

REGISTERED COMPANY NUMBER: 02039817 (England and Wales)  
REGISTERED CHARITY NUMBER: 1048705

**TRUSTEES' REPORT AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014  
FOR  
LONDON YOUTH GAMES FOUNDATION**

Cox Costello & Horne Limited  
Chartered Accountants and Statutory Auditors  
Langwood House  
63-81 High Street  
Rickmansworth  
Hertfordshire  
WD3 1EQ

**LONDON YOUTH GAMES FOUNDATION**

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FOR THE YEAR ENDED 31 MARCH 2014**

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# LONDON YOUTH GAMES FOUNDATION

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2014

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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**

02039817 (England and Wales)

**Registered Charity number**

1048705

**Registered office**

c/o Cox Costello  
Langwood House  
63-81 High Street  
Rickmansworth  
Hertfordshire  
WD3 1EQ

**Trustees**

A N Kendall	Director	- resigned 10.9.14
R A Sumray	Director	- resigned 31.8.14
Cllr A R Till	Director	
Cllr M Hope	Director	
Cllr M J Lewis	Director	- resigned 24.10.13
Cllr J E Ryan	Director	
Ms J Aitken	Director	
Ms K Rothery	Director	
S Fitzgerald	Director	
Ms J Tottman	Director	
Cllr B Charalambous	Director	- resigned 31.8.14
Cllr S Bashford	Director	- resigned 31.8.14
S James	Director	- appointed 28.2.14
		- resigned 31.8.14
M K Campbell	Management Consultant	- appointed 10.9.14

**Company Secretary**

Kerry Secretarial Services Ltd

**Auditors**

Cox Costello & Horne Limited  
Chartered Accountants and Statutory Auditors  
Langwood House  
63-81 High Street  
Rickmansworth  
Hertfordshire  
WD3 1EQ

**Bankers**

Barclays Bank PLC  
54 High Street  
Ruislip  
Middlesex  
HA4 7AT

**Solicitors**

Wilsons Solicitors LLP  
Steylings House  
Summerlock Approach  
Salisbury  
Wiltshire  
SP2 7RJ

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

London Youth Games (LYG) is a charitable company limited by guarantee and not having a share capital, as defined by the Companies Act 2006, established under a Memorandum and Articles of Association and incorporated on 22 July 1986. The Memorandum and Articles of Association have been amended by special resolution on 4 July 1995 and most recently 19 October 2005.

LYG registered as a charity on 16 August 1995.

### **Membership**

LYG membership is defined under the Articles of Association. There are two categories of membership: London Member Authorities who shall each have one vote and Subscriber Members who shall be elected by a General Meeting, each having one vote, and shall not exceed one third of the total number of votes held by the London Member Authorities.

Every member undertakes to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

The membership of LYG during the year consisted of all the 33 London Boroughs (including the City of London).

### **Recruitment and appointment of new trustees**

Trustees are appointed at the annual general meeting of the members. The decision to appoint is made by a representative of each of the London Boroughs and the independent trustees. Trustees can be Borough representatives, co-opted trustees or independent trustees themselves.

London Borough trustees shall be appointed by a majority decision of the London Borough Authorities present at any general meeting at which the appointment of London Borough trustees is considered whether due to retirement, expiry of term of office or disqualification.

Independent trustees shall be appointed by resolution of the board of trustees.

All trustees shall serve for a term of two years upon expiry of which they shall be eligible for reappointment.

The board of trustees may appoint a person who is willing to act to be a trustee to fill any vacancy as an additional trustee provided that the appointment does not cause the number of trustees to exceed any number fixed by or in accordance with the governing document as the maximum number of trustees. Any person appointed to fill a vacancy in the London Boroughs trustees shall hold office only until the following annual general meeting. If not reappointed at such annual general meeting, he shall vacate office at the conclusion of that meeting.

### **Induction and training of new trustees**

New trustees are briefed by the chairman and the administrator as part of an informal induction process.

