



**The United Kingdom Sports Council
Grant-in-Aid and National Lottery Distribution Fund
Annual Report and Accounts 2023-24**

For the year ended 31 March 2024

**POWERING SUCCESS.
INSPIRING IMPACT.**

The United Kingdom Sports Council

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For the year ended 31 March 2024

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INTRODUCTION BY THE CHAIR

Whilst this annual report covers the period ending in March 2024, I feel it is important for me to mention the Paris 2024 Games which took place this summer. To witness Team GB and Paralympics GB delivering outstanding performances on the world stage once again was truly a privilege. Paris 2024 not only showcased the incredible talent of British athletes, but also highlighted their unwavering determination to realise their potential, inspire the nation, and write new chapters in British sporting history. From established sports to new disciplines and from remarkable personal stories to historic milestones, the Games were filled with extraordinary moments that will resonate for years to come.

As I reflect upon this unforgettable Games, I can't help but feel immense pride in not only the athletes, but also the entire support network that surrounds them. The dedication, leadership and commitment of everyone involved has played a pivotal role in the great success we saw over the summer. It has also been inspiring to see so many athletes using their platform to advocate for meaningful causes and make a positive impact in their communities. Paris 2024 demonstrated the power of British sport and showcased the very best of what it means to "win and win well", a core element of our Strategy.

Winning over 60 Olympic medals for the fourth consecutive Games, something only matched by the US and China, should not be underestimated. And in the Paralympics, Great Britain reaffirmed its status as a global Paralympic powerhouse, surpassing the 100-medal mark for the fifth consecutive Games.

New talent also emerged, giving us plenty of confidence about future British Olympic and Paralympic performances. This is built upon the foundation laid by the long-term funding commitments from The National Lottery and successive governments that have allowed the nurturing of top talent, development of world-class coaches, and the adoption of a positive culture that enables continued success.

Beyond the Games, the past year has been one of significant strides for UK Sport, as we continue to advance our mission of creating a world-class sporting system that benefits athletes and communities alike. From launching a new strategic framework to guide major event hosting, to recognising elite training centres for their crucial role in athlete development, UK Sport has built momentum towards future Olympic and Paralympic success.

Key initiatives such as the "Making Live Sport Matter" major events strategic framework demonstrate our forward-thinking approach, aiming to blend traditional major events with emerging sports, all while fostering inclusivity and economic benefit. This was showcased during the 2023-2024 period, which was marked by a focus on leveraging sporting events to drive social change and exemplified by the community impact of events like the World Indoor Athletics Championships, ICF Canoe Slalom World Championships and the UCI Cycling World Championships which was one of the most ambitious, innovative and unique events we have ever been involved with.

Elsewhere, UK Sport's accreditation of eight elite training centres stands as a testament to our commitment to fostering environments of excellence for athletes preparing to perform on the global stage.

Another key project has been 'System Master Planning', which aims to build a more agile, effective and sustainable sporting system to secure the future of Olympic and Paralympic sport. This strategic transformation programme, developed in partnership with the leadership of British Olympic and Paralympic sport, focuses on developing solutions to systemic challenges - and opportunities - in our operating environment across several areas, from data and digital, to fan engagement, operational efficacy, people and developing a greater sense of shared identity and purpose.

This year also saw the first year in delivery of our Environmental Sustainability Strategy which commit us to supporting the sports and events into which we invest to catalyse action on environmental sustainability, alongside improving our own organisation's environmental performance. In the first year of this strategy we have made progress in a range of important areas including: mandating that environmental sustainability plans are included in the investment application process for pinnacle events, launching the Accelerator Sustainability Programme to support NGBs with measuring their emissions and updating our procurement procedures to drive improved sustainability practices within our supply chain.

This year we look to confirm our funding into Summer Olympic and Paralympic sport for the Los Angeles 2028 cycle, whilst also working towards Milan-Cortina 2026, continuing on our mission to achieve the 'greatest decade' of extraordinary sporting moments.



Dame Katherine Grainger DBE
Chair

The United Kingdom Sports Council

18 November 2024

PERFORMANCE REPORT

Legislative Background

UK Sport was established by Royal Charter on 19 September 1996 and became fully operational on 1 January 1997. UK Sport is a National Lottery distributing body under Section 23(2) of the National Lottery etc. Act 1993.

Purpose and Structure

UK Sport are the UK's trusted high-performance experts, powering our greatest athletes, teams, sports, and events to achieve positive success. Our purpose is to lead high-performance sport to enable extraordinary moments that enrich lives.

We receive funding from the National Lottery Distribution Fund together with Grant-in-Aid from the Department for Culture, Media, and Sport (DCMS).

Funding is distributed through the UK Sport Group which comprises UK Sport and the UK Sports Institute (UKSI). While UK Sport primarily provides strategic investment to National Governing Bodies (NGBs) and elite athletes, UKSI provides sport science, medicine, technology, and engineering services to elite athletes predominantly in World Class Programme (WCP) funded sports.

During 23/24 UK Sport had six departments: Performance, Sporting System and Events, People, Engagement and External Affairs, Business Services and Strategy and Operational Excellence.

Paris 2024 Performance Overview

The Paris 2024 Olympic and Paralympic Games sit outside the reporting period for this Annual Report, however it is pertinent to include based on the Games concluding before the submission of this report.

The Paris 2024 Olympic and Paralympic Games took place in the summer of 2024 and following a COVID-impacted Tokyo Games there was an infectious feeling of joy amongst the Great Britain and Northern Ireland team, once again performing in front of passionate crowds, at breathtaking venues and with the invaluable support of their friends and family.

At the Olympics, we saw a superb overall achievement of 65 medals (14 Gold, 22 Silver, 29 Bronze producing 131 medallists which is the most since the advent of National Lottery funding). The 65 was one more than Tokyo three years ago and the same as London 2012. The medals came across 18 sports and numerous historic moments were produced by our athletes. This represents remarkable consistency and breadth of success over the last few games.

Team GB won the highest proportion of medals in women's events since the introduction of National Lottery funding, with some historic firsts. Track cyclist and Games debutant Emma Finucane became the first British female to win a hat-trick of medals at a single Olympics in 60 years. Amber Rutter won the first ever female shooting medal, one of nine mothers at the games. Artistic Swimming and Sport Climbing won GB's first ever medals in those sports at the Olympics, who could forget Toby Roberts shimmying up the 15-metre climbing wall to claim a gold medal and Izzy Thorpe and Kate Shortman's mesmerising dance on and under the water for silver. Also in the pool, we saw the first medals in women's diving since 1960, a bronze in the synchronised 3m springboard for Yasmin Harper and Scarlett Mew Jensen followed by the same for Andrea Spendolini-Sirieix and Lois Toulson in the 10m event; part of a highly successful games for the diving programme. In athletics, Katarina Johnson-Thompson attended her fourth Olympic Games, winning her first Olympic medal – a silver in the Heptathlon. Other memorable moments included an emotional silver for Matt Hudson Smith in the 400m, Josh Kerr's thrilling race to 1500m silver and the 4x400m team, comprising Victoria Ohuruogo, Laia Nielsen, Nicole Yeargin and Amber Anning, claiming bronze in a tightly fought final. The rowing programme had its best ever away games and the canoe slalom athletes won the most medals in that sport which included the debut of the exciting Kayak Cross event.

During the Paralympics, ParalympicsGB reached several incredible milestones, including over 2000 medals overall and 309 gold medals since National Lottery funding began in 1997. The 124 medals won (49 Gold, 44 Silver, 31 Bronze producing 117 medallists) was a repeat of Tokyo – but with a significant increase in gold medals, indeed the most won this century – and second place on the medal table for the third Games in a row, and indeed the sixth time in the last seven games.

The first Sunday of the Paralympics produced 18 medals, including 12 golds making it not only the most successful day of the Games but the most successful this century. As was the case with the Olympic team, medals were won across 18 sports – matching China – continuing the story of breadth and depth of success.

Dame Sarah Storey took her phenomenal tally to 30 medals and 19 golds, while at the other end of the spectrum Iona Winniffrith won her first medal in the pool at just 13 years of age. She was part of the swimming squad that won their most gold medals for over 30 years, led by Poppy Maskill and Alice Tai who both won five medals. The canoe and rowing teams continued their world leading performances, and the Shooting Para Sport won its first medal at the games since 2012. Kadeena Cox demonstrated, again, that she is one of the greatest Paralympians of all time as she recovered from injury to retain her 750m team sprint title which is her 7th Paralympic medal and 5th Paralympic gold medal.

Across the two games GB won medals across 36 sports, the third highest total across all nations, and delivered the medal range targets. 65 Olympic medals with a target of 50-70 and 124 Paralympic medals with a target of 100-140.

PERFORMANCE OVERVIEW

UK Sport launched its 10-year strategic plan in 2021 with a clear mission to ‘create the greatest decade of extraordinary sporting moments, reaching, inspiring and uniting the nation’.

Our strategy focuses on achieving three central ambitions, which are summarised below along with some of the key progress made and challenges faced in these areas in 2023-24:

Keep winning and win well

We will power a broader range of champions and medallists than ever before; winning with integrity and ensuring the nation’s exceptional talent has the opportunity to be the best they can be.

Following sports performance reviews at the end of 2023, uplifts were given to 12 Paralympic and Olympic sports ahead of the Paris Games to address Paris-related risks and opportunities. The extra money is being used, for example, to finance additional competitions, changes in key roles, and support for additional athletes following a successful talent initiative.

British athletes continued to deliver extraordinary sporting moments on the world stage across Summer Olympic and Paralympic sports in the lead up to the Paris Games. 13 Olympic World Class Programmes and 14 Paralympic World Class Programmes (WCPs) ‘exceeded’ or ‘achieved’ their Milestone Targets for the year. The final medal counts were 61 (Olympic sports) and 129 (Paralympic sports), both delivering towards the top end of their cumulative ranges. As of 5 April 2024, 19 Olympic and 14 Paralympic sports had formally qualified athlete/quota places for Paris.

In August 2023, UK Sport allocated an additional £2.4million of funding for winter Olympic and Paralympic sport. This will support athletes preparing for the 2026 Winter Olympic and Paralympic Games in Milan-Cortina. Last season, the first in the Milan-Cortina cycle, was the most successful on record for British winter athletes. They won nine world championships medals across five Olympic sports (including four gold medals), and another nine medals in three Paralympic sports. The additional funding is designed to build on this.

UK Sport formally commenced the Los Angeles 2028 investment process in May 2023. The preparatory phase has involved robust engagement with individual summer Olympic and Paralympic sports, and a rigorous process of evaluation, moderations and prioritisations. Indicative investment figures/Investment proposals have now been delivered to summer sports for the programmes for the LA cycle.

A core element of UK Sport's effort is the provision of support for athletes who are targeting success at the Games in Paris, Milan-Cortina and beyond. £337 million of exchequer and lottery funding is channelled through UK Sport into the World Class Programme, benefiting both summer and winter Olympic and Paralympic athletes. In addition, £74 million of National Lottery Funding over the four years of the cycle is being directed by UK Sport to help athletes with their living and sporting costs via Athlete Performance Awards.

Elite Training Centres (ETCs) provide essential daily training environments for Olympic and Paralympic athletes. In December 2023, eight were awarded the status of "UK Sport-accredited Elite Training Centre", recognising their capacity to help athletes achieve their full performance potential. Accreditation followed an assessment of ETCs' performance in eight key areas: (1) Sustainability and Equality, Diversity & Inclusion, (2) Partnerships, (3) Facilities and equipment, (4) Access, (5) People development, (6) Performance lifestyle, (7) Science and Medicine, and (8) Quality. The accredited ETCs now form a network that will benefit from shared learning and continuous improvement. Other ETCs will be invited to seek UK Sport accreditation following the Paris Games.

UK Sport, the UK Sports Institute (UKSI) and the British Elite Athletes Association (BEAA) are increasing engagement with Britain's Olympic and Paralympic athletes to help them prepare for their life beyond a funded programme. There is recognition that those who have performed at the highest level in sport can find it very difficult to adjust to 'normality'. In addition to provision available from individual sports, UK Sport, UKSI and BEAA focus on three areas: one-to-one support, learning and development, and ongoing connection to the athlete community.

UK Sport worked with the Para community to develop a new strategic framework for world-leading Para performance sport in the UK. This was launched in September 2023 with the aim of enabling athletes to thrive, excel and win in a rapidly changing Para-sporting environment. Global Para sport standards are rising, with more nations investing in Para sport. The new framework is designed to help the UK Para community meet this challenge and ensure that ParalympicsGB remains in the top five of the medal table.

Sport Integrity, the independent complaints and disclosure service, has become mandatory for funded National Governing Bodies (NGBs) (all have now signed up). Sport Integrity has been delivering investigative reports for the high-performance system. UK Sport recently approved and funded an enhanced package, to be provided by Sport Integrity and Sport Resolution UK, to provide greater support and services to the funded NGBs, including pro-bono legal advice.

Commitments to implementing the recommendations of the Whyte Review have been incorporated into UK Sport's future policy development agenda. Those relating to safeguarding and welfare are central to the review of the safeguarding and integrity policy, process, and practice workstream which is part of our System Master Planning work. This Safe Sport project is underway; the research phase is nearing completion, with the consultation phase planned to take place in June 2024.

UK Sport has put significant effort into developing guidance and support for pregnant athletes to ensure that they have the best opportunity to continue their career in elite sport and achieve their sporting ambitions. The new edition of UK Sport's Pregnancy Guidance and support for UK Sport Funded Athletes was published in December 2023 and is the result of extensive research and feedback following its initial publication in 2021. While designed for UK Sport-funded athletes and sports governing bodies, the advice is available to non-Olympic and Paralympic athletes and sports.

In May 2023, UK Sport launched its new Coaching in High-Performance Sport (CiHPS) programme. This supported 27 coaches across 21 sports during the final year of preparations for the Paris Games. Aligned with the Coaching in High-Performance Sport professional standard (CIMSPA), this programme sits alongside UK Sport's wider suite of coaching development programmes, which in total support more than 140 coaches, Coach Developers and other staff working across the high-performance sport community.

Grow a thriving sporting system

We will support our sporting community across the UK to be ever-more collaborative; setting a diverse, ethical and sustainable agenda for tomorrow.

The world of sport is changing at a faster rate than ever. The impact of Covid-19, increasing financial pressures, regulatory responsibilities, technological advances, rising expectations of fans, and evolving societal needs are only some of the major challenges – and opportunities – that sports in the UK (and around the world) face every day. In the face of the uncertain and complex national and international sporting landscape, it has become ever more vital that sports bodies are able to deliver organisational excellence and resilience across a multitude of areas. These include organisational strategy, governance, EDI (equality, diversity and inclusion), integrity, growth, people and culture. We believe this is integral not only to the long-term health of sport, but also to sustaining high-performance success.

In view of the above, in 2023-24 UK Sport launched a dedicated programme of insight and support centred on the health of National Governing Bodies (NGBs). This included an 'Organisational Health Tool' – our first, comprehensive step to better understand the health of NGBs and how we can best support them to be well-run, effective, and sustainable organisations, operating within a connected and thriving sporting system. In collaboration with a group of NGBs and as part of our work looking at future reform of the system, we developed a next version of the Tool. This includes a diagnostic tool designed to help sports bodies to review their own organisational health and identify opportunities for development. The updated tool which launched in May 2024 consists of three thematic areas, which we believe underpin great Organisational Health: Strategy and Purpose (What we're here to do and why), People and Culture (Who's going to do it), Operations and Governance (How we're going to do it). Each of these areas are divided into a number of components. These components are not independent of one another but as a whole, they will help NGBs and other organisations to not only sustain but also transform themselves into high-performing sporting enterprises.

Alongside this, an NGB Development Fund for partners was made available. The NGB Development Fund provides financial support to enable partners to take action in developing their organisation's health across the areas of the Organisational Health Tool.

To improve connectivity in the system, UK Sport and the Home Country Sports Councils (HCSCs) have agreed a programme of strategic collaboration in areas of shared interest. These include a specific focus on system-wide reform; equality, diversity and inclusion; and safeguarding, integrity and governance culture, as well as oversight of other areas of collaboration to improve the

connectivity and health of the sporting system. Further details will be shared over the course of 2024/25.

In the meantime, all NGBs were asked to submit by 31 December 2023 evidence against seven new or revised requirements in the Code for Sports Governance (including a requirement for a Welfare and Safety lead on the Board; evidence of decision-making that factors in Environmental Social Governance; and People Plans), as well as update their Governance Action Plans against all other existing requirements. Compliance against these standards have been reviewed, with the outcomes of these assessments communicated to each relevant funded partner, and with any outstanding actions to be completed by 31 October 2024.

Funded partners were also asked to submit by 31 March 2024 their Diversity and Inclusion Action Plans (DIAPs) as a requirement in the Code of Sports Governance, aimed at setting out their ambition and actions for diversifying their leadership (Boards, Senior Leadership Teams and beyond) and review these at least on a yearly basis. Following dedicated external support commissioned by UK Sport and Sport England, the DIAPs are currently being reviewed and emerging actions shared with relevant partners. Further details can be found in the Equality, Diversity and Inclusion section of this report.

As part of our scenario planning on the sustainability of the UK sporting system, we continued our discussions with all Chairs and CEOs of NGBs, as well as national agencies (including the Home Country Sports Councils, British Olympic Association, British Paralympic Association representatives, UKSI and the British Elite Athletes Association) on the macro-challenges facing the administrative infrastructure of British Olympic and Paralympic Sport, and how we can navigate these challenges together. Following a series of working groups in the first half of 2023 of Chairs and CEOs looking at the most pressing themes, several recommended ideas and next steps were agreed in July 2023, grouped under five major themes: Operational Efficacy; Relevancy and Revenue Generation; Structural Alignment and Integration; People System; and One System, One Team. These ideas and ensuing plan set out the scale of structural reform needed over the next 25 years and the way we will work together across the system to sustain success. Project workstreams – including Data and Digital Transformation; Fan Engagement; Safe Sport; People Services; Organisational Health; Specialist Consolidated Functions; Structural Alignment; and One System, One Team – have been developed and are currently exploring in more detail the required action, with pilots expected to be agreed in the second half of 2024.

UK Sport, in collaboration with selected NGBs, has revised the Organisational Health Tool, which was first introduced in 2022-23. This enables sports bodies to review their own organisational health and identify opportunities for development. The focus is on (1) Strategy and Purpose, (2) People and Culture, and (3) Operations and Governance, with sport bodies reviewing each component against 'indicators of excellence'. UK Sport will use the resulting data and insights to assess developments across the system and identify trends, common challenges, and effective responses. That, in turn, allows support to be channelled into the right areas, with emphasis on sharing best practice and facilitating peer-to-peer collaboration.

Alongside the revised Organisational Health Tool, an NGB Development Fund was made available to enable partners to develop their organisation's health across the Tool's three focus areas.

System Master Planning (SMP) is long-term change programme, developed by the leaders of British Olympic and Paralympic sport, to address macro-challenges in the interests of the sustainability of the UK sporting system. Five themes have been identified: 1) operational efficacy, 2) relevancy, engagement and revenue, 3) structural alignment and integration, 4) A 'People' system, and 5) One System, One Team. Work is in hand to design key elements in this ongoing programme. In the context of System Master Planning, the Sports Councils have been discussing how to deepen their collaboration in areas of shared interest.

The UK Sports Institute (UKSI) plays a key role in supporting the objectives of UK Sport. It provides sport science, medicine, technology and support services to elite athletes, primarily in UK Sport-funded Olympic and Paralympic sports.

The majority of UK Sport and Sport England's tier three funded partners have now built Diversity and Inclusion Action Plans (DIAPs) for their organisations. DIAPs include meaningful measures to address underrepresentation on their Board, Senior Leadership Team and in their wider organisation.

UK Sport has created a leadership development programme for ethnically diverse talent to help address their significant underrepresentation in the high-performance workforce, particularly in leadership and management roles. The programme, due to start in the autumn of 2024, will enhance candidate's leadership capabilities and accelerate their career progression by providing them access, training, and support.

UK Sport has completed extensive data capture and analysis of the diversity of current funded athletes within the World Class Programme (WCP). The insights form part of a broader project to better understand how WCPs can become more equal, diverse and inclusive.

UK Sport co-hosted a conference with the Home Country Sports Councils to mark two years since the CEOs of the five Sports Councils commissioned the Tackling Racism and Racial Inequality in Sport (TRARIIS) review. The conference assessed the Sports Councils' work on tackling issues explored by the review and looked at ways of driving transformational change.

UK Sport's International Leadership Programme (ILP) was held for the eleventh time, since its launch in 2006. The Programme equips senior leaders from NGBs and other national partners to develop the knowledge, expertise, skills, and relationships required to operate effectively in the development and governance of international sport. Over 130 people have now participated. The ILP forms a critical part of UK Sport's international relations mission, which is for the UK to positively shape the direction and development of the international sporting system, through its strong voice, ethical approach, and global reputation.

As part of our Equality, Diversity and Inclusion Strategy, UK Sport has made a commitment to achieving a gender balance among UK postholders within Olympic and Paralympic international sports federations. Research was commissioned by UK Sport in 2022 to establish whether there were gender-related differences in the pathways that British postholders had taken to attain international leadership roles. This project was led by the University of Chichester and the Norwegian University of Science and Technology, who published their report in September 2023. The findings are being used to shape future support and programmes.

In June 2023, UK Sport launched an International Leadership Mentoring Programme, through which ten experienced leaders are helping ten female mentees to define and pursue their own leadership ambitions in international sport. This is being delivered as a pilot by Goal 17 Ltd, an award-winning company that specialises in mentor training and programme design for equality and diversity. The focus is on addressing the barriers faced by women working in international sport.

Over the past 12 months, UK Sport has developed an aligned approach to Sport Diplomacy with four pillars: (1) leadership, (2) growth, (3) relationships and (4) impact. The UK Sport Diplomacy Group brings together key players from across the UK sporting system and representatives from DCMS, the FCDO and the Department for Business and Trade. This recommends ways in which sport can be used to advance the UK's diplomatic ambitions around the world. Subgroups have been established to consider specific issues such as the use of Sport Diplomacy in connection with Paris 2024.

Inspire positive change

We will contribute to a happier, prouder and more connected society, using the power and platform of sport to inspire positive change.

Over the past financial year, UK Sport has facilitated the hosting of 19 major sporting events, bringing the total to 35 funded events in 42 towns and cities since the beginning of the Paris Cycle. The summer of 2023, saw a particularly packed event schedule providing valuable qualification opportunities for the Paris Games, in front of home crowds. To date, £17.9 million of National Lottery funding and £26.3 million of Government investment has been committed as part of the event programme to be hosted during the Paris Cycle.

The UCI Cycling World Championships (2023).

UK Sport worked with the Scottish Government to support negotiations with the UCI for a new cycling format, and subsequently provided technical support to the bid team and the Cycling Worlds team throughout the lifecycle of the event. The UCI Cycling World Championships marked the first time in history that 13 existing UCI World Championships had come together to form one cycling mega event. The para-track cycling competitions were also fully integrated for the first time. Over 10 days of competition, 8000+ athletes competed from 132 countries, for 220 rainbow jerseys. The event was supported by 4000 volunteers, with 1 million spectators attending and 200 million live hours watched.

World Athletics Indoor Championships (2024).

UK Sport provided technical support to the bid and Athletics Indoor team throughout the lifecycle of the event. UK Sport also instigated efforts for the event to be the first World Athletics event to be given the Platinum Accreditation (highest accreditation) which it achieved. The event demonstrated the continued resonance which Athletics has with the British public, with all tickets having sold out immediately on release. Held over three days, 686 athletes from 128 countries and all six continents competed. 22,000 spectators attended the event from 37 countries.

Amongst 10 events secured, the UK is preparing to host the Women's Rugby World Cup in 2025, the European Athletics Championships in 2026 and the UEFA Men's Euro 2028; the latter being a unique and pioneering collaboration across five football associations and government partners.

In March 2024, UK Sport launched its second Value of Events report assessing the impact of major sports events hosted across the UK in 2023. This was shown to be a particularly successful year in that regard with clear evidence of how hosting major sporting events influences communities, benefits athletes, and promotes the UK globally. UK Sport and Government invested £10.8 million in supporting 16 events, generating £373 million in direct economic impact to the UK and securing 204,000 hours of engagement by over 6000 volunteers. The sporting outcome of these events was also significant, with 226 British medals won and 56 Olympic and Paralympic spots secured ahead of Paris 2024.

Also in March 2024, UK Sport published its new major event hosting target list for the coming decade. Accompanied by *Making Live Sport Matter*, a new major event strategic framework for the UK, this targets 70 events in 32 sports and 18 World Championships. These include the FIFA Women's World Cup, the Men's Rugby World Cup, the Athletics World Championships, the Ryder Cup, the Solheim Cup and the Tour de France. *Making Live Sport Matter* reflects the UK's ambition to maintain its position as a world-leading host nation, including through securing the most impactful international events in women's sport. Alongside these traditional powerhouse events, the

hosting target list reflects a shift in approach to explore increasingly innovative event propositions which engage as broad a range of sports fans as possible.

In July 2023, the impact reports for the 2021 Rugby League World Cup and 2022 World Gymnastics Championships were released. Alongside the Department for Culture, Media and Sport and The National Lottery, UK Sport supported these two World Championships that showcased the power sporting events can have to improve people's lives and local communities across the UK. Both reports evidenced a positive impact on local communities and on the British economy more generally.

