

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

**LONDON YOUTH GAMES FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)**

REPORT OF THE TRUSTEES AND

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

Cox Costello & Horne
Chartered Accountants and Statutory Auditors
26 Main Avenue
Moor Park
HA6 2HJ

LONDON YOUTH GAMES FOUNDATION

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FOR THE YEAR ENDED 31 AUGUST 2021**

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LONDON YOUTH GAMES FOUNDATION

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2021**

TRUSTEES	Mr S J Burnside Director Mr M K Campbell Director (resigned 29.4.21) Mr N Daugherty Director Mr T H Gallico Director Mr P Moreton Director Ms A Rissen Director Ms C A S Webster Director Mr B A Ackim Director (resigned 4.9.20) Mr P T Fortune Director Ms J E Garrard Director Ms M L Hall-Ramsay Director (appointed 27.1.21) Ms J K Leigh Director Ms K S Sheth Director (resigned 8.6.21) Mrs R Wood Director (appointed 16.2.21)
COMPANY SECRETARY	Kerry Secretarial Services Limited
REGISTERED OFFICE	26 Main Avenue Moor Park Northwood HA6 2HJ
REGISTERED COMPANY NUMBER	02039817 (England and Wales)
REGISTERED CHARITY NUMBER	1048705 (England and Wales)
AUDITORS	Cox Costello & Horne Chartered Accountants and Statutory Auditors 26 Main Avenue Moor Park HA6 2HJ
BANKERS	Barclays Bank PLC 54 High Street Ruislip Middlesex HA4 7AT
SOLICITORS	Bird & Bird LLP 12 New Fetter Lane London EC4A 1JP
CHIEF EXECUTIVE OFFICER	Mr A Dalby-Welsh
WEBSITE	www.londonyouthgames.org

LONDON YOUTH GAMES FOUNDATION (REGISTERED NUMBER: 02039817)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

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 August 2021. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with provisions of Accounting and Reporting by Charities: Statement of Recommended Practice Applicable to Charities Preparing Their Accounts in Accordance with the Financial Reporting Standard Standards Applicable in the UK and Republic of Ireland (FRS 102) (Effective 1 January 2019) the Charity SORP. They also comply with our charity's governing document and the Companies Act 2006.

OUR MISSION

To use the power of competitive sport to create life-changing opportunities for all young Londoners.

OUR VISION

To create the world's largest and most inclusive city-based youth games accessible to all.

We are hugely proud to have created opportunities for over 1.5 million young Londoners over our rich 45-year history. It doesn't matter if you're competing, volunteering, coaching or trying out a new challenge. There's a place for you and your borough at the London Youth Games.

OBJECTIVES AND ACTIVITIES

The Context We Work In

It has been a challenging, yet hugely exciting time for the London Youth Games (LYG).

Like every organisation working in the sports and activity sector, we had to adapt our delivery in line with the restrictions imposed by the pandemic. We remain conscious that there is a potential long-term impact from COVID-19, with young people losing up to two years of access to structured activity. This is reflected in the refreshed approach in our 'Every Young Londoner's Games' strategy.

The year to 31 August 2021 highlighted again how those facing the greatest inequalities were disproportionately negatively affected by the impact of Covid-19. We have listened and are acting by further building on inclusivity as an organisational priority. COVID-19 alongside the backdrop of youth violence, inactivity, obesity and the rise of mental health issues among young Londoners, presents LYG with a challenging context. We have created our LYG 33 group. Members of the group reflect the diversity of London and will ensure that we are designing and delivering appropriate offers to reach the broadest of audiences.

Rates of inactivity in London among children and young people are still far too high. According to Sport England's 'Active Lives Children and Young People's' data for 2020/21 academic year, 55.4% of children and young people in London are not meeting the Chief Medical Officers' recommended average of 60 minutes or more of sport or physical activity per day. These inactivity rates increase further among those from the most deprived socio-economic backgrounds, disabled people and those from ethnic minorities.

You only need to read the newspapers or watch the news to understand the challenges our young people are experiencing in terms of their mental health. A survey conducted by the Office for National Statistics and published by NHS digital in 2021 found rates of probable mental disorders have been increasing since their last study in 2017. In 6- to 16-year-olds from one in nine (11.6%) to one in six (17.4%), and in 17- to 19-year-olds from one in ten (10.1%) to one in six (17.4%).

We know disabled people were disproportionately negatively affected by the pandemic. In the 'Parents and Disabled Children's' report conducted by the Disabled Children's Partnership in 2020, 45% of parents of disabled children reported their children's physical health had deteriorated during the pandemic. This is no surprise as many disabled young people could not leave their homes due to shielding, and some not being able to access activities due to their reliance on support of others during the pandemic.

Yet, the holistic benefits of physical activity are abundantly clear - not just for the individual, but for the community and, at a society level. Sport England, in their 'Active Lives Children and Young People Survey', found that sport and physical activity can have a positive impact on mental wellbeing, individual development, social and community development and economic development.

Furthermore, Public Health England says that healthier pupils in school are likely to perform better academically, and by working to support and enable each other's participation through volunteering, young people can gain vital life skills and experience.

Therefore, there could not be a greater need for the opportunities provided to young Londoners by the London Youth Games.

LONDON YOUTH GAMES FOUNDATION (REGISTERED NUMBER: 02039817)**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

OBJECTIVES AND ACTIVITIES**Objectives and aims - continued****Strategic Approach**

We recognise that we work in a challenging environment, but also in the enormous impact we can have on the lives of young Londoners and the communities they live in. In 2020, we launched our new five-year strategy "Every Young Londoner's Games", where we set out how we will meet the challenges. Our strategy sets us on a pathway to meet our vision to "Create the world's largest and most inclusive city-based youth games." Our strategy is driven by our beliefs that:

- Sport is a right for all
- Sport improves physical and mental wellbeing
- Sport is a key driver of social integration

The London Youth Games programme will provide an outlet for all young Londoners to fulfil their potential as a participant, volunteer, coach or official. Historically, we have had notable success, but we still have some way to go. As an example, we have some work to do with disabled young people. We know this group of young people have faced huge challenges through the pandemic and we want to improve our offering for disabled young people through the 2022 season and beyond. We will work with partners such as Activity Alliance, a national charity supporting other organisations to embed inclusive practice and change attitudes towards disabled people in sport and activity. We will work with National Disabled Sports Organisations such as British Blind Sports to draw on their insights and expertise. We will work with more local delivery organisations in London to provide a stronger offering for disabled young people. We will target specific funding opportunities to draw in additional resource to improve the opportunities benefitting disabled young people.