### **Organisational structure**

Chief Executive Officer - Mr R Findlay (Resigned July 14, recruitment in progress, appointment will take place in January 15)

Chairman - Mr A N Kendall (Resigned 10/09/14)

New Chairman - Mr M K Campbell (Appointed 10/09/14)

The board of trustees is responsible for the governance and administration of the charitable company. The board of trustees comprises: the chairperson, vice chairperson, executive director, 14 members comprised of 6 representatives of the London Member Authorities and of 8 Subscriber Members. The trustees may co-opt persons to the board of trustees but will not have voting rights.

The trustees contract the services of an events organiser to arrange the activities of the charity. The principal activity of the charity during the year was the organisation of non-profit making activities in the greater London region, principally for young people.

### **Financial controls**

The trustees consider the charity's financial controls are in accordance with similar sized charities.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The charity maintains its investments in readily accessible balances. The risks on these funds are deemed to be minimal.

The charity paid a premium during the year of £784 under a trustee indemnity insurance policy to protect the charity and its trustees against loss arising from the neglect or default of its trustees, agents or employees, arising in the course of the charity's activities.

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

LYG envisions a London where young people from every school are involved in competing, volunteering or performing at the London Youth Games. Through the London Youth Games the charity aims to achieve its mission of inspiring young people to compete and volunteer in sport.

The mission of the charity is achieved through the following stated objectives:

- the provision of activities, events and facilities for recreation and other leisure time occupation in the interests of social welfare, for the benefit of children and young persons under the age of 21 years resident for the main part, but not exclusively, in the area of Greater London, with the object of improving their conditions of life;
- advancing the education and development of young persons under 25 years of age particularly (but not exclusively) in the fields of sports leadership, coaching and the organisation of sporting events; and
- advancing citizenship by promoting the civic responsibility of, and volunteering by, young persons under 25 years of age.

### **Significant activities**

The charity exists to inspire more young people to participate in sport through the delivery of a high quality year round programme of competitive sport for young Londoners. This is delivered in partnership with 26 National Governing Bodies of Sport and the 33 London Local Authorities.

### **Grantmaking**

The charity is not a grant making charity, although limited grants are made to organisations which inspire young people to compete and volunteer in sport. Grants are approved at the discretion of the trustees. During the period, grants were made to London Boroughs and Balfour Beatty Sporting Pathways.

## OBJECTIVES AND ACTIVITIES

### Public benefit

#### Statement on public benefit

The objectives and activities, and achievement and performance sections of this report clearly set out the activities which LYG undertakes for the public benefit.

The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Commission in determining the activities undertaken by the charity.

In the interest of transparency, the trustees make the following observations on the two key principles of public benefit.

#### Principle 1: There must be an identifiable benefit or benefits

##### 1a It must be clear what the benefits are

The benefits are clearly set out in the accounts of Achievements and Performance given in the body of this report as covered by the current review of all our activities and reflected in the charitable expenditure in the Statement of Financial Activities.

##### 1b The benefits must be related to the aims

LYG's aims to achieve its mission of inspiring young people to compete and volunteer in sport. The trustees review the activities of the charity against its aims on an ongoing basis and are satisfied that all activities continue to be related to the aims.

##### 1c Benefits must be balanced against any detriment or harm

No specific issues of detriment or harm have been identified.

#### Principle 2: Benefit must be to the public or a section of the public

##### 2a The beneficiaries must be appropriate to the aims

The beneficiaries are primarily young people aged between 7 - 18 living in, or going to school within all the London Boroughs as laid down in the terms of the charity.

**Where the benefit is to a section of the public, the opportunity to benefit must not be unreasonably**

##### 2b restricted by geographical or other restrictions; or by the ability to pay any fees charged

As noted above, benefit is primarily provided to young people within all the London Boroughs.

##### 2c People in poverty must not be excluded from the opportunity to benefit

Many of LYG's beneficiaries have very limited financial means thus access to the charity's activities are offered free of charge.

##### 2d Any private benefits must be incidental

A number of private benefits do necessarily arise from the activities of the charity. In particular, the charity finds it essential to employ and remunerate staff.

These private benefits are, however, incidental as they are a necessary by-product of carrying out the charity's aims.

### Volunteers

The successful delivery of the London Youth Games is heavily reliant on the work of volunteers, both within the London Boroughs as well as those officials, and event volunteers who support the delivery of the competition programme. There are volunteers recruited directly for LYG and volunteers recruited through the events organiser contracted to organise the London Youth Games, namely Limelight Projects Ltd, and additionally through National Governing Body for each sport.