Following the success of a 2022-23 pilot, a second cohort of athletes are going through the Powered by Purpose learning and development programme, delivered by UK Sport in partnership with The True Athlete Project. Twenty-one athletes from a diverse range of sports and backgrounds will be empowered to use their platform as prominent sports people to make a difference to society while they are still competing.

Launched in March 2024, the 'ChangeMaker' initiative is a partnership between National Lottery operator Allwyn, Team GB, ParalympicsGB and UK Sport to help athletes maximise their impact upon their return from the Paris Games. Timing will be key. The intention is that athletes in question will promote their chosen social project in the two weeks immediately following the Games, making the most of the opportunity to use their voices to make a positive difference.

With funding support from UK Sport, the UK is hosting the International Working Group (IWG) on Women & Sport until 2026. UK Sport are supporting their work to build the global networks needed to drive forward progress in gender equality and equality across sport, both domestically and internationally. In the first year of the hosting period, IWG has strengthened relationships with key global partners like UNESCO, UN Women, IOC, Council of Europe and the EU; relaunched the IWG website, social media channels and established a new newsletter; launched the Cath Sweet Award to provide small grants to women-led social inclusion programmes; added new signatories to the Brighton Declaration, including the International Tennis Federation, the LTA and the RFU; and launched a new 'Women's Sport Accelerator' programme with the Department for Business and Trade to boost investment into women's sport.

UK Sport has a long-term goal for British Olympic and Paralympic sport, and Major Events, to have a net positive impact on the environment by 2040. Following the launch of our first Environmental Sustainability Strategy in March 2023, we have now launched the Accelerator sustainability programme. This programme is designed to support all NGBs in measuring their emissions, analyse their environmental impacts and develop environmental sustainability action plans to reduce them. 31 NGBs are currently participating in 6 clusters, with 2 further clusters planned.

Through the System Master Planning work there is an opportunity to create the most diverse and engaged British Sports fanbase by materially increasing the number and regularity of touchpoints audiences have with elite British teams and athletes across Olympic and Paralympic sports. This would deliver narrative-building, inclusive, accessible and entertaining storytelling to ensure that our fanbase knows (when athletes/teams are competing and what it means), cares (about the athletes, teams, results and the sports themselves) and feels like they belong (to the community of British Olympic & Paralympic sport). UK Sport has been working with Two Circles to establish the best models and routes forward and is now working with a group of NGBs to bring Phase 1 workstreams in this area to life.

As ever, UK Sport would like to thank the Government and The National Lottery for their unwavering support of our work, the entire Olympic and Paralympic sporting family of organisations, individuals and athletes for their dedication and teamwork, and the many major and mega event hosting partners in cities and regions across the UK for their partnership and collaboration.

Key Risks and Issues

Our organisational risk appetite is carefully assessed and reviewed to reflect the nature and type of work across our organisation and within our teams, and therefore the appropriate level of risk-taking. By nature, as an Arm's Length Body (ALB) operating within the wider Governmental control framework, we are required to be more risk averse. However, to maintain our competitive advantage we often need to explore innovative and creative solutions, often at short notice, to complex problems and opportunities – this requires us to work with agility and accept a degree of risk. When required this is done in a calculated and informed way, taking into account implications and benefits, prior to decisions being taken.

We continue to closely monitor the impact of inflationary pressures and cost of living challenges on UK Sport priorities, across a range of streams including overall levels of income, athletes and governing bodies. This also exacerbates existing risks around financial stability of NGBs, our ability to secure and run events, and retention of talent within the High- Performance system and the entry of new Olympic and Paralympic sports to the programme.

Largely due to these cost pressures, in April 2024, proposals were announced to restructure UK Sport under a new operating model. The new operating model was set with the aims of simplifying UK Sport engagement with sports, simplifying the organisational structure and better aligning decision making. Following a period of consultation, 25% of posts were made redundant in June 24. Further details are provided within the governance statement and note 24 of the Exchequer financial statements.

We have also continued to manage the consequences for UK Sport and its partners of Russia's invasion of Ukraine. This included the risk of boycotts and potential disruption at the Paris Games (as well as prior qualifying events), and the associated instability for athletes and sports.

The highest standards of ethics and integrity within NGBs and WCPs remain an absolute fundamental of our work and our expectations of how everyone within the system should act. Ensuring that the Sport Integrity function can respond when these cases arise is a key enabler of maintaining confidence and trust in this vital area, and this is expressed in our ambition to "Keep Winning and Win Well". A new risk was also introduced to the Corporate Risk Register in 23/24 about the potential for declining relevancy of Olympic and Paralympic sport, and is being addressed through our System Master Planning work.

Other material risks are captured in UK Sport's corporate risk register, which is used as a key tool to inform decision making. Mitigating actions are considered and developed to minimise risks where appropriate and are updated on a regular basis. Further details about the significant risks managed during 2023-24 are provided in the Governance Statement.

Performance Analysis

UK Sport is held to account by DCMS against a set of Key Performance Indicators (KPIs). These KPIs are agreed between UK Sport and DCMS at the start of, and for the duration of, the current funding agreement. At the beginning of each year, formal targets for each KPI are agreed for the year between UK Sport and DCMS, with the results of previous years published on UK Sport's website. UK Sport attends formal quarterly meetings with DCMS where progress against KPIs and the corresponding targets is discussed, monitored, and agreed. Risks which link to UK Sport not achieving the targets against these KPIs are included in the Corporate Risk Register and closely monitored.

The following table sets out our performance against the 2023-24 targets. Several of these relate to either new or significantly re-focused areas of work, and the RAG ratings therefore reflect progress two years into a 10-year Strategic Plan. Please note that the KPIs have been colour-coded as follows: green indicates that UK Sport is currently on track, while amber indicates that the UK Sport is currently off track, but corrective actions are in place.

Ambition	Objective	Focus Area	Indicator	Key Performance Indicator for the Funding Agreement period.	2023-24 Year End Performance vs Annual Milestone Target.
Keep winning and win well.	Top 5 in the Summer Olympic and Summer Paralympic tables in Paris and beyond.	Deliver a broader range of champions and medalists (Olympic Summer).	Achievement of Summer Olympic Milestone Targets.	>75% of invested programmes delivering outcomes within their agreed Milestone Target (MST) range (14 of 17).	76.5% (13 of 17) WCPs 'exceeded', 'achieved' or 'partially achieved' their Milestone Target (MST) range by the end of the season. Paris is the formal MST for 2024.
		Deliver a broader range of champions and medalists (Paralympic Summer).	Achievement of Summer Paralympic Milestone Targets.	>75% of invested programmes delivering outcomes within their agreed MST range (14 of 17).	82.4% (14 of 17) WCPs 'exceeded' or 'achieved' their Milestone Target (MST) range by the end of the season. Paris is the formal MST for 2024.
Keep winning and win well.	An ever-greater force in Winter Olympic and Winter Paralympic sport.	Deliver a broader range of champions and medallists (Olympic Winter).	Achievement of Winter Olympic Milestone Targets	75% of invested programmes delivering outcomes within their agreed MST range (3 of 4).	100% (3 of 3 sports) that have concluded their MST events 'exceeded' or 'achieved' their target. Note – as of 31 March, Curling events had yet to conclude.
		Deliver a broader range of champions and medallists (Paralympic Winter).	Achievement of Winter Paralympic Milestone Targets.	50% of invested programmes delivering outcomes within their agreed MST range (1 of 2).	4 medals won (accumulative range across the two WCP is 5-7) from one WCP, with one event yet to take place.
Keep winning and win well.	A diverse group of athletes winning medals across the Olympics, Paralympics and World Championships.	Power a diverse, inclusive team.	Increased diversity of funded athlete cohorts meeting World Class Programme (WCP) standards.	% increase in the overall diversity of funded athletes meeting WCP standards and within specific WCPs vs. the 2021 baseline.	The World Class Programme (WCP) athlete cohort were benchmarked in 2023/24 against an equivalent age-matched data set from the 2021 Census. On track to complete a comparative analysis in Spring 2025

					with HCSCs and inform our approach to the challenges and opportunities in this space. WCP data recommended changes implemented, athletes will begin to complete questions that will help us better understand social economic status. Some sports are addressing diversity and inclusion challenges in their cause and case for change during LA investment process.
Keep winning and win well.	Ever-more athlete, sport and public confidence in the way we win.	Win with integrity.	Upholding the highest standards of Ethics, Integrity, and Athlete Welfare.	Increase the number of athletes having a positive experience within their high-performance programme versus the mid-2022/23 baseline, based on formal feedback.	38 World Class Programmes (WCPs) have undertaken a Culture Feedback Survey (CFS) or Walk the Floor (WtF) in the last 12 months. For the 3 WCPs where the data was collected without separating out the athlete/staff responses the % favourable score is 85%. For the remaining WCPs, the % favourable score for athletes was 80%.
				Increase the number of staff having a positive experience within their high-performance programme versus the 2022/23 baseline, based on formal feedback.	38 World Class Programmes (WCPs) have undertaken a Culture Feedback Survey (CFS) or Walk the Floor (WtF) in the last 12 months. For the 3 WCPs where the data was collected without separating out the athlete/staff responses the % favourable score is 85%. For the remaining WCPs, the % favourable score for staff was 89%.

				Increasing % of athlete and staff confidence in sports upholding the highest standards of ethics, integrity, and welfare.	<p>39 NGBs have so far signed up to Sport Integrity (the new independent disclosure and complaints service).</p> <p>Data has been collected from 23 WCPs. For the 3 WCPs where the data was collected without separating out the athlete/staff responses the % favourable score is 88%. For the remaining 18 WCPs we have data for (waiting on data from 6 programmes), the % favourable score for athletes was 87%, and for staff 96%.</p>
Grow a thriving sporting system	Organisational Health is stronger across the sports we invest in.	Enable sustained success.	Alternative Income levels.	A cross-sport revenue generation plan is agreed across the principal bodies and is on track to increase and diversify the overall funds available to the system.	It has been agreed that the focus needs to be on addressing relevancy first before we can adequately and meaningfully address revenue. System-led analysis and recommendations for long-term, holistic, structural reform socialised with key partners including BOA & BPA, UKS Board, and being taken to all Chairs & CEOs in May 2024. Agreement on implementation of pilots pending but BOA & BPA are on board and committed to looking at what we can achieve as a collective.
Grow a thriving sporting system		Enable sustained success.	Strengthen long-term Organisational Health (OH) across the sports we invest in.	100% of funded bodies meet minimum OH standards or are actively working through an escalation plan where falling short of those standards.	Code assessment for new requirements complete and ready to be shared with sports by end of April 24. Diversity Inclusion Action Plan (DIAPs) assessments underway. New internal assurance framework developed for Organisational Health areas and now considering

					how to implement and roll-out wider within the organisation.
Inspire positive change	We are securing and hosting exciting global sporting events that reach new audiences and uplift communities.	Showcase extraordinary sporting moments.	Diversity in events.	Stage and/or secure 42 strategically targeted international sporting events in the Paris Cycle across 39 locations ensuring geographic reach of events is maximised.	<p>39 funded events have been secured in 42 towns and cities across the UK.</p> <p>35 funded events have been successfully staged to date in 42 towns and cities.</p>
Inspire positive change	We are securing and hosting exciting global sporting events that reach new audiences and uplift communities.	Showcase extraordinary sporting moments.	Scale and Reach of Events	Directly engage between 2.5m and 3m (range) spectators through attendance at Government funded major sporting events.	35 events staged to date in this cycle (4 in 21/22, 12 in 22/23, 19 in 23/24) - confirmed figure to date from 25 events 2,332,521. This figure will increase following confirmation of attendance figures at all events.
			Number of international sporting events secured and staged	Ensure the UK maintains a bid success ratio in the range of 70-90%.	15 bids to date this cycle- 11 wins and 4 losses. 73% bid success rate. Although the target has been met at year end, there is a downwards trend in bid success rate to note.
			Economic impact of events	Funded events generate direct economic impact to host economies of at least £180m.	35 events staged to date this cycle- economic impact figures received for 16 events, totaling £138.5m. With 19 events still to finalise their economic impact figures, we are confident that the £180m will be reached based on indicative figures.

Inspire positive change	Olympic and Paralympic sport continues to inspire and unite our nation.	Inspire and unite more people, more often.	Levels of inspiration versus Tokyo Cycle baseline.	Sustain levels of inspiration against the Tokyo 2020 cycle baseline; at least 58% of the public agree that they feel inspired by Olympic and Paralympic athletes as people, whether they win medals or not.	65% for October 2023. Up 1% from previous April 2023 wave.
Inspire positive change				Evidence how British Olympic and Paralympic Sports are effectively delivering positive impacts around Physical and Mental Wellbeing, EDI, and Sustainability, both at a local and national level.	<p>The cumulative (from Jan 2023) entries from 23 NGBs on their own Social Impact activities have seen 85 activities/ examples. From the athlete perspective there has been 435 activities / examples from 31 sports.</p> <p>22 sports now have a case study example that is attributed to their sport and demonstrate examples across the three different areas of UK Sport's impact areas.</p>

Social Impact

One of the three ambitions in our Strategic Plan is to contribute to a happier, prouder and more connected society, using the power and platform of sport to inspire positive change. We have identified a number of key areas that we believe high-performance sport has the authenticity and credibility to enact positive change against. These are: equality, diversity and inclusion, plus wellbeing and sustainability. We continue to ensure that the high-performance sporting sector is driving positive outcomes against these impact areas, so that we can use our voice to inspire others to act.

In addition to this, a key component of our social impact work will be to harness the power and platform of sport, through the athletes, sports and major events we support. We have been supporting the organisations, athletes and major events into which we invest to empower action in this space and to achieve positive outcomes collectively. This has included a second cohort of athletes going through our Powered by Purpose programme, a learning and development opportunity to help athletes to be confident to use their platform to drive positive change in causes they are passionate about. The Glasgow 2024 World Indoor Championships recently received the highest level of accreditation (Platinum) against World Athletics' 'Athletics for a Better World Standard'. This was for their delivery of exceptional environmental sustainability and social impact activity through the event – it was the first event globally to receive this standard. We have also begun to roll-out our programme of support to sports organisations to help them to understand their environmental impact as an organisation and how this can be mitigated.

Regarding UK Sport's operations there have been no significant human rights, environmental or social issues arising during 2023-24. UK Sport is an equal opportunity employer which has taken positive action to ensure it meets its legal duties under the Disability Discrimination Act (1995), Disability Equality Duty (2006) and the Equality Act (2010).

UK Sport has appropriate operational policies and procedures in place to meet its legal requirements. Those policies on whistleblowing, anti-corruption and anti-bribery matters were updated during the year.

Taskforce for Climate-related Financial Disclosures

UK Sport has reported on climate-related financial disclosures consistent with HM Treasury's TCFD-aligned disclosure application guidance which interprets and adapts the framework for the UK public sector.

UK Sport has complied with the TCFD recommendations and recommended disclosures around governance (a) and (b) and metrics and targets (b). This is in line with the central government's TCFD-aligned disclosure implementation timetable. UK Sport plans to make disclosures for Strategy, Risk Management and metrics and targets disclosures (a) and (c) in future reporting periods in line with the central government implementation timetable.

a) Describe the board's oversight of climate-related issues.

All Board papers require UK Sport to identify any sustainability issues, risks or opportunities associated with the matter presented. This helps to ensure our Board are aware of the sustainability implications of the decisions they are making. Reporting on climate and sustainability-related issues is also provided to key board committees, in particular Group Audit and Risk committee.

b) Describe management's role in assessing and managing climate-related issues.

A cross-departmental Environmental Sustainability Steering Group has responsibility for monitoring delivery progress of UK Sport's Environmental Sustainability Strategy. The group considers risks to delivery, opportunities and challenges related to environmental sustainability, which includes

climate-related issues. The group has been chaired by the organisation's Sustainability Advisor. They assess and manage climate-related issues quarterly, escalating to Directors' Team and Board as appropriate.

The UK Sport corporate risk register includes an item on the risk that UKS fails to deliver meaningful action on sustainability. This risk register is reviewed and approved by the UKS Directors Team on a quarterly basis. It is also presented and reviewed at each quarterly GARC meeting, and a corporate risk update is provided at each meeting of the UKS Board. An annual Risk Assurance exercise is also carried out, which tests the controls in place for each risk, based on the three-line assurance model. The outcome of this exercise is presented to GARC each year.

Sustainability Reporting

In line with the recommended disclosures around metrics and targets we continue to report against the Greening Government Commitment (GGC) and have undertaken a comprehensive baselining exercise to calculate our carbon footprint for 2022/23 which includes full Scope 3 emissions ([full emissions report and decarbonisation pathway available online](#))

High-performance sport has a unique platform from which to power positive, meaningful and lasting change for people and the planet. In March 2023 we published our first [Environmental Sustainability Strategy](#) with a vision to accelerate the progress of high-performance sport in addressing our collective environmental impact. We have a long term goal for British Olympic and Paralympic sport, and Major Events, to have a net positive impact on the environment by 2040.

There are many unknowns as we work towards achieving this goal and this two-year strategy was designed to lay strong foundations. We will be refocusing some of the actions as we now have a clearer understanding of what is required, what has worked well so far and what could be approached differently. Here are some highlights of progress we have made in the last year, all project reports are available on the [Team of Tomorrow website](#).

- We are implementing an EDI and Sustainability Procurement Guide, to leverage our buying power to drive improved practices within the supply chain. Suppliers are required to complete an EDI and Sustainability questionnaire and all tenders above £50k include criteria weighted at 10% for sustainability and 10% for EDI.
- Our travel and subsistence policy has been updated to include a sustainable travel hierarchy and restrict domestic flights. We now need to make sure this is enforced, as well as assess and update other relevant policies.
- In the last 12 months we have provided learning opportunities in various aspects of sustainability for our own staff, partners and NGBs. We have also supported the roll-out of sports specific Carbon Literacy training leading to 65 UK Sport staff (37%) and 44 colleagues across the wider sector becoming certified as Carbon Literate. We have mandated in our investment application process that Pinnacle events must include environmental sustainability plans, and are working on engaging with host cities and venues. 2 major events have piloted an environmental impacts measurement tool.
- Six NGBs we invest in (15%) have published environmental sustainability plans. We have launched the Accelerator sustainability programme to support all NGBs in measuring their emissions, producing environmental sustainability action plans, building capacity, working collectively to take action and to try innovative approaches. 31 NGBs are currently participating in 6 clusters, with 2 further clusters planned. UK Sport is core member of the Sport Sustainability Working Group, set up as a result of environmental sustainability actions being included for the first time in DCMS's Get Active strategy.
- We have worked with the British Olympic Association and the British Paralympic Association to provide Climate 101 masterclasses for athletes, with 80 attendees across the five sessions delivered.

Greenhouse Gas Analysis

GREENHOUSE GAS EMISSIONS			2023-24	2022-23
Scope 1 - Direct GHG emissions	Total gross emissions: Scope 1		6	5
	Emissions (tCO2e) from:	Gas	6	5
		Oil	-	-
		Fuel (including LPG)	-	-
		Other	-	-
Scope 2 - Energy indirect emissions	Total gross emissions: Scope 2		17	12
	Emissions (tCO2e) from:	Electricity	17	12
Scope 3 - Official travel emissions	Total gross emissions: Scope 3		194	208
	Emissions (tCO2e) from:	Domestic	161	93
		International	33	115
Scope 1 & Scope 2	Total Electricity (kWh)		77,647	73,845
	Electricity	Renewable	-	-
		Non-Renewable	77,647	73,845
	Gas (kWh)		34,018	29,025
	LPG (kWh)		-	-
	Other (kWh)		-	-
Scope 1, Scope 2 & Scope 3	Expenditure on energy (£)		25,675	14,048
	Expenditure on accredited offsets (£)		-	-
	Expenditure on official domestic and international business travel (£)		490,545	445,942

WASTE			2023-24	2022-23
	Total waste disposed (tonnes)		0.60	8.00
	Hazardous waste disposed (tonnes)		-	-
	Non-hazardous waste disposed (tonnes)	Landfill	-	1.00
		Recycled	-	6.00
		ICT waste recycled, reused and recovered (externally)	-	-
		Composted	-	-
		Incinerated with energy recovery	0.30	1.00
		Incinerated without energy recovery	0.30	-
	Total waste disposal cost (£)		113	2,593
	Hazardous waste disposal cost (£)		-	-
	Non-hazardous waste disposal cost (£)	Landfill	-	144
		Recycled	-	2,414
		ICT waste recycled, reused and recovered (externally)	-	-
		Composted	-	-
		Incinerated with energy recovery	57	35
		Incinerated without energy recovery	56	-

FINITE RESOURCE CONSUMPTION			2023-24	2022-23
	Water consumption (m3) (Office estate)	Supplied	298	1,806
		Abstracted	-	-
		Collected	-	-
	Water consumption (m3)	Supplied	-	-
	(Non-office Estate)	Abstracted	-	-
		Collected	-	-

	Paper consumption (reams) - A4	Supplied	8	-
	Paper consumption (reams) - A3	Supplied	2	-
	Water Supply costs (Office estate) (£)		912	2,173
	Water Supply costs (Non-office estate) (£)		-	-
	Paper costs (A4 & A3) (£)		-	-

GGC Sub-Targets (Ultra-low and zero emission vehicles & Air travel)			2023-24	2022-23
Ultra-low and zero emission vehicles	Total Vehicles (Owned, Hired & Leased)		86	74
	% of vehicles categorised as Ultra Low Emission Vehicles (ULEV)		1.0	1.0
International Air Travel	Total: Distance travelled by international business flights (miles)		297,649	301,007
	Disaggregated by category	Long-haul flights	127,518	299,058
		Short-haul flights	170,131	1,949
	Disaggregated by class	Economy	297,649	301,007
		Premium Economy	-	-
		Business	-	-
		First	-	-
Domestic Air Travel	Emissions from domestic business flights (tCO2e)		15	6
	Distance travelled by domestic flights (miles)		116,852	53,866
	Number of domestic flights		144	67

FINANCIAL STATEMENTS

The Accounts section of this report is separated into two distinct areas in line with statutory requirements, namely Grant-in-Aid and National Lottery Distribution Fund accounts.

They include accounts for UK Sport as well as a consolidated Group position including the UK Sports Institute (UKSI). Accounts for the UKSI are also published separately.

Policy on Lottery Additionality

With funding derived from two primary sources, Grant-in-Aid and Lottery, UK Sport is required to have a policy on “additionality” that sets out what is funded through each source.

Historically, UK Sport has funded major events and Athlete Performance Awards exclusively through Lottery funding (although ‘Mega’ events such as the 2025 Women’s Rugby World Cup are increasingly funded through additional exchequer funding). This approach is expected to continue. The World Class Programmes have been funded by a mix of Lottery and Exchequer funding in a proportion determined at the start of each Games Cycle. Our approach has been that once a grant commitment for World Class Programmes has been recorded through the Grants Management System as a proportion of Lottery and Exchequer funding then these allocations will remain in place for the duration of the programme. However, having the ability to replace Lottery grant commitments with Exchequer funding has been necessary to manage fluctuations in income and re-profiling of expenditure within some programmes.

The ‘additionality’ policy agreed with the Lottery team at DCMS, and the National Audit Office (NAO) provides a clear set of guidelines under which funding can be reallocated:

Lottery funding is distinct from Government funding and adds value. Although it does not substitute for Exchequer expenditure, where appropriate it complements Government and other programmes, policies, and funding.

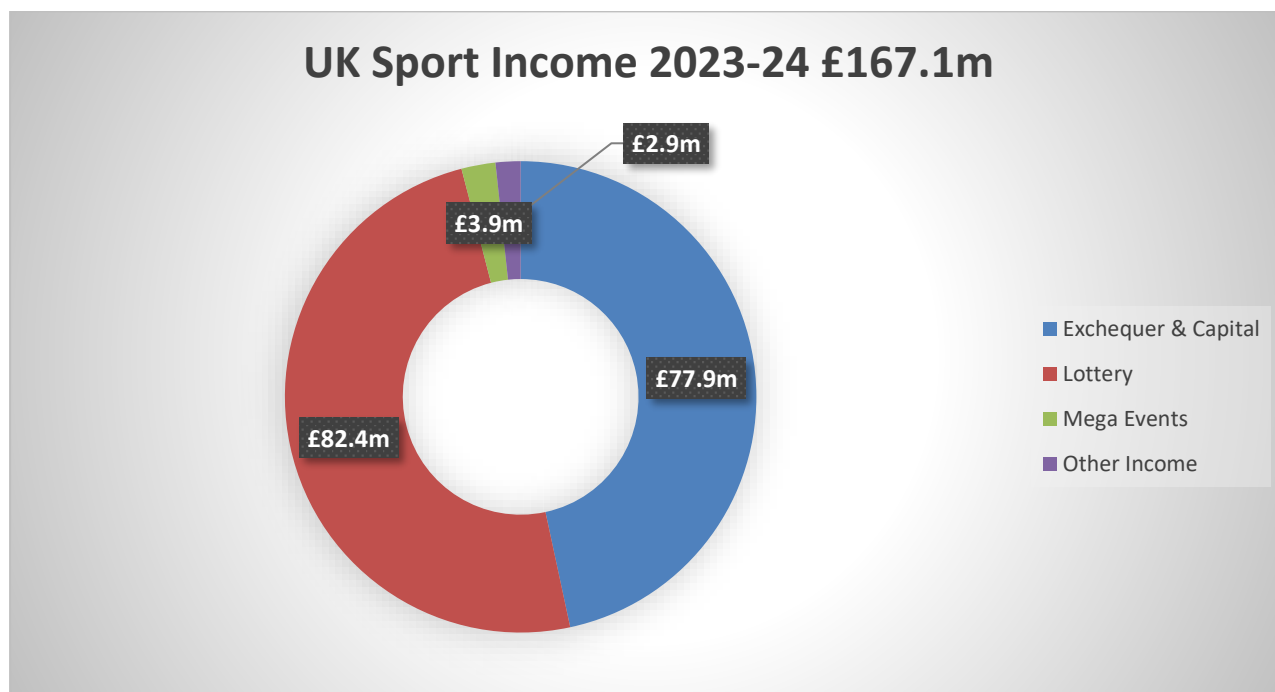
UK Sport has regard to the principles of additionality and this definition when progressing its investment strategies and programmes. Where appropriate, Lottery funding complements investment strategies such as the World Class Performance Programmes, which are geared to achieving long-term Olympic and Paralympic success.