To be effective in reaching and engaging young Londoners, we understand that we need to be relevant to them. As part of our strategy, we will "Deliver Sport As Young People Want It". The creation of LYG33, a vehicle drawing on the voice of young people from across London and from a wide range of backgrounds to formally advise the Games' leadership at board and borough level on our event delivery and our digital activity, has been critical to this.

Another key priority in our strategy is to deliver a "1st Class Experience" at our events. We play a different role on the sporting pathway for many of our participants. In some sports, the London Youth Games provides one of the earliest experiences of competitive sport. For others, it is a developmental milestone. For some it is part of an elite pathway. But for every participant, we will work to deliver a high-end experience to attract participants to have a positive impact on their physical and mental well-being.

We will review the user journey on a sport-by-sport basis. This will enable us to deliver best practice with all touchpoints pre, during and post competition for all participants. This process has already commenced, and working with Borough Team Organisers (BTOs), School Games Organisers (SGOs), National Governing Bodies, Team Managers, and young people it is clear some sports may not assist us in achieving our strategic objectives, whereas some just need a clearly redefined purpose.

We have a solid financial foundation (See FINANCIAL REVIEW section). However, our strategic priority to create a "Long Term Sustainable Financial Model" means that we will be seeking to diversify our income and strengthen our financial position. We will work closely with our existing network of partners to deliver return on investment and retain their support. We will also target funding opportunities to become more financially independent, including through charitable activities, grants, commercial opportunities and membership schemes which will in turn deliver better value for all our stakeholders.

Public benefit

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. In reviewing our aims, objectives and planning future activities, the Trustees have taken into account the Charity Commission's general guidance on public benefit. The Trustees ensure that activities undertaken are always in line with the charitable objectives and aims of the Foundation.

Grant making

This year, due to the pandemic's impact on the traditional season, we created a grant programme. Fully paid-up members could apply for a 'Give back' grant. This enabled Boroughs to use their grant to provide opportunities for young people to take part in sport at a local level. 19 Boroughs accessed this 'Give Back' grant opportunity. The programme has flexibility built into it to enable Boroughs to use the monies to address their locally identified need and to support their young people access future LYG opportunities.

LONDON YOUTH GAMES FOUNDATION (REGISTERED NUMBER: 02039817)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2021

ACHIEVEMENT AND PERFORMANCE

Review of the year

The Foundation's activities and event programme are conducted cyclically in line with its financial year, which in turn reflects the school year, from the 1st September to the 31st August. However, the 2021 Games year was delivered differently for the first time, which was due to the impact of Covid restrictions. As a result, the season was extended. Rather than finishing in July as it would normally do, we were still delivering activities related to the 2021 season in September, which is the first month of our new financial year.

The London Youth Games programme is a diverse, inclusive, and free programme relevant to tens of thousands of young Londoners, helping them to fulfil their potential as a participant, volunteer, official or coach. In giving young Londoners such a breadth of opportunity, we help improve their physical and mental wellbeing which in turn develops social integration at borough and city-wide levels.

In a typical London Youth Games year, this consists of around fifty event days, nearly 100 different competitions, across 35 different sports and disciplines which engage over 115,000 young people. Our programme consists of two distinct branches. This includes the School Games programme, funded by Sport England, which we deliver, and leads young people to London-wide finals. The second is the "Open" programme where borough teams are made up of young people who either live or go to school in that borough.

Both the open and schools' programmes include qualifying rounds and finals competitions for disabled and non-disabled participants and several take place in some of the city's most iconic sporting venues, including the MCC Indoor Cricket School at Lord's, the National Tennis Centre - Roehampton and the Copper Box Arena - Queen Elizabeth Olympic Park.

Our continued successful event operations are only possible through the collaboration with the network of School Games Organisers and Borough Team Organisers whom we work closely with on local delivery and recruitment of participants. Much of this success has also been built on our popular GamesForce volunteer programme, in which nearly 4,000 people contribute their invaluable time and efforts to deliver our programme. Volunteers play a critical role within the Games. Whether officiating matches, registering teams, managing results, or meeting and greeting participants as they arrive, the volunteers ensure our young people have an experience they will not forget.

Of course, 2021 was not a typical London Youth Games year. It was not a typical year for anyone, as the pandemic continued to dominate our lives.

Our School Games programme moved fully online to be delivered virtually. Our Open Games season was delivered part virtually and part in person. We kicked off face-to-face events in May and extended the season delivering up until the last weekend of September. It was critical for us to play a key role in getting young people active again and so through creative delivery we achieved this.

We took the decision early in the 2021 season not to award our traditional awards such as the Jubilee Trophy, Para-Games award, and the Respect the Games award due to the challenging Covid landscape. For us, our members, and our young people the 2021 Games were all about participation and giving young people the opportunity to be active again.

Our newly created LYG 33 group had an immediate impact on helping young Londoner's to be active. They created the virtual challenges for our School Games. The LYG 33 created challenges that were posted online and distributed to the school's network. We regularly had 4,000 young people taking part in each of the challenges, highlighting how valuable is to have young people shaping sport for other young people.

We achieved two grants from London Sport through their 'Tackling Inequalities Fund'. The grants enabled us to deliver two specific projects designed to engage disabled young people in virtual challenges. The first was the Inclusive Virtual Games, which we launched during lockdown in early 2021. Challenges were developed and set by disabled young people. The project highlighted the positive role disabled young people can play in sport and how much they can achieve if provided with the right platform and support. We were thrilled to receive 11,307 entries.

