

REGISTERED COMPANY NUMBER: 08000540 (England and Wales)
REGISTERED CHARITY NUMBER: 1147342

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014
FOR
MERSEYSIDE SPORTS FOUNDATION

Oscar Ip & Co.
Chartered Accountant
5th Floor, Hanover House
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MERSEYSIDE SPORTS FOUNDATION
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FOR THE YEAR ENDED 31 MARCH 2014

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MERSEYSIDE SPORTS FOUNDATION
CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31 MARCH 2014

This the second year of the Merseyside Sports Foundation and I am pleased to report that we have made excellent progress in building the organisation so as to meet our charitable objectives.

The business plan is key to our future success and the key features of the plan are:

- to create an operating reserve for the charity
- to achieve an overall revenue target of £1m over 4 years commencing April 2014
- analysing the main areas of activity (e.g. fees, fundraising, grants etc.) and attaching financial targets to each area

Our targets for the past year also included:

- completion of the financial plans and procedures
- recruitment of staff
- branding and logo

All these have been achieved and staff are working on a number of projects, particularly a project funded by Dame Kelly Holmes Trust, called Get on Track.

The project helped 9 young people to increase their skills, confidence and employability. I am pleased to report very good outcomes for the young people who received their awards last November at the Adelphi Hotel at a celebration dinner.

Finally I am grateful to my fellow trustees for their support of the Foundation over the past year.

MERSEYSIDE SPORTS FOUNDATION
OPERATING AND FINANCIAL REVIEW
FOR THE YEAR ENDED 31 MARCH 2014

Merseyside Sports Foundation (MSF), for the reporting period above, was in its second year of operating and has seen a number of milestones achieved. MSF still continued to however to strengthen the governance, structure and recruitment.

A total of 4 meetings took place with the Board of Trustees within the review period.

During this time, an additional member of staff was recruited, a Sport and Physical Activity Officer, which now takes the total number of employees within Merseyside Sports Foundation to three. (Office Manager Part time, Research Officer and Sport and Physical Activity Officer). The new post was advertised as per the Foundations Terms of Reference. The Office Manager is responsible for the administration and day to day operations of the Foundation and supports the Board of Trustees, in order to prioritise and target resources effectively. The Research Officer continues to provide support for programme delivery and identify any new opportunities with a wide range of partners, with data and information driving these. The latest role, Sport and Physical Activity has a greater focus upon health outcomes and linking to NGB products to get the inactive, active.

DLP Solicitors, continue to provide capacity to the Foundation in areas of recruitment, human resources and any legal advice. This relationship continues to be excellent and there are no issues to report here.

Oscar Ip was appointed for a second year as the Foundation Independent Examiner as well as providing payroll support and processing for all employees. This relationship too has been excellent and had provided much advice around HMRC.

The Foundations accounts are held with the Co-Operative Bank, which is not only an ethical bank, but equally in a comparison exercise, had no charges at the time for utilising their services. This is still the case. On a negative, the bank itself has received a great deal of negative press, which is something that the Trustees need to keep an eye on. It may also be worthwhile the Trustees now looking at short term investments of unrestricted funds, in order for this to gain further credit interest, which could be utilised back within the Foundation.

Both the Chair and one trustee are authorised signatories for this account. A preferred method of payment is via Bacs and there are now a number of Suppliers added to this via the online banking system. This provides easy access and there are clear financial processes in place for payment.

The Foundations insurance is still held through Tennyson Insurance Brokers, who once again provided an excellent quote for the year. They provide Public Liability, Employees Liability and Trustees Indemnity cover. Again, an excellent organisation to work with and no issues to report.

Merseyside Sports Foundation successfully bid for Funding from Dame Kelly Holmes on the 28th February 2013. The actual project work began in April 2013 and continued until October 2013. The outcomes of the programme ensured that a total of 13 young people where provided 6-8 weeks' worth of opportunities, with sport at the heart of the ethics. The aim was to then inspire these young people, who were not in education and training to hopefully get them into work. Unfortunately, due to the capacity of this project however, it was agreed that Merseyside Sports Foundation would only run this for 12months and an alternative partner would be sort.

It is anticipated that within 2014/15, there will be many new opportunities for the Foundation, particularly around supporting likeminded partners with funding applications.

