



**The United Kingdom Sports Council
Grant-in-Aid and National Lottery Distribution Fund
Annual Report and Accounts 2024-25**

For the year ended 31 March 2025

**POWERING SUCCESS.
INSPIRING IMPACT.**

The United Kingdom Sports Council

Grant-in-Aid and National Lottery Distribution Fund Annual Report and Accounts 2024-25

For the period 1 April 2024 to 31 March 2025

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INTRODUCTION BY THE CHAIR –

I write this Introduction as the new chair of UK Sport, taking up this position from the 22nd May 2025. Firstly, I would like to express my thanks and gratitude to Rachel Baillache who has done a fantastic job acting as our interim Chair and secondly to Dame Katherine Grainger, who over her 8-year tenure has continued to drive the progress of UK Sport in the delivery of our Strategic Plan.

I am proud to have joined an organisation that achieved extraordinary accomplishments over the 2024-25 period. My gratitude goes out to all the staff who have supported and enabled the delivery of a fantastic year and continue to drive progress going into 2025-26.

This report covers the memorable Olympic and Paralympic Games held in Paris in 2024. The performances of Team GB and ParalympicsGB in Paris were exceptional, showcasing the incredible talent, determination, and resilience of our athletes. Their performances not only saw huge medal hauls at both the Olympics and Paralympics but also captured the imagination of the British public with the BBC's coverage of the Olympic Games streamed 218 million times and Channel 4's coverage of the Paralympics propelling it to its highest audience share for 12 years.

The success of British athletes played a pivotal role in UK Sport securing a renewed commitment to Olympic and Paralympic sport from the UK Government at the October 2024 Budget. This commitment included confirmation of an investment of £344 million into Olympic and Paralympic sport and athletes over the next four years, allowing UK Sport to make our greatest ever investment into Olympic and Paralympic sport and athletes in December 2024. The investment was our largest to date totalling £330 million in Government and National Lottery funding which is set to benefit over 50 sports as they embark on their preparation for the Los Angeles 2028 Olympic and Paralympic Games. We also awarded £83m, through our Athlete Performance Awards, to directly support elite athletes with their living and sporting costs so they can train for and compete in major events over the Olympic and Paralympic cycle.

Our athletes' performances in Paris were, of course, underpinned by the resolute commitment of their coaches, whose contributions we were delighted to celebrate at a landmark event at Buckingham Palace in October 2024, in partnership with UK Coaching. Over 300 Olympic and Paralympic coaches were honoured by the attendance of Her Royal Highness the Princess Royal. This event emphasised the invaluable role coaches play in our continued sporting success.

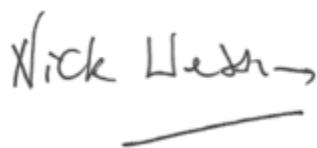
With the Milano Cortina 2026 Winter Olympics and Paralympics now fast approaching, our winter sport athletes have made excellent progress during the 2024-25 winter season and put themselves in an excellent position to achieve their dreams in Italy next year. The recent winter season saw landmark performances including Lilah Fear and Lewis Gibson's historic bronze at the World Figure Skating Championships, the first-ever mixed doubles podium finish at the World Wheelchair Curling Championships, Matt Weston winning the Skeleton World Championships, Mia Brooke's taking the snowboard Crystal Globes and Zoe Atkin's world championship title. I can't wait to see what our athletes might achieve on the biggest stage in 2026.

This year we have also made considerable strides in the delivery of our major sporting events hosting strategy, "Making Live Sport Matter." It was confirmed in spring 2025 that the UK will proudly host the Grand Départ of both the Tour de France and the Tour de France Femmes in 2027, the first time this has ever happened. The event is set to be the largest live, free sporting event ever hosted in our country. UK Sport hosted World Boxing's first ever World Championships in Liverpool in September 2025, a seminal moment in the history of the sport. Furthermore, it is incredibly exciting to have received confirmation that the UK is the only confirmed bid for the hosting of the 2035 FIFA Women's World Cup. We look forward to collaborating closely with all Home Nations FAs to deliver an inspiring and powerful bid.

Away from the field of play this year also saw the launch of the innovative Change Makers Fund, a partnership between UK Sport, Allwyn, Team GB, and Paralympics GB, supported by The National Lottery. This initiative enables our athletes to lead projects that positively impact their local communities. Notably, sixteen athletes have already received grants for diverse projects such as inclusive sportswear campaigns, mental wellbeing programmes and mentoring for disadvantaged youth. This initiative, which is only possible thanks to the support of The National Lottery, reminds us of the huge power that Olympic and Paralympic sport has to improve lives and make our societies better.

Having spent much of my life in high performance sport, I know how much the UK public value the Olympic and Paralympic success that our wonderful sports and athletes have achieved over the last 25 years and how much the UK is respected as a host of sporting events. However, I also know that our sporting success is not guaranteed in the face of mounting global competition.

I therefore look forward to working with the incredibly talented people we have across the UK sporting system to deliver continued success on the field of play and to unite, inspire and excite people all across the nation.



Nick Webborn CBE
Chair
The United Kingdom Sports Council

1 December 2025

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 is 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 2024-25, UK Sport implemented a new organisational structure (effective from 1 October 2024) to accompany a new operating model. The new operating model has reduced the number of directorates from six to three: People and Performance; Events, Sporting System and External Affairs; and Strategy and Business Enabling; and introduced a Head of Leadership Team (HOLT) to drive the operational delivery of the directorates. Further details of the Change Programme can be found on page 43.

2024-25 Performance Overview

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 2024-25:

Keep winning and win well

UK Sport 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.

The Paris 2024 Olympic and Paralympic Games took place in the summer of 2024 and following a COVID-impacted Tokyo Games, there was a magnetic 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. Across the two games GB won medals across 36 sports, the third highest total across all nations, a remarkable achievement.

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) and a seventh-place finish on the medal table. The 65 medals were 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.

At the Paralympics, ParalympicsGB reached several incredible milestones, including winning over 2000 medals overall and 309 gold medals since National Lottery funding began in 1997. The total of 124 medals won in Paris (49 Gold, 44 Silver, 31 Bronze producing 117 medallists) was a repeat of Tokyo – but with a significant increase in gold medals, 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.

To coincide with the Paris Games, UK Sport, alongside the British Olympic Association and the British Paralympic Association launched the "Find Your Greatness" campaign, to uncover the next generation of UK sporting talent. Targeted at active and sporty 16-24-year-old UK nationals, including those with physical, visual or intellectual impairments, the campaign sought young athletes for a range of sports and disciplines, including skeleton, cycling (all disciplines), rowing, modern pentathlon, weightlifting, climbing, shooting, volleyball, handball, and all para sports. 1434 young people applied to the Olympic campaign and after a series of assessment sessions 376 were selected to progress to the next stage, which comprised of a range of assessment opportunities with the partner sports. The Paralympic campaign was run by the British Paralympic Association (BPA). They received 489 applicants and hosted assessment sessions in January 2025. The selection process is continuing within the sports.

December 2024 marked the conclusion of the Los Angeles 2028 investment process. UK Sport announced our greatest ever investment of £330 million pounds of Government and National Lottery funding into a record 50 sports and £83m to our athletes, as they embark on the Los Angeles 2028 Olympic and Paralympic cycle, which started on 1 April 2025. Sports, as part of their investment for LA,

have all been provided with funding to allow them to make progress against their stated needs, with an extra uplift for Paralympic sports in recognition of the unique requirements in the Paralympic environment.

With less than a year until the Milan-Cortina Winter Olympic and Paralympic Games, GB athletes have achieved some extraordinary achievements during the 2024-25 season. From Lilah Fear and Lewis Gibson's landmark bronze at the World Figure Skating Championships to a first-ever podium finish in mixed doubles at the World Wheelchair Curling Championships, it has been a season of firsts for Great Britain in winter sport. Bruce Mouat and his rink claimed their second World Curling Championship gold medal. On the snow and on ski's, Zoe Atkin was crowned halfpipe world champion for the first time, with impressive snowboard results across the season from the likes of Mia Brookes and Charlotte Bankes. GB's sliding athletes have also enjoyed a stellar season, with a one-two at the Skeleton World Championships and in the world cup standings for Matt Weston and Marcus Wyatt.

It has been a challenging season for our Winter Paralympic programmes, who have been contending with injuries, illnesses and changes to competition schedules. We will be supporting those athletes over the next year into the Milan Cortina Games to ensure they are in the best possible place to compete.

In March 2025, UK Sport announced changes to the Athlete Performance Award (APA) Framework, which has also been simplified. The new framework sees an increase in our investment in APAs, which is a tax-free grant awarded directly to athletes, contributing to their living and sporting costs. APAs are administered centrally by UK Sport, funded exclusively by The National Lottery and are aimed at enabling athletes to pursue medal success in the Olympic or Paralympic Games and in other major championship events. The APA budget has grown from £67m for the Tokyo cycle to £74m for Paris and is projected to reach £83m for Los Angeles – a 11% increase.

Elsewhere the Leadership, Culture and Development Team at UK Sport delivered several programmes during 2024-25 to support the high-performance community to thrive. "Leading to Perform" wrapped up in April 2024 with 28 individuals completing the programme to best prepare senior performance leaders of the future by increasing their capability and confidence in areas of leadership and management. In tandem with the Paris Games, UK Sport and the UK Sports Institute (UKSI) collaborated with Team GB and ParalympicsGB on a programme entitled "Future Games Leaders", for 16 individuals to provide development within the context of Games time leadership and leadership roles in the future.

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.

For sports to continue to thrive in the UK, it is essential that the sports National Governing Bodies (NGBs) are effective and sustainable organisations. Throughout 2024-25, we have continued to deepen our understanding and support to funded NGBs in the area of [Organisational Health](#).

Building on the introduction of an Organisational Health Tool in 2022, a series of external and internal Organisational Health diagnostics were completed for Summer Olympic and Paralympic NGBs across 2024-25. The Tool was further revised and launched in May 2024, consisting of three thematic areas underpinning excellent Organisational Health: Strategy and Purpose (What we are here to do and why), People and Culture (who's going to do it), and Operations and Governance (how we're going to do it). Each of these areas are divided into several components. These components are not independent of one another, but when used collectively will help NGBs and other organisations to not only be sustainable but also transform themselves into high-performing sporting enterprises.

Facilitated sessions with NGBs to familiarise themselves with the Tool were particularly well received, with several partners using the process to directly inform their strategic planning and decision making. Alongside this, a new round of the NGB Development Fund was made available to provide financial support to a total of 16 NGBs to develop different elements of Organisational Health. This included a number of collaborative submissions, including the sharing of IT and digital expertise across three NGBs.

Organisational Health is now a recognised and embedded feature of our partnership work with NGBs and is also one of our workstreams under the 'System Master Planning' reform programme which is explained in further detail below.

In April 2024, all funded partners were informed of the outcome to our review of their compliance submissions against the 7 new or revised requirements in the Code for Sports Governance (including the requirement for a Welfare and Safety lead on the Board; evidence of decision-making that factors in Environmental Social Governance; and People Plans). For those that had any outstanding actions, we set out the timeline for completion of 31 October 2024, with final confirmation at the end of 2024.

Funded partners were also asked to submit their Diversity and Inclusion Action Plans (DIAPs) as a requirement in the Code, aimed at setting out their ambition and actions for diversifying their leadership (Boards, Senior Leadership Teams and beyond). We ask these to be reviewed at least on a yearly basis. Following dedicated external support commissioned by UK Sport and Sport England, the majority of NGBs had submitted and received confirmation of their DIAP by March 2025, with emerging actions shared with each partner. Further details can be found in the Equality, Diversity and Inclusion (EDI) section of this report.

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.

As part of our focus on ensuring the long-term 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 (HCSCs), British Olympic Association (BOA), British Paralympic Association (BPA), UK Sports Institute (UKSI) and the British Elite Athletes Association (BEAA) on the macro-challenges facing the administrative infrastructure of British Olympic and Paralympic Sport, and how we navigate these challenges together

As a result, our ambitious reform programme, named [System Master Planning](#) which was agreed with the leadership of British Olympic and Paralympic sport, is built around the overarching vision of protecting the future of Olympic and Paralympic Sport, so it continues to inspire and help transform the lives of everyone. It aims for partners across British Olympic and Paralympic sport to work together to achieve: growth in the value and public consumption of Olympic and Paralympic elite sport; greater corporate resilience and reduced dependency on the public sector; and greater cultural and operational integration across national sports bodies.

System Master Planning consists of 10 workstreams of transformation, which can be summarised as follows:

- Data and digital transformation across NGBs to enable growth
- Fan engagement substantially increased between Games
- Sport is safe for all across the UK
- Integrated workforce across the system that is skilled and diverse
- Enhance stability, efficiency and performance by integrating WCP operations
- Protect and enhance major event hosting through a new national events delivery body
- Improve efficiency and effectiveness of back-office services
- Roles and responsibilities of national bodies are aligned to optimise value and impact
- NGBs are healthy organisations
- A culturally connected network of organisations working together to meet shared needs

Throughout 2024-25, we have been advancing each workstream into a great level of detail, with the aim of moving our focus from making the case for change, to action. This is largely through a series of pilots aimed at bringing groups of NGBs together to test new approaches, products, and services ('start small, act fast'), before decisions are then taken to operationalise, scale and optimise. At the time of writing, a total of 34 individual NGBs are actively involved in 13 live pilots across 6 workstreams.

As part of these and, following very high expressions of interest in our public tender towards the end of 2024, we are accelerating progress in 'Data and Digital Transformation' by defining data strategy and data governance deliverables with 9 NGBs, linking data and digital capabilities to business objectives, and creating sporting system standards. A new 'Single Participant View' technology solution-as-a-service will also be developed (aim by the end of 2025), enabling NGBs to improve their customer understanding and create a 'source of truth' for other digital capabilities, such as marketing automation. We are also piloting a CEO-targeted data literacy course, inspiring and building knowledge, whilst deliberately

developing a culture of innovation among leaders.

Moreover, in the area of Fan Engagement, we have identified three pilots, working across different groups of NGBs and athletes:

- **Athletes** - We're working to significantly enhance six athletes' content and distribution, to test whether we should be focusing on an athlete-led fan engagement strategy driven by a central content studio.
- **Sports** - We're working to bring four Urban Olympic and Paralympic Sports together and cross-promote that cluster through a new central editorial platform, to test whether we should be pursuing a strategy that focuses on fan adjacency between sports.
- **Insights** - We're working to significantly uplift data and insight across the system into fan engagement for each sport.

Throughout the year, regular updates and discussions have taken place with Chairs/CEOs through in-person six-monthly events, online sessions and 1-1s. System Master Planning is generally recognised as seeking to positively highlight and address systemic issues, and the collaborative partnership-led approach has been welcomed by NGBs, HSCSs and stakeholder groups, such as the NGB CEO Forum/Coalition. As a result, there is generally good partner engagement behind the Programme, though more focus will be given to greater frequency of communication of activity and impact.

UK Sport is committed to ensuring that the Olympic and Paralympic sport community in the UK is diverse and inclusive. The UK Sport Board reviewed and approved an updated Diversity and Inclusion Action Plan in March 2025 and remains unequivocal in its ambition for UK Sport, its funded bodies, athletes, high performance sport staff and fans to represent the diversity of our country. Some of the key activity that has been delivered towards this ambition are set out below.

UK Sport has created "Aspire to Lead", a leadership development programme for talent from ethnically diverse backgrounds to help address their significant underrepresentation in the high-performance workforce, particularly in leadership and management roles. The programme, which launched in the autumn of 2024, is enhancing the 25 participants' leadership capabilities and aims to accelerate their career progression by providing them access, training, individual coaching and other support. Due to overwhelming demand for the programme, a further 20 individuals are participating in a "lite" webinar-based version.

Furthermore, in 2024-25, UK Sport has completed extensive data capture and analysis of the diversity of current funded athletes within the World Class Programme (WCP). The insight forms part of a broader project to better understand how WCPs can be more equal, diverse and inclusive.

In the summer of 2024, UK Sport also co-hosted a conference with the HSCSs 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 also continues to invest in the international priorities of NGBs and provides strategic advice and support to enable the UK to continue to be a respected and influential voice in global sport.

To develop this work further, in March 2025, UK Sport launched a new International Relations investment process for NGBs. This new process will divide our international relations investment between a core award, which seeks to contribute towards the costs of an NGB engaging with their international federation, and an opportunities fund, which seeks to invest in emerging international priorities and projects for NGBs. The new investment process will target investment in the advancement of four key International Change Goals in the areas of performance, major events, good governance and soft power. The first investments made under this new framework are expected to be made in the early summer of 2025.

In 2024-25, UK Sport also provided support and advice to British candidates seeking election to senior leadership positions within the world of international sport and played a key role in the continued development of the UK's approach to Sport Diplomacy alongside a range of government and sporting partners.

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.

Major sporting events are integral to our approach to inspiring positive change as we know they have huge capacity to bring people together and inspire happiness amongst the UK public, whilst acting as a platform for social change.

Whilst the Olympic and Paralympic Games year is typically quieter from a hosting perspective, over 2024-25, UK Sport has facilitated the hosting of 6 major sporting events, including World Boxing Finals in Liverpool and World Wheelchair and World Wheelchair Mixed Doubles Curling Championships in Auchenharvie. This brings the total since the beginning of the Paris Cycle to 41 funded events in 43 towns and cities. UK Sport has committed £18.4 million of National Lottery funding and £26.3 million of Government investment as part of the events programme hosted during the Paris Cycle. Following the Paris 2024 Olympic and Paralympic Games, 92 individual medallists from the Games had competed at a UK Sport funded event.

World Boxing Finals, Liverpool (2024).

The event provided a platform for UK Sport and other stakeholders to continue to build a relationship with new International Federation World Boxing, ahead of hosting their first World Championships in Liverpool in September 2025. At the World Boxing Finals, over four days of competition, 118 male and female athletes competed from 19 National Federations.