Sully, a disabled young person who assisted in the development and delivery of the Virtual Inclusive Games said: "The inclusive virtual games meant so much to me getting involved because as a disabled person I didn't have many opportunities when I was young until the London Youth Games came in as well as my club Weir Archer Academy, and I had a chance to represent Ealing. I knew a number of athletes that took part in the Virtual Inclusive Games who were extremely happy taking part because they felt included as a disabled person and that is what we all want."

The second project was an Inclusive Virtual Dance programme. Delivered over six weeks the project worked with 'Step Change Studios' - an award-winning dance organisation specialising in creating opportunities for disabled and non-disabled people to dance together. We were also excited to work with 'Nando's' and 'At Your Beat' to promote and engage with young Londoners through the project.

A mother of one of the participants commented: "Can I take this opportunity to thank you for thinking out of the box and inspiring and motivating the children through this lockdown/ pandemic. My daughter was so nervous to join in and as the weeks went on, she grew in confidence and her belief in herself. Winning was an amazing bonus, and she was so shocked. Thanks for all you do."

We were really pleased to have received over 14,000 entries across these two projects.

Due to the positive impact of the Inclusive Virtual Games, a teacher whose pupils had benefitted, and one of our Borough Team Organisers nominated us for the Young Londoners award at London Sport's prestigious annual awards. Although we didn't win, we were immensely proud to have been shortlisted for the award through our commitment in putting disabled people's needs at the heart of our work during the depths of the pandemic in 2021.

LONDON YOUTH GAMES FOUNDATION (REGISTERED NUMBER: 02039817)**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

Due to the pandemic and our commitment to keeping all those involved in our events safe, we decided to only deliver sports using outdoor facilities in the 2021 Open Games season. We were still able to provide a wide range of sports including BMX, sailing, cycling, in addition to three hub weekends which were delivered regionally and included football, hockey, cricket, netball and beach volleyball. We were excited to have young people back representing their boroughs and taking part in sport. We were able to cater for just under 3,000 young people through these regional hubs.

**Special Projects
Inclusive Coaches**

Nike supported us with a grant for a new project called 'Inclusive Coaches'. The project enabled us to train twenty coaches to develop their confidence and competence to work with disabled young people. The project was very successful and was delivered in partnership with British Athletics and Activity Alliance. Coaches benefitted from receiving formal coaching qualifications, training in working with disabled people and the opportunity to deliver at disability specific sessions alongside an experienced coach.

GamesForce upskill

Through London Sport we received Department of Education funding to train young volunteers to support us with our work. We were able to put 138 young people through a volunteer education programme and connect them to volunteering opportunities with us and with projects in their local communities.

Sponsorship, Funding and Future Development

We were incredibly grateful to have continued financial support from the London boroughs, from the National Lottery, through Sport England and London Sport. This support is critical for us to be able to deliver the Games for young Londoners.

We are also grateful for the ongoing support of Nike, who were in the third year of their headline sponsorship of the Games during 2021. With any sports event, 2021 was a hugely challenging year, but with all our partners support and reach, we were still able to engage tens of thousands of young Londoners in competitive sport and physical activity, particularly in the Virtual Games. Nike's brand resonates massively with our demographic of young Londoners and with our partners support, we were able to support the physical and mental wellbeing of young Londoners across every London borough through the year.

FINANCIAL REVIEW**Financial position**

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

The financial statements as set out to cover the period from September 2020 to August 2021.

The statement of financial activities for the year ended 31 August 2021 and the balance sheet as at 31 August 2021 are set out on pages 13 and 14. The statement of financial activities shows that the charity had a net surplus of £295,671 in the year ended 31 August 2021 (2020: £202,483). Total reserves are calculated as follows: unrestricted funds £101,959 of which £45,000 is designated, restricted funds £599,909 and non-reoccurring restricted funds £45,000.

We have ringfenced a non-reoccurring restricted fund of £45,000 from our restricted reserves. This is due to the 2021 Games season being extended into September 2021 which is a month after the end of our financial year. We incurred costs of £45,000 outside of the financial year relating to the 2021 season. We will be using £45,000 from our restricted reserves to pay for the delivery undertaken in September 2021. These monies were awarded for the 2021 season. This will create a restricted reserves figure of £599,909.

Restricted funds represent money which can only be used for specified purposes. Unrestricted funds are funds available to be spent within the objects of the charity which can legally be spent at the discretion of the trustees'.

Income

The charity income is made up of income from grants, sponsorships, local authority contributions, other income, donations, and investment income. Total income in the year was £975,780, which is 1.39% lower than the previous year (2020: £989,521).

As mentioned in this report, the COVID situation affected the activities of the charity, not least of which hampered the charity's ability to run event days. To support our local authority members we launched a 'Give Back' grant programme where fully paid up members could draw down a £3,500 grant.

Other income includes £2,233 (2020: £21,146) of grant income derived from the government coronavirus job retention scheme.

Expenditure

The charity expenditure is made up of charitable activities and support cost.

Total expenditure in the year was £680,109, which is 13.59% lower than the previous year (2020: £787,038).

The variance is mainly due to a decrease in games costs included within charitable activities due to the Charities reduced ability to run event days, resulting in a considerable number of activities not being able to be delivered in 2021.

The grants payable to London Boroughs and City of London at a cost of £115,500 is a direct consequence of the impact of the COVID situation (see note 6 for further details).

LONDON YOUTH GAMES FOUNDATION (REGISTERED NUMBER: 02039817)**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021****FINANCIAL REVIEW****Income streams**

The majority of the charity's funding for this Games Year derived from the following sources: membership fees from individual London boroughs; the National Lottery through its distributor Sport England, Nike, CVC Capital Partners and London Sport.

Investment policy and objectives

Under the Articles of Association, the Foundation has the power to invest monies which are not immediately required for its purposes, in or upon such investments or property as may be thought fit. At the present time the trustees' policy is to maintain all such monies in liquid cash form, on deposits earning a market rate of interest. The trustees consider that this is the most appropriate form of investment in the current climate, given the operational context and considering the amount.

Reserves policy

We aim to keep reserves to a level that if we were to lose any or a number of funders having committed to a Games year, we would still be able to deliver a reduced Games programme. We will consider both monies in restricted and unrestricted reserves. As some monies currently held in our restricted reserves are connected to delivering the Games, we have calculated the cost of a reduced Games season to be £663,000.