## ACHIEVEMENT AND PERFORMANCE

### Review of developments, activities and achievements

The 2013 Balfour Beatty London Youth Games enjoyed the highest number of participants in the event's 36 year history, figures have revealed. In the year following the London Olympic and Paralympic Games, 114,598 young Londoners took part in Europe's largest annual youth sports event.

The figures mark a rise of over 10,000 young people taking part in schools and community events on the London Youth Games competition pathway from 2012. There were 33 London borough teams taking part in the 2013 London Youth Games, competing in 85 separate competitions across 33 sports. In total, over 114,000 were involved.

In its second full year, the integration of the School Games programme continues to be a huge success. In 2013, there were 70,597 pupils from 1812 schools taking part in the London Youth Games, a rise of 10% on the previous year.

The year also saw the London Youth Games host its largest ever event programme for disabled young Londoners, with competition opportunities in athletics, football, swimming, boccia, learning disability tennis, indoor rowing and sailing.

Over 3,000 volunteers helped to make this happen.

As of 2013, three in every four London schools are involved in the competitive, voluntary or cultural programmes in the London Youth Games.

### Investment performance

The charity maintains a minimum balance of funds to cater for fluctuations in working capital and is working towards having reserves of £250,000 to ensure stable planning of the London Youth Games programme, in line with Charity Commission recommendations.

### Internal and external factors

The LYG are led by the chief executive, Russell Findlay with a small professional team who are supported by local authority and National Governing Body of Sport officers as well as over 3 thousand volunteers. The staff at LYG liaise with the Borough team organiser's (from Local Authorities), the event manager (commissioned) and other stakeholders in order to ensure the event is successful.

LYG has a membership body comprising of London Boroughs which make up 50% of the board of trustees.

## FINANCIAL REVIEW

### Reserves policy

The charity seeks to retain sufficient unrestricted reserves to ensure that it can meet all of its charitable objectives as well as its fiduciary duties for six months of operation. The board of trustees regularly reviews this policy.

### Results

The charity's results and financial position for the year are reflected in the attached financial statements.

### Principal funding sources

The majority of the charity's funding derives from three main sources: contributions/membership fees from individual London Boroughs, National Lottery through its distributor Sport England and our commercial partners. The trustees are delighted to report that this support will continue for the foreseeable future.

### Investment policy and objectives

The charity maintains its investments in readily accessible balances. The trustees consider the risks attached to these funds are deemed to be minimal.

## FUTURE DEVELOPMENTS

LYG stated aim is that by 2015, young people from every London school will be competing, volunteering or performing as part of the London Youth Games.

Prioritised future developments are:

- to position the London Youth Games as a catalyst to more community sports delivery across the capital;
- to integrate school competitions into current competitive programmes linking in to the School Games initiative developed by the Government;
- to identify further funding to support the growth of GamesForce and to have a leading role in supporting youth sports volunteering in London;
- to identify where the charity can support the training of volunteers to support the delivery of competitions and broader volunteering; and
- to further raise the profile of the Games, competitive sport and youth volunteering to support our objectives.

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2014**

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**STATEMENT OF TRUSTEES RESPONSIBILITIES**

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of 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.

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.

**AUDITORS**

The auditors, Cox Costello & Home Limited, 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 the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**



M K Campbell - Trustee

10 September 2014



**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
LONDON YOUTH GAMES FOUNDATION**

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We have audited the financial statements of London Youth Games Foundation for the year ended 31 March 2014 on pages eight to seventeen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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.

**Respective responsibilities of trustees and auditors**

As explained more fully in the Statement of Trustees Responsibilities set out on page six, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2014 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.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Trustees' Report.



Michael F Cox FCA (Senior Statutory Auditor)  
for and on behalf of Cox Costello & Home Limited  
Chartered Accountants and Statutory Auditors  
Langwood House  
63-81 High Street  
Rickmansworth  
Hertfordshire  
WD3 1EQ

Date: ..... 10/9/14 .....