World Wheelchair and World Wheelchair Mixed Doubles Curling Championship, Auchenharvie (2025).

This performance funded event led to both the mixed team and mixed doubles securing the necessary results to achieve GB qualification quotas for both medal events at the Milan Cortina 2026 Paralympic Games. By hosting in the UK, there was a level of comfort to the home nation athletes in relation to event logistics and home support which previously has been of concern when travelling out of the UK.

Amongst 11 of the future events secured, the UK is preparing to host an annual mega event over the next four years with the Women's Rugby World Cup in 2025, European Athletics Championships in 2026, Tour de France and Tour de France Femmes in 2027 and UEFA Men's Euro 2028.

A year since the launch of its major events strategy *Making Live Sport Matter*, UK Sport has made significant progress across several commitments including securing the first UK Sport events social impact partners. Access Sport, Coach Core Foundation, Loughborough University and StreetGames will support UK Sport supported events to plan and deliver social impact programmes, using their expertise and networks to ensure that programmes are sustainable beyond an event.

Meanwhile, on the theme of major events delivering sustained social impact, in June 2024, to coincide with World Environment Day, the sustainability report for the Cycling World Championships 2023 (a UK Sport supported event) was released. The report highlighted that the Championships contributed to 14 out of 17 United Nations Sustainable Development Goals and was the first event to use the UCI's sustainability impact tracker to measure its carbon footprint. This builds on from the socio-economic figures that nearly a million spectators attending the event generated over £205 million in economic activity for Scotland and 97% of visitors found the event inclusive.

In March 2025, UK Sport updated and republished its future hosting target list, identifying up to 57 possible target events which have the potential to reach an incredible 16 million live spectators over the next decade. UK Sport has maintained its commitment that every event on this programme is dual gender, or both men's and women's editions are targeted. It has also taken steps to ensure that the events programme resonates with the British public, creating targets to widen the demographics of potential spectators across ethnicity, disability, gender and age.

Alongside our major event hosting record, UK Sport also helps to inspire positive change by supporting Olympic and Paralympic athletes to deliver social impact in their communities. Throughout 2024-25, we have worked with many athletes to support them in making a difference; using their voices and platforms to campaign for what is important to them through the Powered by Purpose and Changemakers initiatives. In March 2025, the recipients of the ChangeMakers grant, a partnership between Allwyn UK, Team GB and ParalympicsGB and UK Sport were announced. This initiative provides £100,000 to support grassroots projects driven by our incredible athletes. Sixteen current and former National Lottery funded athletes will receive grants of up to £10,000 to support causes close to their hearts, including mentoring programmes for disadvantaged children, mental wellbeing support and empowering women and girls with disabilities.

UK Sport has continued to support the Powered by Purpose Programme which helps equip athletes with the skills they need to make the world around them a better place. Since April 2024, the programme has supported 23 athletes from 12 different sports and has supported projects including the provision of grassroots rowing for young girls, the development of a community for deaf athletes and campaigns to protect the environment.

We also believe that supporting athletes as they transition away from being an athlete, is our opportunity to have impact and to give back to the high-performance sport community. Most notably, this year, we have delivered four Navigating Your Future Events across the UK, supporting one hundred athletes, in-person, to consider what might be next for them. Careers providers, guest speakers and athlete panels have helped attendees to see that there is a big world for them to explore, and in knowledge that support in place, through UK Sport, UKSI and the BEAA, to help.

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. None of the achievements detailed in this report would be possible without you.

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, considering implications and benefits, prior to decisions being taken.

Key risk activity during the year has been undertaken in the context of the organisational change that has been enacted during 24/25. In April 2024, a proposal was shared with staff to reduce UK Sport headcount by 25% as part of a new way of UK Sport operating. The proposal was made partially to generate financial savings, but also to simplify the organisational structure and ensure that sports are at the heart of the business. Throughout May and June, a consultation process was carried out with elected staff representatives prior to sharing a final structure in June 2024. 29 redundancies were announced in June with colleagues departing the organisation over the following months.

The wellbeing of staff throughout the change process has been a priority for the organisation. Senior staff were provided with specific training, carefully planned communications to staff were made throughout the period and staff sessions to re-build the organisation post the new structure were held. We are incredibly proud of how our team have navigated the change with respect and care for each other.

Whilst the Change programme generated financial savings, cost pressures continue to be felt by the wider Sporting System from the impact of inflationary pressures, the costs of the upcoming 2028 Games in LA, and the introduction of new sports and disciplines to the Games. Having insufficient resources to deliver our organisational strategy has remained as a key risk on the corporate risk register. The uplift in exchequer funding announced as part of the Autumn budget enabled prioritised investment decisions to be made in December 2024 by the UK Sport Board.

The Olympic and Paralympic Games over the summer of 2024 was an exciting moment for British Sport, but also one which required careful planning, risk mitigation and preparation.

Over the last 20 years, the UK has steadily built a world-leading reputation for successfully hosting the biggest international sporting events. However, competition between nations in this global marketplace is fierce, the process for securing these events is increasingly dynamic, and our pipeline of hosting the very biggest sporting events has started to contract. Aspects of the UK's event-hosting system therefore need urgent attention, otherwise there is a real and present danger that the UK will fall behind. We continue to engage with Government and our partners to build support for hosting future events.

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".

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 risks highlighted above and other significant risks managed during 2024-25 are provided in the Governance Statement on page 44.

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 2024-25 targets.

Objective	Indicator	Key Performance Indicator	Annual Milestone Target	2024-25 Year End Performance vs Annual Milestone Target
The athletes and sports UK Sport fund are consistently winning well, operating and collaborating to accelerate our ability to compete with the world's best.	Sports positively developing and attending to the way in which they create and enable a healthy high-performing culture.	>80% of athletes and WCP staff reporting to have a positive lived experience within their high-performance programme, with an ambition of seeing yearly positive improvements.	>80% with an ambition of the 2024/25 year-end % outcome demonstrating a positive improvement on the 2023/24 year-end % outcome.	UK Sport has remained strongly committed to the strategic development of formal cultural engagement with sports, integrating both internal assurance processes and external requirements outlined in the new LA Grant Funding agreements. While the UK Sport Change Programme has influenced capacity in this area, the exceptional demands of the Olympic and Paralympic Games in 2024/25 have led to the deferral of formal KPI measurement; conducting survey activities during this critical period could interfere with high-performance priorities. The measurement approach will therefore be revisited in 2025/26.
	Athlete and WCP staff confidence in the way we win.	Maintain >80% athlete and WCP staff confidence in sports upholding the highest standards of integrity and welfare, with an ambition of seeing yearly positive improvements.	Maintain >80% with an ambition of the 2024/25 year-end outcome demonstrating a positive improvement on the 2023/24 year-end % outcome.	
Our funded athletes and sports are producing inspirational performances. We are consistently in the Top 5 of the Summer Olympic and Paralympic tables and are becoming an ever-greater force in Winter Olympic and Paralympic sport.	Achievement of Milestone Targets (MSTs non-Games Year, Medal Range Targets Games Year).	% of invested World Class Programmes (WCPs) delivering outcomes within their agreed Medal Range Targets or Milestone Targets	Summer sports: >75% of WCPs achieve Paris ambitions (14 of 18 WCPs). Note this does not include Progression/NSSF sports. Winter sports: 75% of Olympic WCPs (3 of 4 WCPs) and 50% of Paralympic (1 of 2 WCPs) achieve MSTs. Note this does not include Progression/National Squads sports.	Summer Olympic Sports: 55.55% of WCPs achieved or exceeded Paris targets (10 of 18). This was a significantly lower % than previous games but note no WCP missed their target by more than 1 medal. The top 5 ambition was not achieved, with 7th on the medal table (but with the 3rd most medals won). Summer Paralympic Sports: 83.3% of WCPs achieved or exceeded Paris targets (15 of 18). The top 5 ambition was also achieved with 2 nd on the medal table. Winter Olympic Sports: 75% of WCPs partially achieved, achieved or exceeded MSTs (3 of 4). Winter Paralympic Sports: 50% of WCPs partially achieved MST (1 of 2). 1 medal won and 5-7 range not achieved.
The United Kingdom is hosting an ambitious programme of global sporting events that resonates with the public and showcases high-performance sport domestically and internationally.	Reach of events	Reach – UK Sport are securing events each year that are focussed on broadening the reach of major sporting events to communities across the UK.	1. Events which are likely to attract 10,000+ spectators (target – 40% of (HTL)) 2. Events which are likely to have 50%+ female spectators attending (target – 50% of HTL) 3. Events which are likely to have 25%+ of spectators from ethnically diverse communities attending (target – 18% of HTL) 4. Events which are likely to have 25%+ spectators with a disability attending: 12% (5 events) 5. Events which are likely to have 25%+ of spectators under 25 attending: 40% (17 events)	1. Events which are likely to attract 10,000+ spectators: 42% (18 events) 2. Events which are likely to have 50%+ female spectators attending: 40% (17 events) 3. Events which are likely to have 25%+ of spectators from ethnically diverse communities attending: 21% (9 events) 4. Events which are likely to have 25%+ spectators with a disability attending: 12% (5 events) 5. Events which are likely to have 25%+ of spectators under 25 attending: 40% (17 events)

**The United Kingdom Sports Council Grant-in-Aid and National Lottery Distribution Fund
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			<p>disability attending (target – 25% of HTL)</p> <p>5. Events which are likely to have 25%+ of spectators under 25 attending (target – 25% of HTL)</p> <p>6. Events which are likely to have 25%+ of spectators over 60 attending (target – 25% of HTL).</p>	<p>6. Events which are likely to have 25%+ of spectators over 60 attending: 30% (13 events)</p>
	Showcasing Elite Success.	Showcasing elite success - over 70% of events have showcased Olympic, Paralympic and World Championship medallists when hosted in the UK from 2021-2031	Showcasing elite success - over 70% of events have showcased Olympic, Paralympic and World Championship medallists in the Paris Cycle.	72% of events have showcased Olympic, Paralympic and World Championship Medallists in the Paris Cycle (24 of 33).
	Economic impact of events.	Economic impact - we will deliver economic impact to the host economy in excess of £5bn between 2021 – 2031	UK Sport anticipate 40 events will have been staged in the 21-25 cycle at this point, from which we anticipate delivery of £365m economic impact to the host economies	41 events have been staged in the 21-25 cycle, confirmed Economic Impact of over £376m to the host economies
UK Sport funded sports and events are reaching a growing and more engaged fanbase, uniting fans via the power of both sporting success and experiencing British athletes competing on home soil.	Resonance of events.	Resonance – UK Sport are on track to host a programme of major international sporting events between 2021-2031 that attracts over 15m live spectators.	UK Sport anticipate 40 events will have been staged in the 21-25 cycle at this point, which will have attracted 2.35m live spectators	41 events have been staged in the 21-25 cycle, confirmed spectator numbers of over 2.4m
	Growth in Olympic and Paralympic Sport fanbase.	An audience-led public-facing central storytelling vehicle for Olympic and Paralympic sport is up and running, offering opportunities to experience and engage with O&P Sports outside of Games-time and growing engagement levels outside of the Games.	A number of pilots have been run to test a central storytelling vehicle for British Olympic and Paralympic sport and athlete followership.	Following the success of a number of fan engagement pilots : Urban Sport Collective piloted with 4 NGB's and the Athlete Creator Club with 6 Athletes in total, a strategic framework has been co-developed. Another leading agency has also been appointed to undertake the development of tracking this fandom framework ready for 2025/26.
	Levels of pride and inspiration.	Increased % of British public who say that engaging with the sports and events we invest in makes them feel happy, inspired or proud.	Baseline established of % of public who say that engaging with the sports and events we invest in makes them feel happy, inspired or proud.	<p>Baseline successfully established and Public Attitudes Tracker is now formally issued bi-annually.</p> <p>May 2024 – 52% of public who say that engaging with the sports and events we invest in makes them feel happy, inspired or proud.</p> <p>November 2024 – 53% of public who say that engaging with the sports and events we invest in makes them feel happy, inspired or proud.</p> <p>Notably during the Games, we saw this figure spike to 61%. When we look at those who have followed an Olympic or Paralympic sport this figure remains at 100%.</p>
Our funded athletes, sports and events are having a positive impact domestically and internationally, especially in the areas of wellbeing, environmental sustainability and diversity.	Olympic & Paralympic sport is influencing a positive shift on key issues such as inclusion, sustainability and wellbeing at a local and/or national level.	<p>We have a breadth of high-quality case studies which show how WCP athletes, and every UK Sport-funded Pinnacle event are delivering outcome-focused social impact, against UK Sport's identified impact areas, at national or local level.</p> <p>Note: the UK Sport areas of impact are environmental sustainability, wellbeing, and EDI.</p>	<p>Each funded sport on the engagement tracker (34) has a minimum of one credible case study which shows the use of their assets to power positive change.</p>	68% of funded sports on the engagement tracker has a minimum of one credible case study which shows the use of their assets to power positive change (23 of 34 NGB's).
Our Olympic and Paralympic high-performance system is future-focused, sustainable, agile and collaborative.	Strengthen long-term Organisational Health across the sports we invest in.	Consolidated NGB Organisational Health (OH) ratings exhibit a more positive trajectory across the cycle, underpinned / informed by cohesive internal processes,	<p>In conjunction with Performance colleagues, by April 2025 all funded NGBs will:</p> <ol style="list-style-type: none"> 1. Have a dedicated 'Sport Plan' with the 	<p>Baseline OH Diagnostic completed for 100% of NGBs (internal UK Sport assessment). Analysis and additional dashboard development in progress. OH requirements and status integrated into Sport Planning capture form for summer Oly & Para sports completed</p>

		escalation plans and targeted support.	latest OH information/trends available held by UK Sport, as well as targeted areas for assurance and support. This will include at least 1/3 of funded NGBs having completed a self-diagnostic using the OH tool to sit alongside UKS perspectives. 2. Based on the 'Sport Plan', a process will be established for the LA cycle for internal reviews, external engagement and creation of development offers/annual sport plans.	and OH information being analysed - this includes monitoring OH requirements, support plans and status (next review point Sept/Oct 25). OH included in situational analysis for all winter sports funding process. NGB development funding allocated to 14 projects with a range of OH matters. Sport planning framework development is on track.
The British Olympic and Paralympic community is increasingly diverse and inclusive, particularly across athletes, workforce, fans, and UK Sport's people.	Diversity in athletes.	A diverse and inclusive team by Brisbane 2032, and a WCP athlete cohort that is more representative of the national community (EDI Priority 1)	1. Aligned and coherent plans to address underrepresentation are in place across the five HCSCs. 2. March 2025 APA diversity data records an improvement in comparison to the March 2024 APA indicators in respect of gender, ethnicity, religion, education and sexual orientation.	Over the last year, we have continued to make positive progress across gender, ethnicity, and disability demographics whereby our athletes represent a comparable cross section of the UK population. To support this, we have set our ED&I expectations to our sports formally through our Grant Funding Agreements and embedded a Sports Planning Framework and Assurance process that explores ways in which these are delivered through the L.A. cycle. There are areas of underrepresentation of athletes in relation to age and some specific ethnic groups which we are working to improve.

Green: KPI met

Amber: KPI not met, but corrective actions are in place

Red: KPI not met

Social Impact

UK Sport activity in delivering sustained social impact is outlined in more detail under the 'Inspiring Positive Change' section of our Performance Report on page 10-13. Our work in this area is delivered through our investment in major sporting events to drive social impact alongside the action on the field of play and by supporting Olympic and Paralympic athletes to deliver positive social change in their communities.

Regarding UK Sport's operations, there have been no significant human rights, environmental or social issues arising during 2024-25. 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.

Climate Disclosure Statement

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), Risk Management (a), (b) and (c), 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 remaining Strategy (a) to (c) and Metrics and Targets Disclosures (a) and (c) in future reporting periods in line with the central government implementation timetable.

The ability to deliver against our Environmental Sustainability strategy is one of UK Sport's principal risks. We take our environmental and sustainability obligations seriously and consider our ability to continually deliver against our environmental and sustainability agenda as a key component of our overall success as an organisation.

(a) 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 and management of the ongoing risk.

(b) Management's role in assessing and managing climate-related issues.

The UK Sport corporate risk register includes an item on the risk that UK Sport fails to deliver meaningful action on sustainability. This risk register is reviewed and approved by the UK Sport 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 UK Sport 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.

During 2025-26 the UK Sport Environmental Sustainability strategy is being revisited. The Board and Directors Team have also held a specific training session to discuss and assess related issues.

Environmental and climate related issues are required to be identified on all Board papers, therefore ensuring that these risks are assessed on all major decisions.

UK Sport continues to comply with the sustainability reporting requirements (discussed below) and ways to deliver against its sustainability commitments.

(c) Metrics and Target

UK Sport is committed to tackling climate change through its activities and ways of working. We have signed up to the UN Sports for Action 2040 climate targets

and our Environmental Strategy set out our ambition that British Olympic and Paralympic sport, and Major Events, have a net positive impact on the environment by 2040. We also report against the Greening Government commitments (GGC) framework each year with the results summarised in the 'Greenhouse gas' analysis below.

As the 'Greenhouse gas' analysis shows, the bulk of UK Sports emissions relate to travel costs. We conduct annual reviews of our Travel and Subsistence data and where we can identify opportunities, we adjust our policies and embed new ways of working to reduce our carbon footprint.

There are also several activities/projects aimed to promote sustainable ways of working, not just to UK Sport, but across the whole sporting environment, such as the 'Accelerator programme' which is described below.

Discussions are currently on-going at board level to identify further opportunities where UK Sport, and the wider sporting environment, can improve its carbon footprint. In 2025-26, the Environmental strategy will be revisited, and focused actions will be identifying areas that would drive the strategy to be see what we need to do and how do we monitor any impacts.