Awards for the World Class Performance Programmes are committed at the start of each Olympic and Paralympic cycle using a combination of Exchequer and Lottery funding. In the event that additional Exchequer funding is made available to UK Sport or there is fluctuation in planned Exchequer financed activity elsewhere in the business, the awards may be adjusted to reflect a greater proportion of Exchequer funding.

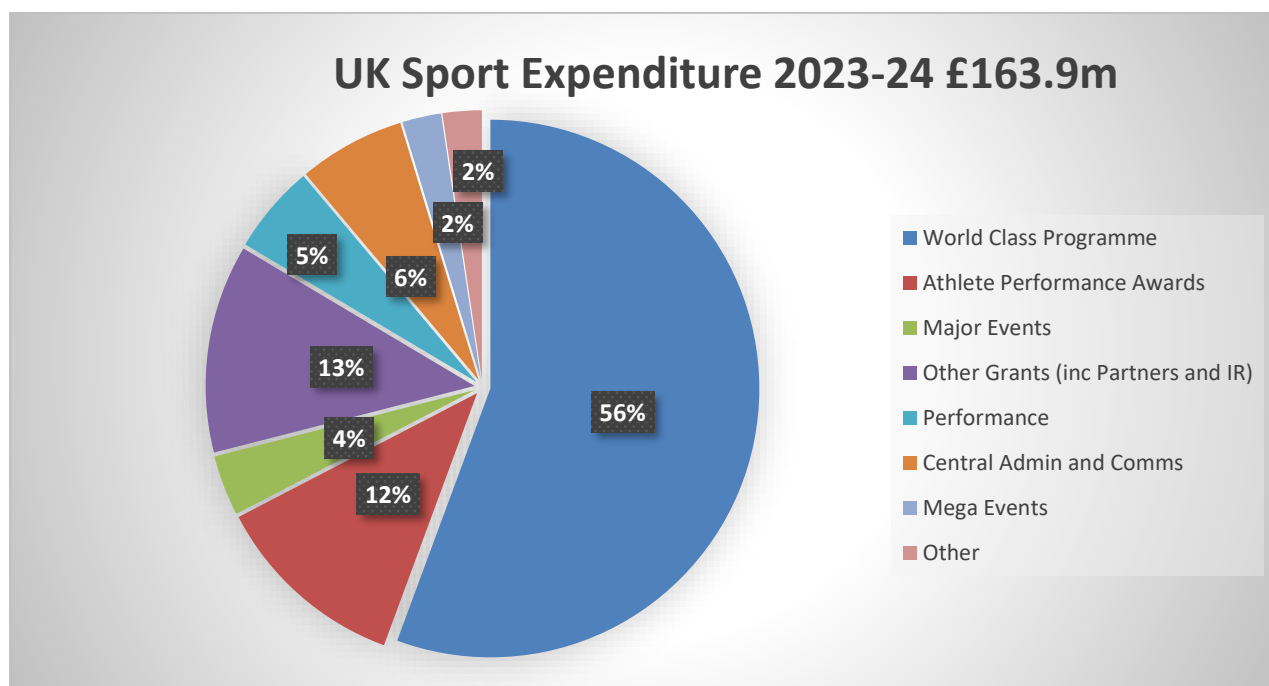
The Major Events Programme and funding of Athlete Performance Awards are solely Lottery funded. These are prime examples of Lottery funded programmes that are not provided as a statutory responsibility or funded by Government but add real value to the UK’s sporting ambitions.

Financial Performance

Total income of £167.1 million (£172.9 million in 2022-23) was received by UK Sport over the year 2023-24. UK Sport received £82.4 million from the National Lottery Distribution Fund (£82.2 million in 2022-23) and £77.8 million from Exchequer (£82.7 million in 2022-23). £3.9 million additional Exchequer Funding was also provided for mega events, including the 2025 Women's Rugby Union World Cup.



Total expenditure of £163.9 million (£159.1 million in 2022-23) during the year is shown below.



Grants for the World Class Programmes and Athlete Performance Awards made up the greatest part of the expenditure incurred. Other grants expenditure accounting for 13% mainly relates to grants paid to UKSI.

Total Lottery income during the year has increased our Lottery Reserves balance from £50.2 million to £53.5 million. A large proportion of these reserves will be used to fund LA Cycle activity.

Administration and operating costs have continued to be monitored closely. Non-ringfenced Exchequer resource outturn was within 0.01% (£0.09 million) of budget, meeting the DCMS target of within 1% (at UK Sport Group level, the outturn was within 0.1% of budget). The DCMS Lottery performance target of 8% for administrative spend was also met with a result of 7.91% for the year.

The Statement of Financial Position on the Exchequer Account at 31 March 2024 shows positive overall Taxpayer's Equity of £9.8 million (£6.9m million positive at 31 March 2023). This is offset by a surplus on the Lottery account of £54.2 million (£50.2 million at 31 March 2023) to give a total group position of £64 million (£57.1 million in 2022-23). This balance includes an overall £4.6 million pension asset.

Expenditure on Consultancy

During 2023/24 expenditure on legal fees and consultancy at UK Sport was £98,643 (2022/23: £387,127). The expenditure on consultancy relates to various activities, including legal advice and support on the organisation's strategic projects.

Funded Athlete Demographics

UK Sport funded **1,145** athletes as at 31 March 2024 (1,092 athletes at 31 March 2023) with the following demographic breakdown:

Gender	Numbers	31/03/2024	31/03/2023
Female	519	45.33%	44.78%
Male	623	54.41%	54.95%
Prefer not to say	3	0.26%	0.27%

Age range	Numbers	31/03/2024	31/03/2023
<16	6	0.52%	0.73%
16 – 25	572	49.96%	51.10%
26 – 44	541	47.25%	46.06%
45 – 68	26	2.27%	2.11%

Disability	Numbers	31/03/2024	31/03/2023
No	794	69.34%	70.79%
Yes	329	28.73%	27.47%
Prefer not to say	13	1.14%	1.19%
Not Sure	3	0.26%	0.09%

Disability	Numbers	31/03/2024	31/03/2023
Blank	6	0.52%	0.46%

Ethnicity	Numbers	31/03/2024	31/03/2023
Asian or Asian British	11	0.96%	1.19%
Black / African / Caribbean / Black British	38	3.32%	3.39%
Mixed / Multiple ethnic groups	67	5.85%	6.14%
White	985	86.03%	87.36%
Other ethnic group	4	0.35%	0.37%
Not Specified	7	0.61%	0.46%
Do not wish to disclose	33	2.88%	1.10%

At the time of reporting, the funded athlete demographics illustrated a near 5% increase in total athlete numbers. This is to be expected in the latter part of a funding cycle, as sports seek to accelerate investment and support to athletes for the upcoming Games and future Games.

Going Concern

The financial statements have been prepared on a going concern basis. Grant commitments and other obligations have been entered into on the basis of the continuing receipt of financial provision in the following ways:

1. UK Sport has a statutory entitlement to a set percentage of the National Lottery Distribution Fund in accordance with the National Lottery Act 1993 as amended.
2. Grant-in-Aid financing from DCMS. In Summer 2021 UK Sport secured a positive Comprehensive Spending Review settlement, comprising a 44% increase to the UK Sport budget from SR20 to 2024-25 to support Team GB and ParalympicsGB athletes to prepare for a successful Paris 2024 Olympic and Paralympic Games. DCMS funding after 2024-25 will be subject to the Autumn 2024 Spending Review exercise, but there is no indication that UK Sport will not receive continued support for the LA 2028 Olympic cycle.



Sally Munday OBE
Chief Executive and Accounting Officer
The United Kingdom Sports Council

18 November 2024

ACCOUNTABILITY REPORT

Corporate Governance Report

Directors' Report

The Chair and Board members are appointed by the Secretary of State in compliance with the Code of Practice of the Commission for Public Appointments. The Board currently consists of the Chair and eleven members, seven independent and four representatives of the Home Nation Sports Councils (Sports England, Sport Wales, Sport Northern Ireland and sportscotland).

Independent Board members are appointed for a fixed term of four years and may be re-appointed for one further term of four years as agreed by the Secretary of State for DCMS. These term lengths were increased from three years through amendment to UK Sport's Royal Charter in November 2020. The Board Chair is serving a second term of four years, expiring 2025. The appointment process set by Government permits representatives (usually the Chair) of the Home Country Sports Councils to automatically sit on the UK Sport Board for the duration of their term.

Additionally, the Chair of the UK Sports Institute and a representative of the DCMS attend meetings as observers.

From the February 2024 meeting, Fatima Jalloh joined the Board as a Board Apprentice for the calendar year, as part of the Levelling Up department's Board Apprentice Programme.

Board membership during 2023-24

Name	Position	Start Date	Term duration
Dame Katherine Grainger DBE	Chair	July 2017	4-year Appointment to June 2021 Reappointed to June 2025
Chris Boardman	Member (Chair, Sports Council England)	July 2021	4-year Appointment to July 2025
Mel Young MBE	Member (Chair, sportscotland)	June 2016	4-year Appointment to June 2020. Re-appointed to May 2024
George Lucas	Member (Chair, Sport Northern Ireland)	June 2020	6-month Appointment to January 2021 Re-appointed to January 2025
Baroness Tanni Grey-Thompson	Member (Chair, Sport Wales)	July 2022	4-year appointment to July 2026
Chris Pilling	Member	April 2020	4-Year Appointment to April 2024 Re-appointed to April 2028
Sally Bolton OBE	Member	March 2018	4-year Appointment to March 2022 Re-appointed to March 2026
Annie Panter	Member	January 2018	4-year Appointment to January 2022. Re-appointed to January 2026
Ismail Amla	Member	April 2020	4-Year Appointment to April 2024

Name	Position	Start Date	Term duration
			Re-appointed to April 2028
Martyn Worsley	Member	March 2018	4-Year Appointment to March 2022. Re-appointed to March 2026
Rachel Baillache	Member	Sept 2022	4-year appointment to Aug 2026
Rupen Shah	Member	Sept 2022	4-year appointment to Aug 2026

The Board normally meets six times each year to provide strategic direction to the organisation, as well as considering and making decisions on those recommendations put forward by UK Sport's officers, panels, and internal committees. The minutes of UK Sport Board meetings are made available on the UK Sport website. In the year 2023-24 all Board meetings were held in person.

In addition, during the year Board Members took part in additional meetings such as Board Strategy Sprints, development/effectiveness sessions and a trip to the UCI World Cycling Championships in Glasgow.

The Board has an established Group Audit and Risk Committee (GA&RC) to support them in their responsibilities for issues of risk, control and governance. Its membership comprised:

- Chair, a UK Sport Board member appointed by the UK Sport Board;
- Not less than two other non-executive UK Sport Board members appointed by the UK Sport Board;
- One external member nominated by the UK Sports Institute (UKSI) Board and approved by the UK Sport Board who may be a non-executive member of the UKSI Board; and
- Up to two other external members nominated by the GA&RC and approved by the UK Sport Board.

At least one member has significant recent accounting experience. This Committee has oversight of both UK Sport and UKSI and normally meets four times during the year to advise the Board and Accounting Officers on:

- Strategic processes for risk, control and governance (and the Governance Statement);
- Accounting policies, Annual Report and Accounts.
- Both internal and external audit planned activity, results and effectiveness.
- Adequacy of management response to issues identified by audit activity.
- Level of assurance provided on the management of corporate governance obligations.

Further to this arrangement the Board is advised by a number of additional standing sub-committees:

- **Remuneration and Nominations Committee** – the function of which is to oversee Chief Executive Officer, Deputy CEO and members of the Directors Team (the 'Senior Executives') recruitment, remuneration, employment terms and conditions and severance; and to oversee the structure and size of the Board and be responsible for nominations, as well as reviewing the leadership needs of

the organisation. The Committee currently consists of a pool of three UK Sport Board members (including the Chair), CEO, Head of People and HR Lead. The Panel met twice in 2023-24

- **Major Events Panel** – makes recommendations to UK Sport Board on National Lottery investment into major events in addition to providing an assurance function with regards to some of UK Sport's larger investments into events, and particularly Mega Events. The panel, currently consisting of two UK Sport Board Members (one of whom acts as the Panel Chair) and four independent members, met seven times during the year.
- **Eligibility** - the Eligibility Panel and one of the independent Chairs (depending on the severity of the case) consider cases under the UK Sport Funding Eligibility Policy to determine the eligibility of Athletes and Athlete Support Personnel to receive public funding and / or publicly funded benefits. Fourteen cases triggered the Eligibility Policy in the financial year of 2023-24 and were decided upon by either the Eligibility Panel or Independent Chair.

The Register of Interests for members of the Board is publicly available on the UK Sport Website, at the following link [Board Member Declarations of Interest. | UK Sport](#)

Director Team

Sally Munday leads the Executive team that oversaw 172.7 full time equivalent staff, including 3 full time equivalent fixed term contract staff, across the business as of 31 March 2024.

Register of Interests and Management of Conflicts

UK Sport has a conflict-of-interest policy that requires all members of Staff (including Directors), Workers and Board Members to declare any interests that pertain to themselves or their immediate families which could impact on their role at UK Sport. Declarations are required when Staff, Workers or Board members join the organisation and when circumstances change, as well as an annual confirmation that declarations are accurate and up to date. Any conflicts declared are reviewed with support of Legal and HR where needed, to confirm what mitigating actions, if any, are required to manage the conflict.

The director positions held during 2023-24 were:

Name	Position
Sally Munday	Chief Executive and Accounting Officer
Simon Morton	Deputy CEO, Director Sporting System and Events
Sophie du Sautoy	Director of Business Services
Deborah Kester	Director, People (left UK Sport June 2023)
Dr Kate Baker	Director of Performance
Naomi Angell-Hicks	Director of External Engagement and Affairs

Subsidiary body

UK Sports Institute (UKSI)

UK Sport has held sole responsibility for UK Sports Institute (UKSI). The UKSI was renamed from English Institute of Sport in April 2023. There were no other changes to the legal structure. Its accounts are approved separately by the Board of UKSI and are subject to external audit by the National Audit Office. UK Sport financial statements are therefore prepared on a consolidated basis.

UK Sport is entitled to appoint three Directors to the Board of UKSI one of whom is appointed as the Chair. John Dowson was appointed as Chair for a four-year term in July 2021. The two other board positions are currently vacant. In addition, UK Sport has agreed that a Board Member and its Director of Performance sit as observers on the UKSI Board.

Matt Archibald was appointed as National Director (CEO) in February 2022.

The UKSI is bound by funding agreements which are applied alongside a separate Financial Memorandum. The Group Audit and Risk Committee advises both UKSI and UK Sport Boards through an annual programme of audit reviews agreed by both Boards.

UKSI are a company limited by guarantee, incorporated in England. The address of its registered office is The Manchester Institute of Health and Performance, 299 Alan Turing Way, Manchester, M11 3BS.

Reporting of Personal Data Related Incidents

UK Sport holds personal information relating to employees, athletes, athlete support personnel and others relating to activities arising out of its operating environment within the high-performance sport system. There are robust and specific measures in place to ensure information security applies to such information. During 2023-2024, the legal team completed a complex and cross-organisational data mapping project called the "Register of Processing Activity" or "ROPA". Each team nominated a 'data champion' who was trained by the legal team to understand the requirements of the ROPA and instigate what personal data their team holds, who is accountable for it, what legal basis they are using to process it and how long they keep processing the data. The ROPA is a live document which is constantly updated by the 'data champions'. To ensure, continuous compliance, the legal team instigates quarterly compliance statements where the relevant person must confirm their section of the ROPA is correct and up to date. We intend on expanding the ROPA to include information assets (not just personal data). However, this process has been paused until after the organisational change process has been completed so that the appropriate owners are identified.

In accordance with the UK General Data Protection Regulations (GDPR), guidance from the Information Commissioner's Office and the Cabinet Office Guidance under the HMG Security Policy Framework (SPF), UK Sport continues to enhance its information and data security policy and procedures. As part of this, all staff are required to undertake online training on information security and the GDPR and have been subject to a wider security education and awareness campaign. In addition, UK Sport is aiming to provide detailed training in August after the organisational change process has completed to everyone in a 'Head of' role in the area of information governance.

UK Sport has updated and finalised in line with the information gathered from the ROPA a number of privacy policies. This includes the UK Sport Data Retention Policy, the Athlete Data Protection Protocol and other data sharing agreements with partners such as UKSI.

During 2023-24, no personal data incidents occurred within UK Sport that were severe enough to warrant reporting to the Information Commissioner's Office.

Complaints Summary

UK Sport has published a complaints procedure on its website. In 2023-24 there were no complaints about staff. There were 72 complaints in relation to various types of sporting issues (2022-23: 82).

Where relevant UK Sport refers complaints directly to the sports organisation involved for resolution or, if appropriate, to the UK Sport's Head of Sport Integrity.

It should be noted UK Sport is not a regulator of sport or prescribed regulator for whistleblowing purposes under the Public Interest Disclosure Act 1998, nor does UK Sport have legal powers of investigation into internal sporting disputes or the affairs of sport Governing bodies.

No internal whistleblowing cases were raised during 2023-24.

Statement of Accounting Officer's Responsibilities

The Royal Charter and section 35(2) and (3) of the National Lottery etc. Act 1993 require UK Sport to prepare a statement of accounts for both UK Sport and its consolidated Group for each financial year in the form and on the basis determined by the Secretary of State for DCMS with consent of HM Treasury. The accounts are prepared on an accruals basis and must show a true and fair view of UK Sport's state of affairs at the year end and of its income, expenditure and cash flows for the financial year.

In preparing the accounts UK Sport is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

1. Observe the Accounts Direction issued by the Secretary of State for DCMS, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
2. Ensure that UK Sport has in place appropriate and reliable systems and procedures to carry out the consolidation process;
3. Make judgements and estimates on a reasonable basis, including those judgements involved in consolidating the accounting information provided by subsidiary organisations;
4. State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements;
5. Prepare the financial statements on a going concern basis.

The Accounting Officer for DCMS has designated the Chief Executive Officer of UK Sport as the Accounting Officer for UK Sport. The relevant responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable and for keeping of proper records and for safeguarding UK Sport's assets are set out in "Managing Public Money" published by HM Treasury and in the Financial Directions issued by the Secretary of State for Culture, Media and Sport under section 26(3) of the National Lottery etc. Act 1993.

In my role as Accounting Officer, I am supported by the National Director (CEO) of UKSI, who has been appointed as the Accounting Officer for their organisation with reporting responsibilities to myself. They are required to prepare an annual assurance report as well meeting the requirements of their respective governance and financial frameworks.

As Accounting Officer, as far as I am aware there is no relevant audit information of which UK Sport's auditors are unaware. I have taken all of the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that UK Sport's auditors are aware of that information.

As Accounting Officer, I confirm that the annual report and accounts as a whole are fair, balanced and understandable and that I take personal responsibility for the annual report and accounts and the judgements required for determining that they are fair, balanced and understandable.



Sally Munday OBE
Chief Executive and Accounting Officer
The United Kingdom Sports Council

18 November 2024

Governance Statement

Introduction

As Accounting Officer, I am required to prepare an annual governance statement which records the stewardship of UK Sport, drawing together evidence on governance and risk management. The statement is intended to give a clear overview of the dynamics of the organisation and its control structure, providing a sense of potential vulnerabilities and how successful it has been in coping with the challenges faced during the year. The period of this report covers the time from 1 April 2023 until the date of signing the document.

Governance Framework

UK Sport was established in 1996 by Royal Charter as an Arm's Length Body (ALB) of DCMS. The formal relationship between DCMS and UK Sport is encapsulated in a number of framework documents, most notably our Management Agreement. DCMS are currently working on an updated Management Agreement and Framework Document to issue UK Sport.

UK Sport's constitution is set out in Article 1 of the Royal Charter, with the Secretary of State (and other members of DCMS ministerial team) accounting for the organisation in Parliament. My respective responsibilities as Accounting Officer are set out in Chapter 3 of *Managing Public Money*. UK Sport is also compliant with the Corporate Governance Code as applied to an ALB via the relevant principles set out in *Corporate Governance in Central Government Departments: Code of Good Practice 2017* and Lottery Financial Directions issued under *Sections 26(3), (3a) and (4) of the National Lottery etc. Act 1993* (as amended by the *National Lottery Act 1998*, and the *National Lottery Act 2006*).

A *Code for Sports Governance* sets out the governance requirements that all organisations funded by Sport England and UK Sport are required to meet. It provides for three tiers of compliance with Tier 3 representing the highest level of compliance. UK Sport is classified as a Tier 3 organisation.

UK Sport's governance framework supports the way in which we work to help deliver our strategy and ensure that the right committees and accountability structure is in place to help us deliver our strategic objectives.

The UK Sport Board takes overall responsibility for the UK Sport strategy, policies and performance. The Board is supported by several committees – the Group Audit and Risk Committee, the Major Events Panel, the Eligibility Panel, and the Remuneration and Nominations Committee. Each of these committees provides challenge and input from a non-executive perspective. Information on the work of the Board, Committees and an assessment of their effectiveness is provided in the following sections.

UK Sport Board and Committee Effectiveness

The Board met 6 times in 2023-24 based around business priorities and the annual calendar of Board activity. They also convened for online Sprints and in person development/effectiveness work and a trip to the UCI World Cycling Championships, both attached to formal Board meetings. All meetings were in person, with some having a hybrid mix of attendance.

The Board was quorate for all meetings in the year. Attendance of Board members was as follows:

2023-24	May	Aug	Oct	Dec	Feb	Mar			
Katherine Grainger	Y	Y	Y	Y	Y	Y	6	/	6
Chris Boardman	Y	N	Y	Y	Y	Y	5	/	6
Mel Young	Y	Y	Y	Y	Y	Y	6	/	6
Tanni Grey-Thompson	Y	Y	Y	Y	Y	Y	6	/	6
George Lucas	N	N	N	Y	Y	Y	3	/	6
John Dowson	Y	Y	Y	Y	Y	Y	6	/	6
Annie Panter	Y	Y	Y	Y	Y	Y	6	/	6
Martyn Worsley	Y	Y	Y	N	Y	Y	5	/	6
Sally Bolton	Y	Y	Y	Y	Y	Y	6	/	6
Chris Pilling	Y	Y	N	Y	N	Y	4	/	6
Ismail Amla	Y	Y	Y	N	Y	Y	5	/	6
Rachel Baillache	Y	Y	Y	Y	Y	Y	6	/	6
Rupen Shah	Y	Y	Y	Y	N	Y	5	/	6

There were no new appointments to Board in 2023-24.

John Dowson remains an observer on Board, in his capacity of Chair of the UKSI. This is a role he commenced in July 2021.

Fatima Jalloh joined meetings from February 2024 as a Board Apprentice through the Levelling Up Department's Board Apprentice Program.

The Board did not carry out an internal review of its skills and effectiveness in 2023-24, as in line with the requirements of the Code for Sports Governance, it instead conducted its 4-yearly externally facilitated review. This was led by a consultant and sessions were held at the October 2023 and March 2024 meetings.

Board members did have one-to-one meetings with the Chair in January and February 2024, reflecting on their performance on the Board and its overall effectiveness. They also completed a questionnaire which posed questions about the effectiveness of the Board.

Key findings were that members very much enjoyed being part of the UK Sport Board and regarded it as highly effective overall. There was a great deal of praise for members of the Executive. Other feedback was around meeting format, board papers and other general comments and ideas to further improve the Board. An Action Plan was produced to track progress against outcomes of this feedback. This is regularly reviewed by the Chair.

The Board was not required to complete a Skills Matrix in this period as there were no new appointments.

The Board is supported by advisory bodies including the Group Audit and Risk Committee (GA&RC) for UK Sport and UKSI, the Remuneration and Nomination Committee, Major Events Panel and the Eligibility Panel. Reports of appropriate quality to meet the information needs of both the GA&RC who advises the Board, and the Board themselves have been provided. These have comprised regular updates as well as individual papers on specific issues.

Group Audit and Risk Committee

The Group Audit and Risk Committee (GA&RC) met four times during the year. Regular agenda items included agreement of the Internal Audit work plan for 2023-24 (produced in conjunction with BDO as Internal Auditors) followed by the outcome of reviews and progress on responding to the recommendations made, review and approval of the External Audit Plan, management of risk, and the review of financial and legal policies and procedures.

In addition, the Committee reviewed the 2022-23 Annual Reports and Accounts and recommended their approval to Board and received deep dive presentations on several areas including planning for Euro 2028, Annual Assurance Programmes and UKSI and UK Sport Risk Management.

In line with best practice, a review of the GA&RC Terms of Reference (TOR) was conducted in December 2023. The review of the TOR was carried out in line with guidance provided for public bodies, provided in the 'Audit and Risk Assurance Committee Handbook' issued by HM Treasury (March 2016). No proposed changes were noted other than to reflect the EIS to UKSI name change.