With the status of our partnership with Nike having changed and the challenging financial climate due to the pandemic, we aim to achieve an optimum reserves position of being able to hold a reduced Games programme at the cost identified below.

- Total funding required to deliver the games £663,000.
- Amount covered by reserve funds £656,867.
- Level of reserves needed per our policy £663,000.

Amount covered by the reserves fund £656,867. (This represents the undesignated unrestricted funds of the Foundation which are not represented by tangible fixed assets, plus the restricted funds of the charity other than those which are necessary to conclude the 2020/21 Games).

The difference between the actual level of reserves and required level of reserves is £6,133 shortfall.

The London Youth Games are currently writing a fundraising strategy. The plan will identify potential ways of diversifying income and raising unrestricted funds to assist in building the reserves position to the level identified.

Thanks to the commitment and support of our partners we have added to our reserves from this Games year. This is critical due to the unknown long-term impact of Covid-19. We are in the final year of our existing relationship with Nike. We are pleased to have secured their support for further three years all be it at a reduced level. This changing financial position underpins the importance of a strong reserves position.

The trustees keep the financial situation under constant review, including ongoing operational costs with the risk to income streams and the potential of additional funding streams.

FUTURE DEVELOPMENTS

2021 has been another year, presenting challenges in putting on events as traditionally provided by London Youth Games. But in a post-pandemic existence, the London Youth Games is in a strong position financially, strategically and - with our network of partners - in a great operational place to deliver.

The learnings and success of the Virtual Games also demonstrated our ability to innovate and to deliver, even in the most difficult of circumstances. The continued development of our Virtual Games model continues to add a new stream to our activities, and in the revival and refreshing of our whole programme, we are looking to the future with huge optimism.

Following consultations with our network that looked at developing our offering to reach those who need us most, 2022 offers an opportunity to deliver a new programme of activities. We face a challenge in not being able to hold finals at our historical home of Crystal Palace. However, this does present an opportunity to build relationships with the 'London Legacy Development Corporation' and 'Lee Valley Regional Park' to use aspirational London 2012 venues. We will also explore the potential of using regional hubs to create a new and more localised offering for young Londoners. We want to work with our Boroughs to do this, exploring a host Borough model for the Games that leads young people to prestigious events at exciting former London 2012 venues.

We hold ambitions to significantly step up our digital abilities. For participants, we will improve the digital user journey rather than distribute information around events only. We are committed to including the voice of young people across our work. We will work with the nationally renowned social impact measurement organisation, Trust Impact. They will be supporting us in implementing systems that allow us to gain a much deeper quantitative and qualitative insight into the impact London Youth Games makes on the physical and mental wellbeing of young Londoners and, our contribution to social integration.

We will fully use the networks we have, and our unique position at the centre of youth sport in London to work with National Governing Bodies of Sport and other deliverers, to find innovative ways of encouraging young people to challenge themselves to achieve more. This is about young people defining their own success and being encouraged to reach for it, rather than being defined by what others think.

LONDON YOUTH GAMES FOUNDATION (REGISTERED NUMBER: 02039817)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

FUTURE DEVELOPMENTS

For decades, volunteering has underpinned the successful delivery of the London Youth Games programme. Working closely with the LYG 33 - our new youth Ambassadors programme, we will be relaunching our GamesForce volunteer programme. Our priorities are to implement ways in which we can help young people acquire training and support to give them the skills to enhance their employability and join the workforce.

We will be running a training programme for our volunteer Team Managers. This will build their knowledge and understanding for the softer skills needed to support young people. We want to continue developing our relationships with the London Marathon and other organisations to provide our volunteers with a broad mixture of volunteering opportunities throughout the course of the year. We will continue to deliver the "Inclusive Coaches" project in partnership with Nike to increase the number of coaches who are both confident and competent at working with disabled people.

We will not stand still as a charity. We will continue to improve and deliver the Games programme, as well as look to build innovative and exciting new partnerships with organisations with similar values and objectives such as Disability Sports Coach, The Change Foundation, London Youth and the Sport For Development Coalition to create more life changing opportunities for all young Londoners.

2022 will also mark our 45th anniversary having been set up in 1977 to celebrate the Queen's Silver Jubilee. It will be an exciting and busy summer with the Platinum Jubilee, the 10th anniversary of London 2012 and the Commonwealth Games in Birmingham. An excellent backdrop for an evolved but historic London Youth Games.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Company structure

The London Youth Games Foundation is a charitable company limited by guarantee, 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, 21 February 2019.

The Foundation registered as a charity on 16 August 1995.

Membership of the company

Provisions governing membership of the Foundation are set out in the Articles of Association. The members are London boroughs and the City of London, and the independent trustees.

Indemnity insurance

Under the terms of the Articles of Association the trustees shall be indemnified out of the assets of the Foundation against any liability incurred by him/her in defending any proceedings in which judgement is given in their favour. To mitigate any potential costs arising from such proceedings, the charity has obtained the necessary indemnity insurance.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trustees and board

Trustees for the Foundation for the purposes of the Charities Act 2011, who are also the Directors of the company for the purposes of the Companies Act 2006, fall into two categories: 75% (up to nine people) of the board is made up of independent trustees and 25% (up to three people) of member representatives. There is a maximum of twelve people sitting on the board at any one time. Member representative trustees are 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 are appointed by resolution of the board of trustees.

All trustees serve for a term of four years, upon expiry of which they are eligible for reappointment for a maximum of one further term.

The board of the Foundation is led by the chair, Mickela Hall-Ramsay, and is responsible for setting the strategic direction of the Foundation and for oversight of delivery against it. It is also responsible for ensuring there is an effective governance regime in place for the organisation as a whole.

The Board had one standing sub-committee during the year which was the Finance, Audit, Risk and Governance (FARG) committee. The Board and CEO introduce working groups to the Board where appropriate to draw on expertise of the Board. For example, during the year an income generation group was formed to develop and support the strategic priority of diversifying the income of the London Youth Games.

