

**Commonwealth Sport Foundation
(Formerly Commonwealth Sports
Foundation)**

Trustees' Report and Financial Statements

Year ended 31st March 2020

Charity Number 1173238

Company Number 10363544



Commonwealth Sport Foundation

Report and financial statements for the year ended 31st March 2020

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Commonwealth Sport Foundation

Legal and administrative information

Trustees

Dame Louise L Martin CBE
David Grevemberg CBE
Darren Hall

Registered Charity Number

1173238 (England and Wales)

Company Number

10363544

Principal Address

Quadrant House
55-58 Pall Mall
London
England
SW1Y 5JH

Auditor

Haysmacintyre LLP
10 Queen St Place
London
EC4R 1AG

Solicitors

Bates Wells
10 Queen Street Place
London
EC4R 1AG

Bankers

HSBC
City of London Corporate Centre Level 6
71 Queen Victoria Street
London
EC4V 4AY

Commonwealth Sport Foundation

Report of the Trustees for the year ended 31 March 2020

The Trustees present their report along with the financial statements of the Commonwealth Sport Foundation ('Foundation') for the year ended 31st March 2020. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and the 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).

Structure, Governance and Management

The Foundation, which was renamed from Commonwealth Sports Foundation to Commonwealth Sport Foundation on 10 July 2020 was incorporated in the UK on 7 September 2016 and was registered as a Charity in England and Wales on 1 June 2017.

The Foundation was dormant up to April 2019 and this year's accounts are the first to reflect activity since incorporation.

The primary purpose of the Foundation is to support Development through Sport within the Commonwealth.

The Trustees who have served during the year and since the year end are set out on page 1. It is envisaged additional Trustees with specific skills in requisite areas will be recruited in the future.

The Chair of the Board of Trustees is responsible for the induction of any new trustee which involves awareness of a trustee's responsibilities, the governing document, administrative procedures, the history, and philosophical approach of the charity. Any new Trustees would receive copies of the previous years' annual report and accounts and a copy of the Charity Commission leaflet 'The Essential Trustee: What You Need to Know'. The charity's advisors, Bates Wells, would also provide appropriate training and literature as required.

The Foundation has commenced operations in this financial year with no staff or office of its own. A number of development programmes have been supported by the Commonwealth Games Federation ("CGF") and these have been cross charged in line with a Service Agreement prepared between the Foundation and the CGF. A managerial charge to cover a proportion of managerial cost of running the Foundation has been charged for this initial year. This includes a portion of rent, service charge and managerial staffing to run the Foundation in its now active status. The Trustees are responsible for all decisions and authorisation of payments made from the Foundation. They are in effect the key management personnel as the Foundation Board forms and this will remain in constant review.

The Trustees hold meetings which are appropriately approved and minuted, and form part of the reporting back to the entity's Audit and Risk Committee. Any issues that require input or discussion from all Trustees are dealt with via trustee meeting(s), verbally or via email. However, matters are constantly reviewed on an informal basis throughout the year, and any immediate issues or points for discussion are dealt with as necessary.

The Trustees are aware of their responsibilities for ensuring the charity operates for the public benefit and are cognisant of the Charity Commission guidance in this area. The sections of this report relating to the Foundation's development work and charitable activities set out how we further achieve our charitable purpose for public benefit and to support our missions and aims to promote Development through Sport in the Commonwealth.

During the financial year the charity has not actively raised funds from the public. No professional fundraisers were used during the period and the charity has not voluntarily registered with the Fundraising Regulator. As a new Board of Trustees is recruited this position will continue to be reviewed.

Commonwealth Sport Foundation

Report of the Trustees for the year ended 31 March 2020

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 Trustees consider the principal risk in this regard to be the inappropriate award of grants to third party organisations and the associated reputational risk that could arise from the use of funds by third parties for unapproved activities outside of the charity's objects.

At time of reporting the Trustees note the two major programmes in operation are a University internship Programme known as the eqUIP programme and the Gather Adjust Prepare Sustain programme known as the GAPS programme. These programmes have been run historically by the CGF and are therefore not start-ups. The Trustees are confident these remain well managed and in line with their core remit.

The Trustees note that future programmes coordinated by the Foundation will ensure a thorough review of all funding applications presented to them for consideration to ensure the proposed activities meet the charity's objects.

The Trustees report that there are appropriate measures in place to monitor and review programme oversight. In addition to these measures an external body has been constituted to have additional oversight of Birmingham 2022 supported programmes. This body includes a number of relevant stakeholders including Department of Culture Media and Sport (DCMS) and UK Sport, which are themselves subject to a high level of public scrutiny and audit. To the extent the Trustees decide to consider paying or receiving a grant to/from an organisation it has not funded or been funded from before they undertake to carry out enhanced due diligence on that organisation and its Trustees.