Sustainability Reporting

In line with the recommended disclosures around Metrics and Targets (c), UK Sports continues to report against the Greening Government Commitments (GGCs). It has been two years since we launched the Environmental Sustainability Strategy and baselined our carbon footprint. In that time, we have laid strong foundations that have provided UK Sport with a clearer understanding of what is required, what has worked well and what could be approached differently.

We are taking the opportunity following the conclusion of the change programme at the end of October 2024 to reflect on what we have been achieved and how UK Sport can accelerate the progress of high performance sport in addressing our collective environmental impacts, ability to deliver against our 2040 UN Sports for Climate Action Framework commitments and, use our unique platform to power positive and lasting change for people and the planet. We are in discussions with our Board on what this could look like and have delivered specialised ESG training for the Board to equip members on how to ensure ESG factors are considered in all decision making.

UK Sport continues to take Sustainability seriously. We have continued to make significant progression over 2024-25. Some highlights over the last year include:

- **Accelerator Programme**- This programme, in conjunction with our partners "Useful Projects" and "Sporting Giants", has acted as a catalyst for positive change our NGB communities by enabling them to feel more equipped to take on sustainability and embed sustainability into the fabric of high-performance sport. In April 2025, UK Sport released the finding of the accelerator programme. These included: 100% of NGB's feel more equipped to take meaningful action on sustainability, 80% of NGB's now view sustainability as a pillar of long-term success of their sport and, 40% have already introduced new sustainability policies (e.g. travel, procurement and events).

- **Elite Training Centres (ETCs)**- UK Sport has set ESG requirements to ETCs if they wish to receive "UK Sport accredited Elite Training Centre" status". The minimum standard to be considered is that the ETC must have specific ESG strategies in place, where ED&I and sustainability can be measured through the ETC "Excellence framework". Since 2023, we have had a steady increase in accredited site, with a minimum further 5 ETCs scheduled to apply for accreditation in 2025. ETCs (in conjunction with their hosted WCPs) are also exploring more innovative and broader sustainability angles when seeking capital investment, such as developing simulators to replicate facilities and site conditions to combat the requirement to travel.
- **Major and Mega events**- Our "Making live sport matter" agenda is helping to drive down the use of carbon and plastics at our major events. Working in partnership with Loughborough University and "We Track", we are working to measure the carbon footprint of UK events and start to compare that with leading practice. To facilitate this, UK Sport is asking all events to hold a ESG action plan. In addition, UK Sport request statements and ESG action plans from potential event at the point of investment.
- **Athletes**- UK Sports continue to support Climate Masterclass workshops through "Aim High Earth" and the Powered by Purpose Programmes to our athletes to help them with the skills they need to make the World around them a better place. As part of our wider discussions with Board in 2025-26, we are looking at how we can utilise our athlete voice and profile to drive our environmental agenda and whether we can bring our lottery provider into these conversations.

Greenhouse Gas Analysis

GREENHOUSE GAS EMISSIONS			2024-25	2023-24 Restated
Scope 1 - Direct GHG emissions	Total gross emissions: Scope 1		9	10
	Emissions (tCO2e) from:	Gas	9	10
		Oil	-	-
		Fuel (including LPG)	-	-
		Other	-	-
Scope 2 - Energy indirect emissions	Total gross emissions: Scope 2		28	25
	Emissions (tCO2e) from:	Electricity	28	25
Scope 3 - Official travel emissions	Total gross emissions: Scope 3		159	194
	Emissions (tCO2e) from:	Domestic	130	161
		International	29	33
Scope 1 & Scope 2	Total Electricity (kWh)		133,065	77,647
	Electricity	Renewable	-	-
		Non-Renewable	133,065	77,647
	Gas (kWh)		47,945	34,018
	LPG (kWh)		-	-
	Other (kWh)		-	-
Scope 1, Scope 2 & Scope 3	Expenditure on energy (£)		35,957	25,675
	Expenditure on accredited offsets (£)			-
	Expenditure on official domestic and international business travel (£)		425,558	490,545

WASTE		2024-25	2023-24
	Total waste disposed (tonnes)	0.8	0.6
	Hazardous waste disposed (tonnes)	0	-
	Non-hazardous waste disposed (tonnes)		
	Landfill	0	-
	Recycled	0.4	-
	ICT waste recycled, reused and recovered (externally)		-
	Composted	0	-
	Incinerated with energy recovery	0	0.3
	Incinerated without energy recovery	0.4	0.3
	Total waste disposal cost (£)	130	113
	Hazardous waste disposal cost (£)		-
	Non-hazardous waste disposal cost (£)	Landfill	-
		Recycled	65
		ICT waste recycled, reused and recovered (externally)	-
		Composted	-
		Incinerated with energy recovery	57
		Incinerated without energy recovery	65
			56

FINITE RESOURCE CONSUMPTION			2024-25	2023-24 Restated
	Water consumption (m3) (Office estate)	Supplied	259	298
		Abstracted	0	-
		Collected	0	-
	Water consumption (m3)	Supplied	0	-
			0	
	(Non-office Estate)	Abstracted	0	-
		Collected	0	-
	Paper consumption (reams) - A4	Supplied	8	8
	Paper consumption (reams) - A3	Supplied	2	2
	Water Supply costs (Office estate) (£)		641	912
	Water Supply costs (Non-office estate) (£)			-
	Paper costs (A4 & A3) (£)			-

23GGC Sub-Targets (Ultra-low and zero emission vehicles & Air travel)		2024-25	2023-24 Restated
Ultra-low and zero emission vehicles	Total Vehicles (Owned, Hired & Leased)	95	86
	% of vehicles categorised as Ultra Low Emission Vehicles (ULEV)	54	1
International Air Travel	Total: Distance travelled by international business flights (miles)	154,947	297,649
	Disaggregated by category	97,206	127,518
		57,741	170,131
	Disaggregated by class	154,947	297,649
	Premium Economy		-
	Business		-
	First		-
Domestic Air Travel	Emissions from domestic business flights (tCO2e)	3	15
	Distance travelled by domestic flights (miles)	21,592	116,852
	Number of domestic flights	28	144

FINANCIAL PERFORMANCE

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 (APAs) 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.

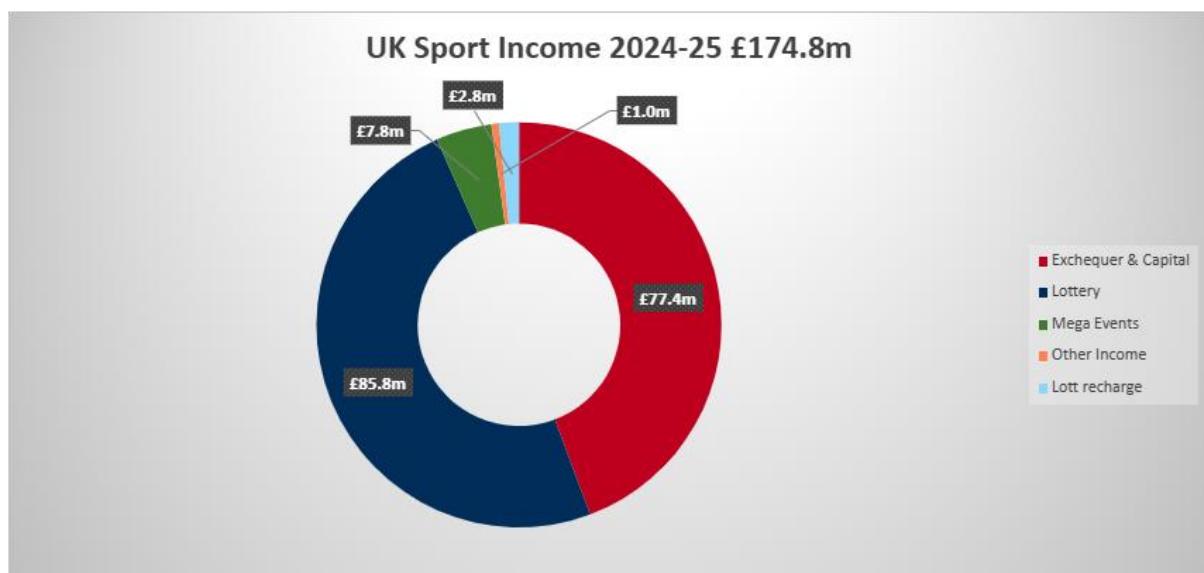
The 'additionality' policy agreed with the Lottery team at DCMS, and the National Audit Office (NAO) provides a clear set of guidelines under which funding can be reallocated:

- *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.*

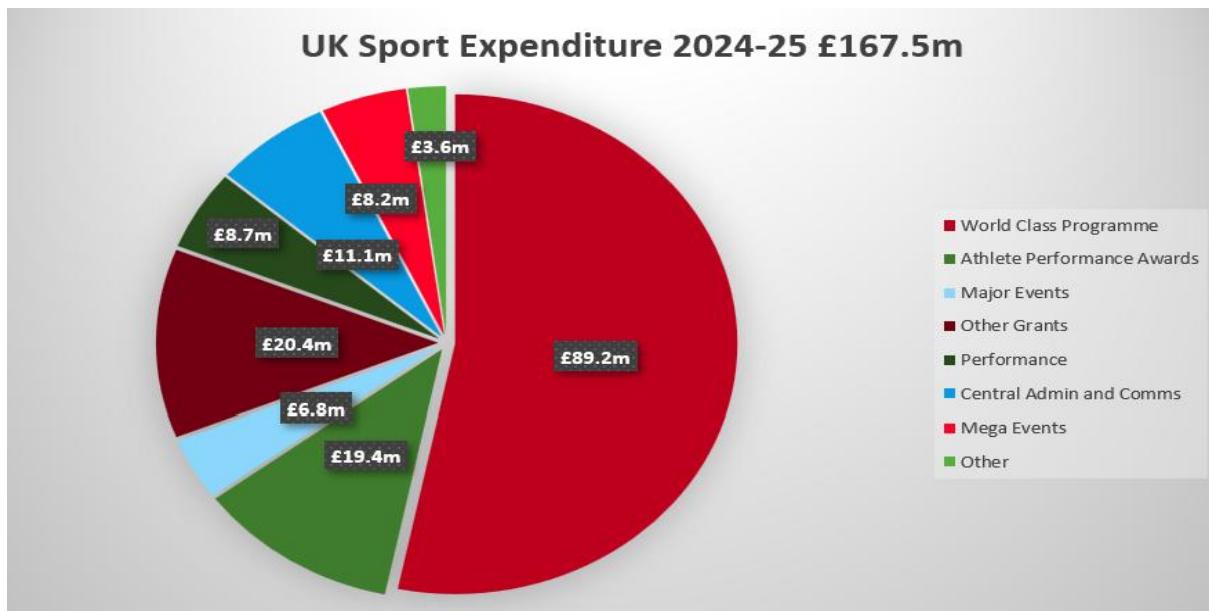
- *The Major Events Programme and funding of Athlete Performance Awards are solely Lottery funded. These are prime examples of Lottery funded programmes that are not provided as a statutory responsibility or funded by Government but add real value to the UK's sporting ambitions.*

Financial Performance

Total income of £174.8m (£167.1m in 2023-24) was received by UK Sport over the year 2024-25. UK Sport received £85.8m from the National Lottery Distribution Fund (£82.4 m in 2023-24) and £77.4m from Exchequer (£78.1m in 2023-24). A total of £8.3m additional funding was provided for mega events, including the 2025 Women's Rugby Union World Cup, the 2027 Tour de France and Tour de France Femmes. Of this, £7.8m came through our Exchequer settlement and £0.5m came from the Welsh Government to support the Tour de France specifically. No underwrite against shortfalls in Lottery income was required in the year.



Total expenditure of £167.5m (£161.3m in 2023-24) 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.

Total Lottery income during the year has increased our Lottery Reserves balance from £60.1m to £68.5m, including £1m for Major event grant commitments in the 2024-25 financial year. A large proportion of these reserves will be used to fund LA Cycle activity, and we are forecasting to be close to our planned minimum reserve level of £24m by the end of the LA Cycle (31st March 2029).

Administration and operating costs continue to be monitored closely. Non-ringfenced Exchequer resource outturn (at UK Sport Group level) was 0.47% (£0.40m) under budget, meeting the DCMS target of within 1%.

The DCMS Lottery performance target of 8% for administrative spend was also met with a result of 7.74% for the year and an average of 7.62% over the three-year reporting period (2022-25).

The Statement of Financial Position on the Exchequer Account as of 31 March 2025 shows positive overall Taxpayer's Equity of £14.9m (£9.8m positive as of 31 March 2024). This is offset by a surplus on the Lottery account of £63.3m (£54.2m as of 31 March 2024) to give a total group position of £78.2m (£64m in 2023-24). This balance includes an overall £11.5m pension asset.

Expenditure on Consultancy

During 2024-25, expenditure on legal fees and consultancy at UK Sport was £0.26m (2023-24: £0.10m). The expenditure on consultancy relates to various activities, including legal advice and support on the organisation's strategic projects.

In 2024-25, £0.15m of consultancy expenditure was to procure specialist legal advice to support the development of a complex Grant Funding Agreement (GFA) for the hosting of the Euros 2028.

Funded Athlete Demographics

UK Sport funded 1,072 athletes as of 31 March 2025 (1,145 athletes as of 31 March 2024) with the following demographic breakdown:

Gender	Numbers	31-03-2025	31-03-2024
Female	488	45.52%	45.33%
Male	579	54.01%	54.41%
Non-binary	1	0.09%	0.00%
Prefer not to say	4	0.37%	0.26%

Age range	Numbers	31-03-2025	31-03-2024
<16	6	0.56%	0.52%
16 – 25	548	51.12%	49.96%
26 – 44	497	46.36%	47.25%
45 – 68	21	1.96%	2.27%

Disability	Numbers	31-03-2025	31-03-2024
No	742	69.22%	69.34%
Yes	312	29.10%	28.73%
Prefer not to say	7	0.65%	1.14%
Not Sure	6	0.56%	0.26%
Blank	5	0.47%	0.52%

Ethnicity	Numbers	31-03-2025	31-03-2024
Asian or Asian British	17	1.59%	0.96%
Black / African / Caribbean / Black British	34	3.17%	3.32%
Mixed / Multiple ethnic groups	66	6.16%	5.85%
White	902	84.14%	86.03%
Other ethnic group	2	0.19%	0.35%
Not Specified	28	2.61%	0.61%
Do not wish to disclose	23	2.15%	2.88%

At the time of reporting, the funded athlete demographics illustrated a 6% decrease in total athlete numbers. This is to be expected in the early part of a funding cycle, as sports reset the year following a 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 October 2024, UK government publicly announced that UK Sport will receive an exchequer settlement of £86m pa over the 2025-2029 Spending Review period to support the LA 2028 Olympic and Paralympic Cycle. DCMS have confirmed this position in our 2025-26 financial settlement and whilst there is ongoing activity regarding the remaining years of the Spending Review period, we have received no indication that UK Sport will not receive continued support to support delivery over the remaining years of the Spending Review.



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

1 December 2025

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, at March 2025, consists of the Chair and ten members, seven independent and three representatives of the Home Nation Sports Councils (Sports England, Sport Wales, and Sportscotland). The Sport Northern Ireland representative has been approved following the term end of George Lucas in January 2025. The appointment process set by Government permits representatives (usually the Chair) of the Home Country Sports Councils (HCSCs) to automatically sit on the UK Sport Board for the duration of their term. Mel Young, Chair of Sportscotland, concluded his second term on Board in May 2024 and was replaced from October 2024 by the new Chair, Maureen Campbell.

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 served a second term of almost four years, leaving UK Sport on 26 March 2025 to take up a new role of Chair of the British Olympic Association. From 27 March 2025, Independent Board member Rachel Baillache became Interim Chair and carried out this role until Nick Webborn was appointed the new permanent chair on 22nd May 2025.

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

From the February to December 2024 Board meetings, 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 2024-25

Name	Position	Start Date	Term duration
Dame Katherine Grainger DBE	Chair	July 2017	4-year Appointment to June 2021 Re-appointed to June 2025 Left post 26 March 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 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
Maureen Campbell	Member (Chair, Sportscotland)	June 2024	4-year appointment to May 2028

The Board is scheduled to meet 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 2024-25 all Board meetings were held in person.

The Board has an established Group Audit and Risk Committee (GARC) 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- Rachel Baillache
- Not less than two other non-executive UK Sport Board members appointed by the UK Sport Board- Martyn Worsley and Rupen Shah
- 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- Sarah Williams; and
- Up to two other external members nominated by the GARC and approved by the UK Sport Board- Chika Aghadiuno and Scott Smith

At least one member has significant recent accounting experience. This Committee has oversight of both UK Sport and UKSI and is scheduled to meet 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 (ARA).
- 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 the Chief Executive Officer, Deputy CEO and members of the Directors Team (the 'Senior Executives') on 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. Committee consisted of a pool of three UK Sport Board members (including the Chair), CEO and the Head of HR and Employee Engagement. The Panel met twice in 2024-25
- **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. Four cases triggered the Eligibility Policy in the financial year of 2024-25 and were decided upon by either the Eligibility Panel or Independent Chair.
- **Euro 2028 Oversight Group**- A time-limited Board Sub-committee has been established to provide support and challenge to the executive's work on the tournament. The EURO 2028 Oversight Group reports directly to the UK Sport Board and is composed of a minimum of two members of the Major Events

Panel and two members of GARC. The Group will meet 4-8 times from 2025 until early 2029 and will make recommendations to the UK Sport Board, and provide an assurance role, on Exchequer investment into the tournament.

We also have two advisory panels: Equality, Diversity and Inclusion and Performance Advisory Group.

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 Director's Team that oversaw 134.21 full time equivalent (FTE) staff, including 127 permanent and 12 fixed term staff (with an FTE of 123.38 and 10.83 respectively), across the business as of 31 March 2025.