The attendance profile for the Committee in 2023-24 was:

	June 2023	Sept 2023	Dec 2023	Mar 2024	Overall
Vic Luck	Y	Y	Y	N/A	3/4
Martyn Worsley	X	Y	Y	Y	3/4
Rachel Baillache	Y	Y	Y	Y	4/4
Rupen Shah	Y	Y	Y	Y	4/4
Chika Aghadiuno	Y	Y	Y	Y	4/4
Scott Smith	Y	Y	Y	Y	4/4
Sarah Williams	N/A	N/A	N/A	Y	1/4

Vic Luck's last meeting was December 2023 and Sarah Williams was appointed as the UKSI representative attending her first meeting in March 2024.

Executive Responsibilities

My responsibilities as Accounting Officer for UK Sport are set out in the DCMS Permanent Secretary's appointment letter. As such, I am personally responsible for safeguarding the public funds for which I have charge; for ensuring propriety and regularity in the handling of those funds; and for reporting to the Board of UK Sport for the day-to-day operations and management of the organisation and the achievement of its strategic aims. I am also responsible for ensuring that UK Sport is run on the basis of the standards set out in Box 3.1 of Managing Public Money. A clear scheme of delegation (and supporting policies and procedures) exists to assist with my management of this.

In my role as Accounting Officer, I attend both Board and Group Audit and Risk Committee meetings to ensure any significant risks or issues of control are brought to their attention and discussed. I am therefore able to provide the assurances necessary within this statement for the period from April 2023 to the date of approval of the annual report and accounts.

For any periods of absence, I have delegated my Accounting Officer responsibilities to the Deputy CEO. I have further been supported in my role as Accounting Officer by the National Director (CEO) of UKSI as the respective Accounting Officer for our wholly owned subsidiary.

System of Internal Control

The system of internal control within UK Sport seeks to mitigate rather than eliminate risk. The decision as to which risks are mitigated or accepted relates both to the organisation's capacity to influence them and/or to absorb their potential impact. The organisation's approach to risk flows through its agreed risk appetite, which is considered and approved by the Board. The methodology used to evaluate risk in terms of likelihood and potential impact (through a Risk Heat Map) helps to promote focus on the most significant risks facing the organisation and its subsidiaries. UKSI has adopted an equivalent approach.

To provide evidence-based assurance on the management of risks that threaten the achievement of UK Sport's objectives, a Risk Assurance Framework has been adopted. An assurance mapping exercise takes place each year and was last undertaken in February 2024. As set out in HM Treasury's 'Assurance Frameworks' document (December 2012) the three lines of defence model is used to identify and understand our assurance arrangements. The first line of defence deals with the front-line or business operational areas such as performance data and policies. The second line of defence is associated with oversight of management activity, for example, our Directors Team. Finally, the third line of defence relates to independent assurance such as internal audit.

We continue to map and challenge the level of assurance in place to manage our risks, and the most recent review during 2023-24 concluded that UK Sport has a range of assurances across most of the key areas of the business. No area was assessed as not having any assurance activity in place, or where it is materially weak. Assurances were found to be well designed, most notably in the first line of defence.

UK Sport's Board is provided with an update of the Corporate Risk register on a quarterly basis. In addition, the Group Audit and Risk committee (GARC) has undertaken a full review of the UK Sport and UKSI risk environment during the course of 2023-24, which has resulted in a shorter and more focused register of corporate risk across both organisations.

We also continue to review the UK Sport risk appetite. Our approach to risk is driven by our objective of being an expert, agile and courageous model of high performance, as well as our status as a publicly funded body. These factors necessitate a balanced view of risk, based on different factors. For instance, UK Sport is risk averse in areas such as finance and compliance but accepts a more moderate level of risk around the investments through World Class Programmes where delivery is through a third party and has an open appetite for taking well-managed risks where innovation, technology or change is needed for us to deliver our priorities.

Policies and Procedures

Beneath our overarching Policy on Internal Control sits a number of critical policies and procedures, which effectively describe to staff the detail of their responsibilities. The policies include:

1. Adoption Policy
2. Anti-Fraud, Anti-Corruption and Anti-Bribery
3. Budgetary Control
4. Business Continuity and Emergency Incident
5. Cash Management
6. Delegated Authority
7. Document Retention
8. Fixed Asset
9. Gifts and Hospitality
10. Health and Safety
11. Healthy Lifestyle
12. Field Based Working Policy
13. Information Security

14. Maternity Policy
15. Parental Leave Policy
16. Personal Information
17. Probation Period
18. Procurement Policy and Procedure
19. Recruitment Procedures
20. Safeguarding (Internal and External)
21. Travel and Expenses
22. Whistleblowing

These policies and procedures are regularly reviewed and updated to ensure they reflect both statutory and legislative requirements (and recognised best practice) and remain available to staff through the UK Sport intranet. We continue to review our policies to ensure they reflect UK Sport's flexible ways of working across multiple office locations, and as well as ensuring that they support and encourage our organisational objectives around EDI and sustainability. No internal whistleblowing cases were raised during 2023-24.

Government Functional Standards

We continue to monitor progress in our compliance with the key Government Functional Standards - these set out expected standards and best practice in areas such as finance, commercial, IT and grants. Key leads for each functional standard continue to review and ensure that all mandatory elements are being met and action plans are in place where needed. The new Government Functional Standards Assurance GovS001, set the expectations for the management of functional standards in government organisations. In May 2024, UK Sport submitted the GovS001 in three areas: Grants, Analytics and Economic Crime. In the area of Grants, the standard ensures the effective administration and oversight of public funds, promoting transparency and accountability. For Analytics, it emphasises the importance of robust data analysis and evidence-based decision-making to enhance operational efficiency and policy development. Finally, in Economic Crime, it outlines measures to prevent, detect, and respond to fraudulent activities, safeguarding public resources and maintaining integrity.

Fraud

Fraud is a risk that all organisations face. In recent years UK Sport has undertaken considerable work to assess the risk of fraud, produced a fraud action plan and raised awareness of the risks with all employees.

As part of the 'Counter Fraud Action Plan' all staff are provided with compulsory training and all new starters will have access to it followed by a subsequent assessment afterwards. Annual training is also provided to fraud risk managers (line managers or directors across the UK Sport organisation who are responsible for counter fraud measures within their department or directorate) to identify primary risks within the organisational 'Fraud Risk Assessment'.

UK Sport is assessed by DCMS against the Government counter fraud standard GovS13. These standards set the expectations for management of fraud, bribery and corruption in Government organisations. In August 2022, DCMS scored UK Sport 87% compliant with the counter fraud standard, being fully compliant with eight standards, partially compliant with four standards and non-compliant with none. UK Sport has been focused on improving the four categories where we were judged to be partially compliant as well as taking action to improve areas where we were fully compliant where it could have an impact on the partially compliant categories.

This ongoing work and the associated action plans was reported to the June 2024 Group Audit and Risk Committee. During 2023-24 there were no instances of fraud within UK Sport identified.

Change Programme

In April 2024, UK Sport announced proposals for a re-structure as part of a new operating model. This was proposed to achieve financial savings alongside the following principles:

1. Simpler sport facing engagement
2. Higher quality and aligned decision making across our teams
3. More agile leadership and workforce
4. Simplified organisation structure
5. Clearly signal our strategic priorities to the business

Following the announcement and in line with legal requirements, a consultation period began providing employees the opportunity to feedback and discuss the changes which were being proposed. After the consultation period, a final structure was announced in July 2024.

Throughout the process, the Board in consultation with the Audit and Risk Committee, carefully reviewed the strategic rationale and financial impacts of the proposed restructuring and provided oversight and advice on the change programme throughout.

To assist employees through this process, the Organisational Change Policy and Procedure framework was produced to help navigate people through the change process. The framework ensured there was a clear and transparent process that engaged employees and stakeholders and safeguarded the well-being of the employees throughout the period.

At the date of writing this report, all affected employees have now left UK Sport.

Staff Engagement

UK Sport has run an annual Culture Feedback Survey (CFS) for the last two years, with employment engagement surveys prior to that in 2017, 2019 and 2021. The survey is anonymous, allowing employees to provide honest and comprehensive feedback, which is analysed at organisation and department level to draw out key themes. The 2023 CFS contained 63 questions and was aligned to the 2022 survey to support comparison of data. In 2023 we continued our focus on equality, diversity and inclusion data to support our EDI strategy and commitments to 'our people'.

The CFS for 2023/24 opened at the end of January and ran until mid-February 2024. The organisational wide response rate was 87% (an increase from 86% in 2022) and is our highest response rate. 172 colleagues were invited to complete the survey and a total of 149 staff took part. The average score across the survey was 3.1 out of 4 (consistent with 2022 and 2021). UK Sport achieved an employee net promoter score (eNPS) of +38 which is double that of 2022 (+19) and is a considerable increase. It indicates that there is a significantly higher proportion of promoters as there are detractors within the organisation. 47% of our colleagues are likely to speak positively about UK Sport without prompting.

Colleagues highlighted the following areas that are valued:

- *Sense of pride in being part of UK Sport*
- *Wellbeing and a balance to work programme (particularly around flexible working and healthy living allowance)*
- *Values are upheld and demonstrated*

Areas for improvement were identified as:

- *Career progression*
- *Working effectively across teams – more effective communication and collaboration*

- *Pay and reward*

Noting the delivery of the Change Programme at UK Sport launched in April 2024 and the impact on colleagues, Pulse surveys are being considered to gauge feedback as we move forward. We will also be working with line managers as part of the transition phase to understand how we use data from this year's survey to support our workforce

Risk Profile

Where significant risks are recognised, we identify the potential impact, consider scenario plans, and develop mitigating actions. Several key risks have been recognised and managed during 2023-24.

Revenue and funding for UK Sport is insufficient - due to the wider economic climate, reliance on public funds and volatile nature of Lottery income

UK Sport has two main sources of income, derived from Grant-in-Aid (exchequer) and National Lottery proceeds, with planned activity in the Paris cycle reliant upon income meeting projected levels. We therefore have a long-standing item on the risk register relating to the potential volatility of National Lottery receipts, and this risk has been compounded by uncertainty around the change in the Lottery operator, the impact of cost-of-living pressures on player behaviour, and overall levels of income. There are also risks around our exchequer settlement, although UK Sport has greater certainty around levels of funding for the remainder of the Paris cycle, as the 2021 Spending Review provided a 44% increase to the UK Sport budget from SR20 to 2024-25 to support Team GB and ParalympicsGB athletes to prepare for a successful Paris Games.

We have also closely monitored the potential impact of inflationary pressures and cost of living challenges on UK Sport priorities, across a range of streams. These include staff and people costs, our ability to deliver major events, supporting World Class Programmes and Athlete Performance Awards, UK Sport procurement activity, and ensuring the resilience of our key suppliers. We have also assessed the potential for this to exacerbate existing risks around financial viability of NGBs, our ability to secure and run events, and retention of talent within the high-performance system.

Attracting and retaining top talent into the High-Performance System

This is an inherent risk due to the potential inability to match remuneration and/or career progression opportunities that are available externally, particularly in professional sport or competitor nations. We continue to develop our approach to talent management, including retention and succession planning. UK Sport is continuing to engage in all Performance Director, Head Coach and CEO recruitments to assist sports in securing high quality candidates. Close engagement between UK Sport and sports is also ongoing to support high potential talent, understand likely flight risks and to encourage succession planning. The Paris 2024 Talent Strategy also aims to provide a range of career pathways to retain a diverse and talented pool of candidates post-Games.

Integrity and culture of World Class Programmes

UK Sport continues to develop and invest in its Integrity function which provides central resource and expertise for the high-performance system to strengthen efforts to identify, investigate and learn from issues that threaten its integrity. We continue to work with National Governing Bodies (NGBs) to help them improve the handling of integrity issues within their World Class Programmes (WCPs), as well as working in conjunction with, and investing into, the British Athletes' Commission (BAC) and Sport Resolutions UK (SRUK) to help resolve issues in a constructive and timely manner.

Sport Integrity has assisted funded National Governing Bodies (NGBs), operating high-performance programmes, in upholding the highest standards of conduct in their sports. [Sport Integrity](#) provides an independent and confidential reporting line and an independent investigation process to deal with allegations of bullying, harassment, discrimination, or abuse, and to allow sports to take the appropriate disciplinary action, as necessary. These services are made available free of charge to funded NGBs. Sport Integrity also forms part of the high-performance community's response to the

[‘TRARIIS Review’](#) into racism and racial inequality in sport, following its recommendation that an independent and impartial investigatory body be established.

Legal

There were no significant legal cases involving UK Sport during 2023-24 although a number of legal issues did arise during the course of the year that required the support of the legal team. In particular, an athlete support personnel (“ASP”) appealed the decision of the UK Sport Eligibility Panel that he is ineligible to receive public funding or publicly funded benefits indefinitely because he breached the misconduct section of the Eligibility Policy. The appeal was dismissed by the arbitrator.

UK Sport successfully defended a complaint made to the Information Commissioners’ Office by a member of the public against UK Sport’s decision to withhold information requested under the Freedom of Information Act and the Environmental Information Regulations 2004.

Russian invasion of Ukraine

We have continued to ensure compliance with the HM Treasury Notices regarding sanctions against Russia and made checks to ensure UK Sport does not maintain any accounts or holds any funds, investments, donations or economic resources from the persons/organisations listed in the latest HM Treasury Notice on Financial Sanctions, Russia.

In addition, we have continued to manage the risk of boycotts and potential disruption at the Paris Games (as well as prior qualifying events) caused by the Russian invasion of Ukraine. This in turn had the potential to cause instability for athletes and sports in Games preparation, as well as threatening the status of the Games themselves as a pinnacle performance event.

Climate change

We are increasingly seeking to understand and mitigate the risks to UK Sport priorities posed by climate change. These include the risk that the High-Performance System is slow or unable to adapt to the impact of climate change, leading in turn to reduced competitive advantage – for example if the ability to train and compete is constrained. Climate change is likely to have a significant impact on organised sport, including athlete health and performance, spectator safety, the suitability of locations and supporting transport infrastructure for training or event hosting. Our approach continues to be informed by the UK Sport Environmental Sustainability Strategy, launched in March 2023, which has set a goal for high-performance sport to have a net positive impact on the environment by 2040 and for UK Sport to achieve this by 2030.

Subsidiary Companies

UK Sport has one subsidiary company; the UK Sports Institute.

UK Sports Institute

The Group Audit and Risk Committee have oversight of the risk management and risk reporting of UK Sport and UKSI where risk is discussed at every meeting. The UKSI Risk Register is aligned to strategic objectives and is reviewed and updated by the UKSI Senior Leadership Team (SLT) on at least a quarterly basis. This is reported to both the GA&RC and UKSI Board.

Their primary risks during the year were:

Service Innovation

Ensuring services remain at the cutting edge of innovation and practice. Failure to maintain this leads to a reduction in impact and effectiveness of the Institute. Effectiveness is monitored by a future technology group, partnerships with Universities and other prominent industry experts and a commitment to training and development.

Cyber Security

Ensuring appropriate controls are in place to manage the increasing cyber risks. These include cyber essential accreditation, tailored training for all staff on cyber risk, simulated phishing attacks, multi-factor authentication and attack monitoring.

Staff recruitment and retention

The recruitment of staff of a sufficient quality and retaining quality staff is of paramount importance to deliver services of a high standard to athletes. To this end, UKSI has implemented a new reward and recognition scheme to benchmark salaries to market rates, has invested in recruitment training for staff, an improved recruitment platform, undertakes an annual staff survey, and acts on the priority messages, and continues to invest in learning and development opportunities.

Duty of care, ethical practice and anti-doping

UKSI has processes in place to ensure practitioners work within the boundaries of ethical practice, ensure compliance with anti-doping regulations and maintain a duty of care to athletes and each other. These include a professional code, training, technical support, minimum standards on recruitment and ongoing monitoring.

Managing Financial Position

Ensuring maximum funding is available to deliver world class services to sports whilst remaining within overall funding constraints is constantly monitored by the Senior Leadership Team, GA&RC and UKSI Board. Monitoring is in place to ensure the organisations stays within its budgetary levels whilst remaining focused on strategic objectives.

Independent Assurance

BDO provide independent internal audit assurance to UK Sport and the UKSI. During 2023-24 UK Sport was part of a joint arrangement with Sport England and the Heritage Lottery Fund with an aim of optimising the added value that could be delivered through an increased sharing of best practice across the organisations. However, this arrangement ended in March 2024 and, following a competitive tender process, BDO have now been appointed directly by UK Sport for a three-year term.

An audit plan for 2023-24 was agreed by the March 2023 GA&RC, although some refinements were made during the year. Audits undertaken included reviews of Purchase to Pay (P2P) across both organisations, UKSI high-performance centres, Sports Resolution services in UK Sport, and a fraud risk assessment for UKSI. Annual follow up exercises are also undertaken to test continued implementation of previous audit recommendations.

A summary of the internal audit work completed, the recommendations, and assurance ratings is provided below.

AUDIT	2023/24 ASSURANCE RATING		RECOMMENDATIONS PRIORITY RATING		
	D	OE	HIGH	MED	LOW
UK Sport					
1. Sport Resolutions Services	M	M	-	3	-
2. Purchase to Pay	M	M	-	3	2
3. Monitoring of UK Sport Delivery	S	S	-	-	-
4. Follow Up	M	M	-	-	-
Total UK Sport			-	6	2
UK Sports Institute (UKSI)					
1. High Performance Centres	S	S	-	-	2
2. Purchase to Pay	L	M	-	3	-
3. Fraud Risk Assessment	M	M	-	2	2
4. Follow Up	S	S	-	-	-
Total UKSI				5	4
TOTAL COMBINED FOR 2023/24			-	11	6

Annual Internal Audit Opinion

The definitions used by BDO to establish their audit opinion are intended to report on both the design and effectiveness of controls. This methodology is set out below.

LEVEL OF ASSURANCE	DESIGN OF INTERNAL CONTROL FRAMEWORK		OPERATIONAL EFFECTIVENESS OF CONTROLS	
	FINDINGS FROM REVIEW	DESIGN OPINION	FINDINGS FROM REVIEW	EFFECTIVENESS OPINION
SUBSTANTIAL	Appropriate procedures and controls in place to mitigate the key risks.	There is a sound system of internal control designed to achieve system objectives.	No, or only minor, exceptions found in testing of the procedures and controls.	The controls that are in place are being consistently applied.
MODERATE	In the main there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective.	Generally a sound system of internal control designed to achieve system objectives with some exceptions.	A small number of exceptions found in testing of the procedures and controls.	Evidence of non compliance with some controls, that may put some of the system objectives at risk.
LIMITED	A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year.	System of internal controls is weakened with system objectives at risk of not being achieved.	A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year.	Non-compliance with key procedures and controls places the system objectives at risk.
NO	For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Poor system of internal control.	Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Non compliance and/or compliance with inadequate controls.

The internal audit opinion for the year takes into account the assurance ratings and recommendations of individual assignments completed in 2023-24, management's responsiveness to internal audit recommendations, and the direction of travel with regards to internal control, governance, and risk

management. The opinion for 2023-24 is that both UK Sport, UKSI and the overall Group have a 'substantial' assurance rating, as shown below.

RATING	DEFINITION
Group Rating	
1	There is an adequate and effective system of governance, risk management and internal control to address the risk that management's objectives are not fully achieved.
UK Sport Rating	
1	There is an adequate and effective system of governance, risk management and internal control to address the risk that management's objectives are not fully achieved.
UKSI Rating	
1	There is an adequate and effective system of governance, risk management and internal control to address the risk that management's objectives are not fully achieved.

This represents the highest rating available and is in line with the rating given in 2022-23. While this partly reflects the relatively small number of audits undertaken during the year, it also reflects high levels of assurance arising from each individual assignment and timely implementation of recommendations. The management actions following internal audit reports and recommendations are monitored at every GA&RC meeting, where progress and timeline for completion are reviewed.

UK Sport's compliance with Code for Sports Governance

UK Sport and UKSI follow the same process as funded organisations to assess and maintain compliance with Tier 3 of A Code for Sports Governance ("the Code"). Both organisations were confirmed as compliant with the Code in October 2017. Since then, UK Sport's Sporting System Team has worked with the organisations' Boards and senior leadership to action areas for further development and ensure continued compliance. UK Sport's Governance Action Plan, detailing the analysis of its compliance with the requirements of the Code, has been published on the UK Sport website.

Over the course of the financial year, members of the Sporting System Team have worked across the organisation to implement its organisational approach regarding UK Sport's continued compliance with, and beyond, the Code.

The approach is designed to serve a combination of purposes: firstly, to ensure that good governance is cascaded and embedded across the organisation; secondly, to identify opportunities for the Executive and Board to go beyond pure compliance and strive to be an exemplar of good governance in all aspects of its decision-making and operations; and importantly, to ensure the Board has appropriate oversight of its responsibilities under the Code and the fulfilment of them.

This oversight has been achieved through the implementation of quarterly progress meetings between members of the Sporting System Team, Deputy Chief Executive, Chief Executive and Chair. The UK Sport Board receive an annual report regarding the fulfilment of its annual Code requirements, supplemented by the insights presented at the quarterly progress meetings.

Equality, Diversity and Inclusion (EDI)

Since the publication of the Tackling Racism and Racial Inequality in Sport (TRARIIS) review in June 2021, UK Sport and the HCSCs (Home Country Sports Councils) have continued to be transparent and open about the work we are doing and the progress we are making by publishing regular six-monthly updates in [July 2023](#) and [January 2024](#) recording developments against each of the five commitments

relating to people, representation, structures and systems, insights and investments. In March 2024, we hosted a conference, Time for action: tackling racism in sport, providing practical resources and highlighting case studies to help our funded partners drive forward their own anti-racism work. Whilst we are concerned about the pace of progress, we remain steadfastly determined to drive the transformational change needed to eradicate racism and racial inequality in sport in the UK.

In February 2023, we and Sport England launched a package of bespoke, EDI consultancy support to help Tier 3 funded partners with the creation and implementation of their Diversity and Inclusion Action Plans (DIAPs) as required under the refreshed Code for Sports Governance. We reviewed our own DIAP as part of this process and received the following endorsement from the consultants "A class-leading approach to producing a DIAP, which is a model of good practice. UK Sport's approach would make an excellent case study for others to emulate". The DIAP was formally approved by our Board in February 2024. Our TRARIIS commitments are incorporated in our DIAP and UK Sport's internal Anti-Racism Group is supporting the leadership in ensuring ongoing focus and delivery. Following a Board review of the progress against our EDI Strategy in December 2022, Board concluded that we needed to simplify the strategy to distil the most critical activities we are driving. In August 2023, they approved a streamlined approach distilling the main activity and audience under each EDI priority e.g. athletes, leaders, fans and our people. They also encouraged us to strengthen the strategic oversight of our EDI Strategy and DIAP. We therefore created a new EDI Advisory Panel, chaired by our Board EDI Champion and comprising another Board member, external representatives and executive leads for each of the four priorities (athletes; leaders; fans; and our people) to help inject greater momentum into our EDI work, add different perspectives and challenge, and provide the Board with greater insight into our activity.

In collaboration with the HCSCs, we launched the Moving to Inclusion Framework and website in summer 2023. The Framework replaces the old Equality Standard for Sport and guides organisations on developing inclusive practice through self-reflection and continuous improvement. The Framework provides additional, complementary and enduring support for organisations required to produce a DIAP.

Our employee resource groups (ERGs) have continued to evolve. Our Pride ERG organised for UK Sport LGBTQ+ colleagues and allies to march in the London Pride parade for the first time in June 2023, demonstrating our support for and celebration of the LGBTQ+ community within the sporting sector and wider. Our socioeconomic ERG delivered an Insight Day to 20 disadvantaged sixth formers to showcase a range of roles available in sport as part of our efforts to attract a broader range of candidates to our roles. Our race ERG members supported our participation in the 10,000 Black Interns Project which led to two of our five interns securing fixed term roles at UK Sport.

Externally, we and Sport England have continued to host quarterly meetings for EDI leads within the sporting sector, aimed at educating, awareness-raising and sharing of best practice, addressing common challenges faced by sports and encouraging initiatives that will contribute to delivery of UK Sport's strategy and EDI agenda.

UK Sport's Organisational Health

Overall, the governance, risk and internal control systems outlined above have contributed to UK Sport's position as a robust and healthy organisation with a clear handle on the operational delivery of its strategic aims and a well-managed approach to considering and mitigating risk.

However, these systems are not an end in themselves. Instead, they contribute to UK Sport's overall organisational health and set a foundation from which UK Sport can achieve its strategic aims, fulfil its stated purpose and ensure future success. Moreover, by considering governance, control and risk as one component of a more holistic approach across the whole high-performance system, UK Sport is gathering better insight into the organisational health of funded partners and how they can be better supported as corporate bodies to ensure their long-term success on and off the field of play. Growing a thriving sporting system is at the heart of the new strategy, with UK Sport committed to working collaboratively in this area across sports and wider sector.

Prompt Payment

UK Sport measures the time taken to pay suppliers to ensure that we continue to meet prompt payment best practice. We record the date on which an invoice is posted on the system as appropriate for payment by the Finance team and then measure the number of days that it takes to make payment from that date. In 2023/24 99% of invoices were paid within 30 days (2022/23: 99%).

