilities (continued)

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering capacity building and advocacy services to sports clubs, providing financial support in the form of grants to sports clubs, and maintaining and developing resources used to measure the impact of the improving access to sports activities.
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is included as part of support costs.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on the direct cost of each activity

- | | |
|---|-----|
| ● Raising funds | 9% |
| ● Capacity building and advocacy – Direct costs | 75% |
| ● Capacity building and advocacy – Grant making | 16% |

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

1 Accounting policies (continued)

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Computer equipment 3 years

m) 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.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of members.

o) 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.

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

Sported Foundation

Notes to the financial statements

For the year ended 31 December 2016

2 Income from charitable activities

	Unrestricted £	Restricted £	2016 Total £	2015 Total £
Allchurches Trust Ltd (Allchurches Grants)	-	-	-	40,000
Baillie Gifford (Scotland core funding)	-	-	-	30,000
Britvic (Britvic Grants)	-	15,000	15,000	-
Building Change Trust (Inspiring Impact)	8,334	-	8,334	2,663
Comic Relief (Volunteer Programme)	-	111,645	111,645	122,922
Comic Relief (BT Supporters Club)	-	16,650	16,650	-
Deutsche Bank (Sporteducate)	-	25,000	25,000	565,936
Esmée Fairbairn Foundation (Core funding)	-	30,000	30,000	-
Jamieson Corporate Finance (Local Sports Support)	-	12,500	12,500	-
Sport England (Box On)	-	230,200	230,200	19,600
Sport England (Bridging The Gap)	-	159,732	159,732	80,117
Sport Northern Ireland (Engage Her / Impact Project)	-	12,874	12,874	-
Sport Wales (Strengthening The Sport For Development Sector)	-	-	-	25,000
St James's Place (Fit For Impact Northern Ireland)	-	2,500	2,500	-
STV (Fit For Impact Scotland)	-	41,800	41,800	-
The Kristian Gerhard Jebsen Foundation (Local Sports Support)	-	-	-	100,000
The Tennis Foundation (Serves)	24,190	-	24,190	-
Winning Scotland (Workout For Sport)	-	8,000	8,000	-
Other income from network and mentoring	-	1,000	1,000	12,000
Release of provision for unrestricted grants	32,985	-	32,985	-
Total income from charitable activities	65,509	666,901	732,410	998,238

3 Income from other trading activities

Income from other trading activities of £7,738 (2015: £62,500) represents income received from consultancy (2016) and from the sale by auction during the year of items donated to the charity (2015).

Sported Foundation

Notes to the financial statements

For the year ended 31 December 2016

4 Analysis of expenditure

Charitable activities
Capacity building and advocacy

	Raising funds £	Direct costs £	Grant making (note 5) £	Governance costs £	Support costs £	2016 total £	2015 total £
Staff costs (Note 7)	71,315	1,023,326	-	-	141,563	1,236,204	1,021,971
Grants payable	-	-	363,037	-	-	363,037	217,983
Staff cover, recruitment and training	40,014	30,310	-	-	14,680	85,004	103,908
Travel and subsistence	2,921	54,216	4,890	-	92,191	154,218	140,522
Office supplies and rents	816	1,869	-	-	75,154	74,101	96,383
Events, meetings, conferences inc. mentoring	10,512	62,462	-	-	8,326	81,300	82,101
IT, databases and telephones	216	26,129	-	-	48,781	75,126	101,783
Marketing costs	1,652	14,641	-	-	8,629	24,922	22,324
Insurance, legal and banking	-	32	-	10,344	-	10,376	14,158
Audit	-	-	-	23,361	-	23,361	7,500
Accountancy	-	-	-	-	78,772	78,772	32,180
Depreciation	-	151	-	-	6,784	6,935	5,658
	127,446	1,209,398	367,927	33,705	474,880	2,213,356	1,846,471
Reallocation of support costs	35,502	336,888	102,489	-	(474,880)	-	-
Reallocation of governance costs	2,520	23,911	7,274	(33,705)	-	-	-
Total expenditure 2016	165,468	1,570,197	477,690	-	-	2,213,356	1,846,471
Total expenditure 2015	161,447	1,380,700	304,324	-	-	1,846,471	

Of the total expenditure, £1,037,464 was unrestricted (2015: £1,164,139) and £1,175,892 was restricted (2015: £682,332).