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 2024-25 were:

Name	Position
Sally Munday	Chief Executive and Accounting Officer
Simon Morton	Deputy CEO, Director of Events, Sporting System and External Affairs
Sophie du Sautoy	Director of Strategy and Business Enabling
Dr Kate Baker	Director of People and Performance
Naomi Angell-Hicks	Director of External Engagement and Affairs (left UK Sport 21 Oct 2024)

Subsidiary body

UK Sports Institute (UKSI)

UK Sport has held sole responsibility for UK Sports Institute (UKSI). 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. John stepped down as Chair in June 2025 at the end of his term. Emma Boggis was appointed to interim Chair. A permanent Chair has not been appointed yet. 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 is 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.

In 2024, the legal team completed a complex and cross-organisational data mapping project called the "Register of Processing Activity" (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 regularly updated by the 'data champions' in the organisation. Following the organisational change process, new 'data champions' are being identified and trained for this role. In 2025-2026, UK Sport plans to expand the ROPA to include broader information assets extending beyond personal data.

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 Overarching Data Protection Policy, the UK Sport Data Retention Policy, the Athlete Data Protection Protocol and other data sharing agreements with partners such as UKSI. UK Sport is currently working with external counsel to streamline these policies and enhance their clarity and usability.

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 policies and procedures. In 2024-25, UK Sport included explicit reference in the job descriptions for each 'Head Of' role to their responsibility for promoting and ensuring their team's ongoing compliance with all

relevant corporate policies and responsibilities, including information governance and data protection. To support this commitment, in 2025-2026 UK Sport is aiming to provide comprehensive training for all 'Head of' roles on information governance, supported by broader awareness for all staff.

During 2024-25, no personal data incidents occurred within UK Sport that were severe enough to warrant reporting to the Information Commissioner's Office. Incidents deemed by the Data Controller not to fall within the criteria for reporting to the Information Commissioner's Office, but are considered minor breaches or 'near misses', are recorded centrally within UK Sport. There were 6 such incidents in 2024-25 (2023-24: 11).

Complaints Summary

UK Sport has published a complaints procedure on its website. In 2024-25 there were no complaints about staff. There were 80 complaints in relation to various types of sporting issues (2023-24: 72).

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

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 2024-25.

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

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

1 December 2025

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 2024 until the date of signing the document.

Statement of Responsibilities

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.

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 (GARC), the Major Events Panel, the Eligibility Panel, the Remuneration and Nominations Committee, and the Euro 2028 Oversight Group. 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 2024-25 based around business priorities and the annual calendar of Board activity. 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:

2024-25	May	July	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	N/A	N/A	N/A	N/A	N/A	1/1
Tanni Grey-Thompson	Y	Y	Y	Y	Y	N	5/6
George Lucas	Y	Y	N	Y	N/A	N/A	3/4
John Dowson	Y	Y	Y	Y	Y	Y	6/6
Annie Panter	Y	Y	Y	Y	Y	Y	6/6
Martyn Worsley	Y	N	Y	Y	Y	Y	5/6
Sally Bolton	Y	Y	Y	Y	Y	Y	6/6
Chris Pilling	N	Y	Y	Y	Y	N	4/6
Ismail Amla	Y	N	Y	Y	N	Y	4/6
Rachel Baillache	N	Y	Y	Y	Y	Y	5/6
Rupen Shah	Y	Y	N	Y	Y	N	4/6
Maureen Campbell	N/A	N/A	Y	Y	Y	Y	4/4
Fatima Jalloh	Y	Y	Y	Y	N/A	N/A	4/4

There was one new appointment to Board in 2024-25. Sportscotland Chair, Maureen Campbell, joined from the October 2024 meeting following the departure of Mel Young following two terms served in May 2024.

John Dowson remained an observer on Board, in his capacity as Chair of the UKSI in the 2024-25 year.

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

Board carried out a full internal review of its skills and effectiveness in 2023, and the Chair has ensured that actions from that review have been tracked during 2024/5. This has included Board attending a facilitated session around different ways of thinking and approaching Board topics.

The Board is supported by advisory groups, including the Group Audit and Risk Committee (GARC) 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 GARC 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 (GARC) met four times during the year. Regular agenda items included:

- agreement of the Internal Audit work plan for 2024-25 (produced in conjunction with BDO as our 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 corporate risk, and
- the review of financial and legal compliance, including its policies and procedures.

These regular agenda items help to ensure GARC's risk management practices comply with the requirements of the Orange Book's five principles.

In addition to the above topics, the Committee reviewed the 2023-24 Annual Report and Accounts and recommended their approval to Board and received a deep-dive presentation on the System Master Planning programme.

At the November 24 meeting, GARC had a conversation around how to best appraise their effectiveness. A series of conversations were held to gather feedback and GARC members completed an assessment against the NAO Audit Committee checklist. A recommendations paper was discussed at the March 25 meeting with a further deep dive delivered in June 25. A key topic for review was how GARC can best prioritise the areas for deep dive and review.

The attendance profile for the Committee in 2024-25 was:

Member	Jun 2024	Sept 2024	Nov 2024	Mar 2025	Overall
Rachel Baillache	Y	Y	Y	Y	4/4
Martyn Worsley	N	Y	Y	Y	3/4
Rupen Shah	Y	Y	Y	N	3/4
Chika Aghadiuno	Y	Y	N	Y	3/4
Scott Smith	Y	Y	Y	Y	4/4
Sarah Williams	Y	Y	Y	Y	4/4

There were no member changes during the 2024-25 period.

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 2024 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 UK Sports' capacity to influence them and/or to absorb their potential impact. Our 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 UK Sport and its subsidiaries. UKSI has adopted a similar 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 and embedded throughout the organisation. As set out in HM Treasury's 'Assurance Frameworks' document (December 2012) the three lines of defence model is applied 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 both the risks and the level of assurance to manage them. Over the course of 2024-25, we have built on the review undertaken by the Group Audit and Risk Committee (GARC) in 2023-24, focusing on the top corporate risks faced by UK Sport and UKSI and ensuring the UK Sport's Board is provided with an updated position of the Corporate Risk register on a quarterly basis to provide insight and support decision making.

We continue to review the UK Sport risk appetite and have plans in early 2025-26 to look at risk mapping and wider assurance that it is aligned to our new operational model. 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.

Grants Strategic Statement

As an Arm's Length Body of DCMS, UK Sport receives Grant In aid exchequer

funding to support the delivery of our strategic ambitions. Lottery income provides the other significant proportion of our income stream.

The largest proportion of UK Sports annual expenditure is the issuing of Grants to NGBs and Partners to support our World Class Programmes (WCP), Athlete Performance Awards (APA), and Major and Mega events. In 2024-25, £123.6m of our combined lottery and exchequer funding (£174.8m).

We have published investment strategies around each grant stream whether that be Performance Investment, Athlete Performance Awards or International Relations. Key features of all strategies are how UKS grants can enable extraordinary success that would not be able to happen without funding and prioritising these resources to where they can have the greatest impact and contribution towards our organisation's mission.

UK Sport holds the responsibility for delivering against the performance KPIs we set annually with DCMS (which act as a basis of assurance that we are utilising the grant in aid effectively), and the delivery against our strategic ambitions, targets, and grant conditions. The delivery of UK Sport's objectives is often facilitated through our NGB and Partners, meaning we are committed in developing and maintaining a robust stewardship arrangement throughout our third-party supply chains.

Our World Class Programmes are usually determined at the start of the course of the four year Olympic/ Paralympic term to help our NGB communities plan ahead with the security of a medium to long term funding arrangement. Our Annual Investment Reviews (AIR) are issued annually as one off opportunities for our Sports NGBs to apply for one-off investments that would improve the effectiveness, efficiency or quality of their outcomes.

We are confident that UK Sport has the processes, systems and resource capabilities to ensure our grants are effectively managed. These measures include; a set of robust governance structures to support what and who we provide our grant awards to, dedicated Sports facing advisor teams who continuously gather insight on the ground on NGB performance and organisational health, grant funding agreements (GFA) which set out the amounts and conditions of our grant awards, and our Grant Management System (GMS) which records the payment of the grants.

In 2024-25, following the Annual Cabinet Grant Self-Assessment last year, where UK Sport had given a Self-Assessed score of 74% and a rating of 'Better', a BDO Audit subsequently took place to provide independent assurance on whether the evidence recorded was sufficient to achieve the self-assessed compliance score that UK Sport had attested to.

The Cabinet Office placed UK Sport in the 'Better' category of Maturity Rating, achieving an overall score of 85.6%, 4.4% above the cohort average score. Out of the seven categories assessed, three were rated as 'Better,' and four of the categories rated as 'Best.'

In 2024-25, UK Sport issued its grants for the final year of the Paris Olympic/ Paralympic cycle and confirmed its 4-year World Class Programme settlements for the L.A. cycle at December 2024 Board, totalling £330m.

UK Sport is committed to annually reviewing the underlying policies, performance KPIs and targets, approaches, processes, reports and governance routes that underpin how we administer our grants.

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. Our policies are available to all staff through the UK Sport intranet and cover all key aspects of our business operations. These include:

1. Artificial Intelligence Policy
2. Budgetary Control Policy
3. Cash Management Policy
4. Code of Conduct Policy
5. Delegated Authority Policy
6. Document Retention Policy
7. Flexible Working Policy
8. Fixed Asset Policy
9. Fraud, Bribery and Corruption Policy
10. Gifts and Hospitality Policy
11. Health and Safety Policy
12. Healthy Lifestyle Policy
13. Information Security Framework Policy
14. Maternity and Paternity Policy
15. Menopause at Work Policy
16. Mental Health Policy
17. Parental Leave Policy
18. Probation Policy
19. Procurement Policy
20. Recruitment Policy
21. Safeguarding Policy (Internal and External)
22. Travel and Expenses Policy
23. Whistleblowing Policy (Internal and External)

Our policies and procedures are regularly reviewed and updated to ensure they reflect current statutory and legislative requirements, recognised leading practice, and new or emerging activities that would impact how we operate. For example, we have introduced an Artificial Intelligence policy in 2024-25.

As well as ensuring our policies meet the above requirements, we ensure they also reflect our organisational culture, such as supporting UK Sport's flexible ways of working across multiple office locations and encouraging the delivery of our organisational objectives around EDI and sustainability.

No internal whistleblowing cases were raised during 2024-25.

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 Government Functional Standards Assurance (GovS001) set the expectations for the management of functional standards in government organisations. The Department of Culture, Media and Sport (DCMS) select and evaluates UK Sport's compliance to the standards.

In May 2024, UK Sport submitted the GovS001 in three areas: Grants, Analytics and Economic Crime:

- The Grants standard measures the effective administration and oversight of public funds, promoting transparency and accountability.
- Analytics examines the importance of robust data analysis and evidence-based decision-making to enhance operational efficiency and policy development, and.
- Economic Crime, examines the measures to prevent, detect, and respond to fraudulent activities, safeguarding public resources and maintaining integrity.

All three areas were reviewed and met with satisfaction from the Department of Media, Culture and Sport (DCMS).

As an additional measure of our compliance with functional standards, we ask our internal auditors, as part of their regular auditing activities, to review and report on our adherence. In 2024-25, we conducted an internal governance grant maturity assessment to evaluate our compliance with the standards and position to industry leading practice. There were no areas for concern from our auditors.

As we have moved to our new operating model this year, it seems an appropriate time to conduct an internal compliance review across all our functional owners, to make sure our processes, principles, governance and responsibilities are understood and engrained in our business operations.

In 2025-26, the Department of Media, Culture and Sport (DCMS) has requested a review of the Fraud governance standards, under a new continuous improvement framework process; replacing the GovS001 request.

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 counter-fraud action plans and raised awareness of the risks across the organisation and wider sporting system.

UK Sport produces annual counter-fraud action plans which are updated and submitted to the Public Sector Fraud Authority (PSFA) on a quarterly basis. The 2024-25 action plan focused on implementing and sustaining effective controls, maintaining robust policies and procedures, and fostering a proactive culture that embraces the detection of fraud.

UK Sport produced and submitted Fraud & Error Consolidated Data Requests to the PSFA. In 2024-25, UK Sport reported 3 incidents, all of which were classified

as errors. Additionally, UK Sport submitted a GovS001 return to DCMS and no concerns were raised by DCMS in response.

During 2024-25, we enhanced our ability to detect and respond to internal and external risks of fraud by deploying new IT systems and strengthening existing internal controls and procedures. We have also updated our counter-fraud policies and response plan to ensure that they remain current, effective and aligned with best practice.

Looking ahead to 2025-26, we plan to update our counter-fraud strategy and participate in the Functional Standards Assurance assessment with the PSFA

Change Programme

As referenced earlier, in April 2024, UK Sport announced a re-structure as part of a change programme which has resulted in a reduction in headcount of approximately 25%. This was done with the aim to achieve financial savings as well as driving simpler engagement with Sports and more aligned decision making. This decision was made based on 5 key 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 constant oversight 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.

The change programme has now been completed, and the new structure was effective from 1st October 2024.

Staff Engagement

Following the change programme, UK Sport has taken the opportunity to redesign the annual culture feedback. Previously a culture feedback survey was issued on an annual basis comprising of 12 themes and 62 questions. This survey was normally delivered to staff each November with the results communicated in December/January for action.

The previous culture feedback survey was last delivered in Jan 2024 with a high-level view of results communicated to staff in March 2024 just before the change programme.

UK Sport will now run a more streamlined annual survey that will focus on the following areas:

- Reward and Recognition
- Information Sharing
- Empowerment
- Pride
- Job Satisfaction
- Wellbeing

Running a more streamlined survey will inform UK Sport whether we are delivering against our strategy and is designed to capture a birds-eye view of all engagement areas. This will help inform us of any challenges or themes that are being mentioned by the majority.

Following the results, we will dive deeper into any themes/challenges by using focused pulse surveys which will be short and to the point and will lead to swift action. This might only be necessary for one team as an example rather than having to re-engage the whole organisation.

UK Sport ran the annual survey in June 2025 with results published in August/September 2025. The results and action points will be published in this report in 2025-26.

Risk Profile

In 2024-25, 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 2024-25.

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 and LA cycles, 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. This risk has been compounded in 2024-25 with the transition to a new lottery licence and the continued impact of cost-of-living pressures on player behaviour, and overall levels of income. There have also been risks around our Exchequer settlement. UK Sport received sufficient funding to support the final year of the Paris cycle and made public announcements in the Autumn Budget 2024 to confirm our funding position, over the Spending Review period 2025-29; which we have put all into our front-end operations to support our Team GB and Paralympics GB athletes to prepare for a successful LA 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 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.

We continually monitor our medium and long-term financial position and have regular dialogue with the Department of Culture Media and Sport (DCMS) and wider Government to monitor this risk with the achievement of our objectives and maximising value for money. Our change programme, that concluded in September 2024, has supported our vision to be a lean and effective organisation, and future programmes such as, System Master Planning ensure, aims to drive future efficiencies.

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, retention and succession planning activities, such as the launch of the GB in High Performance Careers LinkedIn Page (9200 followers), to widen our talent search within the intention to reach a more diverse candidate pool. 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 provided a range of career pathways to retain a diverse and talented pool of candidates post-Games; which we will continue to evaluate in 2024-25.

Ability to compete to host the largest international events and keep Olympic/Paralympic sport relevant

A fundamental part of UK Sport's 10-year strategy is the ability to host and deliver the world's largest sporting events in the UK. A series of mega events hosted in the UK (including the Olympic and Paralympic Games, Commonwealth Games, Rugby World Cups, World Athletics Championships, Ryder and Solheim Cups, Tour de France) have generated a range of very significant domestic and international impacts. At a time where there is a risk of a declining relevancy of Olympic and Paralympic sport and a stagnated fanbase, it is more than ever to have a continual pipeline of Major and Mega events through a diverse portfolio of sports.

Over the course of 2024-25, we have intensified our dialogue with the Department of Culture, Media and Sport, wider UK Government, and key partners to showcase the impact of having a long-term funding settlement for Mega-Events, raise awareness of the risk and secure partner support, and articulate the benefits of a long-term hosting targets through to 2035. We have also, in 2024-25, developed pilots which we refer to as System Master Planning programme, which aims to monitor statistics and trends around fellowship on a sport-by-sport basis to tackle relevancy challenges and how to reform UK Sport's funded events to build a more diverse and deeply engaged fanbase, including through a UK Events Ltd company.

Ability to deliver meaningful action on diversity & inclusion, wellbeing or sustainability

There is risk that UK Sport does not take conscious and focused action fast enough to its diversity and inclusion, wellbeing and sustainability agendas in line with expectations. There is a growing expectation from our staff, athletes, other stakeholders, and wider public for UK Sport to not only address but take on a leadership role. Being slow or unable to adapt to these issues may hinder UK Sport's ability to deliver or reduce our competitive advantage. For example, 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, or lack of Equality and Diversity through our athletes and workforce reduces the talent pool, innovation and motivation to deliver and deliver well.

We continue to understand and mitigate the risks in this area, including the requirement for our NGBs to develop sustainability action plans, independently review all funded partners Diversity and Inclusion Action Plans (DIAP), and update our procurement policy to ensure all our supply chain comply with our EDI and sustainability values before awarding any contract with UK Sport. Our approach to climate change continues to be informed by the UK Sport Environmental Sustainability Strategy that launched March 2023. In early 2025-26, we will be revisiting and updating our strategy with an increasing focus on our ability to monitor and manage to drive the delivery of our public commitments on climate change as part of signing the UN's Net Zero agreement by 2040.

Subsidiary Companies

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

UK Sports Institute

The Group Audit and Risk Committee (GARC) 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 GARC and UKSI Board.

Their primary risks during the year were:

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, GARC and UKSI Board. Monitoring is in place to ensure the organisations stays within its budgetary levels whilst remaining focused on strategic objectives.

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 UKSI. 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, attack monitoring and incident response exercising.

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 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.

Independent Assurance

In March 2024, BDO was appointed as our internal auditors for a three-year tenure following a competitive tendering process. Over this period, BDO will provide independent internal audit assurance to UK Sport and the UKSI.