Remuneration and Staff Report

Directors' Remuneration

Director recruitment, remuneration and employment terms and conditions are overseen by the Remuneration Panel. Remuneration of the CEO and any higher earners is subject to DCMS approval. The remuneration policy adopted follows recommendations of the Senior Salaries Review Body. The Remuneration package comprises three elements:

(i) Salaries

Salaries are consistent with public sector standards whilst being comparable in the market. Salary bands are determined by job evaluation based on the job factor analysis, internal relativities and external market indicators.

(ii) Performance Related-Pay

Performance related pay is dependent on the achievement of organisational performance objectives for the year (as opposed to personal objectives and competencies), and on still being in post at 31 March 2024. It was therefore decided that all qualifying UK Sport staff would receive a performance pay award for the 2023-24 financial year with the bonus award paid to staff in May 2024.

(iii) Pension Arrangements

Employees who were previously members of the Local Government Pension Scheme (LGPS) were automatically enrolled into the London Pensions Fund Authority (LPFA) Superannuation Scheme on 1 April 2014. A further collaboration between the LPFA and Lancashire County Pension Fund (LCPF) led to the setting up of the Local Pensions Partnership (LPP) in April 2016 to administer the day to day running of the fund, although the LPFA remains the administering authority. The arrangement is registered as a public service pension scheme under the Finance Act 2014 and complies with the relevant provisions of the Pension Schemes Act 1993, Pensions Act 1995 and the Pensions Act 2014. As such it is a tax approved defined benefit occupational pension scheme.

Contributions are set every three years as a result of the actuarial valuation of the Fund required by the Regulations. The most recent actuarial valuation of the Fund was completed during 2022-23 and informed the contributions for next three years. The report confirmed that there would be a change in contribution rates, that took effect from 1st April 2023 and sees employer contributions set at 9.1% for a three-year period 2023-24 to 2025-26.

Members currently have contribution rates which vary between 5.5% and 12.5% depending on the level of pay band. Members can opt to contribute at 50% of the normal contribution rate reducing their accrued benefits by half.

Benefits are based on pensionable salary and duration of membership. Members accrue pension entitlement at an annual rate of 1/49th of pensionable pay. Pensionable pay is a career average. Members prior to 31 March 2008 accrued benefits of 1/80th of final pay up to that date with an automatic lump sum of three times pension on retirement, while membership between 1 April 2008 and 31 March 2014 accrued benefits of 1/60th of final pay with no automatic lump sum although there was the facility to exchange some of the pension entitlement for lump sum.

A lump sum worth three times the assumed pensionable pay is paid if death occurs whilst still in service together with a spouse, civil partner or eligible cohabiting partner entitlement equal to half the member's accrued pension benefits.

The pension arrangements available to staff comply with the Government's new workplace pension scheme requirements. On 31 March 2024 all Directors, but not the Chair, were members of the LPFA pension scheme.

Employees who joined UK Sport on or after the 1st November 2022 are automatically enrolled into the Cushon Pension Scheme. This arrangement is a Salary Sacrifice Defined Contribution scheme.

Members are currently auto-enrolled and make a 5% contribution. Members can decide to contribute between 3% and 7%. UK Sport make a 10% contribution.

Directors' Contracts

Directors are on permanent employment contracts and are required to give three months' notice of their intention to leave. The Chair is employed on a 0.6 FTE basis and therefore is contracted to work three days per week.

Emoluments of the Chair and Directors, including performance related pay and pension benefits, for the year ended 31 March 2024 are provided in the following sections.

Remuneration (salary, benefits in kind and pensions)

Audited information	Single total figure of remuneration										
	Position	Salary (£000)		Bonus payments (£000)		Benefits in kind (to nearest £100)		Pension benefits ¹ (£000)		Total (£000)	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
K Grainger DBE	Chair	55 – 60	55 – 60		–	–	–		–	55-60	55 – 60
S Munday OBE	CEO	155 – 160	150 – 155	15 – 20	15 – 20	-	-	65	31	235-240	195 – 200
S Morton MBE	Director	140 – 145	140 – 145	5 – 10	5 – 10	–	–	41	(38)	190-195	105 – 110
S du Sautoy	Director	120 – 125	110 – 115	5 – 10	5 – 10	–	–	50	12	175-180	130 – 135
N Angell-Hicks	Director	115 – 120	110 – 115	5 – 10	5 – 10	–	–	43	(3)	165-170	110 – 115
K Baker	Director	160 – 165	150 – 155	5 – 10	5 – 10	-	-	56	(1)	220-225	155 – 160
D Kester ²	Director	25 – 30	100 – 105	-	0 – 5	-	-	11	30	35-40	130 – 135

¹The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20 plus the real increase in lump sum, less the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights. The real increase in pension may have increased in any one year as a result of a real pay increase in that year, and when that increase is multiplied by a factor of 20 it may cause significant fluctuations between the value of pension benefits accrued between financial years.

² Left UK Sport 27 June 2023. Full year salary £100-£105k

In 2023-24 UK Sport staff were entitled to claim up to £50 each month (2022-23, £50 per month) as a healthy lifestyle allowance. This allowance has been included in the salary where applicable. Staff may sell up to five days of unused annual leave allowance per year; salary is also inclusive of any monies paid in lieu of this.

Total remuneration includes salary, non-consolidated performance-related pay, benefits in kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions (CETV).

Pension Entitlement

Audited Information	Accrued pension at pension age as at 31/3/24 and related lump sum £000	Real increase in pension and related lump sum at pension age £000	CETV at 31/03/24 £000	CETV at 31/03/23 £000	Real Increase in CETV £000
S Munday OBE	15-20 plus lump sum of 0 – 5	2.5 – 5 plus lump sum of 0 – 2.5	234	162	60
S Morton	45-50 plus lump sum of 10 – 15	2.5 – 5 plus lump sum of 0 – 2.5	667	589	38
S du Sautoy	25-30 plus lump sum of 0-5	2.5 – 5 plus lump sum of 0 – 2.5	352	290	43
N Angell-Hicks	5 – 10 plus lump sum of 0 – 5	2.5 – 5 plus lump sum of 0 – 2.5	104	67	33
K Baker	10-15 plus lump sum of 0 – 5	2.5 – 5 plus lump sum of 0 – 2.5	148	95	47
D Kester	0 – 5 plus lump sum of 0 – 5	0 – 2.5 plus lump sum of 0 – 2.5	50	38	10

Accrued pension represents the amount payable if a Director leaves at the stated date. CETV are not payable directly to Directors but represent the potential liability if a Director should leave the scheme and wish to transfer accrued benefits to another scheme. CETVs are worked out within the guidelines and framework prescribed by the Institute and Faculty of Actuaries, and don't take account of any reduction in benefits arising from Lifetime Allowance Tax that may be due when pension benefits are taken.

Board Members' Remuneration

Members' remuneration for attending meetings was £218 per day (2022-23, £218) and half that amount for half-day meetings, up to 36 days each year. Travel expenses are paid as appropriate. Those who have received remuneration are as follows:

Audited Information	2023-24 £	2022-23 £
Sally Bolton OBE	1,744	1,090
Annie Panter	1,417	1,199
Martyn Worsley	1,853	2,180
Mel Young MBE	1,635	1,308
Chris Pilling	3,379	2,834
Ismail Amla	1,962	1,090
George Lucas	654	1,308
Laurence Conway	-	218
Chris Boardman	1,090	1,090
Rachel Baillache	3,597	1,199
Tanni Grey-Thompson DBE	1,744	872
Rupen Shah	2,180	1,090

Staff Report

(i) Staff Costs (audited)

Costs	UK Sport		Group	
	2023-24 £000	2022-23 £000	2023-24 £000	2022-23 £000
Wages and Salaries (including performance related pay)	10,374	9,776	25,885	24,257
Other staff costs	313	212	325	173
Social Security costs	1,250	1,183	2,932	2,856
Pension Service costs	1,433	4,439	3,806	14,694
Administration expense relating to pension scheme	13	12	34	32
Total staff costs	13,383	15,622	32,982	42,012

Total staff turnover for 2023/24 is 11.6%.

Further details of the split of costs between both the Exchequer and Lottery accounts can be found at Note 4.1 of the Exchequer Accounts and Note 6 of the Lottery accounts.

(ii) Compensation for Loss of Office (audited)

Redundancy and other departure costs, where paid, are in accordance with statutory requirements. Exit costs are accounted for in full in the year of departure. Where DCMS has agreed early retirements, the additional costs are met by UK Sport. Ill-health retirement costs are met by the pension scheme and are not included in the table.

(iv) Fair Pay Disclosure (audited)

We are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce.

The relationship between the remuneration of the highest paid director in UK Sport and the median remuneration of staff, and the range of remuneration paid, based on annualised full-time equivalent figures at 31 March 2024 is shown below. The salary figures also include bonuses during the relevant year.

	2023-24	2022-23
Band of the highest paid Director's salary (Total remuneration)	170-175	165-170
Percentage change from the previous financial year for the highest paid individual	3.0%	6.3%
Band of the highest paid Director's salary (Salary Component only)	155-160	150-155
Percentage change from the previous financial year for the highest paid individual	3.3%	3.4%
Band of the highest paid director's bonus	15-20	15-20
Percentage change from the previous financial year for the highest paid individual	0%	133%
75 th percentile of workforce (Total Remuneration)	70,188	68,124
Pay ratio	2.5	2.5
75 th percentile of workforce (Salary Component only)	66,869	64,709
Median equivalent of workforce (Total remuneration)	58,811	55,094
Pay ratio	2.9	3.0
Median equivalent of workforce (Salary Component only)	56,774	52,210
25 th percentile of workforce (Total remuneration)	45,760	43,701
Pay ratio	3.8	3.8
25 th percentile of workforce (Salary Component only)	43,596	41,496
Highest remuneration paid (£000)	170-175	165-170

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Lowest remuneration paid (£000)	27	24
Average percentage change in salaries and allowances from the previous financial year	5.6%	1.38%
Average percentage change in bonuses	-1.85%	28.42%

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Since the prior year, the 25th and 75th percentile pay ratio has stayed the same, whilst the the median has decreased by 0.1. The remuneration banding (excluding bonuses) for the highest paid employee has increased slightly.

(v) Off Payroll Engagements

In 2023-24 there were 8 off-payroll engagements exceeding £245 per day. Of these, IR35 applied to 6 engagements, one of which was assessed to be in scope.

Highly paid off-payroll worker engagements at 31 March 2024, earning £245 per day or greater.						
No. of existing engagements as of 31 March 2024	<i>Of which, no. that existed:</i>	less than one year	for between 1 and 2 years	for between 2 and 3 years	for between 3 and 4 years	for 4 or more years
0		0	0	0	0	0

All highly paid off-payroll workers engaged at any point during the year ended 31 March 2024, earning £245 per day or greater							
No. of off-payroll workers engaged during the year ended 31 March 2024	<i>Of which:</i>	Not subject to off-payroll legislation	Subject to off-payroll legislation and determined as in-scope of IR35	Subject to off-payroll legislation and determined as out-of-scope of IR35		No. of engagements reassessed for compliance or assurance purposes during the year	Of which: No. of engagements that saw a change to IR35 status following review
8		2	1	5		6	0

Board members, and/or senior officials with significant financial responsibility, between 1 April 2023 and 31 March 2024			
No. of off-payroll engagements of Board members, and/or senior officials with significant financial responsibility, during the financial year	Total no. of individuals on payroll and off-payroll that have been deemed "Board members, and/or senior officials with significant financial responsibility", during the financial year.	Details of the exceptional circumstances that led to each of these off-payroll engagements.	Details of the length of time each of these exceptional off-payroll engagements lasted.
0	20	N/A	N/A

(vi) Apprenticeship Levy

UK Sport contributed £37,094 to the apprenticeship levy in the year, and no claims were made in the year in respect to apprentices employed in the year (2022-23 - £33,361).

(vii) UK Sport Staff Composition

As at 31 March 2024 UK Sport employed 172 members of staff with a full time equivalent (FTE) of 167.52. This comprised 155 permanent and 17 fixed term staff (with an FTE of 155.4 and 16.6 respectively).

Gender	UK Sport Staff
Male	43.6%
Female	56.4%

Ethnicity	UK Sport Staff
Asian British	2.3%
Asian Other	0.6%
Black British	4.5%
Mixed	1.2%
White British	72%
White Other	3%
Not Disclosed	16%

Age	UK Sport Staff
<16	0%
16-24	3.1%
25-34	29.5%
35-44	44.8%
45-55	17.8%
55- 64	4.6%
65+	0.2%

The percentage of staff declaring a disability at 31 March 2024 was 9% (6% at 31 March 2023).

(viii) Average Number of Staff during the Year (FTE) (audited)

UK Sport Staff	2023-24	2022-23
Employees ¹	169	161
Other staff (includes agency/seconded staff)	3	2
Total	172	163

¹ The total UK Sport staff in the table above incorporates both Exchequer and Lottery funded positions. The split of staff numbers between the two sets of accounts is set out in Note 4.2 of the Exchequer Accounts and Note 7 of the Lottery Accounts.

UK Sport does not recognise any Trade Union and no facility time has therefore been claimed by Union officials.

(ix) Sickness Absence

UK Sport has policies and procedures in place to monitor sickness absence, (both long and short term) and this information is regularly reviewed by the Senior Management Team. During 2023-24, sickness absence averaged 1.70 days (2022-23 – 1.75 days) per person.

(x) Staff Policies Applied During the Financial Year

UK Sport is committed to the fair recruitment and development of all staff regardless of age, disability, gender reassignment, marriage and civil partnership, sexual orientation, pregnancy and maternity, race, religion, belief and gender. HR Policies are reviewed regularly by members of the team. Processes around HR management including career management and employability are embedded across the organisation.

Parliamentary Accountability and Audit Report

Regularity of expenditure (audited)

UK Sport is required to report on the regularity of expenditure including losses and special payments in line with managing public money requirements. For 2023/24, Fruitless payments totalled £31,500 (2022/23 - £2,895).



Sally Munday OBE
Chief Executive and Accounting Officer

The United Kingdom Sports Council

18 November 2024



Dame Katherine Grainger DBE
Chair

The United Kingdom Sports Council

18 November 2024



**The United Kingdom Sports Council
Grant-in-Aid
Entity and Group Accounts
for the Year Ended
31 March 2024**

THE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO MEMBERS OF THE UK SPORTS COUNCIL AND THE SECRETARY OF STATE FOR CULTURE, MEDIA AND SPORT

Opinion on financial statements

I have audited the financial statements of the UK Sports Council Grant-in-Aid and its group for the year ended 31 March 2024 under the Royal Charter of the United Kingdom Sports Council.

The financial statements comprise the UK Sports Council Grant-in-Aid and its Group's

- Statement of Financial Position as at 31 March 2024;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the UK Sports Council Grant-in-Aid and its Group's affairs as at 31 March 2024 and its net expenditure for the year then ended; and
- have been properly prepared in accordance with the Royal Charter of the United Kingdom Sports Council and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them..

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my report.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019*. I am independent of the UK Sports Council Grant-in-Aid and its Group in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the UK Sports Council Grant-in-Aid and its Group's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the UK Sports Council Grant-in-Aid and its Group'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.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this report.

The going concern basis of accounting for the UK Sports Council Grant-in-Aid and its Group is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises information included in the Annual Report but does not include the financial statements and my auditor's report thereon. The Accounting Officer is responsible for the other information.

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

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Royal Charter of the United Kingdom Sports Council.

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

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the Royal Charter of the United Kingdom Sports Council; and
- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the UK Sports Council Grant-in-Aid and its Group and their environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report or Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by the UK Sports Council Grant-in-Aid and its Group or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or

- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the UK Sports Council Grant-in-Aid and its Group from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view in accordance with Secretary of State directions issued under the Royal Charter of the United Kingdom Sports Council;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with Secretary of State directions issued under the Royal Charter of the United Kingdom Sports Council; and
- assessing the UK Sports Council Grant-in-Aid and its Group'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 Accounting Officer anticipates that the services provided by the UK Sports Council Grant-in-Aid and its Group will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit and express an opinion on the financial statements in accordance with the Royal Charter of the United Kingdom Sports Council.

My 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 that includes my 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.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the UK Sports Council Grant-in-Aid and its Group's accounting policies.
- inquired of management, UK Sports Council Grant-in-Aid and its Group's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the UK Sports Council Grant-in-Aid and its Group's policies and procedures on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the UK Sports Council Grant-in-Aid and its Group's controls relating to the UK Sports Council Grant-in-Aid and its Group's compliance with the Royal Charter of the United Kingdom Sports Council and Managing Public Money.
- inquired of management, UK Sports Council Grant-in-Aid and its Group's head of internal audit and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations;
 - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team, including significant component audit teams, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the UK Sports Council Grant-in-Aid and its Group for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the UK Sports Council Grant-in-Aid and its Group's framework of authority and other legal and regulatory frameworks in which the UK Sports Council Grant-in-Aid and its Group operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the UK Sports Council Grant-in-Aid and its Group. The key laws and regulations I considered in this context included the Royal Charter of the United Kingdom Sports Council and Managing Public Money.

In addition, I considered the controls in place at UK Sports Council Grant-in-Aid to ensure regularity of grant expenditure.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Group Audit and Risk Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports; and
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including significant component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my 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 my report.

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

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

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

19 November 2024

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Statement of Comprehensive Net Expenditure for the Year Ended 31/03/24

	Note	UK Sport		Group	
		2023/24	2022/23	2023/24	2022/23
		£'000	£'000	£'000	£'000
INCOME					
Other Operating Income	3	(2,720)	(2,672)	(10,917)	(10,536)
Total		(2,720)	(2,672)	(10,917)	(10,536)
EXPENDITURE					
Staff Costs	4.1	9,339	11,454	28,937	34,000
Grants and Other Operating Costs	5	75,255	77,560	65,403	67,830
Total		84,594	89,014	94,340	101,830
NET EXPENDITURE BEFORE TAXATION AND INTEREST		81,874	86,342	83,423	91,294
Net Interest on the Pension Liability	17.3/19	(68)	579	(364)	1,880
Interest Receivable	7	(41)	(9)	(108)	(41)
Taxation	8	–	–	–	–
Interest Payable		15	18	21	32
NET EXPENDITURE FOR THE PERIOD		81,780	86,930	82,972	93,165
Other Comprehensive Expenditure					
Unrealised foreign exchange gain		–	–	–	–
Pension Scheme Re-measurements	17.4/19	(2,779)	(26,741)	(9,968)	(90,510)
TOTAL COMPREHENSIVE NET EXPENDITURE FOR THE FINANCIAL YEAR		79,001	60,189	73,004	2,655

All activities relate to continuing activities.

The notes on pages 67 to 95 form part of these accounts.

Grant-in-Aid income received from DCMS is credited directly to the Statement of Changes in Taxpayers' Equity and is not shown above as income. The value received in the year was £81.797m

Statement of Financial Position as at 31/03/24

		UK Sport		Group	
		31/03/24	31/03/23	31/03/24	31/03/23
	Note	£'000	£'000	£'000	£'000
NON-CURRENT ASSETS					
Property Plant and Equipment	9	1,135	1,482	2,935	3,891
Intangible Assets	10	606	552	1,127	1,142
Total Non-Current Assets		1,741	2,034	4,062	5,033
CURRENT ASSETS					
Trade and Other Receivables	11	1,705	1,511	2,849	2,385
Cash and Cash Equivalents	12	5,857	4,960	7,280	6,441
Total Current Assets		7,562	6,471	10,129	8,826
Total Assets		9,303	8,505	14,191	13,859
CURRENT LIABILITIES					
Trade and Other Payables	13.1	(3,086)	(2,190)	(6,312)	(5,056)
Provisions	14	(41)	(384)	(41)	(384)
Net Current Assets / (Liabilities)		4,435	3,897	3,775	3,386
Non-Current Assets plus Net Current Assets		6,176	5,931	7,838	8,419
NON-CURRENT LIABILITIES					
Provisions	14	-	-	-	-
Trade and Other Payables	13.2	(323)	(405)	(323)	(1,189)
Net Pension Assets/(Liabilities)	17.2/19	3,918	1,428	15,875	7,280
Total Non-Current Liabilities		3,595	1,023	15,552	6,091
Assets less Liabilities		9,771	6,954	23,390	14,510
TAXPAYERS' EQUITY					
Pension Reserve	17.2/19	3,918	1,428	15,875	7,280
Revenue Reserve		5,853	5,526	7,515	7,230
Total Taxpayers' Equity		9,771	6,954	23,390	14,510

The notes on pages 67 to 95 form part of these accounts.



Sally Munday OBE
Chief Executive and Accounting Officer
The United Kingdom Sports Council
18 November 2024



Dame Katherine Grainger DBE
Chair
The United Kingdom Sports Council
18 November 2024

Statement of Changes in Taxpayers' Equity for the Year Ended 31/03/24

	Note	UK Sport				Group			
		2023/24		2022/23		2023/24		2022/23	
		Revenue Reserve £'000	Pension Reserve £'000	Revenue Reserve £'000	Pension Reserve £'000	Revenue Reserve £'000	Pension Reserve £'000	Revenue Reserve £'000	Pension Reserve £'000
Balance Brought Forward – 1 April		5,526	1,428	(914)	(22,523)	7,230	7,280	1,034	(74,449)
Retained Deficit for Year		(81,780)	–	(86,930)	–	(82,972)	–	(93,165)	–
Transfer from the Pension Reserve		310	(310)	2,988	(2,988)	1,460	(1,460)	8,979	(8,979)
Grant-in-Aid Income Received	2	81,797	–	90,382	–	81,797	–	90,382	–
Pension Scheme Re-measurements	17.4/19	–	2,779	–	26,741	–	9,968	–	90,510
Other Movements		–	21	–	198	–	87	–	198
Balance at 31 March		5,853	3,918	5,526	1,428	7,515	15,875	7,230	7,280

The notes on pages 67 to 95 form part of these accounts.

Statement of Cash Flows for the Year Ended 31/03/24

		UK Sport		Group	
	No	2023/24 £'000	2022/23 £'000	2023/24 £'000	2022/23 £'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash used from					
Operations	15	(80,497)	(87,446)	(79,305)	(86,586)
Interest Received	7	41	9	108	41
Interest Paid		(15)	(18)	(21)	(32)
Net Cash Outflow from Operating Activities		(80,471)	(87,455)	(79,218)	(86,577)
CASH FLOWS FROM INVESTING ACTIVITIES					
Payments to Acquire Property Plant and Equipment	9	(123)	(1,774)	(717)	(4,299)
Payments to Acquire Intangible Assets	10	(247)	(455)	(324)	(564)
Receipts from Sale of Fixed Assets		–	–	-	6
Net Cash Outflow from Investing Activities		(370)	(2,229)	(1,041)	(4,857)
CASH FLOWS FROM FINANCING ACTIVITIES					
Grant-in-Aid	2	81,797	90,382	81,797	90,382
Payment of Lease Liabilities	20.2	(59)	342	(699)	1,793
Net Cash Inflow from Financing Activities		81,738	90,724	81,098	92,175
Net Increase/(Decrease) in Cash and Cash Equivalents in the Period		897	1,040	839	741
Cash and Cash Equivalents at 1 April		4,960	3,920	6,441	5,700
Change in cash and cash equivalents due to exchange rate movements	12	-	-	-	-
Cash and Cash Equivalents at 31 March	12	5,857	4,960	7,280	6,441

The notes on pages 67 to 95 form part of these accounts.

NOTES TO THE ACCOUNTS

Statement of Accounting Policies

1.1 Accounting Policies

These financial statements have been prepared in accordance with the 2023-24 Government Financial Reporting Manual (FReM) issued by HM Treasury and on the basis of the Accounts Direction issued by the Secretary of State for Culture, Media and Sport, with the approval of the Treasury, in accordance with article 14 of the Royal Charter of 26 March 2002, a copy of which can be obtained from UK Sport at 10 South Colonnade, London E14 4PU.

The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to UK Sport for the purpose of giving a true and fair view has been selected. The policies adopted by UK Sport are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

The financial statements have been prepared on a going concern basis. Grant commitments and other obligations have been agreed on the basis of continuing receipt of Grant-in-Aid financing from DCMS.

1.2 Accounting Convention

The Accounts Direction requires that, when material, accounts are prepared on a modified historical cost (MHCA) basis in which the Statement of Comprehensive Net Expenditure reflects the consumption of resources at their current value and the Statement of Financial Position shows the value of non-current assets, current asset investments and (if material) inventories at their value to the business by reference to current costs. No entries have been made in the current period as adoption of MHCA would not have a material impact on the accounts.

Without limiting the information given, the accounts meet the requirements of the Companies Act 2006, the International Accounting Standards issued or adopted by the International Accounting Standards Board and HM Treasury guidance on accounts of Non-Departmental Public bodies in so far as those requirements are appropriate.

1.3 Use of Estimates and Judgements

The preparation of financial statements in conformity with IFRS requires management to make key judgements, assumptions and estimates that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Pension costs recognised within UK Sport's accounts are subject to estimation. The key assumptions applied by the actuary are set out in Notes 17 and 18.

1.4 Basis of Consolidation

The UK Sports Institute (UKSI) is accounted for as a subsidiary entity within the consolidated accounts. This treatment is in accordance with the guidance set out in the Financial Reporting Manual FReM) issued by HM Treasury and on the basis that UK Sport is the sole member.

1.5 Income Recognition

Grant-in-Aid Received

Grant-in-Aid received towards resource expenditure is regarded as a contribution from a controlling party. It is therefore treated as financing and credited to Taxpayers' Equity.