Sported Foundation

Notes to the financial statements

For the year ended 31 December 2016

5 Grant making

	Grants to institutions £	Grants to individuals £	Support costs £	2016 £	2015 £
Small grants made during the year	-	-	-	-	18,035
Large grants made during the year	351,277	-	104,796	456,073	279,529
Matched grants made during the year	16,650	-	4,967	21,617	6,760
At the end of the year	367,927	-	109,763	477,690	304,324

Grants paid were to organisations providing sporting opportunities for young people in England, Scotland, Wales, and Northern Ireland in line with the objectives of the charity.

6 Net income / (expenditure) for the year

This is stated after charging:

	2016 £	2015 £
Depreciation	6,935	5,658
Auditor's remuneration (excluding VAT):	7,650	7,500

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2016 £	2015 £
Salaries and wages	1,113,899	928,681
Social security costs	119,216	93,290
Other forms of employee benefits	3,089	-
Total	1,236,204	1,021,971

The following number of employees received employee benefits (excluding employer pension costs and employer national insurance contributions) during the year between:

	2016 No.	2015 No.
£90,000 – £99,999	1	1

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £310,908 (2015: £303,145).

The charity trustees were not paid and did not receive any other benefits from employment with the charity in the year (2015: £nil). No charity trustee received payment for professional or other services supplied to the charity (2015: £nil).

Sported Foundation

Notes to the financial statements

For the year ended 31 December 2016

8 Ex-gratia payments

No ex-gratia payments were made during 2016 (2015: £nil).

9 Staff numbers

The number of employees (head count based on number of staff employed) during the year was as follows:

	2016 No.	2015 No.
	32.3	26.4

10 Related party transactions

KEM Management Limited is a related party of Sported Foundation by virtue of Sir Keith Mills, a Trustee of Sported Foundation, being the sole director and shareholder of KEM Management Limited.

During the year the charity incurred expenditure totalling £nil (2015: £48,000) from KEM Management Limited.

During the year KEM Management Limited donated office space to the charity which saved the charity £54,000 (2015: £31,500). This value of this donation has been included within donations and legacies and the cost of the office space has been included within support costs. During 2016 KEM Management Limited donated no accounting resources to the charity. During 2015 KEM Management Limited donated accounting resources to the charity which saved the charity £22,500. The value of this donation was included within donations and legacies and the cost of the accounting resources was included within support costs.

Pinsent Masons LLP, the charity's Solicitors, is a related party of Sported Foundation by virtue of Trevor Watkins, a Trustee of Sported Foundation, being a partner in Pinsent Masons LLP.

During the year Pinsent Masons LLP raised invoices totalling £2,952 (2015: £nil) for legal services provided to Sported Foundation by Pinsent Masons LLP.

Aggregate cash donations from Trustees were £15,250 (2015: £230,000). Aggregate donations in kind from related parties were £54,000 (2015: £54,000).

11 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Sported Foundation

Notes to the financial statements

For the year ended 31 December 2016

12 Tangible fixed assets

	Computer equipment £	Total £
Cost or valuation		
At the start of the year	34,193	34,193
Additions in year	6,594	6,594
At the end of the year	<u>40,787</u>	<u>40,787</u>
Depreciation		
At the start of the year	26,316	26,316
Charge for the year	6,935	6,935
At the end of the year	<u>33,251</u>	<u>33,251</u>
Net book value		
At the end of the year	<u>7,536</u>	<u>7,536</u>
At the start of the year	<u>7,877</u>	<u>7,877</u>

All of the above assets are used for charitable purposes.

13 Debtors

	2016 £	2015 £
Trade debtors	96,855	86,729
Other debtors	7,385	2,400
Prepayments	31,306	31,801
Accrued income	2,500	77,115
	<u>138,046</u>	<u>198,045</u>

14 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	24,421	59,943
Taxation and social security	34,989	30,856
Other creditors	105,645	288,600
Accruals	42,291	37,605
Deferred income (see note 15)	-	18,918
	<u>207,346</u>	<u>435,922</u>

Sported Foundation

Notes to the financial statements

For the year ended 31 December 2016

15 Deferred income

Deferred income comprises grants and donations recognised during the year which had not been remitted to the charity by the end of the year.