An audit plan for 2024-25 was agreed by the June 2024 GARC, on the basis it remained agile to refinements as UK Sport enters the next stages of the Change Programme.

Over 2024-25, there were six internal audits undertaken across UK Sport and UKSI alongside a Follow Up audit for both organisations, to test the continued implementation of previous audit recommendations. Audits undertaken included reviews of Grant Maturity, Payroll and Key Risk Assurance and Governance for UK Sport, and Cyber Incidents, Travel and Subsistence, and Health and Safety for UKSI.

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.

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

Audit	2024/25 assurance rating		Recommendations priority rating		
	D	OE	High	Med	Low
UK Sport					
1. Grant Maturity	M	M	-	2	5
2. Payroll	S	S	-	-	-
3. Key Risks - Governance and Assurance	M	N/A	-	4	1
4. Follow Up	M	M	N/A	N/A	N/A
Total UK Sport				6	6
UK Sports Institute (UKSI)					
1. Cyber Incident Response	L	N/A	1	1	-
2. Travel and Subsistence	S	S	-	-	-
3. Health and Safety	M	M	-	2	2
4. Follow up	S	S	N/A	N/A	N/A
Total UKSI			1	3	2
TOTAL COMBINED FOR 2024/25			1	9	8

Of the 6 audit reviews conducted across UK Sport and UKSI, a total of 18 recommendations were made, one of which was a high priority recommendation relating to UKSI's Cyber Incident response.

As part of our Follow Up Audit process, UK Sport and UKSI have agreed appropriate timelines and have taken appropriate action to implement the BDO recommendations as part of business operations. The BDO have reviewed and validated the high priority recommendation relating to Cyber Incident Response 2024-25 and will follow up on the remaining recommendation as per the agreed timetable.

The BDO has confirmed that recommendations for the Grants and Cyber Incidents Response reviews are on par with other organisations, and with the volume of

change that has taken place at UK Sport and UKSI over the past 12 months, both organisations have maintained a stable control environment.

The overall internal audit opinion for the year takes into account the following:

- the assurance ratings and recommendations of individual assignments completed in 2024-25,
- management's responsiveness to internal audit recommendations, and
- the direction of travel with regards to internal control, governance, and risk management.

The opinion for 2024-25 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 2023-24 and 2022-23. Key factors for this opinion are the good levels of follow up this year for both entities (including UKSI's response to our cyber security audit), and the relatively positive outcome from UK Sport's significant change programme in the year.

The management actions following internal audit reports and recommendations are monitored at every GARC 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 has worked with its Boards and senior leadership to action areas for further development and ensure continued compliance. UK Sport reviews its compliance with the code annually. The conclusion the Annual Review alongside UK Sport's Governance Action Plan 2024-25 is scheduled for June 2025.

The approach taken by UK Sport 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.

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 Home Country Sports Councils (HCSCs) have continued to deliver against each of the five commitments relating to people, representation, structures and systems, insights and investments. In March 2024, UK Sport 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. We continue to engage quarterly with the TRARIIS Advisory Group who provide independent challenge to our work in this area.

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, UK Sport and Sport England launched a 2-year 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. All Tier 3 funded partners engaged with the consultancy support, and we reviewed and approved the majority of their resultant DIAPs by March 2025. Their DIAPs are intended to form practical tools for change, and we will routinely monitor their implementation and progress against delivery.

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”. 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 Board direction around strengthening the strategic oversight of our EDI Strategy and DIAP, in April 2024 we 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 ED&I 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. The panel has met 6 times during 2024-25.

Since we launched the Moving to Inclusion Framework and website in summer 2023, in collaboration with the HCSCs, 5 of our funded partners have completed the self-diagnostic tool in 2024-25. Two of them are now working with a fully funded mentor to help drive improvement against their identified development areas. The Framework provides additional, complementary and enduring support for organisations required to produce a DIAP.

Our Employee Resource Groups (ERGs) and staff networks continued to evolve. In March 2024, 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.

Externally, the HCSCs have continued to host bi-monthly 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. We also continue to offer monthly workshops on our transgender inclusion in sports guidance, to help funded partners develop their own policies in this area.

In October 2024, we launched Aspire to Lead, a pilot leadership development project for ethnically diverse talent aimed at significantly increasing the number of people from ethnically diverse communities, particularly in leadership positions, within the corporate and performance workforce across the high-performance system. The programme is supporting 25 aspiring future leaders over an 18-month period to develop their leadership skills through a series of in-person workshops and webinars. Alongside the main programme, we are running a "lite" webinar-based version for a further 20 individuals to share the learning with a wider group.

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. For invoices raised in 2024-25, 87% were paid within 30 days (2023-24: 99%).

REMUNERATION AND STAFF REPORT

Directors' Remuneration

Director recruitment, remuneration and employment terms and conditions are overseen by the Remuneration Committee. 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

The Performance Pay Award recognises our collective and collaborative delivery of organisational objectives, aligned to our overall strategic plan.

In determining the level of the performance payment that will be awarded, three factors are considered:

- Management of Public Money: how effectively we are managing our money (based on our out-turn at year end)
- Delivery: performance against the strategic plan (based on performance against our annual operating plan and strategic priorities)
- How: a qualitative assessment of how we have operated as an organisation (living the values and behaviours) and the context that we have operated within (external factors)

To be eligible for the award staff must be on the payroll no later than the 31 December of the current financial year. Staff must also be on the payroll at the time of payment, and they must not be under notice (voluntary resigned only) at the time of the announcement.

(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 for a period of 12 months only.

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 2025 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 appointed by DCMS and in accordance with DCMS terms and conditions. Up until 25 March 2025, the Chair was a 0.6FTE position. This requirement was reduced to a 0.4 FTE post this date to better reflect the needs of the organisation.

Emoluments of the Chair and Directors, including performance related pay and pension benefits, for the year ended 31 March 2025 are provided in the following sections.

Remuneration (salary, benefits in kind and pensions)

Audited information	Single total figure of remuneration										
	Position	Salary (£000)		Bonus (£000) payments		Benefits kind (£000) in		Pension (£000) benefits ¹		Total (£000)	
		2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
K Grainger DBE*	Chair	55-60	55 – 60	0	0	0	-	0	0	55-60	55-60
R Baillache **	Interim Chair	0	0	0	0	0	-	0	0	0	0
S Munday OBE	CEO	160-165	155 – 160	15-20	15 – 20	0	-	69	65	245-250	235-240
S Morton MBE ***	Director	155-160	140 – 145	5-10	5 – 10	0	-	90	41	250-255	190-195
S du Sautoy	Director	120-125	120 – 125	5-10	5 – 10	0	-	61	50	190-195	175-180
N Angell-Hicks ****	Director	60-65	115 – 120	5-10	5 – 10	0	-	26	43	95-100	165-170
K Baker	Director	155-160	160 – 165	5-10	5 – 10	0	-	63	56	225-230	220-225
D Kester*****	Director	0	25 – 30	0	0	0		0	11	0	35-40

Bonus payments disclosed about relate to those that were paid in 2024-25, but relate to 2023-24 performance.

1-The 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.

* Left UK Sport 25th March (FTE 0.6). Full year FTE salary is £95k-£100k.

** Joined UK Sport on 26th March 2025 (FTE 0.4 at 40-45 bracket). £476 paid in the year and full year FTE salary is £95k-£100k. Member was an existing board member.

*** Inflated figures paid in 2024-25 due to backdated higher duties payments owed from 2023-24 period. Regular pay bracket is (£150-155k)

****Left UK Sport on 21st October 2024. Paid £2,800 redundancy payment immediately upon leaving. Full year salary £115k-£120k.

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

In 2024-25 UK Sport staff were entitled to claim up to £50 each month (2023-24, £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 31/3/25 and related lump sum £000	Real increase in pension and related lump sum at pension age £000	CETV at 31/03/25 £000	CETV at 31/03/24 £000	Real Increase in CETV £000
S Munday OBE	20-25 plus lump sum of 0 - 5	2.5 - 5 plus lump sum of 0 - 2.5	308	237	71
S Morton	50-55 plus lump sum of 10 - 15	5 - 7.5 plus lump sum of 0 - 2.5	760	678	82
S du Sautoy	30-35 plus lump sum of 0-5	2.5 - 5 plus lump sum of 0 - 2.5	409	358	51
N Angell-Hicks	10 - 15 plus lump sum of 0 - 5	0 - 2.5 plus lump sum of 0 - 2.5	130	106	24
K Baker	15-20 plus lump sum of 0 - 5	2.5 - 5 plus lump sum of 0 - 2.5	203	150	53

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 (2023-24, £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	2024-25 £000's	2023-24 £000's
Sally Bolton OBE	0 - 5	0 - 5
Annie Panter	0 - 5	0 - 5
Martyn Worsley	0 - 5	0 - 5
Mel Young MBE	0 - 5	0 - 5
Chris Pilling	0 - 5	0 - 5
Ismail Amla	0 - 5	0 - 5
George Lucas	0 - 5	0 - 5
Chris Boardman	0 - 5	0 - 5
Rachel Baillache	0 - 5	0 - 5
Tanni Grey-Thompson DBE	0 - 5	0 - 5
Rupen Shah	0 - 5	0 - 5
Maureen Campbell	0 - 5	-

Staff Report

(i) Staff Costs (audited)

Costs	UK Sport		Group	
	2024-25 £000	2023-24 £000	2024-25 £000	2023-24 £000
Wages and Salaries (including performance related pay and redundancy payments)	9,456	10,374	25,399	25,885
Other staff costs	221	313	337	325
Social Security costs	1,091	1,250	2,837	2,932
Pension Service costs	1731	1,433	3,824	3,806
Administration expense relating to pension scheme	14	13	37	34
Total staff costs	12,513	13,383	32,434	32,982

Due to the recent restructure turnover rates for 2024-25 was higher than usual with total staff turnover being 39.8% of which 24.4% were due to staff redundancies.

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.

Redundancy costs for UK Sport for the year amount to £161,346 (2023-24 £12,000) resulting from the UK Sport change programme:

Exit Package Cost Band	Number of compulsory redundancies				Other departures agreed			
	UK Sport	Group	UK Sport	Group	UK Sport	Group	UK Sport	Group
£0 - £25,000	25	-	26	1	-	-	-	-
£25,001 - £50,000	-	-	-	-	-	-	-	-
£50,001 - £100,000	-	-	-	-	-	-	-	-
> £100,001	-	-	-	-	-	-	-	-
Total	25	0	26	1	-	-	-	-
Number of Exit Packages	25	0	26	1	-	-	-	-
Total Value of Exit Packages	£161,346	£0	£163,942	£12,000	-	-	-	-

(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 as at 31 March 2025 is shown below. The salary figures also include bonuses during the relevant year.

	2024-25 £000	2023-24 £000
Band of the highest paid Director's salary (Total remuneration)	175-180	170-175
Percentage change from the previous financial year for the highest paid individual	2.9%	3.0%
Band of the highest paid Director's salary (Salary Component only)	160-165	155-160
Percentage change from the previous financial year for the highest paid individual	3.2%	3.3%
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%	0%
75 th percentile of workforce (Total Remuneration)	73,229	70,188
Pay ratio	2.4	2.5
75 th percentile of workforce (Salary Component only)	70,692	66,869
Median equivalent of workforce (Total remuneration)	64,943	58,811
Pay ratio	2.7	2.9
Median equivalent of workforce (Salary Component only)	62,135	56,774
25 th percentile of workforce (Total remuneration)	49,130	45,760
Pay ratio	3.6	3.8
25 th percentile of workforce (Salary Component only)	46,909	43,596
Highest remuneration paid (£000)	175-180	170-175
Lowest remuneration paid (£000)	25	27
Average percentage change in salaries and allowances from the previous financial year	5.4%	5.6%
Average percentage change in bonuses	2.1%	-1.9%

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

Since the prior year, the 25th, median and 75th, percentile pay ratio's experienced slight decreases. The remuneration banding for the highest paid employee has increased slightly also. Average percentage change in salaries and allowances has increased by 5.4% which is due to (a) the 3.5% annual increase in the year and (b) the impacts of the change programme undertaken by UK Sport which has resulted in a change of the organisational structure.

(v) Off Payroll Engagements

In 2024-25 there were 18 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 2025, earning £245 per day or greater.						
No. of existing engagements as of 31 March 2025	Of which, no. that existed:	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
6		6				0

All highly paid off-payroll workers engaged at any point during the year ended 31 March 2025, earning £245 per day or greater							
No. of off-payroll workers engaged during the year ended 31 March 2025	Of which:	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
18		3	1	14		18	0

Board members, and/or senior officials with significant financial responsibility, between 1 April 2024 and 31 March 2025				
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	17	N/A	N/A	

(vi) Apprenticeship Levy

UK Sport contributed £43,055 to the apprenticeship levy 2024-25, and £2,245 of claims were made in the year in respect to apprentices employed in the year (2023-24 - £37,094).

(vii) UK Sport Staff Composition

As of 31 March 2025, UK Sport employed 139 members of staff with a full time equivalent (FTE) of 134.21. This comprised 127 permanent and 12 fixed term staff (with an FTE of 123.38 and 10.83 respectively).

Gender	UK Sport Staff 2024-25	UK Sport Staff 2023-24
Male	44.3%	43.6%
Female	55.7%	56.4%

Ethnicity	UK Sport Staff 2024-25	UK Sport Staff 2023-24
Asian British	1.4%	2.3%
Asian Other	0.7%	0.6%
Black British	8.6%	4.5%
Black Other	1.4%	0%
Mixed	1.4%	1.2%
Other	0.8%	0%
White British	76.4%	72%
White Other	3.6%	3%
Not Disclosed	5.7%	16%

Age	UK Sport Staff 2024-25	UK Sport Staff 2023-24
<16	0%	0%
16-24	2.2%	3.1%
25-34	20.1%	29.5%
35-44	46.0%	44.8%
45-54	23.0%	17.8%
55- 64	7.3%	4.6%
65+	1.4%	0.2%

The percentage of staff declaring a disability as at 31 March 2025 was 10.1% (9%:2023-24).

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

UK Sport Staff	2024-25	2023-24
Employees ¹	137	169
Other staff (includes agency/seconded staff)	2	3
Total	139	172

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

(ix) Sickness Absence

UK Sport have policies and procedures in place to monitor sickness absence, (both long and short term) and this information is regularly reviewed by the HR team. During 2024-2025, sickness absence was an average of 1 day (2023-2024: 1.70 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.

This year, UK Sport has undertaken a comprehensive review of all HR policies in accordance with legislative changes and by integrating new working practices. A fully revised Recruitment Policy has been developed, incorporating efforts from our Diversity Inclusion and Action Plan (DIAP). Notable changes include the implementation of guaranteed interview schemes for individuals who declare a disability or identify as being from an ethnically diverse background and meet the minimum role requirements. Early data trends indicate a positive impact, with an increase in the number of scheme participants (40% of overall candidates) and those selected for interviews (24% of overall candidates).

Additionally, UK Sport has initiated the practice of providing interview questions to candidates prior to their interviews. Furthermore, we proactively contact candidates who have declared a disability to inquire about any specific requirements they may have before the interview is conducted.

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.

(xi) Best Practice Disclosures – Diversity and Inclusion

Recruitment and attraction efforts at UK Sport have been guided by clear targets to enhance representation. This year, 19% of new hires came from ethnically diverse backgrounds, surpassing the target of 18%. The guaranteed interview scheme introduced for candidates from ethnically diverse backgrounds has seen 40% of applicants opting in. Regarding gender representation, 58% of new hires are female, exceeding the target. Additionally, new hires from the LGBTQ+ community account for 9.5%, while 4% of new hires identify as disabled, with 5% of disabled candidates opting into the guaranteed interview scheme. Furthermore, individuals from lower socio-economic backgrounds make up 50% of new hires.

UK Sport leverages its Anti-Racism Group to provide a platform for ethnically diverse leaders to share insights and create opportunities for staff. The group also addresses discussions around UK Sport's Ethnicity Pay Gap and provides a safe space for dialogue on race-related topics. Webinars continue to be delivered for staff, focusing on differences and experiences, often featuring presentations by staff members or external speakers.

Progress is measured through the Culture Feedback Survey, particularly with the question, "Do you feel confident to talk about issues of inclusion?" The target for a majority agreement was met this year.

Every EDI (Equality, Diversity, and Inclusion) priority at UK Sport has a dedicated Head-level lead to ensure these principles are embedded across all areas. To maintain accountability, UK Sport has established an EDI Advisory Panel, which offers oversight of the DIAP (Diversity and Inclusion Action Plan) and the broader EDI Strategy. The panel comprises two board members and three independent external members who provide expertise and challenge. Since its formation in January 2024, the panel has convened six times. Staff agreement with the statement, "UK Sport role models the standards expected for equality, diversity, and inclusion," also met this year's target.

Personal diversity data disclosure rates among UK Sport staff have increased to 100% for all protected characteristics, surpassing the 80% target. This enhanced disclosure enables more targeted, data-driven interventions to foster equality and progression.

In recruitment procedures, diverse interview panels are now standard wherever possible, with a minimum gender split requirement. Shortlisting is managed by hiring managers, with HR oversight to ensure candidates opting into guaranteed interview schemes (for disability and ethnically diverse backgrounds) who meet minimum requirements are included. Mandatory training for hiring managers is provided through the Learning Arena and must be completed before undertaking hiring responsibilities for the first time. A dedicated toolkit has also been developed to support neurodiverse candidates during the selection and onboarding processes.

Lastly, staff sentiments regarding respect and inclusion are gauged through the annual survey question, "Do you feel valued and included at UK Sport?" This year, 81.2% of staff responded positively, surpassing the 80% target.