LONDON YOUTH GAMES FOUNDATION (REGISTERED NUMBER: 02039817)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trustees and board

The trustees who held office during the financial year 2020-21 were:

Stuart Burnside	Mark Campbell
Neil Daugherty	Benjamin Ackim
Cllr Peter Fortune	Jane Garrard
Tim Gallico	Cllr Jessica Leigh
Paul Moreton	Anna Rissen
Charlie Webster	Cllr Krupa Sheth
Mickela Hall-Ramsay	Roisin Wood

Induction and training of new trustees

The Trustees offer a wide range of skills and experience essential to the good governance of the charity. New Trustees are invited to take part in an informal induction programme. New trustees are briefed by the chair and the chief executive as to their duties and obligations. On an informal basis, new Trustees undergo orientation to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association and decision-making process, meet key persons of the charity, and become familiar with the business plan and recent financial performance of the charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role and other aspects of London Youth Games Foundations work. The Trustees review their written procedures in line with all other procedural documents on a regular basis.

Risk management

The Foundation has a strong process for the identification and management of major threats and opportunities to the organisation's ongoing success and financial health, overseen by the Finance, Audit, Risk and Governance (FARG) committee and the full Board. Currently, the key risks to the organisation are ongoing operational/delivery risks related to the impact of Covid-19 such as, its long-term impact on our ability to deliver the Games. Another significant risk to the Foundation' relates to its ongoing financial sustainability. The trustees have put in place increased oversight through income generation being rigorously analysed and discussed at every board meeting.

The management of operational delivery risks, around ensuring a safe environment for young people who take part at all LYG events, has also been improved through rigorous risk assessment of every event and venue. The Foundation continues to work with professional consultants, venue management and the emergency services as appropriate to make sure that our events are as safe as possible for the young people taking part and this will very much be continued in a post-Covid world.

The Covid-19 Pandemic has impacted the organisation's ability to deliver its traditional programme. The ongoing impact of Covid-19 has been built into our risk assessment framework and is assessed alongside all other organisational risks with mitigating actions put in place to minimise the impact of a particular risk occurring.

The impact of the Covid-19 pandemic led to a substantial number of Open competitions not being delivered. As a result, and subject to a set of conditions, £115,500 have been made available to thirty-three local authorities as part of the give-back grant.

AUDITORS

The auditors, Cox Costello & Horne, 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.

28 May 2022

Approved by order of the board of trustees on and signed on its behalf by:

DocuSigned by:

AF3E59EAE469403
Mr S J Burnside - Trustee

LONDON YOUTH GAMES FOUNDATION

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

The trustees (who are also the directors of London Youth Games Foundation for the purposes of company law) are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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;
- State whether applicable UK Accounting Standards 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 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.

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

Opinion

We have audited the financial statements of London Youth Games Foundation (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, the 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

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

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We considered the nature of the charity's industry and its control environment and reviewed the charity's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, and others within the entity about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the charity operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Trust Deed, tax legislation and Companies Act 2006; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. These included the Charity Commission for England and Wales (Charity Commission) regulations, fundraising regulations and Anti-Money Laundering Regulations (including Proceeds of Crime Act 2002 and Terrorism Act 2000); Child safeguarding, health and Safety Act, employment law, pensions legislation, Charities Act.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the charity for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address them are described below:

- Recognition of grant income: this involves judgement around whether grants have performance conditions attached to them which have to be met before income can be recognised, as well as judgement over whether or not those conditions have been satisfied. On a sample basis, we have assessed the judgements and estimates made by management in the recognition of this income.
- Appropriate allocation of restricted income: there is a risk that restricted income may not have been identified and allocated as such. We reviewed the allocation of income to restricted or unrestricted funds on initial recognition to ensure restrictions were appropriately identified and applied, and we reviewed fund transfers from restricted to unrestricted funds to assess the rationale for those movements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the operations rationale of any significant transactions that are unusual or outside the normal course of operations.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, reviewing correspondence with HMRC and with the Charity Commission.

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

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

Use of our report

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

DocuSigned by:

Mr M F Cox

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Michael F Cox FCA (Senior Statutory Auditor)
for and on behalf of Cox Costello & Horne
Chartered Accountants and Statutory Auditors
26 Main Avenue
Moor Park
HA6 2HJ

28 May 2022

Date:

LONDON YOUTH GAMES FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £	Restricted funds £	31.8.21 Total funds £	31.8.20 Total funds £
INCOME FROM					
Donations	2	374	944,850	945,224	950,581
Other charitable income	3	464	27,650	28,114	16,692
Investment income	4	209	-	209	1,102
Other income	5	2,233	-	2,233	21,146
Total		3,280	972,500	975,780	989,521
EXPENDITURE ON					
Charitable activities	6				
London Youth Games		-	680,109	680,109	768,267
Other		-	-	-	18,771
Total		-	680,109	680,109	787,038
NET INCOME		3,280	292,391	295,671	202,483
RECONCILIATION OF FUNDS					
Total funds brought forward		98,679	352,518	451,197	248,714
TOTAL FUNDS CARRIED FORWARD		<u>101,959</u>	<u>644,909</u>	<u>746,868</u>	<u>451,197</u>

LONDON YOUTH GAMES FOUNDATION (REGISTERED NUMBER: 02039817)


STATEMENT OF FINANCIAL POSITION
31 AUGUST 2021

	Notes	31.8.21 £	31.8.20 £
FIXED ASSETS			
Tangible assets	14	-	17,767
Investments	15	<u>1</u>	<u>1</u>
		1	17,768
CURRENT ASSETS			
Debtors	16	124,397	162,852
Cash at bank		<u>931,619</u>	<u>543,753</u>
		1,056,016	706,605
CREDITORS			
Amounts falling due within one year	17	<u>(309,149)</u>	<u>(228,176)</u>
NET CURRENT ASSETS		<u>746,867</u>	<u>478,429</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		746,868	496,197
PROVISIONS FOR LIABILITIES	19	-	(45,000)
NET ASSETS		<u>746,868</u>	<u>451,197</u>
FUNDS	21		
Unrestricted funds		101,959	98,679
Restricted funds		599,909	352,518
Non-reoccurring restricted funds		<u>45,000</u>	-
TOTAL FUNDS		<u>746,868</u>	<u>451,197</u>