The Trustees have appointed Haysmacintyre LLP as the external auditors.

Principal Risks - COVID-19

Subsequent to year-end, the outbreak of the coronavirus disease ("COVID-19") has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown.

The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank monetary and fiscal interventions designed to stabilize economic conditions. As a result, it is not possible to reliably estimate the length and severity of these developments nor the full impact on the financial position and financial results of the Company in future periods.

Commonwealth Sport Foundation

Report of the Trustees for the year ended 31 March 2020

Objectives and Activities

The objects of the Foundation are for the public benefit:

- to promote community participation in health recreation by providing facilities for participating in healthy sports ("facilities" means land, buildings, equipment and organising sporting events);
- provide and assist in providing facilities for sport, recreation or other leisure time occupation of such persons who have need for such facilities by reason of their youth, age, infirmity or disablement, poverty or social or economic circumstance or for the public at large in the interests of social welfare and with the object of improving their conditions of life;
- to relieve people with physical sensory and mental disabilities by encouraging and facilitating their participation in sporting activities, sporting programmes and assisting in the provision of training, facilities and equipment;
- to advance the education of children and young people; and
- to advance any other purpose that is charitable in accordance with the laws of England and Wales.

The Foundation will achieve these objectives by supporting the Commonwealth Sport Movements vision to create peaceful, sustainable and prosperous communities across the Commonwealth through sport. Through the Foundation, we can harness the power of sport to change lives, and the power of our community to change the world. We will proudly unite under the Commonwealth Charter and the UN's Sustainable Development Goals to help address some of the world's biggest challenges. Our current work will focus on four strategic priority areas to benefit and drive social impact for Commonwealth citizens, athletes and Games host cities:

- Safeguard and Empower Children and Young People;
- Celebrate Diversity, Reduce Inequalities and Address Historical Injustice;
- Protect and Strengthen Small and Vulnerable States; and
- Enable Urban Sustainability

The Trustees report the focus for the coming year will include a number of projects including:

PROGRAMME AREA & DESCRIPTION	PROJECT NAME
CGA Outreach & Partnership Programme Programming for CGAs to leverage and to support socially-focused initiatives to achieve impact locally. While encouraging a partnerships approach, sustainable programming will focus on CGAs identified needs – education, equality, skills, leadership, communities, climate change etc	Commonwealth Safe Spaces Network
	Game Changers
	Equality
	Safeguarding
	Coach Leadership
Commonwealth Athlete Inclusion Programme To enable emerging Commonwealth athletes, coaches and support staff to access additional skills, knowledge and resources that will help them improve and sustain personal performance and contribute to their self-growth.	GAPS - Africa
	GAPS - Asia
	GAPS - Oceania
	GAPS - Americas
	GAPS - Caribbean

Commonwealth Sport Foundation

Report of the Trustees for the year ended 31 March 2020

Commonwealth Sport Youth Leadership A Commonwealth wide approach to develop youth leaders through internship and employment opportunities empowering them to make a positive contribution to communities through sport.	eqUIP - Africa
	eqUIP - Europe
	eqUIP - Asia
	eqUIP - Oceania
	eqUIP - Americas
	eqUIP - Caribbean
Commonwealth Youth & Athlete Impact Programme Programmes targeting Host Cities and the Commonwealth Youth Games to support educating and empowering youth & athletes to make a positive contribution to the social issues that matter most to them.	Birmingham 2022 Skills Academy
	Birmingham 2022 Youth Leadership & Education Programming
Commonwealth Awareness & Advocacy Opportunities to recognise, celebrate and leverage the inspirational moments created in our Movement while using the platform to amplify the power of sport as a positive contributor to addressing historical and current issues.	Commonwealth Sport Collective Impact Awards
	CW University Network (Conference)
	Advocacy

Grants

No grants were awarded during this financial year.

Achievements and Performance

During the year the Trustees and support team focused on strategic planning and narrative, overall preparations and the communications plan to ensure the successful roll out of the new projects in the next year. A significant amount of planning, including meetings with partners and stakeholders was undertaken to establish the GAPS programme in Africa and to modify and expand the programme in the Oceania region. The eqUIP internship programme was highly supported and successful by having 16 countries participate, leading to 17 young people being employed within a Commonwealth Games Association and receiving professional development training through on the job experience and workshops. Participating countries included England, Northern Ireland, Wales, Mozambique, Uganda, Zambia, Botswana, Lesotho, Malawi, Nigeria, Rwanda, South Africa, Cameroon, Eswatini, Sierra Leone and Ghana.