PARLIAMENTARY ACCOUNTABILITY AND AUDIT REPORT

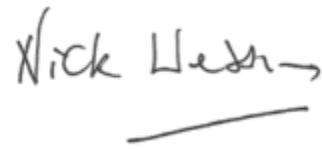
Regularity of expenditure (audited)

UK Sport is required to report on the regularity of expenditure including losses and special payments in line with managing public money requirements. For 2024-25, Fruitless payments totalled £5,924 (2023-24: £31,500).

UK Sport have no material remote contingent liabilities in 2024-25 (2023-24 – £nil).



Sally Munday OBE
Chief Executive and
Accounting Officer



Nick Webborn CBE
Chair

The United Kingdom
Sports Council

1 December 2025

The United Kingdom
Sports Council

1 December 2025



**The United Kingdom Sports Council
Grant-in-Aid
Entity and Group Accounts
for the Year Ended
31 March 2025**

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 2025 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 2025;
- 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 UK Sports Council Grant-in-Aid and its Group's 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 2025 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* (2024). 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 2024*. I am independent of the UK Sports Council 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 internal audit team 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 internal audit team 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, 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's 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.

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 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

5 December 2025

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

FINANCIAL STATEMENTS

Statement of Comprehensive Net Expenditure for the Year Ended 31-03-2025

	Note	UK Sport		Group	
		2024-25	2023-24	2024-25	2023-24
		£'000	£'000	£'000	£'000
INCOME					
Other Operating Income	3	(3,641)	(2,720)	(11,894)	(10,917)
Total		(3,641)	(2,720)	(11,894)	(10,917)
EXPENDITURE					
Staff Costs	4.1	8,808	9,339	28,729	28,937
Grants and Other Operating Costs	5	80,518	75,255	69,775	65,403
Total		89,326	84,594	98,504	94,340
NET EXPENDITURE BEFORE TAXATION AND INTEREST					
Net Interest on the Pension Liability	17.3/19	(271)	(68)	(881)	(364)
Interest Receivable	7	(33)	(41)	(83)	(108)
Interest Payable		11	15	11	21
NET EXPENDITURE FOR THE PERIOD		85,392	81,780	85,657	82,972
Other Comprehensive Expenditure					
Unrealised foreign exchange gain		–	–	–	–
Pension Scheme Re-measurements	17.4/19	3,819	(2,779)	15,304	(9,968)
TOTAL COMPREHENSIVE NET EXPENDITURE FOR THE FINANCIAL YEAR		89,211	79,001	100,961	73,004

All activities relate to continuing activities.

The notes on pages 74 to 103 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 £85.182m.

Statement of Financial Position as at 31-03-25

	Note	UK Sport		Group	
		31-03-25 £'000	31-03-24 £'000	31-03-25 £'000	31-03-24 £'000
NON-CURRENT ASSETS					
Property Plant and Equipment	8	657	1,135	1,855	2,935
Intangible Assets	9	530	606	943	1,127
Total Non-Current Assets		1,187	1,741	2,798	4,062
CURRENT ASSETS					
Trade and Other Receivables	10	2,303	1,705	3,287	2,849
Cash and Cash Equivalents	11	4,718	5,857	6,072	7,280
Total Current Assets		7,021	7,562	9,359	10,129
Total Assets		8,208	9,303	12,157	14,191
CURRENT LIABILITIES					
Trade and Other Payables	12.1	(2,248)	(3,086)	(4,246)	(6,312)
Provisions	13	(41)	(41)	(123)	(41)
Net Current Assets / (Liabilities)		4,732	4,435	4,990	3,775
Non-Current Assets plus					
Net Current Assets		5,919	6,176	7,788	7,838
NON-CURRENT LIABILITIES					
Provisions	13	–	–	–	–
Trade and Other Payables	12.2	(232)	(323)	(232)	(323)
Net Pension Assets/(Liabilities)	17.2/19	53	3,918	53	15,875
Total Non-Current Liabilities		(179)	3,595	(179)	15,552
Assets less Liabilities		5,740	9,771	7,609	23,390
TAXPAYERS' EQUITY					
Pension Reserve	17.2/19	53	3,918	53	15,875
Revenue Reserve		5,687	5,853	7,556	7,515
Total Taxpayers' Equity		5,740	9,771	7,609	23,390

The notes on pages 74 to 103 form part of these accounts.

Sally Munday

Sally Munday OBE
Chief Executive and Accounting Officer
The United Kingdom Sports Council
1 December 2025

Nick Webborn

Nick Webborn OBE
Chair
The United Kingdom Sports Council
1 December 2025

Statement of Changes in Taxpayers' Equity for the Year Ended 31-03-2025

Note	UK Sport				Group			
	2024-25		2023-24		2024-25		2023-24	
	Revenue Reserve	Pension Reserve						
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance Brought Forward – 1 April	5,853	3,918	5,526	1,428	7,515	15,875	7,230	7,280
Retained Deficit for Year	(85,392)	–	(81,780)	–	(85,657)	–	(82,972)	–
Transfer from the Pension Reserve	44	(44)	310	(310)	516	(516)	1,460	(1,460)
Grant-in-Aid								
Income Received	2	85,182	–	81,797	–	85,182	–	81,797
Pension Scheme Re-measurements	17.4/19	–	(3,819)	–	2,779	–	(15,304)	–
Other Movements	–	(2)	–	21	–	(2)	–	87
Balance at 31-Mar	5,687	53	5,853	3,918	7,556	53	7,515	15,875

The notes on pages 74 to 103 form part of these accounts.

Statement of Cash Flows for the Year Ended 31-03-25

		2024-25	2023-24	2024-25	2023-24
	Note	£'000	£'000	£'000	£'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash used from Operations	14	(86,212)	(80,497)	(85,081)	(79,305)
Interest Received	7	33	41	83	108
Interest Paid		(11)	(15)	(11)	(21)
Net Cash Outflow from Operating Activities		(86,190)	(80,471)	(85,009)	(79,218)
CASH FLOWS FROM INVESTING ACTIVITIES					
Payment to Acquire Property, Plant and Equipment	8	47	(123)	(405)	(717)
Payments to Acquire Intangible Assets	9	(100)	(247)	(202)	(324)
Net Cash Outflow from Investing Activities		(53)	(370)	(607)	(1,041)
CASH FLOWS FROM FINANCING ACTIVITIES					
Grant-in-Aid	2	85,182		85,182	81,797
Payment of Lease Liabilities	20	(78)	(59)	(774)	(699)
Net Cash Inflow from Financing Activities		85,104	81,738	84,408	81,098
Net Increase/(Decrease) in Cash and Cash Equivalents in the Period		(1,139)	897	(1,208)	839
Cash and Cash Equivalents at 1 April		5,857	4,960	7,280	6,441
Cash and Cash Equivalents at 31 March	11	4,718	5,857	6,072	7,280

The notes on pages 74 to 103 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 2024-25 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.

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.

1.3 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.

1.4 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.

1.5 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.

1.6 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	2-10 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.

1.7 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.

1.8 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.

1.9 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.

Where the pension scheme is in surplus, the recognition of a net pension asset is subject to the asset ceiling defined in IAS 19 and interpreted under IFRIC 14 – IAS 19: The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction. IFRIC 14 requires the Group to assess the availability of economic benefits in the form of refunds or reductions in future contributions.

Although the employer is closed to new entrants, there is a shared understanding between the group and the London Pensions Fund Authority (LPFA) that the employer will continue to participate in the Fund indefinitely. Accordingly, the actuaries have calculated the asset ceiling on the basis that the employer will participate in perpetuity, reflecting the expectation of ongoing access to economic benefits.

Contingent Liability and Uncertainty – Virgin Media Ruling- Defined Benefit pension scheme

The LPFA continues to consider the potential impact of the High Court (2023) and Court of Appeal (2024) judgments in the Virgin Media Ltd v NTL Pension Trustees II Ltd which confirmed that amendments to contracted-out pension schemes made without actuarial confirmation under Section 37 of the Pension Schemes Act 1993 are void in respect of both past & future service benefits.

However, the Virgin Media litigation relates to amendments made to private sector and not public service schemes and, as a result, it does not expressly deal with whether confirmations are required for relevant amendments made to public service schemes.

LPFA position

The LPFA states that it is reviewing historic amendments made between 1997 and 2016 to assess whether any were affected by the ruling. It acknowledges that some amendments may not have been accompanied by the required actuarial confirmation and therefore could be legally ineffective.

Impact assessment

The LPFA has not made any adjustments to its pension liabilities at this stage. It considers the financial impact to be uncertain and not currently quantifiable.

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

1.10 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 6 years' time with a 5-year break clause, as well as the lease at the Manchester Institute of Health and Performance, 299 Alan Turing Way, Manchester M11 3BS expiring 1st February 2027.

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. There has been no change to the provision held at the year ended 31 March 2025.

1.11 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*".

1.12 Investment

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

1.13 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.

1.14 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.

2. Grant-in-Aid

	UK Sport		Group	
	2024-25 £'000	2023-24 £'000	2024-25 £'000	2023-24 £'000
Received from DCMS-Revenue	82,286	77,199	82,286	77,199
Received from DCMS-Capital	2,896	4,598	2,896	4,598
Total	85,182	81,797	85,182	81,797

A total of £85.182m (2023-24, £81.797m) 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

	2024-25 £'000	2023-24 £'000	2024-25 £'000	2023-24 £'000
Costs Apportioned to UK Sport Lottery Account	2,752	2,316	2,752	2,316
Other	889	404	809	366
UKSI	–	–	8,333	8,235
Total			3,641	2,720
11,894	10,917			

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	
	2024-25 £'000	2023-24 £'000	2024-25 £'000	2023-24 £'000
Wages and Salaries (including performance related pay)	6,456	7,201	22,399	22,712
Other Staff Costs	199	232	315	244
Social Security Costs	746	880	2,492	2,562
Current Service Cost ¹	1,290	954	2,093	3,157
Other Pension costs	105	63	1,395	232
Administration Expense Relating to Pension Schemes	12	9	35	30
Total Staff Costs	8,808	9,339	28,729	28,937

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

	2024-25	2023-24
Employees		
UK Sport	137	118
UKSI	412	416
Total	549	534
Other Staff (Full Time Equivalent Values)		
UK Sport	2	2
UKSI	-	-
Total	2	2

Other staff numbers include agency and seconded staff numbers.

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.

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

Exit Package	Number of compulsory redundancies				Other departures agreed			
	UK Sport		Group		UK Sport		Group	
Cost Band	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
< £10,000	22	-	23	-	-	-	-	-
£10,001 - £25,000	3		3	1	-	-	-	-
£25,001 - £50,000	-	-	-	-	-	-	-	-
£50,001 - £100,000	-	-	-	-	-	-	-	-
> £100,001	-	-	-	-	-	-	-	-
Total	25	0	26	1	-	-	-	-
Number of Exit Packages	25	0	26	1	-	-	-	-
Total Value of Exit Packages	£161,346	£0	£163,942	£12,000	-	-	-	-

5. Grants and Other Operating Costs

	UK Sport		Group	
	2024-25 £'000	2023-24 £'000	2024-25 £'000	2023-24 £'000
National Support – Grants				
Sports Bodies	62,346	62,087	43,429	42,763
Performance	5,506	2,996	5,506	2,996
International Representation	669	449	669	449
	68,521	65,532	49,604	46,208
National Support – Other Costs				
Performance	8,476	6,436	8,476	6,436
Governance	-	607	-	607
Communications	579	617	579	617
UKSI	-	-	6,963	8,273
	9,055	7,660	16,018	15,933
Finance and Management Service				
HQ Office Costs	2,303	1,403	2,303	1,403
Depreciation/Amortisation	639	660	1,850	1,859
Increase in Provisions	-	-	-	-
	2,942	2,063	4,153	3,262
Total	80,518	75,255	69,775	65,403

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	
	2024-25 £'000	2023-24 £'000	2024-25 £'000	2023-24 £'000
Travel, Subsistence and Hospitality:				
Chair and Members	18	30	18	30
Employees	727	812	1,861	1,801
Consultants' Fees and	256	99	1,671	2,400
Contingent Labour	156	232	156	232
Performance Programme Delivery – Specialist Services	-	515	-	515
International Programme Delivery – Specialist Services	-	(8)	-	-
Provisions (Released)/Provided for in Year	-	(343)	82	(343)
Depreciation	415	468	1,475	1,521
Amortisation	224	192	375	338
Loss on Disposal of Tangible Assets	-	-	5	24
Loss on Disposal of Intangible Assets	-	1	11	1
Auditor's Remuneration for Audit Work ¹	55	55	100	95

7. Investment Income

	UK Sport		Group	
	2024-25 £'000	2023-24 £'000	2024-25 £'000	2023-24 £'000
Interest Receivable	33	41	83	108

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

8.1 – 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 01-04-24	844	137	620	8	29	477	2,115
Additions	(54)	-	7	-	-	-	(47)
Remeasurements	-	-	-	-	-	(16)	(16)
Disposals	-	-	-	-	-	-	-
At 31-03-25	790	137	627	8	29	461	2,052
Depreciation							
At 01/04/24	330	64	438	8	29	111	980
Charge for Year	143	25	152	-	-	95	415
Depreciation on Disposal	-	-	-	-	-	-	-
At 31-03-25	473	89	590	8	29	206	1,395
Net book value							
At 31-03-24	514	73	182	-	-	366	1,135
At 31-03-25	317	48	37	-	-	255	657
	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

8.2 Group – Property Plant and Equipment

	Leasehold Improvement	Fixtures & Fittings	IT Equipment	Office Equipment	Other	Right-of-use Assets £'000	Total £'000
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost							
At 01-04-24	856	3,346	1,306	8	29	2,341	7,886
Additions	(54)	321	138	-	-	-	405
Remeasurements	-	-	-	-	-	(5)	(5)
Disposals	-	(208)	(107)	-	-	-	(315)
At 31-03-25	802	3,459	1,337	8	29	2,336	7,971

	Leasehold Improvement	Fixtures & Fittings	IT Equipment	Office Equipment	Other	Right-of-use Assets £'000	Total £'000
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Depreciation							
At 01-04-24	343	2,301	893	8	29	1,377	4,951
Charge for Year	143	379	248	-	-	705	1,475
Depreciation on Disposal	-	(206)	(104)	-	-	-	(310)
At 31-03-25	486	2,474	1,037	8	29	2,082	6,116

	Leasehold Improvement	Fixtures & Fittings	IT Equipment	Office Equipment	Other	Right-of-use Assets £'000	Total £'000
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Net book value							
At 31-03-24	513	1,045	413	-	-	964	2,935
At 31-03-25	316	985	300	-	-	254	1,855

	Leasehold Improvement	Fixtures & Fittings	IT Equipment	Office Equipment	Other	Right-of-use Assets £'000	Total £'000
	£'000	£'000	£'000	£'000	£'000	£'000	£'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

	Leasehold Improvement	Fixtures & Fittings	IT Equipment	Office Equipment	Other	Right-of-use Assets £'000	Total £'000
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
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	4951

	Leasehold Improvement	Fixtures & Fittings	IT Equipment	Office Equipment	Other	Right-of-use Assets £'000	Total £'000
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Net Book Value							
At 31-03-23	654	963	479	5	-	1,790	3,891

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At 31-03-24	513	1,045	413	-	-	964	2,935
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9.1 UK Sport – Intangible Assets

	Information Technology £'000	Assets under Construction £'000	Total £'000
At Cost			
At 01-04-24	3,117	192	3,309
Additions	101	47	148
Disposals	-	-	-
Re-classification	158	(158)	-
At 31-03-25	3,376	81	3,457

Amortisation

At 01-04-24	2,703	-	2,703
Charge for Year	224	-	224
Amortisation on Disposal	-	-	-
At 31-03-25			
	2,927	-	2,927

Net Book Value

At 31-03-24	414	192	606
At 31-03-25	449	81	530

	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

9.2 Group – Intangible Assets

	Information Technology £'000	Assets under Construction £'000	Total £'000
At Cost			
At 01-04-24	4,650	192	4,842
Additions	157	47	204
Disposals	(124)	-	(124)
Re-classification	158	(158)	-
At 31-03-25	4841	81	4,922
Amortisation			
At 01/04/24	3,715	-	3,715
Charge for Year	375	-	375
Amortisation on Disposal	(111)	-	(111)
At 31/03/25	3,979		3,979
Net Book Value			
At 31-03-24	935	192	1,127
At 31-03-25	862	81	943
	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

10. Trade and Other Receivables

	UK Sport		Group	
	2024-25 £'000	2023-24 £'000	2024-25 £'000	2023-24 £'000
Trade Receivables	15	105	648	810
Other Receivables	966	224	881	125
Prepayments and Accrued Income	1,322	1,376	1,758	1,913
Total	2,303	1,705	3,287	2,848

All amounts fall due within one year.

The Other Receivables balance at 31 March 2025 includes an intercompany receivable of £116,000 with UKSI.

11. Cash and Cash Equivalents

	UK Sport		Group	
	2024-25 £'000	2023-24 £'000	2024-25 £'000	2023-24 £'000
Balance at 1 April	5,857	4,960	7,280	6,441
Net Change in Cash and Cash Equivalents	(1,139)	897	(1,208)	839
Balance at 31 March 25	4,718	5,857	6,072	7,280
Government Banking Services				
Balances Held with Government Banking Services	4,389	4,966	4,389	4,966
Balances Held with Commercial Banks	329	891	1,683	2,314
Total	4,718	5,857	6,072	7,280

12.1 Trade and Other Payables

	UK Sport		Group	
	2024-25 £'000	2023-24 £'000	2024-25 £'000	2023-24 £'000
Trade Payables	477	102	733	834
Other Payables	35	292	53	325
VAT	345	141	345	141
Other Taxation and Social Security	254	286	912	1,048
Accruals and Deferred Income	1,029	2,154	2,095	3,168
Right-of-use Lease Liabilities	108	111	108	796
Total	2,248	3,086	4,246	6,312

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.

12.2 Non-Current Trade and Other Payables

	UK Sport		Group	
	2024-25 £'000	2023-24 £'000	2024-25 £'000	2023-24 £'000
Accruals and Deferred Income	-	-	-	-
Right of Use Lease Liabilities	232	323	232	323
Total	232	323	232	323

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.