Investment Income

Investment income comprises interest receivable on cash balances and short-term deposits. Interest receivable is credited to the Statement of Comprehensive Net Expenditure on an accrual basis.

Other Operating Income

Other operating income comprises the recharge of services provided from the UK Sport Exchequer Account to the Lottery Account, income received for the funding of International Development activities, and sponsorship income. The recharge of services and International Development income are recognised on a receivable basis at the point when UK Sport has legal entitlement; there is a reasonable certainty of receipt; the amount can be quantified with reasonable accuracy and once any conditions for receipt have been met. Sponsorship income is recognised on an accruals basis over the period to which it relates.

1.6 Property Plant and Equipment

The assets of UK Sport are computers, leasehold improvements and other office equipment, together with right-of-use assets capitalised under IFRS 16. All property occupied by UK Sport is leased. All assets are stated in the Statement of Financial Position at depreciated historical cost as proxy to current value in existing use, as the useful economic lives are short and are a realistic reflection of the consumption of the assets.

The minimum capitalisation threshold is £2,500 for UK Sport whilst for UKSI it is £500. Where staff work on capital projects, attributable salary costs are capitalised.

The gain or loss arising on the disposal of an asset is determined as the difference between the sales value and the carrying amount of the asset and is recognised in the Statement of Comprehensive Net Expenditure for the year.

Depreciation is provided on all property plant and equipment at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life as follows:

Computer Equipment	2-5 years
Office Refurbishment	5-9 years
Office Equipment	2-5 years
Other Equipment	2-5 years

Leasehold improvements and fixtures and fittings at 10 South Colonnade, London, E14 4PU and at SportPark, 3 Oakwood Drive, Loughborough, LE11 3TU have been depreciated until the end of the lease term. Similarly, right-of-use assets will be depreciated on a straight-line basis over the capitalised term of the contract.

A full year of depreciation is charged in the year of acquisition and none in the year of disposal.

1.7 Intangible Assets

The intangible assets of UK Sport are computer software and software licences. Intangible assets are initially measured at cost and amortised on a straight-line basis over their useful lives. Amortisation of intangible assets is charged over their useful economic life, on the following basis:

Computer Software	2-5 years
Software Licences	Over the life of the licence

A full year of amortisation is charged in the year of acquisition and none in the year of disposal.

1.8 Research and Development

Research and development costs are written off as incurred and not carried forward as an asset as the recognition criteria of IAS 38 are not met.

1.9 Grants and Loans Awarded

Grants payable are charged to the Statement of Comprehensive Net Expenditure on an accrual basis. Grant expenditure is recognised in the accounts when an offer has been made and is free of performance related conditions and is free from conditions under the control of UK Sport. Other grant commitments do not meet this requirement and have therefore not been accrued.

UK Sport may give financial assistance by way of grants and loans to any person or organisation in furtherance of its objectives.

1.10 Pension Costs

The pension liabilities and assets are recorded in line with IAS 19, with a valuation undertaken by an independent actuary. IAS 19 measures the value of pension assets and liabilities at the end of each reporting period, determines the benefits accrued in the year and the interest on scheme assets and liabilities. The value of benefits accrued is used to determine the pension charge which is shown in the Statement of Comprehensive Net Expenditure together with the interest on scheme assets and liabilities. The change in the value of the assets and liabilities arising from asset valuations, changes in benefits, actuarial assumptions or change in the level of deficit attributable to members is recognised in the Statement of Changes in Taxpayers' Equity. The resulting pension liability or asset is shown on the Statement of Financial Position.

Further information on the pension scheme is available in Notes 17-19 to the accounts.

1.11 Leases and Provisions

UK Sport continue to hold leases at 10 South Colonnade, London, E14 4PU and SportPark, 3 Oakwood Drive, Loughborough, LE11 3TU, with both leases expiring in 9 years' time with a 5-year break clause. During 2023/24, a further 3.5-year lease (with a 12-month break clause) was signed for office premises at the Manchester Institute of Health and Performance, 299 Alan Turing Way, Manchester M11 3BS

Under IFRS 16, a right-of-use asset and lease liability are recognised for the Loughborough lease. Lease payments are allocated to reduce the lease liability, whilst entries on the statement of comprehensive net expenditure will comprise of notional finance costs on that liability, together with depreciation of the right-of-use asset. Further details of this treatment are presented in Note 20.

Provision was made in the accounts in a prior year for the estimated cost of dilapidations at lease expiry for 21 Bloomsbury Street. This has been revised during 2023/24.

1.12 Charges to and from UK Sport

UK Sport is required to apportion between its Grant-in-Aid and National Lottery distribution activities the costs of services provided from its Grant-in-Aid budget that are directly and demonstrably attributable to the National Lottery distribution functions and vice versa. The costs apportioned to the National Lottery distribution activities are paid from the UK Sport Lottery Fund to the Grant-in-Aid account. The apportionment of the costs has been determined in the manner most appropriate to the particular service, for example staff numbers, staff time or floor space. In all cases the charges to the Lottery distribution activity have been calculated on a full cost recovery basis in accordance with HM Treasury's *"Managing Public Money"*.

1.13 Investment

There are no fixed asset or trade investments. Bank interest is included in the Statement of Comprehensive Net Expenditure.

1.14 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand and demand 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 changes in value.

1.15 Value Added Tax

UK Sport is registered for VAT and makes supplies for both business and non-business purposes. Business supplies are subject to VAT at the standard rate. Recovery of input VAT is restricted by non-business activities and a suitable methodology has been agreed with HMRC.

UKSI is part of the same VAT group as UK Sport and makes supplies for both business and non-business purposes. Supplies made in the course of business are both standard rated and exempt. Recovery of input VAT is therefore subject both to a partial exemption calculation and business/non-business apportionment in accordance with the methodologies agreed with HMRC.

1.16 Reporting standards issues but not yet effective

IFRS 17 (Insurance Contracts) was issued in May 2017, replacing IFRS 4 Insurance Contracts. The effective date of IFRS 17 in the public sector is 1 April 2025. IFRS 17 requires that insurance liabilities be measured at the present value of future insurance cash flows, resulting in increased transparency, along with more uniform measurements and presentation for all insurance contracts.

Management has assessed the likely effect of the new standard and has concluded that there are no material assets or liabilities recognised as insurance contracts within UK Sport, and therefore this standard will have no impact on the financial statements.

2. Grant-in-Aid

	UK Sport		Group	
	2023/24 £'000	2022/23 £'000	2023/24 £'000	2022/23 £'000
Received from DCMS-Revenue	77,199	84,031	77,199	84,031
Received from DCMS-Capital	4,598	6,351	4,598	6,351
Total	81,797	90,382	81,797	90,382

A total of £81.797m (2022-23, £90.382m) Grant-in-Aid was made available and drawn down during the year. Grant-in-aid is recognised when cash is received.

3. Other Operating Income

	UK Sport		Group	
	2023/24 £'000	2022/23 £'000	2023/24 £'000	2022/23 £'000
Costs Apportioned to UK Sport Lottery Account	2,316	2,419	2,316	2,419
Other	404	253	366	237
UKSI	–	–	8,235	7,880
Total	2,720	2,672	10,917	10,536

UK Sport is required to apportion between its Grant-in-Aid and National Lottery distribution activities, the costs of services provided from its Grant-in-Aid budget that are directly and demonstrably attributable to the National Lottery distribution functions and vice versa. The costs apportioned to the Lottery distribution activities are paid from the UK Sport Lottery Fund to the Grant-in-Aid account.

4. Staffing and Management

4.1 Staff Costs

	UK Sport		Group	
	2023/24 £'000	2022/23 £'000	2023/24 £'000	2022/23 £'000
Wages and Salaries (including performance related pay)	7,201	7,142	22,712	21,623
Other Staff Costs	232	193	244	154
Social Security Costs	880	859	2,562	2,532
Current Service Cost ¹	954	3,251	3,157	9,662
Other Pension costs	63	–	232	–
Administration Expense Relating to Pension Schemes	9	9	30	29
Total Staff Costs	9,339	11,454	28,937	34,000

¹ The pension current service cost represents the increase in the present value of a defined benefit obligation resulting from employee service in the period, as calculated by the actuary. The employer contributions to the scheme are shown in Notes 17.6 and 18.6.

4.2 Average Number of Staff during the Year (Full Time Equivalent Values)

	2023/24	2022/23
Employees		
UK Sport	118	119
UKSI	416	395
Total	534	514
Other Staff (Full Time Equivalent Values)		
UK Sport	2	2
UKSI	-	-
Total	2	2

Other staff numbers include agency and seconded staff numbers.

4.3 Report of Civil Service and Other Compensation Schemes – Exit Packages

Exit Package Cost Band	Number of compulsory redundancies				Other departures agreed			
	UK Sport		Group		UK Sport		Group	
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23
< £10,000	-	-	-	4	-	-	-	-
£10,001 - £25,000	-	1	1	-	-	-	-	-
£25,001 - £50,000	-	-	-	1	-	-	-	-
£50,001 - £100,000	-	-	-	-	-	-	-	-
> £100,001	-	-	-	-	-	-	-	-
Total Number of Exit Packages	-	1	1	5	-	-	-	-
Total Value of Exit Packages	£0	£20,165	£12,000	£29,984	-	-	-	-

5. Grants and Other Operating Costs

	UK Sport		Group	
	2023/24	2022/23	2023/24	2022/23
	£'000	£'000	£'000	£'000
National Support – Grants				
Sports Bodies	62,087	63,932	42,763	43,863
Performance	2,996	3,194	2,996	3,194
International Representation	449	557	449	557
	65,532	67,683	46,208	47,614
National Support – Other Costs				
Performance	6,436	5,788	6,436	5,788
Governance	607	702	607	702
Communications	617	540	617	540
UKSI	–	–	8,273	9,519
	7,660	7,030	15,933	16,549
Finance and Management Service				
HQ Office Costs	1,403	2,079	1,403	2,079
Depreciation/Amortisation	660	768	1,859	1,588
Increase in Provisions	–	–	–	–
	2,063	2,847	3,262	3,667
Total	75,255	77,560	65,403	67,830

6. Further Disclosure

Additional detail on figures already included in Notes 4 and 5 is given below.

The operating result is stated after charging:

	UK Sport		Group	
	2023/24	2022/23	2023/24	2022/23
	£'000	£'000	£'000	£'000
Travel, Subsistence and Hospitality:				
Chair and Members	30	28	30	28
Employees	812	625	1,801	1,614
Consultants' Fees and Legal Fees	99	387	2,400	3,008
Contingent Labour	232	193	232	193
Performance Programme Delivery – Specialist Services	515	469	515	469
International Programme Delivery – Specialist Services	(8)	33	–	–
Provisions (Released)/Provided for in Year	(343)	–	(343)	(51)
Depreciation	468	722	1,521	1,885
Amortisation	192	172	338	541
Loss on Disposal of Tangible Assets	–	1	24	11
Loss on Disposal of Intangible Assets	1	8	1	23
Auditor's Remuneration for Audit Work ¹	55	43	95	70

7. Investment Income

	UK Sport		Group	
	2023/24	2022/23	2023/24	2022/23
	£'000	£'000	£'000	£'000
Interest Receivable	41	9	108	41

8. Taxation

	UK Sport		Group	
	2023/24	2022/23	2023/24	2022/23
	£'000	£'000	£'000	£'000
Corporation Tax Payable	–	–	–	–

No corporation tax liability arose for UK Sport in 2023/24.

¹ No amounts are due to external auditors for non-current work. No non-audit work has been performed by the external auditors.

9.1 UK Sport – Property Plant and Equipment

	Leasehold Improvement £'000	Fixtures & Fittings £'000	IT Equipment £'000	Office Equipment £'000	Other £'000	Right-of-use Assets £'000	Total £'000
Cost							
At 01/04/23	815	117	551	8	29	479	1,999
Additions	29	20	74	-	-	-	123
Remeasurements	-	-	-	-	-	(2)	(2)
Disposals	-	-	(5)	-	-	-	(5)
At 31/03/24	844	137	620	8	29	477	2,115
Depreciation							
At 01/04/23	160	38	271	3	29	16	517
Charge for Year	170	26	172	5	-	95	468
Depreciation on Disposal	-	-	(5)	-	-	-	(5)
At 31/03/24	330	64	438	8	29	111	980
Net book value							
At 31/03/23	655	79	280	5	-	463	1,482
At 31/03/24	514	73	182	-	-	366	1,135

	Leasehold Improvement £'000	Fixtures & Fittings £'000	IT Equipment £'000	Office Equipment £'000	Other £'000	Right-of-use Assets £'000	Total £'000
Cost							
At 01/04/22	940	159	641	80	29	1,183	3,032
Additions	818	98	371	8	-	479	1,774
Disposals	(943)	(140)	(461)	(80)	-	(1,183)	(2,807)
At 31/03/23	815	117	551	8	29	479	1,999
Depreciation							
At 01/04/22	919	150	564	80	29	984	2,726
Charge for Year	184	27	168	3	-	215	597
Depreciation on Disposal	(943)	(139)	(461)	(80)	-	(1,183)	(2,806)
At 31/03/23	160	38	271	3	29	16	517
Net book value							
At 31/03/22	21	9	77	-	-	199	306
At 31/03/23	655	79	280	5	-	463	1,482

9.2 Group –Property Plant and Equipment

	Leasehold Improvement £'000	Fixtures & Fittings £'000	IT Equipment £'000	Office Equipment £'000	Other Equipment £'000	Right-of-use Assets £'000	Total £'000
At Cost							
At 01/04/23	887	5,487	1,421	8	71	4,226	12,100
Additions	29	468	220	-	-	-	717
Remeasurements	-	-	-	-	-	(128)	(128)
Disposals	(60)	(2,609)	(335)	-	(42)	(1,757)	(4,803)
At 31/03/24	856	3,346	1,306	8	29	2,341	7,886
Depreciation							
At 01/04/23	233	4,524	942	3	71	2,436	8,209
Charge for Year	170	369	279	5	-	698	1,521
Depreciation on Disposal	(60)	(2,592)	(328)	-	(42)	(1,757)	(4,779)
At 31/03/24	343	2,301	893	8	29	1,377	4,951
Net Book Value							
At 31/03/23	654	963	479	5	-	1,790	3,891
At 31/03/24	513	1,045	413	-	-	964	2,935

	Leasehold Improvement £'000	Fixtures & Fittings £'000	IT Equipment £'000	Office Equipment £'000	Other Equipment £'000	Right-of-use Assets £'000	Total £'000
At Cost							
At 01/04/22	1,067	5,951	1,953	80	71	2,940	12,062
Additions	818	574	430	8	-	2,469	4,299
Disposals	(998)	(1,038)	(962)	(80)	-	(1,183)	(4,261)
At 31/03/23	887	5,487	1,421	8	71	4,226	12,100
Depreciation							
At 01/04/22	1,044	5,186	1,578	80	71	2,741	10,700
Charge for Year	186	373	319	3	-	878	1,759
Depreciation on Disposal	(997)	(1,035)	(955)	(80)	-	(1,183)	(4,250)
At 31/03/23	233	4,524	942	3	71	2,436	8,209
Net Book Value							
At 31/03/22	23	765	375	-	-	199	1,362
At 31/03/23	654	963	479	5	-	1,790	3,891

10.1 UK Sport – Intangible Assets

	Information Technology £'000	Assets under Construction £'000	Total £'000
At Cost			
At 01/04/23	3,153	134	3,287
Additions	182	65	247
Disposals	(225)	-	(225)
Re-classification	7	(7)	-
At 31/03/24	3,117	192	3,309
Amortisation			
At 01/04/23	2,735	-	2,735
Charge for Year	192	-	192
Amortisation on Disposal	(224)	-	(224)
At 31/03/24	2,703	-	2,703
Net Book Value			
At 31/03/23	418	134	552
At 31/03/24	414	192	606

	Information Technology £'000	Assets under Construction £'000	Total £'000
At Cost			
At 01/04/22	2,988	88	3,076
Additions	391	64	455
Disposals	(244)	-	(244)
Re-classification	18	(18)	-
At 31/03/23	3,153	134	3,287
Amortisation			
At 01/04/22	2,799	-	2,799
Charge for Year	172	-	172
Amortisation on Disposal	(236)	-	(236)
At 31/03/23	2,735	-	2,735
Net Book Value			
At 31/03/22	189	88	277
At 31/03/23	418	134	552

10.2 Group – Intangible Assets

	Information Technology £'000	Assets under Construction £'000	Total £'000
At Cost			
At 01/04/23	5,999	134	6,133
Additions	324	-	324
Disposals	(1,615)	-	(1,615)
Re-classification	-	-	-
At 31/03/24	4,708	134	4,842
Amortisation			
At 01/04/23	4,991	-	4,991
Charge for Year	338	-	338
Amortisation on Disposal	(1,614)	-	(1,614)
At 31/03/24	3,715	-	3,715
Net Book Value			
At 31/03/23	1,008	134	1,142
At 31/03/24	993	134	1,127

	Information Technology £'000	Assets under Construction £'000	Total £'000
At Cost			
At 01/04/22	6,268	88	6,356
Additions	500	64	564
Disposals	(787)	-	(787)
Re-classification	18	(18)	-
At 31/03/23	5,999	134	6,133
Amortisation			
At 01/04/22	5,262	-	5,262
Charge for Year	493	-	493
Amortisation on Disposal	(764)	-	(764)
At 31/03/23	4,991	-	4,991
Net Book Value			
At 31/03/22	1,006	88	1,094
At 31/03/23	1,008	134	1,142

11. Trade and Other Receivables

	UK Sport		Group	
	2023/24	2022/23	2023/24	2022/23
	£'000	£'000	£'000	£'000
Trade Receivables	105	98	810	700
Other Receivables	224	513	125	417
Prepayments and Accrued Income	1,376	900	1,913	1,268
Total	1,705	1,511	2,848	2,385

All amounts fall due within one year.

The Other Receivables balance at 31 March 2024 includes an intercompany receivable of £132,000 with UKSI.

12. Cash and Cash Equivalents

	UK Sport		Group	
	2023/24	2022/23	2023/24	2022/23
	£'000	£'000	£'000	£'000
Balance at 1 April	4,960	3,920	6,441	5,700
Net Change in Cash and Cash Equivalents	897	1,040	839	741
Balance at 31 March 24	5,857	4,960	7,280	6,441

Government Banking Services

Balances Held with Government Banking Services	4,966	4,344	4,966	4,344
Balances Held with Commercial Banks	891	616	2,314	2,097
Total	5,857	4,960	7,280	6,441

13.1 Trade and Other Payables

	UK Sport		Group	
	2023/24	2022/23	2023/24	2022/23
	£'000	£'000	£'000	£'000
Trade Payables	102	8	834	392
Other Payables	292	32	325	60
VAT	141	157	141	157
Other Taxation and Social Security	286	283	1,048	1,078
Accruals and Deferred Income	2,154	1,619	3,168	2,611
Right-of-use Lease Liabilities	111	91	796	758
Total	3,086	2,190	6,312	5,056

The right-of-use lease liability for UK Sport relates to payments due for the office located at SportPark, No 3 Oakwood Drive, Loughborough, LE11 3TU.

13.2 Non-Current Trade and Other Payables

	UK Sport		Group	
	2023/24	2022/23	2023/24	2022/23
	£'000	£'000	£'000	£'000
Accruals and Deferred Income	-	-	-	-
Right of Use Lease Liabilities	323	405	323	1,189
Total	323	405	323	1,189

The right of use lease liability for UK Sport relates to payments for the office located at SportPark, No 3 Oakwood Drive, Loughborough, LE11 3TU.

14. Provision for Liabilities

	UK Sport		Group	
	2023/24	2022/23	2023/24	2022/23
	£'000	£'000	£'000	£'000
Opening Balance	384	384	384	435
Provision Made in Year	–	–	–	–
Provision Paid in Year	–	–	–	(19)
Provision Released in Year	(343)	–	(343)	(32)
Closing Balance	41	384	41	384

Provision was made in the accounts in 2015/16 for the anticipated cost of making good any dilapidations at 21 Bloomsbury Street, London, WC1B 3HF at the end of the tenancy agreement. This is yet to be paid at 31st March 2024, but has been reduced during 23-24 based on the outcome of the latest dilapidations negotiations.

15. Reconciliation of Operating Deficit to Cash Generated from Operations

	UK Sport		Group	
	2023/24	2022/23	2023/24	2022/23
	£'000	£'000	£'000	£'000
Net Expenditure Before Taxation and Interest	(81,874)	(86,342)	(83,423)	(91,294)
Depreciation/Amortisation of Property Plant and Equipment	660	769	1,859	2,252
Loss on Disposal of Property Plant and Equipment	1	9	25	28
(Increase)/Decrease in Receivables	(194)	(385)	(464)	(232)
(Decrease)/Increase in Payables	876	(3,906)	1,218	(4,388)
Increase/(Decrease) in Provisions	(343)	–	(343)	(51)
Pension Scheme: Non-Cash Movement	377	2,409	1,823	7,099
Net Cash Outflow from Operations	(80,497)	(87,446)	(79,305)	(86,586)

16. Financial Instruments

Most financial instruments relate to contracts for non-financial items in line with UK Sport's expected purchase and usage requirements and UK Sport therefore is exposed to limited credit, liquidity or market risk.

Liquidity Risks

In the year £81.797m or 88% (2022/23, £90.382m or 90%) of the Group's income derived from DCMS Grant-in-Aid. The remaining balance of £10.916m is derived from other operating activities. UK Sport is satisfied that it has sufficient liquid resources to cover amounts due within one year.

Interest Rate Risks

Cash balances, which are drawn down as Grant-in-Aid to pay grant commitments and operating costs, are held in a Government Banking Service account and drawn down into UK Sport's current account as necessary. The Group's unrestricted cash balance at 31 March 2023 was £7.280m (2022/23, £6.441m).

Foreign Currency Risk

No further foreign currency risks remain at 31 March 2024 as all recurring foreign currency transactions are at an immaterial value to the organisation.

17. Superannuation Scheme – UK Sport

Staff at UK Sport (Grant-in-Aid and Lottery) are entitled to become members of the London Pension Fund Authority (LPFA) Superannuation Scheme. UK Sport is one of a large number of employers whose staff are scheme participants, and data given in this note refers to the whole scheme and to the identified UK Sport portion of it whilst Note 18 provides equivalent details for UKSI. There is a generic scheme for staff covered by the accounting policy Note 1.10.

The administering authority for the Fund is the London Pensions Fund Authority. The LPFA Board oversees the management of the Fund whilst the day-to-day fund administration is undertaken by the Local Pensions Partnership in accordance with the Local Government Pension Scheme Regulations 2013.

The amounts disclosed in these accounts are the portion deemed to be apportioned to the Grant-in-Aid funded part of the scheme. As all scheme members are or were employees of UK Sport, the pension deficit recorded in the Lottery Accounts would become part of the Grant-in-Aid pension deficit in the event of the Lottery Fund being wound up.

The Pension Scheme is of the defined benefit type and is funded by employees and employers at actuarially determined rates. The employer's contribution for the year amounted to £0.586m or 9.1% of pensionable pay (2022-23, £0.851m or 12.0%).

Contributions are set every three years as a result of the triennial valuations by the consulting actuaries to the LPFA. There are no minimum funding requirements in the LGPS but the contributions are generally set to a target funding level of 100% using the actuarial valuation assumptions. If UK Sport was to withdraw from the fund, a cessation valuation would be carried out in accordance with Regulation 64 of the LGPS Regulations 2013 which would determine the termination contribution due, on a set of assumptions deemed appropriate by the Fund Actuary.

The latest valuation was at 31 March 2022, the results of which were confirmed in late 2022. The actuarial method used is market-related, based on average yields and market values in the 12 months leading up to the valuation date. Following this revaluation, UK Sport's employer contribution rate was set at 9.1% of pensionable pay for the period until the next triennial valuation. The triennial valuation is due to be carried out every 3 years.

International Accounting Standard IAS 19 issued by the International Accounting Standards Board requires that the following information, which has been prepared for us by Barnett Waddingham (the consulting actuaries to the LPFA) for this purpose, be disclosed in these accounts with respect to the scheme.

The financial assumptions have been set with consideration of the duration of the Employer's past service liabilities, estimated to be 27 years.