MERSEYSIDE SPORTS FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014

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 31 March 2014. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

08000540 (England and Wales)

Registered Charity number

1147342

Registered office

Unit 1 Dakota Business Park
Skyhawk Avenue
Garston
Liverpool
Merseyside
L19 2QR

Trustees

J Bell
Professor P A Shenton
Ms J Stephens
A Walker

Company Secretary

Ms J Stephens

Independent examiner

Oscar Ip & Co.
Chartered Accountant
5th Floor, Hanover House
85 Hanover Street
Liverpool
L1 3DZ

Solicitors

DLP Solicitors
Southerly 7
Waterfold Business Park
Bury
BL9 7BR

Bankers

The Co-Operative Bank plc
PO Box 250
Skelmerdale
WN8 6WT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Merseyside Sports Foundation was incorporated as a Company Limited by Guarantee on 21 March 2012. It was registered as a charity on 21 May 2012.

Recruitment and appointment of new trustees

The Foundation will operate its corporate governance through a board of trustees appointed in line with corporate and Charitable guidelines. The board will comprise a minimum of three directors appointed on the basis of required skill sets. To provide stability and continuity, the initial directors/trustees will be entitled to serve 2 terms of 3 years each. After this term 1 director / trustee position will be changed each year in line with charity commission guidelines.

The Trustees Board oversees the recruitment of Trustees and undertakes a periodic skills audit of the Board.

Applications for Trusteeship are sought through open advertisement and personal contact. Applicants are assessed against a trustee job description and shortlisted candidates are interviewed by a panel of Trustees and appointed by the Trustee Board.

MERSEYSIDE SPORTS FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

New Trustees are provided with induction meetings with the key staff and are given a detailed governance pack. Arrangements are made for Trustees to visit Merseyside Sports Foundation's projects and services. Trustees receive information newsletters, presentations on aspects of Foundation's work and on matters affecting the voluntary sector.

Risk management

The Trustees have in place a risk management process. The process identifies the types of risks the Charity faces, prioritises them in terms of likelihood of occurrence and potential impact, identifies the means of managing these risks and monitors how they are managed. Development and review of the risk management arrangements are the responsibility of the Board of Trustees.

The key risks identified by Board at the end of 2013/14, together with the actions taken or intended to be taken in response to these risk is as follow:

Loss of income due to public sector spending cuts and increased competition. Merseyside Sports Foundation's response is to focus more resource on our business development team, keep our quality high and our costs competitive.

OBJECTIVES AND ACTIVITIES

Objectives and aims

1. To promote for the benefit of the inhabitants of Merseyside (inclusive of the Boroughs of Liverpool, Sefton, St. Helens, Knowsley, Halton and Wirral) the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or the public at large in the interest of social welfare and with the object of improving the condition of life of the said inhabitants.

2. The advancement of such other charitable purposes beneficial to the community consistent with the object set out in 1 above as the Trustees of the Charity shall in the absolute discretion determine.

Other relevant information

Purpose (**What**) - Amateur Sport

Beneficiaries (**Who**) - Children / Young People

- Elderly / Old People
- People with disabilities
- People of a particular ethnic or racial origin
- Other Charitable or voluntary bodies
- General public / mankind

Methods of operation (**How**) - Provide services

- Provide advocacy / advice / information
- Sponsors or undertakes research
- Acts as an umbrella or resource body

MERSEYSIDE SPORTS FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014

OBJECTIVES AND ACTIVITIES

Significant activities

Merseyside Sports Foundation will undertake pieces of work in the following areas:-

- Social marketing and promotions
- Research, data and customer analysis
- Production of strategies, business plans, marketing plans
- Apply for grant and funding
- Monitoring and evaluation of projects and programmes

The benefit to the public from the services outlined above is:-

- 1: Better informed choices for the public to take part in sport and physical activity provision
- 2: Better promotional information allowing public to be sign posted to sport and physical activity
- 3: Better targeted interventions enabling vulnerable people to benefit from sport and physical activity provision
- 4: More funding allowing for more sport and physical provision to be delivered in Merseyside
- 5: Better sharing of good practice amongst delivery partners enabling more opportunities to public through sport and physical activity
- 6: Better health and wellbeing for the public of Merseyside
- 7: More people more active more often

FINANCIAL REVIEW

Reserves policy

The Board of Trustees conduct an annual review of the level of unrestricted reserves in the general fund by considering risks associated with the various income streams, expenditure plans and balance sheet items. This enables an estimate to be made of the level of reserves that are sufficient:

- to allow time for re-organisation in the event of a downturn in income or asset values
- to protect ongoing work programmes
- to allow the Charity to meet its objectives

Investment policy and objectives

The trustees' investment objective is to maximise long-term total return. The trustees' investment policy is to achieve long-term growth in both income and capital value through low risk bank savings.

FUTURE DEVELOPMENTS

The charity's aims and objectives remain constant and do not change from year to year.