LONDON YOUTH GAMES FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2014

	Notes	Unrestricted funds £	Restricted funds £	31.3.14 Total funds £	31.3.13 Total funds £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Activities for generating funds	2	-	742,878	742,878	823,219
Investment income	3	316	-	316	286
<b>Incoming resources from charitable activities</b>					
London Youth Games	4	-	290,000	290,000	437,000
<b>Total incoming resources</b>		<b>316</b>	<b>1,032,878</b>	<b>1,033,194</b>	<b>1,260,505</b>
<b>RESOURCES EXPENDED</b>					
<b>Costs of generating funds</b>					
Costs of generating voluntary income	5	-	78,847	78,847	75,749
<b>Charitable activities</b>					
London Youth Games	6	-	1,010,414	1,010,414	1,029,811
<b>Governance costs</b>					
	9	-	21,846	21,846	21,571
<b>Total resources expended</b>		<b>-</b>	<b>1,111,107</b>	<b>1,111,107</b>	<b>1,127,131</b>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>		<b>316</b>	<b>(78,229)</b>	<b>(77,913)</b>	<b>133,374</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>69,573</b>	<b>201,243</b>	<b>270,816</b>	<b>137,442</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>69,889</b>	<b>123,014</b>	<b>192,903</b>	<b>270,816</b>

The notes form part of these financial statements

LONDON YOUTH GAMES FOUNDATION

BALANCE SHEET  
AT 31 MARCH 2014

	Notes	Unrestricted funds £	Restricted funds £	31.3.14 Total funds £	31.3.13 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	13	1,036	-	1,036	1,513
Investments	14	1	-	1	1
		<u>1,037</u>	<u>-</u>	<u>1,037</u>	<u>1,514</u>
<b>CURRENT ASSETS</b>					
Debtors	15	-	709,060	709,060	421,094
Cash at bank		68,852	344,274	413,126	679,879
		<u>68,852</u>	<u>1,053,334</u>	<u>1,122,186</u>	<u>1,100,973</u>
<b>CREDITORS</b>					
Amounts falling due within one year	16	-	(930,320)	(930,320)	(831,671)
<b>NET CURRENT ASSETS</b>					
		<u>68,852</u>	<u>123,014</u>	<u>191,866</u>	<u>269,302</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>69,889</u>	<u>123,014</u>	<u>192,903</u>	<u>270,816</u>
<b>NET ASSETS</b>					
		<u>69,889</u>	<u>123,014</u>	<u>192,903</u>	<u>270,816</u>
<b>FUNDS</b>					
Unrestricted funds	18			69,889	69,573
Restricted funds				123,014	201,243
<b>TOTAL FUNDS</b>					
				<u>192,903</u>	<u>270,816</u>

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 10 September 2014 and were signed on its behalf by:



M K Campbell -Trustee

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The trustees have prepared the financial statements on the going concern basis. The trustees have a reasonable expectation that the charitable company has adequate resources to continue its activities for the foreseeable future, and at least one year from the date of approval of the financial statements. Accordingly, the trustees continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees Responsibilities included within the Trustees Report.

**Accounting convention**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006, the Charities Act 2011 and the requirements of the Accounting and Reporting by Charities: Statement of Recommended Practice.

**Preparation of consolidated financial statements**

The financial statements contain information about London Youth Games Foundation as an individual charity and do not contain consolidated financial information as the parent of a group. The charity has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements.

**Incoming resources**

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 and are shown in the financial statements as gross income (net of VAT where applicable).

Incoming resources from generated funds are predominately local authority member contributions and commercial sponsorship for specific events and are recognised in the year in which the event falls.

Incoming resources from charitable activities are grants receivable in support for the London Youth Games and are recognised in the year in which the event falls.

Capital based grants are credited to a deferred income account and transferred to the Statement of Financial Activities in equal annual instalments over the estimated lives of the assets concerned. Revenue grants are credited to the Statement of Financial Activities as received.

1. ACCOUNTING POLICIES - continued

**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.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charitable company. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they receive a grant and any condition attaching to the grant is outside of the control of the charity.

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. 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.

**Cost of generating funds**

Cost of generating funds are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

**Charitable activities**

Charitable activities comprise those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs associated of an indirect nature necessary to support them.

**Governance costs**

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to audit together with an apportionment of overhead and support costs.