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

26 May 2022

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

DocuSigned by:

 30BB654097BD43D.....
 Ms J E Garrard - Trustee

LONDON YOUTH GAMES FOUNDATION**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	31.8.21 £	31.8.20 £
Cash flows from operating activities			
Cash generated from operations	23	<u>387,657</u>	<u>314,953</u>
Net cash provided by operating activities		<u>387,657</u>	<u>314,953</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(14,820)
Interest received		<u>209</u>	<u>1,102</u>
Net cash provided by/(used in) investing activities		<u>209</u>	<u>(13,718)</u>
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period		387,866	301,235
		<u>543,753</u>	<u>242,518</u>
Cash and cash equivalents at the end of the reporting period		<u>931,619</u>	<u>543,753</u>

The notes form part of these financial

LONDON YOUTH GAMES FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021****1. ACCOUNTING POLICIES****Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Preparation of the financial statements on a going concern basis

The trustees have prepared the financial statements on a 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.

The Foundation has been impacted by the "Corona" virus in the year 2020. Some of the 2021 face to face events had to be cancelled but in some cases were replaced by virtual events. The direct and indirect consequences of the new "Corona" virus and a corresponding global pandemic wave on the charity sector cannot yet be conclusively assessed. Various sectors and locations within the charity community will show different exposure and vulnerability to potential public shutdowns or other measures taken to contain the further spreading of the virus. We'll consistently monitor this development and the impact on our Foundation in a very diligent, prudent and transparent way.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires the Board of Trustees to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure during the period. However, the nature of estimation means that actual outcomes could differ from those estimates.

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

Judgements**Revenue recognition**

London Youth Games Foundation recognises revenue on a receivable basis where the amount is reliably measurable and there is adequate probability of receipt. Income recognition policies are detailed in the accounting policy for income. When it is considered that the key criteria of entitlement, probability and measurement for revenue recognition are not fulfilled for a transaction, revenue recognition is delayed until these are judged to have been met. Payments received in advance of revenue recognition are recorded as deferred income.

Estimates**Tangible fixed assets**

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life. Increasing an asset's expected life would result in a reduced depreciation charge. The useful lives of the assets are determined at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

Accruals

Expenditure incurred in the reporting period where there is uncertainty as to the final amount to be paid is accounted for on the basis of an estimated value where this treatment is viewed as appropriate. An accrual is recognised when it is probable that an obligation exists for which a reliable estimate can be made. The amount may change in the future due to new developments or as additional information becomes available.

Recognition of doubtful debts

A standard debt provision policy exists in order to recognise the cost of debts that are not considered to be collectable. A standard percentage of the debt value is provided against overdue debts. An additional provision may also be made where information received indicates that a debt is unlikely to be paid by a customer.

Preparation of consolidated financial statements

The financial statements contain information about London Youth Games Foundation as an individual company and do not contain consolidated financial information as the parent of a group. This is because during the current and the comparative prior period the Foundation only had a single dormant subsidiary undertaking.

LONDON YOUTH GAMES FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021****1. ACCOUNTING POLICIES - continued****Income**

Incoming resources are included on the Statement of Financial Activities when the Foundation 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 derive wholly within the United Kingdom.

Incoming resources from generated funds are predominately local authority member contributions and commercial sponsorship and UK sports for specific events and are recognised as restricted funds in the year in which the event falls. Income relating to future accounting period is deferred and recognised as a creditor and where entitlement arises before income is received, the income is accrued within the balance sheet.

Incoming resources from charitable activities are grants receivable in support of the London Youth Games and are recognised as restricted funds in the year in which the event falls. Grants relating to future accounting period shall be deferred and recognised as a creditor and, where entitlement is acquired prior to receipt of the grant, the grant shall be recognised in the balance sheet.

Capital based grants are recognised immediately in the Statement of Financial Activities. If there is an ongoing promise, treat it as restricted if not as unrestricted. Revenue grants are recognised in the Statement of Financial Activities as received.

Government grant funding has been received in the year in relation to the Coronavirus Job Retention Scheme and is recognised within other income in the period in which amounts become receivable.

Gifts in kind that provide core funding or are of a general nature are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the Foundation has unconditional entitlement.

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

Unrestricted charitable donations are recognised in the financial statements when the charitable donation has been received, or if, before receipt, there is sufficient evidence to provide the necessary certainty that the donation will be received and the value of the incoming resources can be measured with sufficient reliability.

Intangible income by way of donated facilities and services is recognised as an incoming resource where the provider has incurred a financial cost. The financial cost can usually be reasonably quantified in the instance of an individual or an entity as part of their trade or profession.

For the purposes of these financial statements, no value has been placed on administrative and other services provided by volunteers in accordance with the Charities SORP FRS 102.

Expenditure

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 Foundation.

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.

Charitable activities

Charitable activities comprise those costs incurred by the Foundation 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 Foundation and its compliance with regulation and good practice. These costs include costs related to audit together with an apportionment of overhead and support costs.

LONDON YOUTH GAMES FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021****1. ACCOUNTING POLICIES - continued****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.

Office equipment	- 33% on cost
Furniture	- 33% on cost
Computer equipment	- 33% on cost

All assets are initially recognised at cost and subsequently carried at cost less accumulated depreciation. The cost of an asset initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Taxation

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

The Foundation 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.

Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund are set out in the notes to the financial statements.

Restricted funds can only be used for particular restricted purposes within the objects of the Foundation. 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 Foundation contributes towards personal pension schemes of staff. The contributions payable by the Foundation and staff are deposited in the respective pension funds within 30 days following the deduction. Once the contributions have been paid, the Foundation as employer, has no further payment obligations. The Foundation's contributions are charged to the Statement of Financial Activities in the period to which they relate.

Contributions outstanding at the year end is £1,452 (2020 - £1,225).

LONDON YOUTH GAMES FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021****1. ACCOUNTING POLICIES - continued****Financial instruments**

The Foundation only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and trade creditors and other creditors.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Debtors: Basic financial assets, including trade and other debtors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Cash and Cash equivalents: Cash and cash equivalents are represented by cash in hand, deposits held at call with financial institutions, and other short-term highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

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

Interest income: Interest income is recognised in income and expenditure using the effective interest method.