17.1 Pension Commitments

Financial Assumptions

	2023/24	2022/23
	%	%
Salary Increases	3.85	3.90
Pension Increases	2.85	2.90
Discount Rate	4.95	4.80

Average Future Life Expectancies at Age 65:

	Males (years)	Females (years)
Current Pensioners	21.4	24.3
Future Pensioners	23.1	25.4

17.2 Fair Value of Employers Assets

	31/03/24	31/03/23
	£'000	£'000
Equities	22,380	19,198
Target Return Funds	6,376	6,471
Infrastructure	4,246	4,319
Property	3,381	3,284
Cash	579	652
Total Fair Value of Assets	36,962	33,924
Present Value of Scheme Liabilities	(33,044)	(32,496)
Net Pension Liability	3,918	1,428

The major categories of plan assets as a percentage of total assets are as follows:

	31/03/24	31/03/23
	%	%
Equities	61	56
Target Return Funds	17	19
Infrastructure	11	13
Property	9	10
Cash	2	2

17.3 Amounts recognised in the Statement of Comprehensive Net Expenditure are as follows:

	2023/24	2022/23
	£'000	£'000
Service Cost	954	3,251
Net Interest on the Defined Liability	(68)	579
Administration Expenses	9	9
Total	895	3,839

17.4 Re-measurements in Other Comprehensive Income:

	2023/24 £'000	2022/23 £'000
Return on plan assets in excess of interest	998	74
Other actuarial gains	-	274
Change in financial assumptions	1,527	30,464
Change in demographic assumptions	365	970
Experience loss on defined benefit obligation	(111)	(5,041)
Re-measurements	2,779	26,741

17.5 Changes in the present value of the defined benefit obligation:

	2023/24 £'000	2022/23 £'000
Opening defined benefit obligation	32,496	53,992
Remeasurement of opening balance	-	335
Current service cost	954	3,158
Interest cost	1,571	1,422
Change in financial assumptions	(1,527)	(30,464)
Change in demographic assumptions	(365)	(970)
Experience loss /(gain) on defined benefit obligation	111	5,041
Estimated benefits paid net of transfers in	(694)	(638)
Past service costs including curtailments	-	93
Contributions by scheme participants	520	550
Unfunded pension payments	(22)	(23)
Closing defined benefit obligation	33,044	32,496

17.6 Changes in the fair value of plan assets are as follows:

	2023/24 £'000	2022/23 £'000
Opening fair value of employers' assets	33,924	31,469
Remeasurement of opening balance	-	553
Interest on assets	1,639	843
Return on assets less interest	998	74
Other actuarial gains/(losses)	-	274
Administration expenses	(9)	(9)
Contributions by employer including unfunded	606	831
Contributions by scheme participants	520	550
Estimated benefits paid net of transfers in including unfunded	(716)	(661)
Closing fair value of employer assets	36,962	33,924

17.7 A History of Experience Gains and Losses is shown below:

	2023/24 £'000	2022/23 £'000	2021/22 £'000	2020/21 £'000	2019/20 £'000
Fair Value of Employer Assets	36,962	33,924	31,469	27,706	22,690
Present Value of Defined Benefit Obligation	(33,044)	(32,496)	(53,992)	(53,425)	(36,644)
(Deficit)	3,918	1,428	(22,523)	(25,719)	(13,954)
Experience Losses on Assets	-	-	-	-	-
Experience Gains/(Losses) on Liabilities	111	5,041	121	(465)	-

In order to assess the actuarial value of the LPFA's liabilities as at 31 March 2024, Barnett Waddingham have rolled forward the actuarial value of the liabilities reported as at the latest formal valuation, allowing for the different financial assumptions required under IAS 19. In addition, they have also considered the effect of contributions paid into, and estimated benefits paid from, the Fund by UK Sport and its employees.

It is not possible to assess the accuracy of the estimated liability as at 31 March 2024 without completing a full valuation. The actuary is satisfied that the approach of rolling forward the previous valuation to 31 March 2023 should not introduce any material distortions in the results provided that the actual experience of UK Sport and the Fund has been broadly in line with the underlying assumptions and the structure of the liabilities is substantially the same as the latest formal valuation.

To calculate the asset share Barnett Waddingham have rolled forward the assets allowing for contributions paid into and estimated benefits paid from, the Fund by and in respect of the employer investment returns, and its employees.

In December 2018 there was a Court of Appeal judgement in relation to the McCloud and Sargeant cases which relate to age discrimination in the Judicial and Fire Service pension schemes respectively. In June 2019 the Government was refused leave to appeal and the Government Actuary Department developed a methodology to estimate the impact of this judgement on those bodies that are part of the Local Government Pension Scheme. The impact based on this initial methodology has been included in the figures presented here at 31 March 2024.

The Ministry of Housing, Communities and Local Government initiated a consultation into its proposals following this case in July 2020, the results of which may further inform how the impact of this case on pension liabilities and service costs is evaluated. The impact of any changes proposed in the consultation is not expected to be material. Any future developments arising from the consultation will therefore be considered in the valuation of the pension liability as of 31 March 2024.

The actuarial valuation for IAS 19 purposes has been allocated between the Lottery and Exchequer accounts in accordance with accounting policy Note 1.10.

17.8 Sensitivity

Participating in this defined benefit pension scheme means that UK Sport is exposed to a number of risks, including investment and interest rate risk with regards to the market values and returns of the fund assets. The benefits of the fund are also linked to inflation, whilst the fund assets are not, which gives rise to a risk that deficits may emerge as a result of this. There are also demographic risks, for example that members of the fund live longer than has been assumed.

In addition, as many unrelated employers participate in the London Pension Fund Authority Pension Fund, there is an orphan liability risk where employers leave the Fund but with insufficient assets to cover their pension obligations so that the difference may fall on the remaining employers.

All of the risks above may also benefit UK Sport e.g. higher than expected investment returns or employers leaving the Fund with excess assets which eventually get inherited by the remaining employers.

The sensitivity of the UK Sport pension liability to changes in assumptions is as follows:

	£'000	£'000	£'000
Adjustment to discount rate	+0.10%	0%	-0.10%
Present value of total obligation	32,184	33,044	33,927
Adjustment to long term salary increase	+0.10%	0%	-0.10%
Present value of total obligation	33,093	33,044	32,994
Adjustment to pension increases and deferred revaluation	+0.10%	0%	-0.10%
Present value of total obligation	33,871	33,044	32,237

Adjustment to mortality age rising assumption	+1 Year	None	-1 Year
Present value of total obligation	34,448	33,044	31,700

18. Superannuation Scheme – UKSI

UKSI participates in the LPFA Superannuation Scheme (LPFA). It is one of a large number of employers whose staff participate in the scheme, but the data given in this note relates just to UKSI. The majority of UKSI's staff are members of the scheme.

The Pension Scheme is of the defined benefit type and it is funded by employees and employers at actuarially determined rates. Employer contributions charged for members of the scheme amounted to £1.765m (2022/23, £1.741m).

A Triennial Actuarial Valuation was carried out as at 31 March 2022 for funding purposes. The scheme was in surplus and therefore eligible for negative secondary contributions. Primary contributions for the three-year period to March 2026 are 12.2% (from 12%). Secondary contributions are negative 6.4% (from 0%) meaning total net employer contributions is reduced to 5.8%.

In December 2018 there was a Court of Appeal judgement in relation to the McCloud and Sargeant cases which relate to age discrimination in the Judicial and Fire Service pension schemes respectively. In June 2019 the Government was refused leave to appeal and the Government Actuary Department developed a methodology to estimate the impact of this judgement on those bodies that are part of the Local Government Pension Scheme.

The impact based on this initial methodology has been included in the figures presented here at 31 March 2024. The Ministry of Housing, Communities and Local Government initiated a consultation into its proposals following this case in July 2020, the results of which may further inform how the impact of this case on pension liabilities and service costs is evaluated. The impact of any changes proposed in the consultation is not expected to be material. Any future developments arising from the consultation will therefore be considered in the valuation of the pension liability at 31 March 2024.

A valuation for IAS 19 purposes as of 31 March 2024 was carried out by a qualified independent actuary. The assumptions used by the actuary for IAS 19 valuation purposes were:

18.1 Pension Commitments

Financial Assumptions:	2023/24	2022/23
	%	%
Salary Increases	3.85	3.90
Pension Increases	2.85	2.90
Discount Rate	4.95	4.80
Average Future Life Expectancies at Age 65:	Males	Females
	(years)	(years)
Current Pensioners	22.6	24.8
Future Pensioners	22.9	25.5

18.2 Fair Value of Employer Assets

	31/03/24	31/03/23
	£'000	£'000
Equities	47,027	40,873
Target Return Portfolio	13,399	12,924
Infrastructure	8,923	8,795
Property	7,105	6,825
Cash	1,217	89
Total Market Value of Assets	77,671	69,506
Present Value of Scheme Liabilities	(65,714)	(63,654)
Net Pension Asset	11,957	5,852

The overall expected rate of return on scheme assets is projected by the scheme actuaries using modelling techniques, with reference to key assumptions and the relative weighting of scheme assets.

The major categories of plan assets as a percentage of total assets are as follows:

	31/03/24	31/03/23
	%	%
Equities	61	58
Target Return Portfolio	17	19
Infrastructure	11	13
Property	9	10
Cash	2	0

18.3 Amounts recognised in the Statement of Comprehensive Net Expenditure account:

	2023/24	2022/23
	£'000	£'000
Service Cost	2,203	6,509
Net Interest on the Defined Liability	(296)	1,301
Administration Expenses	21	20
Total	1,928	7,830

18.4 Re-measurements recognised in Other Comprehensive Income:

	2023/24	2022/23
	£'000	£'000
Return on plan assets in excess of interest	3,189	(833)
Other actuarial (losses)/gains on assets	-	94
Change in financial assumptions	3,530	66,323
Change in demographic assumptions	677	2,792
Experience gain/(loss) on defined benefit obligation	(207)	(4,607)
Re-measurements	7,189	63,769

18.5 Changes in the present value of the defined benefit obligation are as follows:

	2023/24 £'000	2022/23 £'000
Opening defined benefit obligation	63,654	118,408
Current service cost	2,149	6,509
Interest cost	3,079	3,022
Change in financial assumptions	(3,530)	(66,323)
Change in demographic assumptions	(677)	(2,792)
Experience (gain)/loss on defined benefit obligation	207	4,607
Estimated benefits paid in excess of transfers in	(228)	(846)
Past service costs, including curtailments	54	-
Contributions by scheme participants	1,006	1,069
Closing defined benefit obligation	65,714	63,654

18.6 Changes in the fair value of plan assets are as follows:

	2023/24 £'000	2022/23 £'000
Opening fair value of employer's assets	69,506	66,482
Interest on assets	3,375	1,721
Return on assets less interest	3,189	(833)
Other actuarial gains/(losses)	-	94
Administration expenses	(21)	(20)
Contributions by employer including unfunded	844	1,839
Contributions by participants	1,006	1,069
Estimated benefits paid plus unfunded net of transfers in	(228)	(846)
Closing fair value of employer's assets	77,671	69,506

18.7 History of Experience Gains and Losses

	2023/24 £'000	2022/23 £'000	2021/22 £'000	2020/21 £'000	2019/20 £'000
Fair Value of Employer Assets	77,671	69,506	66,482	56,206	44,951
Present Value of Defined Benefit Obligation	(65,714)	(63,654)	(118,408)	(116,936)	(71,123)
Deficit	11,957	5,852	(51,926)	(60,730)	(26,172)
Experience Losses on Assets	-	-	-	-	-
Experience Gain / (Losses) on Liabilities	(207)	4,607	(302)	799	-

18.8 Sensitivity:

The sensitivity of the UKSI pension liability to changes in assumptions is as follows:

	£'000	£'000	£'000
Adjustment to discount rate	+0.10%	0%	-0.10%
Present value of total obligation	64,031	65,714	67,453
Adjustment to long term salary increase	+0.10%	0%	-0.10%
Present value of total obligation	65,816	65,714	65,613
Adjustment to pension increases and deferred revaluation	+0.10%	0%	-0.10%
Present value of total obligation	67,386	65,714	64,097
Adjustment to mortality age rising assumption	+1 Year	None	-1 Year
Present value of total obligation	67,432	65,714	64,040

19. Group Pension Amounts

	Note	2023/24 £'000	2022/23 £'000
Pension Liabilities UK Sport	17.2	3,918	1,428
Pension Liabilities UKSI	18.2	11,957	5,852
Total Group Pension Liabilities		15,875	7,280
Pension Scheme Re-measurements UK Sport	17.4	2,779	26,741
Pension Scheme Re-measurements UKSI	18.4	7,189	63,769
Total Group Pension Re-measurements		9,968	90,510
Net Interest on the Defined Liability UK Sport	17.3	68	(579)
Net Interest on the Defined Liability UKSI	18.3	296	(1,301)
Total Net Interest on the Group Defined Liability		364	(1,880)

20.1 Leases

UK Sport Group recognises its leases under IFRS 16, as interpreted and adapted in the FReM for the public sector. This means that right-of-use assets and lease liabilities are recognised for most lease contracts.

a. Application of IFRS 16

The Group has applied the optional exemptions for both short-term leases (those with a term 12 months or less, after the assessment of extension options), and leases of low value assets (those with an approximate asset value below £5,000).

UK Sport has elected not to apply the new standard to leases of intangible assets. All the contracts recognised under IFRS 16 relate to use of buildings for workspace, and all the assets have therefore been grouped within a single asset category.

Where a contract contains both lease and non-lease components (such as service charges), the Group has only capitalised amounts in relation to the lease components. Service components continue to be recognised as expenses in the Statement of Comprehensive Net Expenditure.

The FReM mandates the practical expedient that an entity should not reassess whether a contract is, or contains, a lease at the date of initial application.

b. Discount rate

None of the leases capitalised under IFRS 16 in these accounts indicate an implicit interest rate within the lease contract. Therefore, the discount rate applied when assessing the value of the lease liability under amortised cost has been taken as the HM Treasury discount rate promulgated in Public Expenditure System (PES) papers, which represents the incremental borrowing rate to the UK Sport Group.

20.2 Leases: Contributions for the year ended 31 March 2024

	UK Sport		Group	
	2023/24 £'000	2022/23 £'000	2023/24 £'000	2022/23 £'000
SOCNE impact from capitalised leases				
Finance cost	15	18	21	32
Right-of-use asset depreciation	95	215	698	878
Contribution to SOCNE expenditure	110	233	719	910

One lease has been capitalised for UK Sport relating to office space at SportPark, No 3 Oakwood Drive, Loughborough, LE11 3TU.

	UK Sport £'000	Group £'000
Right-of-use assets		
Balance at 1 April 2023	463	1,790
Additions during the year	-	-
Lease remeasurements	(2)	(128)
Depreciation charge for the year	(95)	(698)
Balance at 31 March 2024	366	964

	UK Sport £'000	Group £'000
Lease liabilities		
Maturity Analysis – undiscounted cash flows		
Less than 1 year	122	808
1 to 5 years	-	-
More than 5 years	-	-
Total undiscounted lease liabilities at 31 March 2024	122	808
Lease liabilities included in the statement of financial position at 31 March 2024	434	1,119
Current	111	796
Non-current	323	323

	UK Sport	Group
	2023/24	2022/23
	£'000	£'000
Amounts recognised in Statement of Cash Flows		
Payment of lease interest (operating activities)	15	18
Payment of lease principal (financing activities)	59	324
Total cash outflow for leases	74	342
	2023/24	2022/23
	£'000	£'000
	21	32
	699	1,761
	720	1,793

21. Grant Commitments

On the undertaking that funds are to be provided by DCMS, UK Sport at 31 March 2024 had entered into commitments to pay grants to governing bodies in respect of their approved programmes in the following years (these commitments at 31 March 2024 have not yet been recognised in the Statement of Comprehensive Net Expenditure Account nor Statement of Financial Position).

	UK Sport		Group	
	2023/24	2022/23	2023/24	2022/23
		Restated		Restated
	£'000	£'000	£'000	£'000
2023/24	-	62,537	-	43,212
2024/25	57,733	54,810	38,292	35,369
2025/26	13	13	13	13
2026/27	-	-	-	-
	57,746	117,360	38,305	78,594

Grant commitments are based on the assumption that Exchequer funding will continue at the planned rate beyond 2023/24.

Please note that 2023/24 figures have been restated to correctly reflect to commitment at 31st March 2023.

22. Contingent liabilities

As of 31 March 2024 UK Sport had no contingent liabilities.

23. Capital Commitments

As of 31 March 2024 UK Sport had made no commitments to purchase further capital equipment (31/03/2023: Nil).

24. Events After the Reporting Period

In April 2024, a change programme was announced to UK Sport staff that the organisation would undergo a restructure which was followed by a consultation period where the final structure was shared with staff in June 2024.

The change programme was proposed to achieve financial savings as well as driving simpler engagement with Sports and more aligned decision making. This led to a reduction in UK Sport headcount of approximately 25%.

The estimated total cost of redundancies is expected to be approximately £149,000 with pension strains of £307,000. These costs will be accounted for in 24/25 and as the announcement was during April 24 do not represent the position at 31 March 24.

The accounts were authorised for issue on the date the Comptroller and Auditor General signed the auditor's report.

There were no other events after the reporting period for disclosure.

25. Related Party Transactions

UK Sport is an Arm's Length Body sponsored by DCMS, who are regarded as a related party. During 2023/24 UK Sport had various material transactions with DCMS and with the Sports Councils for the Home Countries. It further provided grants to its subsidiary UKSI.

As a matter of policy and procedure the Board, and Committee members, Award Panel members and staff maintain registers of interest which are available to the public. In these they are required to declare any interests, both direct and indirect, of commercial interests with the UK Sport together with interests associated with grant applications. Where a member has an interest, they are required to declare it and exclude themselves from relevant grant appraisal discussions and other commercial decisions.

The following table details those related party transactions that arose during the year, as well as any outstanding balances at the balance sheet date. Details of remuneration for key management personnel can be found in the remuneration and staff report within the Accountability report.

Person	Other related appointments	Transaction/Balance (e.g. grant)	Amounts (£)
UKSI	Subsidiary	Grant expenditure	19,324,088
		Recharged expenditure	37,879
		Other costs	33,767
		VAT Recharged	343,845
		Accounts Receivable	3,357
		Accounts Payable	1,800
DCMS	Parent department	Grant-in-Aid received	81,796,999
Rachel Baillache UK Sport Board (Member)	Lawn Tennis Association (Non-Executive Director)	Other Income (LTA Operations Ltd)	139,239
Tanni Grey-Thompson UK Sport Board (Member)	Sport Wales (Chair)	Grant expenditure	50,000
		Recharged Expenditure	1,574
		Other Income	125
George Lucas UK Sport Board (Member)	Sport NI (Chair)	Grant expenditure	50,000
		Recharged expenditure	2,787
		Other Income	188
		Accounts Receivable	3,344

The United Kingdom Sports Council Grant-in-Aid and National Lottery Distribution Fund
Annual Report and Accounts for the Year Ended 31 March 2024

Person	Other related appointments	Transaction/Balance (e.g. grant)	Amounts (£)
John Dowson UK Sport Board (Member)	UKSI (Chair)	Grant Expenditure, Recharged Expenditure, Other Costs, VAT Recharged, Accounts Receivable and Payable	See above
Vic Luck Group Audit & Risk Committee (Member)	UKSI (Director)	Grant Expenditure, Recharged Expenditure, Other Costs, VAT Recharged, Accounts Receivable and Payable	See above
Mel Young MBE UK Sport Board (Member)	sportscotland (Chair)	Grant Expenditure Other Expenditure Other Income Accounts Payable	50,000 56,534 188 572
Chris Pilling UK Sport Board (Member)	Barclays Bank UK Ltd (Non-Executive Director)	Bank Charges	7,540
Scott Smith Group Audit & Risk Committee (Member)	The Grand National Archery Society (Archery GB) (Board member)	Grant Expenditure Other Expenditure Other Income Accounts Payable	22,500 11,562 438 1,562
Chris Boardman UK Sport Board (Member)	Sport England (Chair)	Grant Expenditure Other Expenditure Other Income Recharged Expenditure Accounts Receivable Accounts Payable	50,000 141,978 250 8,229 9,875 27,621
Sarah Williams Group Audit & Risk Committee (Member)	UKSI (Non-Executive Director) Rugby Football Union (Director)	Grant Expenditure, Recharged Expenditure, Other Costs, VAT Recharged, Accounts Receivable and Payable Grant Expenditure	See above 283,000

The United Kingdom Sports Council Grant-in-Aid and National Lottery Distribution Fund
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Person	Other related appointments	Transaction/Balance (e.g. grant)	Amounts (£)
		Other Income	(2,021)
		Accounts Receivable	(2,425)
Sally Bolton UK Sport Board (Member)	All England Lawn Tennis (Chief Executive Officer)	Other Costs	3,960
Annie Panter UK Sport Board (Member)	Two Circles Limited (Employee and Management Shareholder)	Other Costs	90,000
	Rugby World Cup (England 2025) Ltd (Director)	Grant Expenditure	2,131,000

26. Subsidiary Undertakings

United Kingdom Sports Council The Manchester Institute Of Health And Performance, 299 Alan Turing Way,
Manchester, England, M11 3BS

UK Sport was given responsibility for the UKSI in April 2006. The following results of UKSI have been included in the consolidated results:

	2023/24 £'000	2022/23 £'000
Statement of Comprehensive Net Expenditure		
Income	(27,679)	(28,128)
Administrative Expenses	29,085	32,790
Operating (Surplus)/Deficit before Interest and Taxation	1,406	4,662
Interest Receivable	(363)	(32)
Interest Payable and Similar Charges	-	1,301
Deficit on Ordinary Activities Before Taxation	(1,043)	5,931
Tax on Surplus on Ordinary Activities		
Deficit for the Financial Year	(1,043)	5,931
Re-measurement of the Net Defined Benefit Liability	(7,189)	(63,769)
Total Comprehensive Net (Income)/Expenditure for the Year	(6,146)	(57,838)
	2023/24 £'000	2022/23 £'000
Statement of Financial Position		
Property Plant and Equipment	1,203	1,083
Intangible Assets	521	590
Current Assets	2,705	2,482
Payables: Falling Due Within One Year	(2,627)	(2,325)
Total Assets less Current Liabilities	1,802	1,830
Deferred Income	(1,793)	(1,862)
Provision for other Liabilities	(-)	(-)
Net Liabilities Excluding Pension Liability	9	(32)
Defined Benefit Pension Scheme Liability	11,957	5,852
Net Liabilities Including Pension Liability	11,966	5,820
Reserves		
Revenue Reserve	11,966	5,820

The above figures have been presented on a gross basis as per the UKSI annual accounts prior to intercompany eliminations and alignment adjustments. The pension figures contained in the 2023/24 accounts produced by UKSI were prepared on the basis of FRS 102. A separate actuarial valuation based on IAS 19 was commissioned to provide the pension figures in line with the accounting policy adopted for the UK Sport accounts which are presented in Note 18. An adjustment has also been made on consolidation to align the treatment of leases across the group, from UKS's preparation under FRS 102 to the new FReM IFRS 16 standard applied at Group level. Further details are given in Note 20.



**The United Kingdom Sports Council
National Lottery Distribution Fund
Accounts for the Year Ended
31 March 2024**

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE SECRETARY OF STATE FOR CULTURE, MEDIA AND SPORT

Opinion on financial statements

I certify that I have audited the financial statements of the UK Sports Council National Lottery Distribution Fund for the year ended 31 March 2024 under the National Lottery etc Act 1993.

The financial statements comprise the UK Sport Council Lottery's

- Statement of Financial Position as at 31 March 2024;
- Statement of Comprehensive Net Income, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the UK Sport Council Lottery's affairs as at 31 March 2024 and its net Income for the year then ended; and
- have been properly prepared in accordance with the National Lottery etc Act 1993 and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019*. I am independent of the UK Sport Council Lottery in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the UK Sport Council Lottery's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the UK Sport Council Lottery'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.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the UK Sport Council Lottery is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the National Lottery etc. Act 1993.

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

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the National Lottery etc. Act 1993; and
- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the UK Sport Council Lottery and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report or Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by the UK Sport Council Lottery or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the UK Sport Council Lottery from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view in accordance with Secretary of State directions issued under the National Lottery etc. Act 1993;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with Secretary of State directions issued under the National Lottery etc. Act 1993; and
- assessing the UK Sport Council Lottery'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 Accounting Officer anticipates that the services provided by the UK Sport Council Lottery will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the National Lottery etc. Act 1993.

My 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 certificate that includes my 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.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the UK Sport Council Lottery's accounting policies.
- inquired of management, UK Sport Council Lottery's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the UK Sport Council Lottery's policies and procedures on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the UK Sport Council Lottery's controls relating to the UK Sport Council Lottery's compliance with the National Lottery etc Act 1993 and Managing Public Money;
- inquired of management, UK Sport Council Lottery's head of internal audit and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations;
 - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the UK Sport Council Lottery for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the UK Sport Council Lottery's framework of authority and other legal and regulatory frameworks in which the UK Sport Council Lottery operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the UK Sport Council Lottery. The key laws and regulations I considered in this context included the National Lottery etc Act 1993 and Managing Public Money.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Group Audit and Risk Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my 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 my certificate.

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

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

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

19 November 2024

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Statement of Comprehensive Net Expenditure for the Year Ended 31/03/24

	Note	2023/24 £'000	2022/23 £'000
INCOME			
National Lottery Share of Proceeds	2	(78,585)	(80,625)
Investment Returns from NLDF	2	(3,829)	(1,618)
Interest Receivable		(55)	(31)
Other Operating Income		(35)	(119)
Total Income		(82,504)	(82,393)
EXPENDITURE			
Accrued Grant Commitments	3	4,772	5,489
Accrued Grant De-commitments	3	(504)	(511)
Grant Clawbacks		(46)	-
Other Grant Payments	5	68,435	61,784
Staff Costs	6	4,044	4,168
Amortisation	9	27	19
Other Operating Costs		350	255
Costs Apportioned from UK Sport Grant-in-Aid Account		2,316	2,419
Total Expenditure		79,394	73,623
NET (INCOME)/EXPENDITURE BEFORE TAXATION		(3,110)	(8,770)
Net Interest on the Pension Liability	12.3	(20)	170
NET (INCOME)/EXPENDITURE		(3,130)	(8,600)
Other Comprehensive Expenditure			
Pension Scheme Re-measurements	12.4	(838)	(8,060)
Total Comprehensive Net (Income)/Expenditure		(3,968)	(16,660)

All activities relate to continuing activities.

The notes on pages 106 to 119 form part of these accounts.