Charitable Activities

During the year, the Trustees authorised payments for eqUIP, GAPS, training and education and associated managerial costs totalling £278k.

Fundraising Activities

During the year, the Foundation did not undertake any fundraising activities.

Commonwealth Sport Foundation

Report of the Trustees for the year ended 31 March 2020

Financial Review

The total funds of the Foundation at 31st March 2020 stood at £228,195 (Unaudited 2019 - £nil), of which £nil (Unaudited 2019 - £nil) represents 'free' unrestricted reserves. The Trustees will continue to monitor the level of general reserves of the Trust to assess the level of grant making in the future.

During the year, the Foundation received income of £515k (2019 - £nil). A total of £278k (2019 - £nil) was committed to charitable activities and related expenditure.

Plans for Future Periods

The Trustees will continue to fulfil the objectives of the Foundation by applying all future income from the various sources to fund projects that aim to help support Development through Sport in the Commonwealth.

The Trustees will continue to monitor the success of the projects they have funded in earlier periods and review and revise plans according to requisite funding opportunities.

The Trustees report there is an ongoing review into future opportunities to support the Foundation's ability to fulfil its objectives by exploring potential donor and fundraising options. Various partnerships with organisation and other charities are being explored to leverage the impact of projects.

Trustees' Responsibilities in Relation to the Financial Statements

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice, including FRS 102 the Financial Reporting Standard applicable in the UK and the Republic of Ireland.

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the charity's financial position at the end of the year. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply consistently;
- Make judgements and estimates that are reasonable and prudent;
- Observe the methods and principles in the Charities Statement Of Recognised Practice;
- State whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Commonwealth Sport Foundation

Report of the Trustees for the year ended 31 March 2020

Brexit

On 23 June 2016, the UK held a referendum on the UK's continuing membership of the EU, the outcome of which was a decision for the UK to leave the EU (Brexit). The progress of current negotiations between the UK Government and the EU will likely determine the future terms of the UK's relationship with the EU, as well as to what extent the UK will be able to continue to benefit from the EU's single market and other arrangements. Until the Brexit negotiation process is completed, it is difficult to anticipate the potential impact on the Foundation's operations. The uncertainty during and after the period of negotiation is also expected to increase volatility and may have an economic impact particularly in the European region of the Commonwealth.

Post Balance Sheet Events and Going Concern

Subsequent to year-end, the outbreak of the coronavirus disease ("COVID-19") has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown.

The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank monetary and fiscal interventions designed to stabilize economic conditions. As a result, it is not possible to reliably estimate the length and severity of these developments nor the full impact on the financial position and financial results of the Company in future periods.

The Trustees are pleased to report a strong cash flow position at year end, which has fortunately not been exposed to volatile market conditions due to an historically risk-adverse investment policy.

The impacts of Covid-19, post balance date events and impacts on going concern are being closely monitored with particular focus on the appointment by the CGF of a Host for 2026 and future iterations of the Commonwealth Games, future donor and fundraising opportunities.

Approved by the Trustees and signed on their behalf:



Dame Louise L Martin

Trustee

Date 18th September 2020

Commonwealth Sport Foundation

Independent auditor's report to the members of the Commonwealth Sport Foundation

Opinion

We have audited the financial statements of Commonwealth Sport Foundation for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity 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.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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 auditor's report.

Commonwealth Sport Foundation

Independent auditor's report to the members of the Commonwealth Sport Foundation (*continued*)

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual report (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Commonwealth Sport Foundation

Independent auditor's report to the members of the Commonwealth Sport Foundation (*continued*)

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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Thomas Wilson (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditor
10 Queen St Place, London
EC4R 1AG

Date: 22 September 2020

Commonwealth Sport Foundation

Statement of financial activities for the year ended 31 March 2020

	Note	Unrestricted funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Income from:					
Other income	2	-	515,000	515,000	-
Total income		-	515,000	515,000	-
Expenditure on:					
Charitable expenditure	3	-	286,805	286,805	-
Total expenditure	3	-	286,805	286,805	-
Net movement in funds		-	228,195	228,195	-
Funds balances brought forward at 1 April 2019		-	-	-	-
Funds carried forward 31st March 2020		-	228,195	228,195	-

All amounts relate to continuing activities.

The Foundation had no recognised gains or losses for the financial year and as such a statement of other comprehensive income has not been prepared.

The notes on pages 14 to 20 form part of these financial statements.