2. DONATIONS

	31.8.21	31.8.20
	£	£
Sponsorships	277,500	265,000
Other donations	374	4,581
Local Authority contributions	231,000	231,000
UK School Games Planning	400,000	400,000
Greater London Authority	-	50,000
Sport England	36,350	-
	<u>945,224</u>	<u>950,581</u>

3. OTHER CHARITABLE INCOME

	31.8.21	31.8.20
	£	£
Other charitable income	<u>28,114</u>	<u>16,692</u>

4. INVESTMENT INCOME

	31.8.21	31.8.20
	£	£
Deposit account interest	<u>209</u>	<u>1,102</u>

5. OTHER INCOME

	31.8.21	31.8.20
	£	£
Government grants-CJRS	<u>2,233</u>	<u>21,146</u>

LONDON YOUTH GAMES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 7) £	Support costs (see note 8) £	Totals £
London Youth Games	<u>356,213</u>	<u>115,500</u>	<u>208,396</u>	<u>680,109</u>

7. GRANTS PAYABLE

	31.8.21 £	31.8.20 £
London Youth Games	<u>115,500</u>	<u>148,500</u>

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

	31.8.21 £	31.8.20 £
London Boroughs and City of London	<u>115,500</u>	<u>148,500</u>

Included in charitable activities is contributions receivable from local authorities. Contributions are receivable year on year for running the London Youth Games.

The Covid-19 pandemic resulted in the unprecedented closure of all schools and sporting facilities throughout London and nationally. Consequently, significant competitions were cancelled. In recognition of the exceptional impact of the Covid-19 pandemic, the Board of Trustees have agreed to set up a grant scheme for Borough specific activities relating to the cancelled competitions. The Board of Trustees have determined the amount of contributions to be returned are £115,500 (£148,500). The liability is included within other creditors.

During the year total grants payable or paid to institution's £115,500 (2020: £148,500).

8. SUPPORT COSTS

	Management £	Finance £	Information technology £	Governance costs £	Totals £
London Youth Games	<u>184,838</u>	<u>15</u>	<u>16,393</u>	<u>7,150</u>	<u>208,396</u>

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. NET INCOME

Net income is stated after charging:

	31.8.21 £	31.8.20 £
Auditors' remuneration	4,250	4,250
Auditors' remuneration for non-audit work	2,900	2,900
Depreciation - owned assets	17,767	12,826
Other operating leases	<u>16,380</u>	<u>15,155</u>

LONDON YOUTH GAMES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021

10. TRUSTEES' REMUNERATION AND BENEFITS

The Memorandum of Association of the Foundation makes provision for trustees to receive reimbursement for any services rendered to the Foundation.

No trustees' remuneration or other benefits were paid either for the year ended 31 August 2021 or the previous year.

No trustee received payment for professional or other services supplied to the Foundation.

No trustees' expenses were paid, either for the year ended 31 August 2021 or the previous year.

Trustees' expenses

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 cannot be accurately calculated as it forms part of a multiple insurance policy.

11. STAFF COSTS

	31.8.21	31.8.20
	£	£
Wages and salaries	308,277	258,674
Social security costs	24,583	26,726
Other pension costs	10,978	7,457
	<u>343,838</u>	<u>292,857</u>

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

	31.8.21	31.8.20
Charitable activities	5	5
Management and administrative support	2	2
	<u>7</u>	<u>7</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.8.21	31.8.20
£70,001 - £80,000	1	1

Key Management Remuneration

The key management personnel of the Foundation comprise the Head of operations and the Chief Executive Officer. The total employee benefits, excluding pension contributions, of the key management personnel of the Foundation were £138,674 (2020: £130,128).

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Designated £	Restricted funds £	Total funds £
INCOME FROM				
Donations and legacies	4,001	-	946,580	950,581
Other charitable income	1	-	16,691	16,692
Investment income	1,102	-	-	1,102
Other income	<u>21,146</u>	<u>-</u>	<u>-</u>	<u>21,146</u>
Total	26,250	-	963,271	989,521
EXPENDITURE ON				
Charitable activities				
London Youth Games	-	-	768,267	768,267

LONDON YOUTH GAMES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Designated £	Restricted funds £	Total funds £
Other	-	-	18,771	18,771
Total	-	-	787,038	787,038
NET INCOME	26,250	-	176,233	202,483

RECONCILIATION OF FUNDS

Total funds brought forward	72,429	-	176,285	248,714
TOTAL FUNDS CARRIED FORWARD	<u>98,679</u>	<u>-</u>	<u>352,518</u>	<u>451,197</u>

13. RECLASSIFICATIONS AND COMPARATIVE FIGURES

Charitable income reclassifications have been made to the comparative figures to enhance comparability with the current year's financial statements. Reclassifications were necessary as certain other charitable income in the prior year are shown to be donations in the current financial year. The trustees were requiring the reclassification.

As a result, certain line items have been amended in the statement of financial activities and the related notes to the financial statements. Comparative figures have been adjusted to conform to the current year's presentation.

14. TANGIBLE FIXED ASSETS

	Office equipment £	Furniture £	Computer equipment £	Totals £
COST				
At 1 September 2020 and 31 August 2021	<u>2,074</u>	<u>3,724</u>	<u>48,446</u>	<u>54,244</u>
DEPRECIATION				
At 1 September 2020	2,074	3,724	30,679	36,477
Charge for year	-	-	<u>17,767</u>	<u>17,767</u>
At 31 August 2021	<u>2,074</u>	<u>3,724</u>	<u>48,446</u>	<u>54,244</u>
NET BOOK VALUE				
At 31 August 2021	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 August 2020	<u>-</u>	<u>-</u>	<u>17,767</u>	<u>17,767</u>

15. FIXED ASSET INVESTMENTS

	Unlisted investments £
MARKET VALUE	
At 1 September 2020 and 31 August 2021	<u>1</u>
NET BOOK VALUE	
At 31 August 2021	<u>1</u>
At 31 August 2020	<u>1</u>

There were no investment assets outside the UK.