13. Provision for Liabilities

	UK Sport		Group	
	2024-25 £'000	2023-24 £'000	2024-25 £'000	2023-24 £'000
Opening Balance	41	384	41	384
Provision Made in Year	-	-	82	-
Provision Paid in Year	-	-	-	-
Provision Released in Year	-	(343)	-	(343)
Closing Balance	41	41	123	41

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. The provision was reduced in 2023/24, and this is yet to be paid at 31st March 2025. There have been no changes to the amount held at this year-end.

14. Reconciliation of Operating Deficit to Cash Generated from Operations

	UK Sport		Group	
	2024-25 £'000	2023-24 £'000	2024-25 £'000	2023-24 £'000
Net Expenditure Before Taxation and Interest	(85,685)	(81,874)	(86,610)	(83,423)
Depreciation/Amortisation of Property Plant and Equipment	639	660	1,850	1,859
Loss on Disposal of Property Plant and Equipment	-	1	16	25
(Increase)/Decrease in Receivables	(598)	(194)	(438)	(464)
(Decrease)/Increase in Payables	(883)	876	(1,378)	1,218
Increase/(Decrease) in Provisions	-	(343)	82	(343)
Pension Scheme: Non-Cash Movement	315	377	1,397	1,823
Net Cash Outflow from Operations	(86,212)	(80,497)	(85,081)	(79,305)

15. 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, £85.182m or 88% (2023/24, £81.797m or 88%) 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 2025 was £6.072m (2023/24, £7.280m).

Foreign Currency Risk

No further foreign currency risks remain at 31 March 2025 as all recurring foreign currency transactions are at an immaterial value to the organisation.

16. 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 1.8.

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 £0.975m or 15% of pensionable pay (2023-24, £0.586m or 9.1%).

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, with results expected late 2025.

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. Furthermore, in line with the guidance provided by IFRIC 14 – IAS 19: The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction, we have assessed the recoverability of any surplus on the scheme. As a result, we have applied an asset ceiling where appropriate, which limits the recognition of a net defined benefit asset to the extent that it is available for refund or reduction in future contributions. This ensures that the reported asset does not exceed the economic benefits available to the entity.

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

	2024-25	2023-24
	%	%
Salary Increases	3.90	3.85
Pension Increases	2.90	2.85
Discount Rate	5.90	4.95

Average Future Life Expectancies at Age 65:

	Males (years)	Females (years)
Current Pensioners	21.3	24.3
Future Pensioners	23.0	25.5

17.2 Fair Value of Employers Assets

	31/03/25	31/03/24
	£'000	£'000
Equities	22,808	22,380
Target Return Funds	7,023	6,376
Infrastructure	4,411	4,246
Property	3,525	3,381
Cash	904	579
Total Fair Value of Assets	38,671	36,962
Present Value of Scheme Liabilities	(29,151)	(33,044)
Present Value of Unfunded liabilities	-	-
Impact of asset ceiling	(9,467)	-
Net Pension Asset	53	3,918

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

	31-03-25	31-03-24
	%	%
Equities	60	61
Target Return Funds	18	17
Infrastructure	11	11
Property	9	9
Cash	2	2

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

	2024-25	2023-24
	£'000	£'000
Service Cost	1,290	954
Net Interest on the Defined Liability	(271)	(68)
Administration Expenses	12	9
Total	1,031	895

17.4 Re-measurements in Other Comprehensive Income:

	2024-25 £'000	2023-24 £'000
Return on plan assets in excess of interest	(759)	998
Other actuarial gains	-	-
Change in financial assumptions	6,261	1,527
Change in demographic assumptions	75	365
Experience loss on defined benefit obligation	71	(111)
Change in impact of asset ceiling	(9,467)	-
Re-measurements	(3,819)	2,779

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

	2024-25 £'000	2023-24 £'000
Opening defined benefit obligation	33,044	32,496
Remeasurement of opening balance	-	-
Current service cost	826	954
Interest cost	1,647	1,571
Change in financial assumptions	(6,261)	(1,527)
Change in demographic assumptions	(75)	(365)
Experience loss /(gain) on defined benefit obligation	(71)	111
Estimated benefits paid net of transfers in	(912)	(694)
Past service costs including curtailments	465	-
Contributions by scheme participants	514	520
Unfunded pension payments	(26)	(22)
Closing defined benefit obligation	29,151	33,044

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

	2024-25 £'000	2023-24 £'000
Opening fair value of employers' assets	36,962	33,924
Remeasurement of opening balance	-	-
Interest on assets	1,918	1,639
Return on assets less interest	(759)	998
Other actuarial gains/(losses)	-	-
Administration expenses	(12)	(9)
Contributions by employer including unfunded	986	606
Contributions by scheme participants	514	520
Estimated benefits paid net of transfers in including unfunded	(938)	(716)
Closing fair value of employer assets	38,671	36,962

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

	2024-25 £'000	2023-24 £'000	2022-23 £'000	2021-22 £'000	2020-21 £'000
Fair Value of Employer Assets	38,671	36,962	33,924	31,469	27,706
Present Value of Defined					

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Benefit Obligation	(29,151)	(33,044)	(32,496)	(53,992)	(53,425)
(Deficit)/Surplus	9,520	3,918	1,428	(22,523)	(25,719)
Experience Losses on Assets	-	-	-	-	-
Experience Gains/(Losses) on Liabilities	(71)	111	5,041	121	(465)

In order to assess the actuarial value of the LPFA's liabilities as at 31 March 2025, 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 2025 without completing a full valuation. The actuary is satisfied that the approach of rolling forward the previous valuation to 31 March 2024 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 2025.

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 2025.

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. Furthermore, in line with the guidance provided by IFRIC 14 – IAS 19: The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction, we have assessed the recoverability of any surplus on the scheme. As a result, we have applied an asset ceiling where appropriate, which limits the recognition of a net defined benefit asset to the extent that it is available for refund or reduction in future contributions. This ensures that the reported asset does not exceed the economic benefits available to the entity.

The actuarial valuation for IAS 19 purposes has been allocated between the Lottery and Exchequer accounts in accordance with accounting policy Note 1.8.

17.8 Reconciliation of asset ceiling

	2024-25 £'000	2023-24 £'000
Opening Impact of asset ceiling	-	-
Actuarial Losses/(gains)	-	-
Interest on impact of asset ceiling	9,467	-
Closing Impact of asset ceiling	9,467	-

The asset ceiling is the present value of any economic benefit available to UK Sport in the form of refunds or reduced future employer contributions. The calculation of the asset ceiling has followed the actuary's interpretation of IFRIC14.

The calculations assume that:

- UK Sport does not have an unconditional right to a refund of surplus, on the basis that such a payment would be at the discretion of the fund;
- UK Sport is closed to new entrants but expected to remain in the Fund indefinitely. This is because UKS retain the right to enroll new members in the future should this be deemed appropriate. On this basis, the actuaries have calculated the asset ceiling on the basis that the employer will participate in perpetuity.
- Administration expenses are assumed to grow in line with salary inflation, and are deductible from any economic benefit when determining if an accounting asset can be recognised.

17.9 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	28,393	29,151	29,931
Adjustment to long term salary increase	+0.10%	0%	-0.10%
Present value of total obligation	29,195	29,151	29,108
Adjustment to pension increases and deferred revaluation	+0.10%	0%	-0.10%
Present value of total obligation	29,882	29,151	28,440
Adjustment to mortality age rising assumption	+1 Year	None	-1 Year
	30,390	29,151	27,966

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 £1.836m** (2023/24, £1.765m).

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 will therefore be considered in the valuation of the pension liability at 31 March 2025.

A valuation for IAS 19 purposes as of 31 March 2025 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:	2024-25	2023-24
	%	%
Salary Increases	3.90	3.85
Pension Increases	2.90	2.85
Discount Rate	5.90	4.95

Average Future Life Expectancies at Age 65:	Males (years)	Females (years)
Current Pensioners	22.6	24.8
Future Pensioners	22.9	25.5

18.2 Fair Value of Employer Assets

	31-03-25	31-03-24
	£'000	£'000
Equities	47,755	47,027
Target Return Portfolio	14,704	13,399
Infrastructure	9,235	8,923
Property	7,379	7,105

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Cash	1,893	1,217
Total Market Value of Assets	80,966	77,671
Present Value of Scheme Liabilities	(56,181)	(65,714)
Present Value of Unfunded Liabilities	-	-
Impact of asset ceiling	(24,785)	-
Net Pension Asset	-	11,957

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:

	31-03-25	31-03-24
	%	%
Equities	60	61
Target Return Portfolio	18	17
Infrastructure	11	11
Property	9	9
Cash	2	2

18.3 Amounts recognised in the Statement of Comprehensive Net Expenditure

	2024-25	2023-24
	£'000	£'000
Service Cost	1,836	2,203
Net Interest on the Defined Liability	(610)	(296)
Administration Expenses	23	21
Total	1,249	1,928

18.4 Re-measurements recognised in Other Comprehensive Income:

	2024-25	2023-24
	£'000	£'000
Return on plan assets in excess of interest	(1,434)	3,189
Other actuarial (losses)/gains on assets	-	-
Change in financial assumptions	14,461	3,530
Change in demographic assumptions	141	677
Experience gain/(loss) on defined benefit obligation	132	(207)
Change in impact of asset ceiling	(24,785)	-
Re-measurements	11,485	7,189

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

	2024-25	2023-24
	£'000	£'000
Opening defined benefit obligation	65,714	63,654
Current service cost	1,836	2,149
Interest cost	3,256	3,079
Change in financial assumptions	(14,461)	(3,530)
Change in demographic assumptions	(141)	(677)
Experience loss/(gain) on defined benefit obligation	(132)	207
Estimated benefits paid in excess of transfers in	(894)	(228)
Past service costs, including curtailments	54	
Contributions by scheme participants and other employers	1,003	1,006
Closing defined benefit obligation	56,181	65,714

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

	2024-25	2023-24
	£'000	£'000
Opening fair value of employers assets	77,671	69,506
Interest on assets	3,866	3,375
Return on assets less interest	(1,434)	3,189
Other actuarial gains/(losses)	(23)	(21)
Administration expenses	777	844
Contributions by employer including unfunded	1,003	1,006
Contributions by participants	(894)	(228)
Closing fair value of employers assets	80,966	77,671

18.7 History of Experience Gains and Losses

	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20
	£'000	£'000	£'000	£'000	£'000	£'000
Fair Value of Employer Assets	80,966	77,671	69,506	66,482	56,206	44,951
Present Value of Defined Benefit Obligation	(56,181)	(65,714)	(63,654)	(118,408)	(116,936)	(71,223)
Deficit	24,785	11,957	5,852	(51,926)	(60,730)	(26,272)
Experience Losses on Assets	-	-	-	-	-	-
Experience gain/(Losses) on Liabilities	132	(207)	(4,607)	(302)	799	-

18.8 Reconciliation of asset ceiling

	2024-25 £'000	2023-24 £'000
Actuarial Losses/(gains)	-	-
Interest on impact of asset ceiling	24,785	-
Closing Impact of asset ceiling	24,785	

The asset ceiling is the present value of any economic benefit available to UKSI in the form of refunds or reduced future employer contributions. The calculation of the asset ceiling has followed the actuary's interpretation of IFRIC14.

The calculations assume that:

- UKSI does not have an unconditional right to a refund of surplus, on the basis that such a payment would be at the discretion of the fund;
- UKSI is closed to new entrants but expected to remain in the Fund indefinitely. This is because UKSI retain the right to enroll new members in the future should this be deemed appropriate. On this basis, the actuaries have calculated the asset ceiling on the basis that the employer will participate in perpetuity.
- Administration expenses are assumed to grow in line with salary inflation, and are deductible from any economic benefit when determining if an accounting asset can be recognised.

18.9 Sensitivity

The sensitivity of the EIS 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	54,832	56,181	57,573
Adjustment to long term salary increase	+0.10%	0%	-0.10%
Present value of total obligation	56,262	56,181	56,101
Adjustment to pension increases and deferred revaluation	+0.10%	0%	-0.10%
Present value of total obligation	57,532	56,181	54,872
Adjustment to mortality age rising assumption	+1 Year	None	-1 Year
Present value of total obligation	57,463	56,181	54,928

19. Group Pension Amounts

	Note	2024-25 £'000	2023-24 £'000
Pension Liabilities UK Sport	17.2	53	3,918
Pension Liabilities UKSI	18.2	-	11,957
Total Group Pension Liabilities		53	15,875
Pension Scheme Re-measurements UK Sport	17.4	(3,819)	2,779
Pension Scheme Re-measurements UKSI	18.4	(11,485)	7,189
Total Group Pension Re-measurement		(15,304)	9,968
Net Interest on the Defined Liability UK Sport	17.3	271	68
Net Interest on the Defined Liability UKSI	18.3	610	296
Total Net Interest on the Group Defined Assets		881	364

20. 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	
	2024-25 £'000	2023-24 £'000	2024-25 £'000	2023-24 £'000
SOCNE impact from capitalised leases				
Finance cost	11	15	11	21
Right-of-use asset depreciation	95	95	705	698
Contribution to SOCNE expenditure	106	110	716	719

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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 2024	366	964
Additions during the year	-	-
Lease remeasurements	(16)	(5)
Depreciation charge for the year	(95)	(705)
Balance at 31 March 2025	255	254

	UK Sport £'000	Group £'000
Lease liabilities		
Maturity Analysis – undiscounted cash flows		
Less than 1 year	116	116
1 to 5 years	235	235
More than 5 years	-	-
Total undiscounted lease liabilities at 31 March 2025	361	361
Lease liabilities included in the statement of financial position at 31 March 2025	340	340
Current	108	108
Non-current	232	232

	UK Sport 2024-25 £'000	Group 2024-25 £'000	UK Sport 2023-24 £'000	Group 2023-24 £'000
Amounts recognised in Statement of Cash Flows				
Payment of lease interest (operating activities)	11	15	11	21
Payment of lease principal (financing activities)	78	59	774	699
Total cash outflow for leases	89	74	785	720

21. Grant Commitments

On the undertaking that funds are to be provided by DCMS, UK Sport at 31 March 2025 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 2025 have not yet been recognised in the Statement of Comprehensive Net Expenditure Account nor Statement of Financial Position).

	UK Sport		Group	
	2024-25 £'000	2023-24 £'000	2024-25 £'000	2023-24 £'000
2024-25		57,733		38,292
2025-26	53,023	13	53,023	13
2026-27	53,083	-	53,083	-
2027-28	53,083	-	53,083	
2028-29	53,083	-	53,083	-
	212,272	57,746	212,272	38,305

Grant commitments are based on the assumption that Exchequer funding will continue at the planned rate beyond 2024/25.

22. Contingent liabilities

As of 31 March 2025 UK Sport had no contingent liabilities.

23. Capital Commitments

As of 31 March 2025 UK Sport had made no commitments to purchase further capital equipment (31-03-2024: Nil).

24. Events After the Reporting Period

On 14th October 2025, UKSI shared with staff and stakeholders proposals to restructure the organisation to ensure that the organisation is set up in the best possible way to deliver outcomes for the LA Games in 2028 and beyond. The changes are subject to a consultation period until at least December 2025.

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

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.

25. Related Party Transactions

UK Sport is an Arm's Length Body sponsored by DCMS, who are regarded as a related party. During 2024-25 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

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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. This includes the disclosure of relationships which are above and beyond the definition of related parties per the FREM. 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	Amount £
UKSI	Subsidiary	Grant Expenditure Recharged Expenditure Other Costs VAT recharged	18,916,732 79,649 51,011 536,770
John Dowson UK Sport Board (Member)	UKSI (Chair)	Grant Expenditure, Recharged Expenditure, Other Costs, VAT recharged, Accounts Receivable and Payable	See above
Sarah Williams Group Audit & Risk Committee (Member)	UKSI (Non-Executive Director)	Grant Expenditure, Recharged Expenditure, Other Costs, VAT recharged, Accounts Receivable and Payable	See above
DCMS	Parent Department	Grant-in-Aid Received	85,182,000
Rachel Baillache UK Sport Board (Member)	Lawn Tennis Association (Non-Executive Director)	Other Income (LTA Operations Ltd)	269,928
Annie Panter UK Sport Board (Member)	Two Circles Limited (Employee and Management Shareholder)	Other Costs	159,185
Annie Panter UK Sport Board (Member)	Rugby World Cup (England 2025) Ltd (Director)	Grant Expenditure	4,988,154
Chris Pilling UK Sport Board (Member)	Barclays Bank UK Ltd (Non- Executive Director)	Bank Charges	11,050
Scott Smith Group Audit and Risk Committee (Member)	The Grand National Archery Society (Archery GB) (Board Member)	Grant Expenditure Other Expenditure Other Income	26,500 1,562 225

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Chris Boardman UK Sport Board (Member)	Sport England (Chair)	Grant Expenditure	50,000
		Other Income	160,909
		Recharged Expenditure	75
		Accounts Payable	6,570
Tanni Grey-Thompson UK Sport Board (Member)	Sport Wales (Chair)	Grant Expenditure	260
		Recharged Expenditure	50,000
		Other Income	720
			150
George Lucas UK Sport Board (Member)	Sport NI (Chair)	Grant Expenditure	50,000
		Recharged Expenditure	5,000
		Other Income	150
		Other Expenditure	110
Sarah Williams Group Audit and Risk Committee (Member)	Rugby Football Union (Director)	Grant Expenditure	285,000
		Accounts Receivable	75
		Other Income	2,575
		Other Expenditure	2,000
Mauren Campbell UK Sport Board (Member)	Sport Scotland(Chair)	Grant Expenditure	54,167
		Other Expenditure	5,108
		Accounts Receivable	900
		Other Income	1,330

All related party transactions during the period were conducted at arm's length.