Commonwealth Sport Foundation

Charity balance sheets as at 31 March 2020

Charity Number 1173238 Company Number 10363544	Note	Charity 2020 £	Charity 2019 £
Current assets			
Cash at bank		515,000	-
		<hr/>	<hr/>
		515,000	-
Creditors: amounts falling due within one year	6	286,805	-
		<hr/>	<hr/>
Net current assets		228,195	-
		<hr/>	<hr/>
Total assets less current liabilities		228,195	-
		<hr/>	<hr/>
Provisions for liabilities		-	-
		<hr/>	<hr/>
Total net assets		228,195	-
		<hr/>	<hr/>
Income funds			
Unrestricted funds - unrestricted	8	-	-
- restricted	8	228,195	-
		<hr/>	<hr/>
		228,195	-
		<hr/>	<hr/>

Approved by the Trustees and authorised for issue on 18th September 2020 and signed on their behalf by



Dame Louise L Martin

The notes on pages 14 to 20 form part of these financial statements.

Commonwealth Sport Foundation

Charity cash flow statement as at 31 March 2020

	Note	Charity 2020 £	Charity 2019 £
Cash flow from operating activities			
Surplus for the year		228,195	-
Increase in trade and other payables	6	286,805	-
Net cash from operating activities		515,000	-
Net increase in cash and cash equivalents		515,000	-
Cash and cash equivalents at beginning of the year		-	-
Cash and cash equivalents at the end of the year		515,000	-

The notes on pages 14 to 20 form part of these financial statements.

Commonwealth Sport Foundation

Notes forming part of the financial statements for year ended 31 March 2020

1 Accounting policies

The Foundation was incorporated in the UK on 7 September 2016 and was registered as a Charity in England and Wales on 1 June 2017. Details of the company information can be found in page 1.

Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied throughout the year presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and comply with the charity's trust deed, the Charities Act 2011 and the 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).

Basis of preparation

These financial statements have been prepared using the historical cost convention except as disclosed in the accounting policies which indicate that certain items are shown at fair value.

The presentation currency of these financial statements is sterling (GBP).

All amounts in the financial statements have been rounded to the nearest £.

Significant Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Revenue recognition

Grant income is recognised once the trust has entitlement to the resources, it is probable (more likely than not) that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

Where there are terms or conditions attached to a grant, then these terms or conditions must be met before the income is recognised as the entitlement condition will not be satisfied until that point. Where terms or conditions have not been met or uncertainty exists as to whether they can be met then the relevant income is not recognised in the year but deferred and shown on the balance sheet as deferred income.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Commonwealth Sport Foundation

Notes forming part of the financial statements for year ended 31 March 2020 (continued)

Financial instruments

The Commonwealth Sport Foundation classified non-derivative financial assets in the following categories: loan and receivables, held-to maturity financial assets.

Non-derivative financial assets and financial liabilities – recognition and de-recognition.

- The Foundation recognises loans and receivables on the date when they originate. All other financial assets and financial liabilities are initially recognised on the trade date. The Foundation derecognises a financial asset when the contractual right to receive cash flows from the asset expires, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial asset are transferred, or it does not retain control of the asset. The Foundation derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

Non-derivative financial assets – measurement

- Held to maturity financial assets: These assets are initially recognised at fair value plus any directly attributable transaction costs. Afterwards, they are measured at amortised cost using the effective interest method.
- Loans and receivables. These assets are initially recognised at fair value plus any attributable transaction cost. Afterwards they are measured at amortised cost using the effective interest method.

Non-derivative financial liabilities – measurement

- These financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Afterwards, these liabilities are measured at amortised cost using the effective interest method.

Reserves

The Charity does not currently have a formal reserves policy. The Trustees are currently reviewing the Charity's future plans and will formulate a reserves policy as part of those plans.

Going concern

The revenue streams of the company and recoverability of its material receivable balances are linked to the contractual arrangements referenced above and the company's cost-base is flexible in line with these arrangements. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

The effect of Covid-19 and its impact on going concern has been considered by the Trustees in the Trustees Report on page 7.

Income

Grant receipts are recognised on a receivable basis and are included within the accounts net of value added tax.

Expenditure

Expenditure is accounted for when it is incurred with sufficient reliability that the cost can be measured and will be due and payable within the accounting period.

Commonwealth Sport Foundation

Notes forming part of the financial statements
for year ended 31 March 2020 *(continued)*

1 Principal accounting policies *(continued)*

Support costs policy

Support costs, as summarised in notes 3 and 4, are allocated in accordance with the underlying entities to which they relate.