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

LONDON YOUTH GAMES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021

15. FIXED ASSET INVESTMENTS - continued

LYG (Trading) Limited

Registered office:

Nature of business: Dormant

Class of share:	%		
Ordinary	holding		
	100	31.8.21	31.8.20
		£	£
Aggregate capital and reserves		1	1

The subsidiary company has been dormant throughout the 2021 and 2020 financial years.

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.21	31.8.20
	£	£
Trade debtors	109,772	118,840
Other debtors	-	83
VAT	-	9,788
Prepayments and accrued income	14,625	34,141
	<u>124,397</u>	<u>162,852</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.21	31.8.20
	£	£
Trade creditors	15,749	63,201
Social security and other taxes	8,484	6,252
VAT	4,009	-
Other creditors	190,951	153,427
Accruals and deferred income	89,956	5,296
	<u>309,149</u>	<u>228,176</u>

18. LEASING AGREEMENTS

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

	31.8.21	31.8.20
	£	£
Within one year	<u>25,980</u>	<u>25,980</u>

19. PROVISIONS FOR LIABILITIES

	31.8.21	31.8.20
	£	£
Provisions	<u>-</u>	<u>45,000</u>

The provision was made last year at £nil (2020: £45,000) due to changes in funding from a key partner.

LONDON YOUTH GAMES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Designated £	Restricted funds £
Fixed assets	-	-	-
Investments	1	-	-
Current assets	56,958	45,000	954,058
Current liabilities	-	-	(354,149)
Provision for liabilities	-	-	-
	<u>56,959</u>	<u>45,000</u>	<u>599,909</u>
		31.8.21	31.8.20
	Non-recurring restricted funds £	Total funds £	Total funds £
Fixed assets	-	-	17,767
Investments	-	1	1
Current assets	45,000	1,056,016	706,605
Current liabilities	-	(309,149)	(228,176)
Provision for liabilities	-	-	(45,000)
	<u>45,000</u>	<u>746,868</u>	<u>451,197</u>

21. MOVEMENT IN FUNDS

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.21 £
Unrestricted funds				
General fund	98,679	3,280	(45,000)	56,959
Designated fund	-	-	45,000	45,000
	<u>98,679</u>	<u>3,280</u>	-	<u>101,959</u>
Restricted funds				
London Youth Games	352,518	292,391	(45,000)	599,909
Non-recurring restricted fund	-	-	45,000	45,000
	<u>352,518</u>	<u>292,391</u>	-	<u>644,909</u>
TOTAL FUNDS	<u>451,197</u>	<u>295,671</u>	-	<u>746,868</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	3,280	-	3,280
	<u>3,280</u>	-	<u>3,280</u>
Restricted funds			
London Youth Games	972,500	(680,109)	292,391
	<u>972,500</u>	<u>(680,109)</u>	<u>292,391</u>
TOTAL FUNDS	<u>975,780</u>	<u>(680,109)</u>	<u>295,671</u>

LONDON YOUTH GAMES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021

21. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.19 £	Net movement in funds £	At 31.8.20 £
Unrestricted funds			
General fund	72,428	22,249	94,677
London Youth Games	<u>1</u>	<u>4,001</u>	<u>4,002</u>
	72,429	26,250	98,679
Restricted funds			
London Youth Games	176,285	176,233	352,518
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>248,714</u>	<u>202,483</u>	<u>451,197</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	22,249	-	22,249
London Youth Games	<u>4,001</u>	<u>-</u>	<u>4,001</u>
	26,250	-	26,250
Restricted funds			
London Youth Games	963,271	(787,038)	176,233
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>989,521</u>	<u>(787,038)</u>	<u>202,483</u>

Purposes of the restricted fund

The fund has arisen due to income received in advance of future London Youth Games (Event). Funds are restricted to cover the future Event's direct costs and associated support costs incurred by the Foundation, as and when incurred.

Purpose of the non-reoccurring restricted fund

Each year the London Youth Games are completed by 31 August. However, due to Covid the 2022/2021 Games did not concluded until September 2022. The funds needed to conclude those Games have been shown as separate reserves

Transfers between funds

Transfers were made between unrestricted funds to designated funds in the amount of £45,000 (2020: £nil) in order to assist the organisation in managing a change in its funding make up.

Transfers were made between the restricted funds to the non-reoccurring restricted funds in the amount of £45,000 (2020: £nil) in order to cover the costs relating to delayed events that will take place after the year end in the 2021/2022 financial year.

22. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2021.

23. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.8.21	31.8.20
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	295,671	202,483
Adjustments for:		
Depreciation charges	17,766	12,826
Interest received	(209)	(1,102)
Decrease in debtors	38,456	52,809
Increase in creditors	35,973	<u>47,937</u>
Net cash provided by operations	<u>387,657</u>	<u>314,953</u>

LONDON YOUTH GAMES FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021****24. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.9.20 £	Cash flow £	At 31.8.21 £
Net cash			
Cash at bank	<u>543,753</u>	<u>387,866</u>	<u>931,619</u>
	<u>543,753</u>	<u>387,866</u>	<u>931,619</u>
Total	<u>543,753</u>	<u>387,866</u>	<u>931,619</u>

25. COMPANY LIMITED BY GUARANTEE

The charitable company is limited by guarantee and has no share capital. Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up, for payments of the debts and liabilities of the company, such amount as may be required, not exceeding £1.

26. IMPACT OF THE COVID 19 PANDEMIC

At the date of approval of these financial statements, the world is in the midst of the Covid-19 global pandemic now, starting to release the restrictions introduced to contain the spread of the virus. The extent of the global economy is uncertain, but there is an expectation of recessions in economies across the globe. The safety and well-being of the Foundation staff and service users are the overriding priority. We are also doing all we can to ensure operational continuity. However, there is a certain risk that we will see, an adverse impact on the charity sector and its operations. This affected income and cash flow significantly. But mitigated to some extent by additional income generated from Covid -19 support grants from various charities and organisations helped ensure sufficient operational cash flow remained available. At this point, the Foundation Trustees' have reviewed the financial forecasts to the end of August 2023 and have concluded that the London Youth Games Foundation's ability to continue as a going concern is not significantly affected.