ON BEHALF OF THE BOARD:

J Bell - Trustee

21st May 2014

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
MERSEYSIDE SPORTS FOUNDATION**

I report on the accounts for the year ended 31 March 2014 set out on pages seven to ten.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Oscar Ip & Co.
Chartered Accountant
5th Floor, Hanover House
85 Hanover Street
Liverpool
L1 3DZ

21st May 2014

MERSEYSIDE SPORTS FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2014

	Notes	Year Ended 31.3.14 Unrestricted fund £	Period 21.3.12 to 31.3.13 Total funds £
INCOMING RESOURCES			
Incoming resources from generated funds			
Voluntary income		170,083	100,250
Investment income	2	<u>374</u>	<u>29</u>
Total incoming resources		170,457	100,279
 RESOURCES EXPENDED			
Governance costs		2,636	596
Other resources expended		<u>70,137</u>	<u>8,461</u>
Total resources expended		72,773	9,057
 NET INCOMING RESOURCES			
		97,684	91,222
 RECONCILIATION OF FUNDS			
Total funds brought forward		<u>91,222</u>	-
 TOTAL FUNDS CARRIED FORWARD		 <u><u>188,906</u></u>	 <u><u>91,222</u></u>

The notes form part of these financial statements

MERSEYSIDE SPORTS FOUNDATION

**BALANCE SHEET
AT 31 MARCH 2014**

	Notes	31.3.14 Unrestricted fund £	31.3.13 Total funds £
CURRENT ASSETS			
Debtors	5	600	600
Cash at bank		<u>190,098</u>	<u>90,622</u>
		190,698	91,222
CREDITORS			
Amounts falling due within one year	6	(1,792)	-
		<u>188,906</u>	<u>91,222</u>
NET CURRENT ASSETS			
		<u>188,906</u>	<u>91,222</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		188,906	91,222
NET ASSETS			
		<u>188,906</u>	<u>91,222</u>
FUNDS			
Unrestricted funds	7	<u>188,906</u>	<u>91,222</u>
TOTAL FUNDS			
		<u>188,906</u>	<u>91,222</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2014.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2014 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on 21st May 2014 and were signed on its behalf by:

J Bell -Trustee

Professor P A Shenton -Trustee

The notes form part of these financial statements

MERSEYSIDE SPORTS FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

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.

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.

2. INVESTMENT INCOME

	Year Ended 31.3.14 £	Period 21.3.12 to 31.3.13 £
Deposit account interest	<u>374</u>	<u>29</u>

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2014 nor for the period ended 31 March 2013.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2014 nor for the period ended 31 March 2013.

4. STAFF COSTS

	Year Ended 31.3.14 £	Period 21.3.12 to 31.3.13 £
Wages and salaries	<u>56,784</u>	<u>7,799</u>

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

	Year Ended 31.3.14	Period 21.3.12 to 31.3.13
Administrative and support staff	<u>3</u>	<u>2</u>

No employees received emoluments in excess of £60,000.

MERSEYSIDE SPORTS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2014

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.14	31.3.13
	£	£
Prepayments	<u>600</u>	<u>600</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.14	31.3.13
	£	£
Social security and other taxes	<u>1,792</u>	<u>-</u>

7. MOVEMENT IN FUNDS

	At 1.4.13 £	Net movement in funds £	At 31.3.14 £
Unrestricted funds			
General fund	91,222	97,684	188,906
	<u>91,222</u>	<u>97,684</u>	<u>188,906</u>
TOTAL FUNDS			

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	170,457	(72,773)	97,684
	<u>170,457</u>	<u>(72,773)</u>	<u>97,684</u>
TOTAL FUNDS			

MERSEYSIDE SPORTS FOUNDATION
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2014

	Year Ended 31.3.14 £	Period 21.3.12 to 31.3.13 £
INCOMING RESOURCES		
Voluntary income		
Grants	170,083	100,250
Investment income		
Deposit account interest	<u>374</u>	<u>29</u>
Total incoming resources	170,457	100,279
RESOURCES EXPENDED		
Governance costs		
Professional fees	1,536	-
Auditors' remuneration for non-audit work	<u>1,100</u>	<u>500</u>
	2,636	500
Support costs		
Management		
Wages	56,784	7,799
Travel	1,336	-
Insurance	669	650
Project funding	1,888	-
Training	190	-
Printing and stationery	2,500	-
Promotions and advertising	6,644	-
Sundries	<u>126</u>	<u>96</u>
	70,137	8,545
Finance		
Bank charges	<u>-</u>	<u>12</u>
Total resources expended	72,773	9,057
	<u> </u>	<u> </u>
Net income	<u><u>97,684</u></u>	<u><u>91,222</u></u>