**Allocation and apportionment of costs**

Costs are allocated in the following ways: direct, shared and support. Direct costs attributable to a single activity must be allocated direct to that activity. Shared costs which contribute directly to more than one activity must be apportioned between those activities. Support costs which are not attributable to a single activity must also be apportioned between the activities being supported.

The methods adopted for cost apportionment are usage of a resource or activity in terms of time taken.

**Tangible fixed assets**

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

Fixtures and fittings	- 33% on cost
Computer equipment	- 33% on cost

Items of equipment are capitalised where the purchase price exceeds £300. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

**Taxation**

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

The charity is registered for VAT but has sources of income which are considered to be exempt from VAT. For this reason it is unable to recover all input VAT it suffers on purchased goods and services and the cost is included as an individual item of expense.

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

**1. ACCOUNTING POLICIES - continued****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.

Transfers between unrestricted to restricted funds can be made to cover any overspends on restricted projects during the year where cost will not be met by the funder. Transfers between restricted funds and from restricted to unrestricted funds are made with the permission of the funder.

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

**Leasing commitments**

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

**Pension costs**

The charity contributes towards personal pension schemes of staff. The contributions payable by the charity and staff are deposited in the respective pension funds within 30 days following the deduction. Once the contributions have been paid, the charity as employer, has no further payment obligations. The charity's contributions are charged to the Statement of Financial Activities in the period to which they relate.

Contributions outstanding at the year end is £nil (2013 - £nil).

**2. ACTIVITIES FOR GENERATING FUNDS**

	<b>31.3.14</b>	<b>31.3.13</b>
	£	£
Sponsorships	482,018	388,003
Local Authority contributions	230,800	320,100
Other income	25,432	99,468
Training Skills Active	4,628	15,648
	<u>742,878</u>	<u>823,219</u>

**3. INVESTMENT INCOME**

	<b>31.3.14</b>	<b>31.3.13</b>
	£	£
Deposit account interest	<u>316</u>	<u>286</u>

**4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	<b>31.3.14</b>	<b>31.3.13</b>
	£	£
Grants	290,000	437,000
	<u>290,000</u>	<u>437,000</u>

**5. COSTS OF GENERATING VOLUNTARY INCOME**

	<b>31.3.14</b>	<b>31.3.13</b>
	£	£
Sponsorship commission	<u>78,847</u>	<u>75,749</u>

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

6. CHARITABLE ACTIVITIES COSTS

	Direct costs £	Grant funding of activities (See note 7) £	Support costs (See note 8) £	Totals £
London Youth Games	547,882	68,896	393,636	1,010,414

7. GRANTS PAYABLE

	31.3.14 £	31.3.13 £
London Youth Games	68,896	70,740

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

	31.3.14 £	31.3.13 £
London Boroughs and City of London Sporting Pathways (BB)	36,160	35,200
Gamesforce Event Award	500	-
SGO's	1,996	-
	68,896	64,000

8. SUPPORT COSTS

	Management £	Finance £	Other support costs £	Totals £
London Youth Games	282,474	47,217	63,945	393,636

All individual costs are based on actual apart from the following:

Wages	Staff time
Social security	Staff time
Pensions	Staff time
Depreciation	Estimated useful life
Irrecoverable VAT	% of non-allowable income

9. GOVERNANCE COSTS

	31.3.14 £	31.3.13 £
Trustees' remuneration etc	3,000	3,000
Auditors' remuneration	4,250	4,250
Auditors' remuneration for non-audit work	14,596	14,321
	21,846	21,571

10. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	31.3.14 £	31.3.13 £
Auditors' remuneration	4,250	4,250
Depreciation - owned assets	1,885	3,137
Other operating leases	15,600	21,180

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2014**11. TRUSTEES' REMUNERATION AND BENEFITS**

During the year, Mr A N Kendall received £3,000 (2013 - £3,000) for services to the charity. The expense is included within governance costs.

**Trustees' expenses**

During the year, Mr A N Kendall was reimbursed for expenses incurred on behalf of the charity £294 (2013 - £57). These expenses are included within support costs.

During the year, insurance was purchased to indemnify the charitable company from loss arising from neglect or defaults of its trustees, employees or agents. The cost of the indemnity insurance amounted to £784 (2013 - £784).