All costs attributable to the operation and day-to-day running of the Foundation, including professional fees, insurance, irrecoverable VAT and storage costs, are disclosed within 'Charitable expenditure' and allocated against each category on a pro rata basis, proportional to the grants, issued in each category as a percentage of total grants awarded.

Governance costs comprise those costs incurred in the governance of the Foundation and its assets and are primarily associated with constitutional and statutory requirements.

Restricted funds

Where funds are received for specific purposes set out by the donor, these are shown as restricted income in the statement of financial activities. Expenditure for the purposes specified is applied against the income and any amounts unexpended at the balance sheet date are shown within restricted funds.

Commonwealth Sport Foundation

Notes forming part of the financial statements
For year ended 31 March 2020 (continued)

2 Income

	2020 £	2019 £
Grant Receipts Restricted	515,000	-
	<u>515,000</u>	<u>-</u>

There were Grants received during the year of £515,000 (2019 - £Nil) of which £Nil (2019 - £Nil) was unrestricted and £515,000 (2019 - £Nil) was restricted.

3 Expenditure

	Charitable costs £	Support costs £	Governance costs £	Total 2020 £	Total 2019 £
Charitable expenditure					
- Commonwealth Athlete Inclusion Programme (GAPS)	85,453	6,470	2,723	94,646	-
Commonwealth Sport Youth Leadership – CommYL (eqUIP)	139,833	10,587	4,455	154,875	-
- Memberships Development	33,663	2,549	1,072	37,284	-
	<u>258,949</u>	<u>19,606</u>	<u>8,250</u>	<u>286,805</u>	<u>-</u>

Charitable expenditure was £286,805 (2019 - £Nil) of which £Nil (2019 - £Nil) was unrestricted, £286,805 (2019 - £Nil) was restricted.

The Foundation had no employees during the year (2019: none).

Commonwealth Sport Foundation

Notes forming part of the financial statements
for year ended 31 March 2020 *(continued)*

4 Support costs

	2020 £	2019 £
Management and administration	19,606	-
	<u>19,606</u>	<u>-</u>

5 Governance

	2020 £	2019 £
Audit fees	3,250	-
Accounting fees	5,000	-
	<u>8,250</u>	<u>-</u>

6 Creditors

	2020 £	2019 £
Amounts owed to group entity	278,555	-
Accruals and deferred income	8,250	-
	<u>286,805</u>	<u>-</u>

Commonwealth Sport Foundation

Notes forming part of the financial statements
for year ended 31 March 2020 (*continued*)

7 Financial Instruments

	2020 £	2019 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	515,000	-
Financial liabilities		
Financial liabilities measured at amortised cost	286,805	-

Financial assets measured at amortised cost comprise cash.

Financial liabilities measured at amortised cost comprise amounts owed to group undertakings and accruals.

8 Statement of funds

	Restricted Funds £	Total £
At 1 April 2019	-	-
Income	515,000	515,000
Expenditure	(286,805)	(286,805)
At 31 March 2020	228,195	228,195

Restricted funds:-

The Trustees recognize the grants received during the year as restricted funds to support Sport and Development within the Commonwealth.

All of the charity's net assets from its inception to 31 March 2020 were held in restricted funds.

9 Transactions concerning Trustees

During the year, none of the Trustees (or any person connected to them) received any remuneration or reimbursed expenses (2019: none).

The Foundation had no employees during the year (2019: none).

Commonwealth Sport Foundation

Notes forming part of the financial statements
for year ended 31 March 2020 (continued)

10 Analysis of net assets between funds

	Restricted funds £	Total £
Current assets	515,000	515,000
Creditors falling due within one year	(286,805)	(286,805)
	<u>228,195</u>	<u>228,195</u>

11 Ultimate parent undertaking and controlling party

The ultimate parent controlling party of the Commonwealth Sport Foundation, as its sole member, is the Commonwealth Games Federation, a company limited by guarantee in the UK.

Copies of the consolidated financial statements can be obtained from Commonwealth Games Federation at: Quadrant House, 55-58 Pall Mall, London, England, SW1Y 5JH.

12 Related party transactions

Commonwealth Games Federation is a private company limited by guarantee. As at 31 March 2020, the CSF owed £278,555 (2019: £nil) to Commonwealth Games Federation due to intercompany transactions carried out in the year.

There were no further related party transactions during the year that require disclosure.

13 Post balance sheet events

Subsequent to year-end, the outbreak of the coronavirus disease ("COVID-19") has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown.

The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank monetary and fiscal interventions designed to stabilize economic conditions. As a result, it is not possible to reliably estimate the length and severity of these developments nor the full impact on the financial position and financial results of the Company in future periods.