	2016 £	2015 £
Balance at the beginning of the year	18,918	-
Amount released to income in the year	(18,918)	-
Amount deferred in the year	-	18,918
Balance at the end of the year	-	18,918

16 Creditors: amounts falling due after more than one year

	2016 £	2015 £
Other creditors	-	4,854
	-	4,854

17 Analysis of net assets between funds (current year)

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	6,912	624	7,536
Net current assets	5,778	285,374	291,152
Net assets at the end of the year	12,690	285,998	298,688

17 Analysis of net assets between funds (prior year)

	General £	Restricted £	Total funds £
Tangible fixed assets	7,877	-	7,877
Net current assets	516,065	815,158	1,331,223
Long term liabilities	(2,854)	(2,000)	(4,854)
Net assets at the end of the year	521,088	813,158	1,334,246

Sported Foundation

Notes to the financial statements

For the year ended 31 December 2016

18 Movements in funds (current year)

	At the start of the year £	Incomes & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Sporteducate programme (Deutsche Bank)	652,969	-	(483,776)		169,193
Comic Relief Volunteer Programme (Comic Relief)	76,692	111,645	(99,512)		88,825
Allchurches Grants (Allchurches Trust Limited)	40,000	-	(40,000)		-
Box On (England Boxing)	-	230,200	(223,999)		6,201
Bridging the Gap (Sport England)	12,966	159,732	(183,153)	(18,170)	(28,625)
Local Sports Support (The Kristian Gerhard Jebsen Foundation)	30,531	-	(29,166)		1,365
BT Supporters Club (Comic Relief)	-	16,650	(16,650)		-
Britvic Grants (Britvic)	-	15,000	(15,000)		-
Core Costs (Esmée Fairbairn Foundation)	-	30,000	-		30,000
Local Sports Support (Jamieson Corporate Finance)	-	12,500	-		12,500
Engage Her (Sport NI)	-	8,049	(15,779)		(7,730)
Impact Project (Sport NI)	-	4,825	(9,024)		(4,199)
Workout for Sport (Winning Scotland)	-	8,000	(11,285)		(3,285)
Volunteer Programme Support (Deutsche Bank)	-	25,000	-		25,000
Fit For Impact NI (St James's Place Foundation)	-	2,500	(2,028)		472
BCMS (Sport England)	-	1,000	-		1,000
Fit For Impact Scotland (STV)	-	41,800	(38,798)		3,002
Other	-	-	(7,722)		(7,722)
Total restricted funds	813,158	666,901	(1,175,892)	(18,170)	285,998
Unrestricted funds:					
General funds	521,088	510,897	(1,037,465)	18,170	12,690
Total unrestricted funds	521,088	510,897	(1,037,465)	18,170	12,690
Total funds	1,334,246	1,177,798	(2,213,357)	-	298,688

Sported Foundation

Notes to the financial statements

For the year ended 31 December 2016

18 Movements in funds (prior year)

	At the start of the year £	Incomes & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Sporteducate programme (Deutsche Bank)	452,026	565,936	(364,993)		652,969
Comic Relief Volunteer Programme (Comic Relief)	-	122,922	(46,230)		76,692
Allchurches Grants (Allchurches)	-	40,000	-		40,000
Box On (England Boxing)	-	19,600	(19,600)		-
Bridging the Gap (Sport England)	-	80,117	(67,151)		12,966
Local Sports Support (The Kristian Gerhard Jebsen Foundation)	28,966	100,000	(98,435)		30,531
Other	16,260	69,663	(85,923)		-
Total restricted funds	497,252	998,238	(682,332)	-	813,158
Unrestricted funds:					
General funds	1,134,793	550,434	(1,164,139)	-	521,088
Total unrestricted funds	1,134,793	550,434	(1,164,139)	-	521,088
Total funds	1,632,045	1,548,672	(1,846,471)	-	1,334,246

18 Movements in funds (continued)

Purposes of restricted funds

Funds which are derived from grants awarded to the charity for specific projects are held as restricted funds. Grants received during the year are transferred into restricted funds and expenditure on specific projects is transferred out of restricted funds. The projects restricted funds have been used for during the year include Sporteducate, Comic Relief Volunteering, Bridging the Gap, and Box On. A brief description of each of the main projects funded from restricted funds is provided below.

Sporteducate programme – Sporteducate provides funding and other support to 33 Sport for Development groups across London, enabling them to combine sports sessions with additional activity to improve education and employment prospects for disadvantaged young people. This programme is funded by Deutsche Bank.

Comic Relief Volunteer programme – Comic Relief's grant supports the charity's volunteer function including recruitment and training of volunteers and a 'light touch' service which provides timely, short-term support for member groups to assist with a specific area of need.