**12. STAFF COSTS**

	<b>31.3.14</b>	31.3.13
	£	£
Wages and salaries	219,193	226,918
Social security costs	23,022	22,749
Other pension costs	9,294	8,860
	<u>251,509</u>	<u>258,527</u>

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

	<b>31.3.14</b>	31.3.13
Charitable activities	4	4
Management and administrative support	1	1
	<u>5</u>	<u>5</u>

The number of employees whose emoluments fell within the following bands was:

	<b>31.3.14</b>	31.3.13
£60,001 - £70,000	<u>1</u>	<u>-</u>

**13. TANGIBLE FIXED ASSETS**

	<b>Plant and machinery etc £</b>
<b>COST</b>	
At 1 April 2013	7,194
Additions	1,408
At 31 March 2014	<u>8,602</u>
<b>DEPRECIATION</b>	
At 1 April 2013	5,681
Charge for year	1,885
At 31 March 2014	<u>7,566</u>
<b>NET BOOK VALUE</b>	
At 31 March 2014	<u>1,036</u>
At 31 March 2013	<u>1,513</u>



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

14. FIXED ASSET INVESTMENTS

	Unlisted investments £
<b>MARKET VALUE</b>	
At 1 April 2013 and 31 March 2014	1
 <b>NET BOOK VALUE</b>	
At 31 March 2014	1
At 31 March 2013	1

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

LYG (Trading) Limited

:

Nature of business: Dormant

Class of share:	%		
Ordinary	holding		
	100	31.3.14	31.3.13
		£	£
Aggregate capital and reserves		1	1

The above company did not trade during 2014 or 2013.

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.14	31.3.13
	£	£
Trade debtors	409,816	191,346
Other debtors	299,244	229,748
	<u>709,060</u>	<u>421,094</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.14	31.3.13
	£	£
Trade creditors	39,381	34,296
Taxation and social security	46,613	5,872
Other creditors	844,326	791,503
	<u>930,320</u>	<u>831,671</u>

Included within other creditors is deferred income of £676,019 (2013 - £620,695).

Included in deferred income are grant funds amounting to £237,600 London Boroughs, Thames Water £63,000, Balfour Beatty £325,000, Environment Agency £10,000 and Rodney FitzGerald £25,000 received in advance for charitable activities to be expended in 2014/2015

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

## 17. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	31.3.14 £	31.3.13 £
Expiring:		
Between one and five years	<u>15,600</u>	<u>15,600</u>

## 18. MOVEMENT IN FUNDS

	At 1.4.13 £	Net movement in funds £	At 31.3.14 £
<b>Unrestricted funds</b>			
General fund	69,573	316	69,889
<b>Restricted funds</b>			
London Youth Games	201,243	(78,229)	123,014
<b>TOTAL FUNDS</b>	<u>270,816</u>	<u>(77,913)</u>	<u>192,903</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	316	-	316
<b>Restricted funds</b>			
London Youth Games	1,032,878	(1,111,107)	(78,229)
<b>TOTAL FUNDS</b>	<u>1,033,194</u>	<u>(1,111,107)</u>	<u>(77,913)</u>

**Purposes of unrestricted funds**

The funds have arisen due to past income received without specific restrictions. These funds are to be utilised as and when required to cover charity governance and operating costs.

**Purposes of restricted funds**

The funds have arisen due to income received in advance of the 2013/2014 London Youth Games (Event). Funds are restricted to cover direct Event costs and associated charity support costs, as and when required.

## 19. RELATED PARTY DISCLOSURES

During the year, contributions in advance of £237,600 (2013 - £320,100) were released from other creditors to the Statement of Financial Activities. The contributions were received from the London Boroughs, who are members of the charity.

At the balance sheet date, included in other creditors is an amount of £237,600 (2013 - £237,600) being contributions in advance received from the London Boroughs.

At the balance sheet date, included in trade debtors is amounts totalling £237,016 (2013 - £120,960) being contributions receivable from the London Boroughs.

During the year, grants in the amount of £36,160 (2013 - £35,200) were paid to the London Boroughs.

**20. ULTIMATE CONTROLLING PARTY**

In the opinion of the trustees the charity does not have an ultimate controlling party.