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:

	2024-25 £'000	2023-24 £'000
Statement of Comprehensive Net Expenditure		
Income	(27,291)	(27,679)
Administrative Expenses	28,262	29,085
Operating (Surplus)/Deficit before Interest and Taxation	971	1,406
Interest Receivable	(660)	(363)
Interest Payable and Similar Charges	-	-
(Surplus)/Deficit on Ordinary Activities Before Tax on Surplus on Ordinary Activities	(311)	1,043
(Surplus)/Deficit for the Financial Year	(311)	1,043
Re-measurement of the Net Defined Benefit Liability	(11,485)	(7,189)
Total Comprehensive Net (Income)/Expenditure for the Year	(11,796)	(6,146)
	2024-25 £'000	2023-24 £'000
Statement of Financial Position		
Property Plant and Equipment	1,198	1,203
Intangible Assets	414	521
Current Assets	2,454	2,705
Payables: Falling Due Within One Year	(1,928)	(2,627)
Total Assets less Current Liabilities	2,138	1,802
Deferred Income	(1,886)	(1,793)
Provision for other Liabilities	(82)	(-)
Net Liabilities Excluding Pension Liability	170	9
Defined Benefit Pension Scheme Liability	-	11,957
Net Liabilities Including Pension Liability	170	11,966
Reserves		
Revenue Reserve	170	11,966

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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 2024/25 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 UKSI's preparation under FRS 102 to the new FReM IFRS 16 standard applied at Group level. Further details are given in Note 20. As at 31 March 2025, all leases previously recognised under IFRS 16 had expired. There are currently no lease arrangements in place that meet the recognition criteria set out in IFRS 16.



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31 March 2025**

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 2025 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 2025;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in 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 2025 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* (2024). 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 2024*. I am independent of the UK Sport Council 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.

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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 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 regulations¹, 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

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- 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 recognition¹, posting of unusual journals, complex transactions, and bias in management estimates and. 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 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.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including 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

5 December 2025

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

Statement of Comprehensive Net Expenditure for the Year Ended 31-03-25

	Note	2024-25 £'000	2023-24 £'000
INCOME			
National Lottery Share of Proceeds	2	(81,770)	(78,585)
Investment Returns from NLDF	2	(3,932)	(3,829)
Interest Receivable		(73)	(55)
Other Operating Income		(134)	(35)
Total Income		(85,909)	(82,504)
EXPENDITURE			
Accrued Grant Commitments	3	6,087	4,772
Accrued Grant De-commitments	3	(605)	(504)
Grant Clawbacks		(8)	(46)
Other Grant Payments	5	65,970	68,435
Staff Costs	6	3,705	4,044
Amortisation	9	15	27
Other Operating Costs		595	350
Costs Apportioned from UK Sport Grant-in-Aid Account		2,753	2,316
Total Expenditure		78,512	79,394
NET (INCOME)/EXPENDITURE BEFORE TAXATION		(7,397)	(3,110)
Net Interest on the Pension Liability	12.3	(80)	(20)
NET (INCOME)/EXPENDITURE		(7,477)	(3,130)
Other Comprehensive Expenditure			
Pension Scheme Re-measurements	12.4	1,139	(838)
Total Comprehensive Net (Income)/Expenditure		(6,338)	(3,968)

All activities relate to continuing activities.

The notes on pages 114 to 127 form part of these accounts

Statement of Financial Position as at 31-03-25

	Note	31-03-25 £'000	31-03-24 £'000
NON-CURRENT ASSETS			
Intangible Assets	9	19	24
Total Non-Current Assets		19	24
CURRENT ASSETS			
Investments – Balance at NLDF	2	67,669	59,649
Trade and Other Receivables	10	39	284
Cash and Cash Equivalents	14	2,315	726
Total Current Assets		70,023	60,659
CURRENT LIABILITIES			
Trade and Other Payables	11	(1,221)	(283)
Grant Commitments Falling Due Within One Year	3	(4,748)	(4,360)
Total Current Liabilities		(5,969)	(4,643)
Net Current Assets		64,054	56,016
Non-Current Assets plus Net Current Assets		64,073	56,040
NON-CURRENT LIABILITIES			
Grant Commitments Falling Due After One Year	3	(3,107)	(2,541)
Pension Liability	12.2	(411)	714
Total Non-Current Liabilities		(3,518)	(1,827)
Total Assets less Liabilities		60,555	54,213
EQUITY			
Pension Reserve	12.2	(411)	714
Revenue Reserve		60,966	53,499
Total Equity		60,555	54,213

The notes on pages 114 to 127 form part of these accounts.

Sally Munday

Sally Munday OBE
Chief Executive and Accounting Officer
The United Kingdom Sports Council
1 December 2025

Nick Webborn

Nick Webborn CBE
Chair
The United Kingdom Sports Council
1 December 2025

Statement of Changes in Equity for the Year Ended 31/03/25

	Note	2024-25		2023-24	
		Revenue Reserve £'000	Pension Reserve £'000	Revenue Reserve £'000	Pension Reserve £'000
Balance Brought Forward - 1 April		53,499	714	50,240	(2)
Net Income/(Expenditure) for the Year		7,477		3,130	-
Pension Scheme Re-measurements	12.4		(1,139)	-	838
Transfer from the Pension Fund		(10)	10	129	(129)
Other Movements			4	-	7
Balance at 31 March		60,966	(411)	53,499	714

The notes of pages 114 to 127 form part of these accounts

Statement of Cash Flows for the Year Ended 31-03-25

	Note	2024-25 £'000	2023-24 £'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Cash outflow from Operating Activities	13	1,526	18
Interest Received		73	55
Net Cash Outflow from Operating Activities		1,599	73
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments to Acquire Intangible Assets		(10)	(25)
Net Cash Outflow from Investing Activities		(10)	(25)
Net Increase/(Decrease) in Cash and Cash Equivalents in the Year		1,589	48
Cash and Cash Equivalents at 1 April		726	678
Cash and Cash Equivalents at 31 March	14	2,315	726

The notes on pages 114 to 127 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 2024/25 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 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 2025, 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	2-10 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.

Where the pension scheme is in surplus, the recognition of a net pension asset is subject to the asset ceiling defined in IAS 19 and interpreted under IFRIC 14 – IAS 19: The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction. IFRIC 14 requires the Group to assess the availability of economic benefits in the form of refunds or reductions in future contributions.

Although the employer is closed to new entrants, there is a shared understanding between the group and the London Pensions Fund Authority (LPFA) that the employer will continue to participate in the Fund indefinitely. Accordingly, the actuaries have calculated the asset ceiling on the basis that the employer will participate in perpetuity, reflecting the expectation of ongoing access to economic benefits.

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:

	2024/25	2023/24
	£'000	£'000
Balance Brought Forward	59,649	58,114
Share of Net Operator Proceeds	81,770	78,585
Investment Returns from NLDF	3,932	3,829
Available for Distribution	145,351	140,528
Funds Drawn Down	(77,682)	(80,879)
Balance Carried Forward	67,669	59,649

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 31-03-25 is £67.669m (31-03-24: £59.649m).

The NLDF balance increased during the year 2024-25 to stand at £67.669m at 31-03-25, representing 37.7% of outstanding commitments made at that point. Once the closing UK Sport Lottery cash balance of £2.315m is included, the total represents 39.0% of outstanding commitments. The balance of outstanding commitments will be met by anticipated future NLDF revenue receipts.

3. Accrued Grant Commitments

	2024-25	2023-24
	£'000	£'000
Accrued Commitments Brought Forward	6,901	8,009
Commitments Made in the Year	6,087	4,772
De-commitments Made in the Year	(605)	(504)
Total Accrued Grant Commitments	12,383	12,277
Accrued Grant Commitments Met in the Year	(4,528)	(5,376)
Accrued Grant Commitments Carried Forward	7,855	6,901

Accrued Grant Commitments by Year

	2024-25	2023-24
	£'000	£'000
Amounts Falling Due During 2024/25	-	4,360
Amounts Falling Due During 2025/26	4,748	741
Amounts Falling Due During 2026/27	2,308	1,800
Amounts Falling Due During 2027/28	799	-
	7,855	6,901

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 2024 and actual amounts paid in 2024-25.

4. Other Grant Commitments

	2024-25	2023-24
	£'000	£'000
Amounts Falling Due During 2024/25	64,478	64,478
Amounts Falling Due During 2025/26	64,143	7,611
Amounts Falling Due During 2026/27	37,970	2,441
Amounts Falling Due During 2027/28	34,689	34,668
Amounts Falling Due During 2028/29	34,668	34,668
	171,470	74,530

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.

5. Lottery Grant Payments	2024-25	2023-24
	£'000	£'000
Accrued Grant Payments		
Major Events	4,258	5,376
Other	270	-
	4,528	5,376
Other Grant Payments		
Athletes	19,438	19,244
National Governing Bodies and Partners	46,262	48,920
International Relations	270	271
	65,970	68,435
Total Grant Payments	70,498	73,811

6. Staff Costs

	2024-25	2023-24
	£'000	£'000
Wages and Salaries		
	3,000	3,173
Other Staff Costs	22	81
Social Security Costs	345	370
Current Service Costs	12.3	276
Other Pension Costs	60	-
Administration Expense Relating to Pension Schemes	12.3	2
Total Employee Costs	3,705	4,044

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:

	2024-25	2023-24
	£'000	£'000
Employees	47	51
Other Staff	0	1
Average Staff Numbers	47	52

8. Lottery Funds

	2024-25	2023-24
	£'000	£'000
The Lottery Fund is stated after charging for:		
External Auditors' Remuneration for Audit Work	55	55

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 01-04-24	747
Additions	10
At 31-03-25	757

Amortisation

At 01-04-24	723
Charge for Year	15
At 31-03-25	738

Net Book Value

At 31-03-24	24
At 31-03-25	19

	£'000
Cost	
At 01-04-23	722
Additions	25
At 31-03-24	747

Amortisation

At 01-04-23	696
Charge for Year	27
At 31-03-24	723

Net Book Value

At 31-03-23	26
At 31-03-24	24

10. Trade Receivables

	2024-25 £'000	2022-23 £'000
Trade Receivables	5	-
Other Receivables	11	260
Prepayments and Accrued Income	24	24
Total	40	284

All amounts fall due within one year.

11. Trade Payables

	2024-25 £'000	2023-24 £'000
Trade Payables	5	-
Other Payables	809	-
VAT	1	-
Accruals and Deferred Income	406	283
Total	1,221	283

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 £0.208m or 9.1% of pensionable pay (2023-24, £0.231m or 9.1%). 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. Furthermore, in line with the guidance provided by IFRIC 14 – IAS 19: The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction, we have assessed the recoverability of any surplus on the scheme. As a result, we have applied an asset ceiling where appropriate, which limits the recognition of a net defined benefit asset to the extent that it is available for refund or reduction in future contributions. This ensures that the reported asset does not exceed the economic benefits available to the entity.

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	2024-25 %	2023-24 %
Salary Increases	3.90	3.85
Pension Increases	2.90	2.85
Discount Rate	5.90	4.95

Average Future Life Expectancies at Age 65:

	Males (years)	Females (years)
Current Pensioners	21.3	24.3
Future Pensioners	23.0	25.5

12.2 Fair Value of Employer's Assets

	Fund Value 31-03-25 £'000	Fund Value 31-03-24 £'000
Equities	6,727	6,626
Target Return Portfolio	2,071	1,888
Infrastructure	1,301	1,257
Property	1,039	1,001
Cash	267	171
Total Fair Value of Assets	11,405	10,943
Present Value of Scheme Liabilities	(8,988)	(10,229)
Change in impact of asset ceiling	(2,828)	-
Net Pension (Liability)/Asset	411	714

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

	2024-25 %	2023-24 %
Equities	60	61
Target Return Portfolio	18	17
Infrastructure	11	11
Property	9	9
Cash	2	2

12.3 Amounts recognised in the Statement of Comprehensive Net Expenditure

are as follows:	2024-25 £'000	2023-24 £'000
Service Cost	276	377
Net Interest on the Defined Liability	(80)	(20)
Administration Expenses	2	4
Total	198	361

12.4 Re-measurements in Other Comprehensive

	2024-25 £'000	2023-24 £'000
Return on plan assets in excess of interest	(225)	295
Other actuarial gains	-	-
Change in financial assumptions	1,871	466
Change in demographic assumptions	22	111
Experience (loss)/gain on defined benefit obligation	21	(34)
Change in impact of asset ceiling	(2,828)	-
Re-measurements	(1,139)	838

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

	2024-25	2023-24
	£'000	£'000
Opening defined benefit obligation	10,229	10,010
Remeasurement of opening balance	-	-
Current service cost	176	377
Interest cost	488	463
Change in financial assumption	(1,871)	(466)
Change in demographic assumptions	(22)	(111)
Experience loss/(gain) on defined benefit obligation	(21)	34
Estimated benefits paid net of transfer in	(195)	(274)
Past service costs including curtailments	99	-
Contributions by scheme participants	110	205
Unfunded pension payments	(5)	(9)
Closing defined benefit obligation	8,988	10,229

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

	2024-25	2023-24
	£'000	£'000
Opening fair value of employer's assets	10,943	10,008
Remeasurement of opening balance	-	-
Interest on asset	568	483
Return on assets less interest	(225)	295
Other actuarial gains	-	-
Administration expenses	(2)	(4)
Contributions by employer including unfunded	211	239
Contributions by scheme participants	110	205
Estimated benefits paid net of transfers in including unfunded	(200)	(283)
Closing fair value of employer's assets	11,405	10,943

12.7 History of Experience Gains and Losses

	2024-25	2023-24	2022-23	2021-22	2020-21
	£'000	£'000	£'000	£'000	£'000
Fair Value of Employer Assets	11,405	10,943	10,008	9,233	8,073
Present Value of Defined Benefit Obligation	(8,988)	(10,229)	(10,010)	(16,299)	(15,799)
Surplus/(Deficit)	2,417	714	(2)	(7,066)	(7,726)
Experience Losses on Assets	-	-	-	-	-
Experience Gains/(Losses) on Liabilities	(21)	34	1,520	(36)	138

In order to assess the actuarial value of the LPFA's liabilities as at 31 March 2025 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 2025 without completing a full valuation. The actuary is satisfied that the approach of rolling forward the previous valuation to 31 March 2024 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

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 Reconciliation of asset ceiling

	2024-25 £'000	2023-24 £'000
Opening Impact of asset ceiling	-	-
Actuarial Losses/(gains)	-	-
Interest on impact of asset ceiling	(2,828)	-
Total	(2,828)	-

The asset ceiling is the present value of any economic benefit available to UKSI in the form of refunds or reduced future employer contributions. The calculation of the asset ceiling has followed the actuary's interpretation of IFRIC14.

The calculations assume that:

- UK Sport does not have an unconditional right to a refund of surplus, on the basis that such a payment would be at the discretion of the fund;
- UK Sport is closed to new entrants but expected to remain in the Fund indefinitely. This is because UKS retain the right to enroll new members in the future should this be deemed appropriate. On this basis, the actuaries have calculated the asset ceiling on the basis that the employer will participate in perpetuity.
- Administration expenses are assumed to grow in line with salary inflation, and are deductible from any economic benefit when determining if an accounting asset can be recognised.

12.9 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:

Adjustment to discount rate	+0.10%	0%	-0.10%
Present value of total obligation	8,810	8,988	9,171
Adjustment to long term salary increase	+0.10%	0%	-0.10%
Present value of total obligation	8,995	8,988	8,980
Adjustment to pension increases and deferred revaluation	+0.10%	0%	-0.10%
Present value of total obligation	9,169	8,988	8,812
Adjustment to mortality age rising assumption	+1 Year	None	-1 Year
Present value of total obligation	9,235	8,988	8,748

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

	2024-25	2023-24
	£'000	£'000
(Decrease)/Increase in Lottery Funds Before Taxation	7,397	3,110
(Increase)/Decrease in Receivables	245	(253)
(Decrease)/Increase in Payables	1,892	(1,426)
Amortisation of Intangible Assets	15	27
Interest Receivable	(73)	55
Decrease/(Increase) in NLDF	(8,020)	(1,535)
Pension Scheme: Non-Cash Movement	70	150
Net Cash Inflow/(Outflow) from Operating Activities	1,526	18

14. Change in Cash and Cash Equivalents

	2024-25 £'000	2023-24 £'000
Opening Cash Balance	726	678
Net Cash Inflow/(Outflow)	1,589	48
Cash and Bank Balances at Year End	2,315	726

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 £81.770m or 95.2% (2023-24, £78.585m or 95.3%) 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 £67.669m (2023-24, £59.649m). In the year the average return on these investments was 6.2% (2023-24, 5.4%). 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 £2.315m (2023-24, £0.726m). 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 2025, UK Sport Lottery Fund had no contingent liabilities requiring disclosure.

17. Contingent Assets

18. Capital Commitments

As at 31 March 2025, the Lottery Fund had made no commitments to purchase further capital equipment (31-03-24, £nil).

19. 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.

20. Related Party Transactions

UK Sport is an Arm's Length Body sponsored by DCMS, who are regarded as a related party. During 2024-25 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. This includes the disclosure of relationships which are above and beyond the definition of related parties per Lottery Financial Reporting Framework. 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	Amount £
UKSI	Subsidiary of UK Sport Exchequer	Recharged Expenditure	8,400
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
Chris Pilling UK Sport Board (Member)	Barclays Bank UK Ltd (Non- Executive Director)	Bank Charges	78
Scott Smith (Group Audit and Risk Committee (Member)	The Grand National Archery Society (Archery GB) (Board Member)	Grant Expenditure	872,202
		Other expenditure	4,500
Maureen Campbell UK Sport Board (Member)	SportScotland (Chair)	Grant Expenditure	264,000
Tanni Grey-Thompson UK Sport Board (Member)	Sport Wales (Chair)	Grant Expenditure	189,000

All related party transactions during the period were conducted at arm's length.

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