Statement of Financial Position as at 31/03/24

	Note	31/03/24 £'000	31/03/23 £'000
NON-CURRENT ASSETS			
Intangible Assets	9	24	26
Total Non-Current Assets		24	26
CURRENT ASSETS			
Investments – Balance at NLDF	2	59,649	58,114
Trade and Other Receivables	10	284	31
Cash and Cash Equivalents	14	726	678
Total Current Assets		60,659	58,823
CURRENT LIABILITIES			
Trade and Other Payables	11	(283)	(600)
Grant Commitments Falling Due Within One Year	3	(4,360)	(6,484)
Total Current Liabilities		(4,643)	(7,084)
Net Current Assets		56,016	51,739
Non-Current Assets plus Net Current Assets		56,040	51,765
NON-CURRENT LIABILITIES			
Grant Commitments Falling Due After One Year	3	(2,541)	(1,525)
Pension Liability	12.2	714	(2)
Total Non-Current Liabilities		(1,827)	(1,527)
Total Assets less Liabilities		54,213	50,238
EQUITY			
Pension Reserve	12.2	714	(2)
Revenue Reserve		53,499	50,240
Total Equity		54,213	50,238

The notes on pages 106 to 119 form part of these accounts.



Sally Munday OBE
Chief Executive and Accounting Officer
The United Kingdom Sports Council



Dame Katherine Grainger DBE
Chair
The United Kingdom Sports Council

Statement of Changes in Equity for the Year Ended 31/03/24

	Note	2023/24		2022/23	
		Revenue Reserve £'000	Pension Reserve £'000	Revenue Reserve £'000	Pension Reserve £'000
Balance Brought Forward – 1 April		50,240	(2)	40,590	(7,066)
Net Income/(Expenditure) for the Year		3,130	–	8,600	–
Pension Scheme Re-measurements	12.4	–	838	–	8,060
Transfer from the Pension Fund		129	(129)	1,050	(1,050)
Other Movements		–	7	–	54
Balance at 31 March		53,499	714	50,240	(2)

The notes on pages 106 to 119 form part of these accounts.

Statement of Cash Flows for the Year Ended 31/03/24

	Note	2023/24 £'000	2022/23 £'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Cash outflow from Operating Activities	13	18	(13,273)
Interest Received		55	31
Net Cash Outflow from Operating Activities		73	(13,242)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments to Acquire Intangible Assets		(25)	(9)
Net Cash Outflow from Investing Activities		(25)	(9)
Net Increase/(Decrease) in Cash and Cash Equivalents in the Year		48	(13,251)
Cash and Cash Equivalents at 1 April		678	13,929
Cash and Cash Equivalents at 31 March	14	726	678

The notes on pages 106 to 119 form part of these accounts.

NOTES TO THE ACCOUNTS

1.1 Statement of Accounting Policies

These financial statements have been prepared in accordance with the 2023/24 Government Financial Reporting Manual (FReM) and in a form directed by the Secretary of State with consent of Treasury in accordance with section 35(3) of the National Lottery etc. Act 1993.

The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to UK Sport for the purpose of giving a true and fair view has been selected. The particular policies adopted by UK Sport Lottery are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

Without limiting the information given, the accounts meet the requirements of the Companies Act 2006, the International Accounting Standards issued or adopted by the International Accounting Standards Board (except in relation to the recognition of commitments as detailed below), the Treasury guidance on the accounts of Non-Departmental Public Bodies and the National Lottery etc. Act 1993 insofar as those requirements are appropriate to the UK Sport Lottery Fund.

The accounts have been prepared under the accruals convention and, as such, all income and expenditure is taken into account in the financial period to which it relates (except in relation to the recognition of commitments as detailed below).

The accounts cover the year to 31 March 2024, in compliance with section 35 of the National Lottery etc. Act 1993.

Separate accounts have been prepared for the UK Sport operations funded from Grant-in-Aid, in accordance with the Accounts Direction and other instructions issued by the Secretary of State. Consolidated accounts have not been prepared because The UK Sports Institute (UKSI) is a subsidiary of UK Sport Exchequer only.

There are no standards in issue but not yet adopted that will have a material effect on the reported income or net assets of the group.

The financial statements have been prepared on a going concern basis. UK Sport has a statutory entitlement to a set percentage of the Lottery Distribution Fund in accordance with the National Lottery Act 1993 as amended. Grant commitments reflect the forecast distribution expected from the Fund.

1.2 Use of Estimates and Judgements

The preparation of financial statements in conformity with IFRS requires management to make key judgements, assumptions and estimates that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Pension costs recognised within UK Sport's accounts are subject to estimation. The key assumptions applied by the actuary are set out in Note 12.

1.3 Grant Commitments

Grants payable are charged to the Statement of Comprehensive Net Expenditure on an accruals basis. The reporting of grants has been aligned with the FReM. Grants are recognised when they have been approved by the Major Events Panel/Board and no performance obligations exist. Where the recognition criteria are met, commitments are reflected in the Statement of Financial Position as a liability (see Note 3). De-commitments are recognised when the recognition criteria are no longer met. Otherwise, they are disclosed as other grant commitments (see Note 4).

1.4 Intangible Assets

The intangible assets of UK Sport are computer software and software licences. Intangible assets are initially measured at cost and amortised on a straight-line basis over their useful lives.

Amortisation of intangible assets is charged over their useful economic life on the following basis:

Computer Software 2-5 years
Software Licences over the life of the licence

A full year of amortisation is charged in the year of acquisition and none in the year of disposal.

1.5 Pension Costs

The pension liabilities and assets are recorded in line with IAS 19, with a valuation undertaken by an independent actuary. IAS 19 measures the value of pension assets and liabilities at the end of each reporting period, determines the benefits accrued in the year and the interest on scheme assets and liabilities. The value of benefits accrued is used to determine the pension charge, which is shown in the Statement of Comprehensive Net Expenditure together with the net interest on the pension liability. The change in the value of the assets and liabilities arising from asset valuations, changes in benefits, actuarial assumptions or change in the level of deficit attributable to members is recognised in the Statement of Changes in Equity. The resulting pension liability or asset is shown on the Statement of Financial Position.

Further information on the pension scheme including the valuation of the pension funds and recharges is provided in Note 12 to the accounts.

1.6 Charges to and from UK Sport

UK Sport is required to apportion between its Grant-in-Aid and National Lottery distribution activities the costs of services provided from its Grant-in-Aid budget that are directly and demonstrably used on UK Sport Lottery Fund functions and vice versa. The costs apportioned to the National Lottery distribution activities are paid from the UK Sport Lottery Fund to the Grant-in-Aid account. The apportionment of the costs has been determined in the manner most appropriate to the particular service, for example staff numbers, staff time or floor space. In all cases the charges to the National Lottery distribution activities have been calculated on a full cost recovery basis in accordance with HM Treasury's *"Managing Public Money"*.

1.7 Value Added Tax

The making of Lottery awards is deemed to be a non-business activity. VAT is therefore not charged on grants made and input tax is not recovered but treated as an additional expense of the item to which it relates.

1.8 Investments

The funds attributable to the Lottery Fund, whilst they are within the National Lottery Distribution Fund, are invested by the National Debt Commissioners, and interest accrued is credited to the balance available for distribution.

Capital sums are distributed in accordance with the provisions of the National Lottery etc. Act 1993. Interest earned on the sums invested is apportioned to each of the National Lottery distributors in proportion to their percentage share of the total remaining National Lottery Distribution Fund (NLDF) at the time the interest is received.

1.9 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand and demand deposits and other short-term high liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

2. National Lottery Distribution Fund

During the year under review the UK Sport Lottery Fund has received and drawn down the following sums:

	2023/24	2022/23
	£'000	£'000
Balance Brought Forward	58,114	35,546
Share of Net Operator Proceeds	78,585	80,625
Investment Returns from NLDF	3,829	1,618
Available for Distribution	140,528	117,789
Funds Drawn Down	(80,879)	(59,675)
Balance Carried Forward	59,649	58,114

Balances held in the National Lottery Distribution Fund (NLDF) remain under the stewardship of the Secretary of State for Culture, Media and Sport. However, the share of these balances attributable to UK Sport is shown in the Accounts and, at the Statement of Financial Position date, has been certified by the Secretary of State as being available for distribution by UK Sport in respect of current and future commitments.

Funds are drawn down from the NLDF into the bank account of the UK Sport Lottery Fund in order to meet payments falling due from suppliers and awards to recipients on a monthly basis.

The market value carried forward at 31/03/24 is £59.649m (31/03/23: £58.114m).

The NLDF balance increased during the year 2023/24 to stand at £59.649m at 31/03/24, representing 73.2% of outstanding commitments made at that point. Once the closing UK Sport Lottery cash balance of £0.726m is included, the total represents 74.1% of outstanding commitments. The balance of outstanding commitments will be met by anticipated future NLDF revenue receipts.

3. Accrued Grant Commitments

	2023/24	2022/23
	£'000	£'000
Accrued Commitments Brought Forward	8,009	8,581
Commitments Made in the Year	4,772	5,489
De-commitments Made in the Year	(504)	(511)
Total Accrued Grant Commitments	12,277	13,559
Accrued Grant Commitments Met in the Year	(5,376)	(5,550)
Accrued Grant Commitments Carried Forward	6,901	8,009

Accrued Grant Commitments by Year

	2023/24 £'000	2022/23 £'000
Amounts Falling Due During 2023/24	-	6,484
Amounts Falling Due During 2024/25	4,360	1,525
Amounts Falling Due During 2025/26	741	-
Amounts Falling Due During 2026/27	1,800	-
Total	6,901	8,009

Accrued commitments made in the year are shown as expenditure, but during the year some commitments will be made and paid in the same year, or de-committed, which accounts for the difference between outstanding accrued commitments at 31 March 2023 and actual amounts paid in 2023/24.

4. Other Grant Commitments

	2023/24 £'000	2022/23 £'000 Restated
Amounts Falling Due During 2023/24	-	68,421
Amounts Falling Due During 2024/25	64,478	53,573
Amounts Falling Due During 2025/26	7,611	7,611
Amounts Falling Due During 2026/27	2,441	2,441
	74,530	132,046

The accounting policies applied for National Lottery funding require commitments to be accrued in the accounts when an offer has been made and are free of performance related conditions and are free from conditions under the control of UK Sport. Other grant commitments do not meet this requirement and have therefore not been accrued. Revenue can only be recognised when funds are made available within the National Lottery Distribution Fund. To provide appropriate financial security for grantees, UK Sport commits funds for a period of up to four years with the expectation that actual funds will be available from future National Lottery revenue to meet future years' expenditure.

Please note that 2023/24 figures have been restated to correctly reflect to commitment at 31st March 2023.

5. Lottery Grant Payments

		2023/24 £'000	2022/23 £'000
Accrued Grant Payments			
Major Events	3	5,376	5,550
		5,376	5,550
Other Grant Payments			
Athletes		19,244	17,784
National Governing Bodies and Partners		48,920	43,601
International Relations		271	399
		68,435	61,784
Total Grant Payments		73,811	67,334

6. Staff Costs

		2023/24	2022/23
		£'000	£'000
Wages and Salaries		3,173	2,634
Other Staff Costs		81	19
Social Security Costs		370	324
Current Service Costs	12.3	416	1,188
Administration Expense Relating to Pension Schemes	12.3	4	3
Total Employee Costs		4,044	4,168

7. Average Number of Staff During the Year (Full Time Equivalent Values)

The average number of staff employed on a full-time equivalent basis during the year were as follows:

	2023/24	2022/23
Employees	51	42
Other Staff	1	-
Average Staff Numbers	52	42

8. Lottery Funds

	2023/24	2022/23
	£'000	£'000
The Lottery Fund is stated after charging for:		
External Auditors' Remuneration for Audit Work	55	43

No amounts are due to external auditors for non-current work. No non-audit work has been performed by the external auditors.

9. Intangible Assets

All intangible fixed assets are computer software.

	£'000
Cost	
At 01/04/23	722
Additions	25
At 31/03/24	<u>747</u>

Amortisation	
At 01/04/23	696
Charge for Year	27
At 31/03/24	<u>723</u>

Net Book Value	
At 31/03/23	<u>26</u>
At 31/03/24	24

	£'000
Cost	
At 01/04/22	713
Additions	9
At 31/03/23	<u>722</u>

Amortisation	
At 01/04/22	677
Charge for Year	19
At 31/03/23	<u>696</u>

Net Book Value	
At 31/03/22	<u>36</u>
At 31/03/23	26

10. Trade Receivables

	2023/24	2022/23
	£'000	£'000
Trade Receivables	-	10
Other Receivables	260	10
Prepayments	24	11
Total	284	31

All amounts fall due within one year.

11. Trade Payables

	2023/24	2022/23
	£'000	£'000
Trade Payables	-	-
Other Payables	-	383
VAT	-	-
Accruals and Deferred Income	283	217
Total	283	600

12. Superannuation Scheme

Staff at UK Sport (Grant-in-Aid and Lottery) are entitled to become members of the London Pension Fund Authority (LPFA) Superannuation Scheme. UK Sport is one of a large number of employers whose staff are scheme participants, and data given in this note refers to the whole scheme and to the identified UK Sport portion of it. There is a generic scheme for staff covered by the accounting policy Note 1.5 above.

The administering authority for the Fund is the London Pensions Fund Authority. The LPFA Board oversees the management of the Fund whilst the day-to-day fund administration is undertaken by the Local Pensions Partnership in accordance with the Local Government Pension Scheme Regulations 2013.

All staff are contractually employed by UK Sport. Whether they work on Lottery related matters or not does not affect the terms and conditions of their employment or their pension entitlement. If in the long term they were still employed by UK Sport but the Lottery accounts continued with pension fund deficits, then the employees, regardless of the Lottery nature of their employment, would still be entitled to look to the Grant-in-Aid accounts to ensure their pension entitlement was met. Under IAS 19 it is the economic entity which suffers the charge to its Statement of Comprehensive Net Expenditure that must make disclosure of that relevant portion of the shared fund.

The pension is of the defined benefit type and is funded by employees and employers at actuarially determined rates.

The employer's contribution for the year amounted to £0.231m or 9.1% of pensionable pay (2022/23, £0.289 or 12.0%). The share charged to these accounts is a proportion of the amount paid by UK Sport in total.

Contributions are set every three years as a result of the triennial valuations by the consulting actuaries to the LPFA. There are no minimum funding requirements in the LGPS, but the contributions are generally set to a target funding level of 100% using the actuarial valuation assumptions. If UK Sport was to withdraw from the fund, a cessation valuation would be carried out in accordance with Regulation 64 of the LGPS Regulations 2013 which would determine the termination contribution due, on a set of assumptions deemed appropriate by the Fund Actuary.

The latest valuation was at 31 March 2022, the results of which were confirmed in late 2022. The actuarial method used is market related, based on average yields and market values in the 12 months leading up to the valuation date. Following this revaluation, UK Sport's employer contribution rate was set at 9.1% of pensionable pay for the period until the next triennial valuation. The triennial valuation is due to be carried out every 3 years.

International Accounting Standard (IAS 19) requires that the following information, which has been prepared by Barnett Waddingham (the Consulting Actuaries to the LPFA) for this purpose, be disclosed in these accounts with respect to the scheme.

The financial assumptions have been set with consideration of the duration of the Employer's past service liabilities, estimated to be 27 years.

12.1 Pension Commitments

Financial Assumptions	2023/24 %	2022/23 %
Salary Increases	3.85	3.90
Pension Increases	2.85	2.90
Discount Rate	4.95	4.80

Average Future Life Expectancies at Age 65:

	Males (years)	Females (years)
Current Pensioners	21.4	24.3
Future Pensioners	23.1	25.4

12.2 Fair Value of Employer's Assets

	Fund Value at 31/03/24 £'000	Fund Value at 31/03/23 £'000
Equities	6,626	5,664
Target Return Portfolio	1,888	1,909
Infrastructure	1,257	1,274
Property	1,001	969
Cash	171	192
Total Fair Value of Assets	10,943	10,008
Present Value of Scheme Liabilities	(10,229)	(10,010)
Net Pension (Liability)/Asset	714	(2)

The major categories of plan assets as a percentage of total assets are as follows:

	2023/24	2022/23
	%	%
Equities	61	56
Target Return Portfolio	17	19
Infrastructure	11	13
Property	9	10
Cash	2	2

12.3 Amounts recognised in the Statement of Comprehensive Net Expenditure are as follows:

	2023/24	2022/23
	£'000	£'000
Service Cost	377	1,188
Net Interest on the Defined Liability	(20)	170
Administration Expenses	4	3
Total	361	1,361

12.4 Re-measurements in Other Comprehensive Income

	2023/24	2022/23
	£'000	£'000
Return on plan assets in excess of interest	295	22
Other actuarial gains	-	83
Change in financial assumptions	466	9,182
Change in demographic assumptions	111	293
Experience (loss)/gain on defined benefit obligation	(34)	(1,520)
Re-measurements	838	8,060

12.5 Changes in the present value of the defined benefit obligation:

	2023/24	2022/23
	£'000	£'000
Opening defined benefit obligation	10,010	16,299
Remeasurement of opening balance	-	101
Current service cost	377	1,154
Interest cost	463	417
Change in financial assumption	(466)	(9,182)
Change in demographic assumptions	(111)	(293)
Experience loss/(gain) on defined benefit obligation	34	1,520
Estimated benefits paid net of transfer in	(274)	(233)
Past service costs including curtailments	-	34
Contributions by scheme participants	205	201
Unfunded pension payments	(9)	(8)
Closing defined benefit obligation	10,229	10,010

12.6 Changes in the fair value of plan assets are as follows:

	2023/24	2022/23
	£'000	£'000
Opening fair value of employer's assets	10,008	9,233
Remeasurement of opening balance	-	162
Interest on asset	483	247
Return on assets less interest	295	22
Other actuarial gains	-	83
Administration expenses	(4)	(3)
Contributions by employer including unfunded	239	304
Contributions by scheme participants	205	201
Estimated benefits paid net of transfers in including unfunded	(283)	(241)
Closing fair value of employer's assets	10,943	10,008

12.7 History of Experience Gains and Losses

	2023/24	2022/23	2021/22	2020/21	2019/20
	£'000	£'000	£'000	£'000	£'000
Fair Value of Employer Assets	10,943	10,008	9,233	8,073	6,499
Present Value of Defined Benefit Obligation	(10,229)	(10,010)	(16,299)	(15,799)	(10,599)
Surplus/(Deficit)	714	(2)	(7,066)	(7,726)	(4,100)
Experience Losses on Assets	-	-	-	-	-
Experience Gains/(Losses) on Liabilities	34	1,520	(36)	138	(160)

In order to assess the actuarial value of the LPFA's liabilities as at 31 March 2024 Barnett Waddingham have rolled forward the actuarial value of the liabilities reported as at the latest formal valuation, allowing for the different financial assumptions required under IAS 19. In addition, they have also considered the effect of contributions paid into, and estimated benefits paid from, the Fund by UK Sport and its employees.

It is not possible to assess the accuracy of the estimated liability as at 31 March 2024 without completing a full valuation. The actuary is satisfied that the approach of rolling forward the previous valuation to 31 March 2023 should not introduce any material distortions in the results provided that the actual experience of UK Sport and the Fund has been broadly in line with the underlying assumptions and the structure of the liabilities is substantially the same as the latest formal valuation.

To calculate the asset share Barnett Waddingham have rolled forward the assets allowing for investment returns, contributions paid into and estimated benefits paid from the Fund by and in respect of the employer and its employees. The Actuarial Valuation for IAS 19 purposes has been allocated between the Lottery and Exchequer accounts in accordance with accounting policy Note 1.5.

In December 2018 there was a Court of Appeal judgement in relation to the McCloud and Sargeant cases which relate to age discrimination in the Judicial and Fire Service pension schemes respectively.

In June 2019 the Government was refused leave to appeal and the Government Actuary Department developed a methodology to estimate the impact of this judgement on those bodies that are part of the Local Government Pension Scheme. The impact based on this initial methodology has been included on the figures presented here at 31 March 2024.

12.8 Sensitivity

Participating in this defined benefit pension scheme means that UK Sport is exposed to a number of risks, including investment and interest rate risk with regards to the market values and returns of the fund assets. The benefits of the fund are also linked to inflation, whilst the fund assets are not, which gives rise to a risk that deficits may emerge as a result of this. There are also demographic risks, for example that members of the fund live longer than has been assumed.

In addition, as many unrelated employers participate in the London Pension Fund Authority Pension Fund, there is an orphan liability risk where employers leave the Fund but with insufficient assets to cover their pension obligations so that the difference may fall on the remaining employers.

All of the risks above may also benefit the Employer e.g. higher than expected investment returns or employers leaving the Fund with excess assets which eventually get inherited by the remaining employers.

The sensitivity of the pension liability to changes in assumptions is as follows:

	£'000 +0.10%	£'000 0%	£'000 -0.10%
Adjustment to discount rate			
Present value of total obligation	10,004	10,230	10,462
Adjustment to long term salary increase	+0.10%	0%	-0.10%
Present value of total obligation	10,240	10,230	10,219
Adjustment to pension increases and deferred revaluation	+0.10%	0%	-0.10%
Present value of total obligation	10,456	10,230	10,011
Adjustment to mortality age rising assumption	+1 Year	None	-1 Year
Present value of total obligation	10,561	10,230	9,910

13. Reconciliation of Increase in Lottery Funds Before Taxation to Net Cash Inflow/ (Outflow) from Operating Activities

	2023/24 £'000	2022/23 £'000
(Decrease)/Increase in Lottery Funds Before Taxation	3,110	8,770
(Increase)/Decrease in Receivables	(253)	61
(Decrease)/Increase in Payables	(1,426)	(404)
Amortisation of Intangible Assets	27	19
Interest Receivable	(55)	(31)
Decrease/(Increase) in NLDF	(1,535)	(22,568)
Pension Scheme: Non-Cash Movement	150	880
Net Cash Inflow/(Outflow) from Operating Activities	18	(13,273)

14. Change in Cash and Cash Equivalents

	2023/24 £'000	2022/23 £'000
Opening Cash Balance	678	13,929
Net Cash Inflow/(Outflow)	48	(13,251)
Cash and Bank Balances at Year End	726	678

15. Financial Instruments

Most financial instruments relate to contracts for non-financial items in line with DCMS's expected purchase and usage requirements. UK Sport is therefore exposed to limited credit, liquidity or market risk.

Liquidity Risks

In the year £78.585m or 95.3% (2022/23, £80.625m or 97.9%) of the UK Sport Lottery Fund's income was derived from the National Lottery. The remaining income is derived from interest on deposits and sundry income. In previous reports, UK Sport considered that the Lottery Fund's ability to meet the grant commitments and other liabilities in the short and longer term is dependent on adequate sales revenue from the National Lottery.

Interest Rate Risks

The financial assets of the Fund are invested in the National Lottery Distribution Fund (NLDF), which invests in a narrow band of low-risk assets such as Government bonds and cash. UK Sport has no control over the investment of Funds in the NLDF.

At the balance sheet date the market value of UK Sport's share of investment in the National Lottery Distribution Fund was £59.649m (2022/23, £58.114m). In the year the average return on these investments was 5.4% (2022/23, 5.6%). Cash balances which are drawn down from the Fund to pay grant commitments and operating costs are held in a deposit account. The cash balance at the year-end was £0.726m (2022-23, 0.678m). The Fund is not exposed to significant interest rate risks.

Foreign Currency Risk

The Fund is not exposed to material foreign exchange risks.

16. Contingent Liabilities

At 31 March 2024, UK Sport Lottery Fund had no contingent liabilities requiring disclosure.

17. Capital Commitments

As at 31 March 2024, the Lottery Fund had made no commitments to purchase further capital equipment (31/03/23, £nil).

18. Events After the Reporting Period

The accounts were authorised for issue on the date the Comptroller and Auditor General certified the accounts. There are no other post balance sheet events requiring disclosure.

19. Related Party Transactions

UK Sport is an Arm's Length Body sponsored by DCMS, who are regarded as a related party. During 2023/24 UK Sport had various material transactions with DCMS and with the Sports Councils for the Home Countries.

As a matter of policy and procedure the Board, and Committee members, Award Panel members and staff maintain registers of interest which are available to the public. In these they are required to declare any interests, both direct and indirect, of commercial interests with the UK Sport together with interests associated with grant applications. Where a member has an interest, they are required to declare it and exclude themselves from relevant grant appraisal discussions and other commercial decisions.

The following table details those related party transactions that arose during the year along with any outstanding amounts due at the balance sheet date. Details of remuneration for key management personnel can be found in the remuneration and staff report within the Accountability report.

Person	Other related appointments	Transaction/Balance (e.g. grant)	Amounts (£)
UKSI	Subsidiary of UK Sport Exchequer	Recharged Expenditure	6,620
Vic Luck Group Audit & Risk Committee (Member)	UKSI (Director)	Recharged Expenditure	See above
John Dowson UK Sport Board (Member)	UKSI (Chair)	Recharged Expenditure	See above
Sarah Williams Group Audit & Risk Committee (Member)	UKSI (Non-Executive Director)	Recharged Expenditure	See above
Mel Young UK Sport Board (Member)	Sportscotland (Chair)	Grant expenditure	264,000
Tanni Grey-Thompson UK Sport Board (Member)	Sport Wales (Chair)	Grant expenditure	189,000

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Person	Other related appointments	Transaction/Balance (e.g. grant)	Amounts (£)
Chris Pilling UK Sport Board (Member)	Barclays Bank UK Ltd (Non-Executive Director)	Bank Charges	44
Scott Smith Group Audit & Risk Committee (Member)	The Grand National Archery Society (Archery GB) (Board member)	Grant Expenditure	962,724