Allchurches Grants – This funding provided capacity-building support and grant funding during 2016 to sport for development groups in the north west and north east of England.

Box On – This programme provided training and one-to-one mentoring to boxing clubs in England, focusing particularly on sustainable business plans. The programme also offered groups support in applying for grant funding from Sport England to improve capacity/sustainability. This programme was in partnership with England Boxing and funded by Sport England.

Bridging The Gap – Bridging the Gap is an action-research programme providing direct capacity-building support for groups operating in the 20% most deprived neighbourhoods in England, as well as working with agencies to better understand and overcome the barriers faced by these groups in accessing support. This programme is funded by Sport England.

Sported Foundation

Notes to the financial statements

For the year ended 31 December 2016

The Kristian Gerhard Jebsen Foundation – The KGJF grant supports the charity's work in London, including capacity-building support, networking/training events and grant funding.

BT Supporters Club – A match-funded grant programme for Sported members working with NEET young people to improve their confidence and self-esteem.

Britvic Grants – A series of grants to be made available to Sported members working in the vicinity of Britvic office and factory locations. These include Leeds, Newham, Norwich, Hemel Hempstead, Tamworth, Lutterworth, Rugby, and Solihull.

Core Costs – A grant from The Esmee Fairbairn Foundation to contribute towards the salary of Sported's CEO as Sported seeks to strengthen and improve social impact with organisations in the sport for change sector.

Local Sports Support – Funds provided by Jamieson Corporate Finance for Sported to work with local sports clubs.

Engage Her – Funds provided by Sport Northern Ireland for a pilot project to enable Sported to work together with Women In Sport to develop an understanding of Women and Girls engagement issues in Northern Ireland.

Impact Project – Funds provided by Sport Northern Ireland for a pilot project working with five district councils and Sported members to develop impact practice.

Workout For Sport – was a volunteer programme managed and delivered by Winning Scotland Foundation and Sported that matched business volunteers with sports clubs and organisations in Scotland. Clubs that were facing business challenges were allocated a suitable mentor to help them become stronger, more sustainable and more entrepreneurial with an increased focus on future growth and success.

Volunteer Programme Support – Deutsche Bank is providing Sported with funding to enable Sported to help Deutsche Bank's staff engage in volunteering with local sports clubs.

Fit For Impact – A project in Northern Ireland and another in Scotland funded by St James's Place Foundation (Northern Ireland) and STV (Scotland) with Sported taking its members through a journey to greater impact practice. This ranges from understanding the benefits of measuring impact through to building sustainable good impact practice with organisations.

Spotted Foundation

Notes to the financial statements

For the year ended 31 December 2016

18 Movements in funds (continued)

Restricted funds in deficit

Funds which are derived from grants awarded to the charity for specific projects are held as restricted funds. Occasionally funds are received in arrears of project payments being made. If this happens the charity pays for continuing project work out of its unrestricted funds in the expectation of receiving funds on completion of the project, or on completion of a stage of the project. When this happens the project funds will show a deficit.

As at 31 December 2016, 6 projects were in deficit with the charity paying for continuing work from its unrestricted funds. The total value of projects in deficit was £33,535 (2015: £nil). Following completion of projects, or project stages, funds were received which eliminate the deficits shown for each of the 6 projects in deficit as at 31 December 2016.

Transfers between funds

Following an end of project review of Bridging The Gap, £18,170 was transferred from restricted funds to unrestricted funds. This amount represents expenditure incurred on the project during the 2015 which had not been charged to the project during 2015 and so had been paid from unrestricted funds.

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

	2016 £	2015 £
Net expenditure for the reporting period	(1,035,558)	(297,799)
Depreciation charges	6,935	5,658
(Decrease)/increase in debtors	59,999	(141,868)
(Decrease) in creditors	(233,430)	(391,568)
Net cash used in operating activities	(1,203,506)	(844,374)

20 Analysis of cash and cash equivalents

	At 1 January 2016 £	Cash flows £	At 31 December 2016 £
Cash at bank and in hand	1,569,100	(1,208,648)	360,452
Total cash and cash equivalents	1,569,100	(1,208,648)	360,452

21 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

22 Post balance sheet events

£325,000 in loans have been drawn down in 2017 to fund working capital, utilising a proportion of a facility provided by Sir Keith Mills. The terms of the facility allow the loans to be repaid when the charity has sufficient funds and when repayment will not overly disadvantage the charity's operations.