

SURREY CANAL SPORTS FOUNDATION

Annual Report and Unaudited Financial Statements
2014/15



FOR THE YEAR ENDED 28 FEBRUARY 2015
CHARITY NO: 1141811
COMPANY NO: 7523847

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CHAIRMAN'S MESSAGE



This has been an important year for the Surrey Canal Sports Foundation as we work to establish ourselves and develop our plans for building the largest and best indoor community sports facility in London.

We brought in £6.5m of capital pledges in 2014/15 which puts us within touching distance of being able to commission detailed designs for the Energize building.

These designs will now be incorporating an OnSide Youth Zone following an exciting partnership between our two organisations. Youth Zones provide young people aged 16-24 in the heart of deprived areas a warm, welcoming, safe, well equipped, and well-staffed place to go. OnSide share our aims for tackling deprivation through engaging young people in activities and will compliment the Foundation's work to improve the life opportunities for young people in south east London.

Our interim basketball and table tennis centre, the Thunderdome, which has been created in a warehouse opposite where Energize will be, has been a real success and allowed two local clubs, London Thunder Basketball and Fusion Table Tennis, to establish themselves in the community. The Thunderdome attracts 2,000 visits every month and is the result of a successful partnership between public, private and third sector donors that has afforded both clubs a base that is the envy of every visiting side.

I look forward to the Foundation further developing the plans for Energize in the coming year and working hard to be the driving force behind this area's regeneration.

A handwritten signature in black ink, appearing to read 'Steven Norris'.

Steven Norris
Chairman, Surrey Canal Sports Foundation

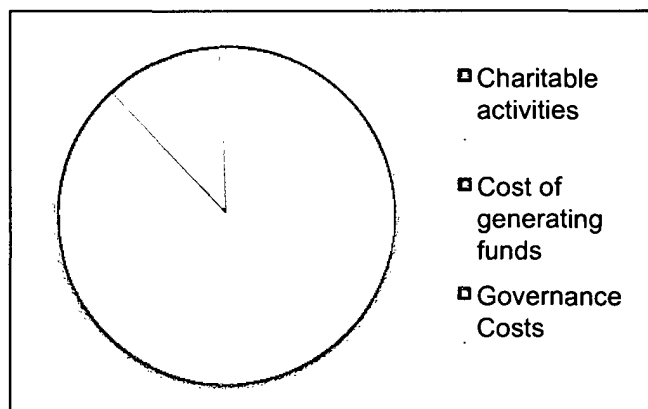
A REVIEW OF THE YEAR

The Foundation continued to pursue its main objectives of raising capital pledges towards Energize, a landmark £40 million indoor sports centre in south east London, whilst at the same time working to establish sport in the local community today.

Expenditure

The Foundation's expenditure for 2014/15 was £236,074.

Expenditure	Amount
Charitable activities	£207,661
Cost of generating funds	£26,913
Governance Costs	£1,500
Total resources expended	£236,074



Costs as a percentage of overall expenditure 2014/15

Spending on charitable activities has increased by £17,119 in comparison to the year 2013/14, due to the three launches (London Thunder, Fusion Table Tennis and OnSide Youth Zones) and because of the ongoing support of the Foundation to the interim sports facilities on site which attract 2,000 visits every month.

Spending on generating funds has decreased by £13,245 as the Foundation's established partnerships come to fruition and the interim facilities on site become the main 'fundraising tool' for the Foundation to lever additional capital pledges.

Income

The Foundation has had significant capital pledges of up to £6.5 million towards Energize in the year 2014/15, however the Foundation will not realise these pledges until detailed plans for Energize are developed and construction starts on site.

As anticipated, the Foundation did not receive any income in 2014/15. The Foundation remains operational and viable as the developer of the wider New Bermondsey scheme, Renewal, supports it with ongoing loan funding. As set out in the Facility Agreement between Renewal and the Surrey Canal Sports Foundation, Renewal will not call in any loans until the Foundation is in a position to repay. Renewal will continue to stand behind the foundation to ensure the delivery of Energize.

Capital pledges so far:

Renewal	£10m
OnSide Youth Zones	£5-6m
Sport England	£2m
Lewisham Council	£0.5m
Total	£17.5- £18.5m

Once the Foundation has reached £20 million in capital pledges for Energize it will commission detailed designs whilst continuing to fundraise for the remaining £20 million. Having detailed plans for the building will put the Foundation in a stronger position to raise the remaining funds required.

Lewisham Council

On 25th June 2014 Lewisham Council pledged £500,000 of funding to the Foundation subject to the terms of the associated funding agreement being agreed.

OnSide Youth Zones

The Surrey Canal Sports Foundation have teamed up with OnSide to build a Youth Zone in London. Integrated into the Energize building it will open seven days a week, fifty two weeks a year, giving young people aged 8 – 19 and those up to 25 with a disability in both Lewisham and Southwark, a place to socialise, be creative and inspire one another.

OnSide target raising £5-6m to build each Youth Zone with the funding being provided by both the public and private sectors.

This partnership with the Surrey Canal Sports Foundation was announced at a reception on 14th July 2014 hosted by the Rt Hon Jack Straw MP at the House of Commons.



Left and right: Young people using the Manchester Youth Zone

SPORT TODAY

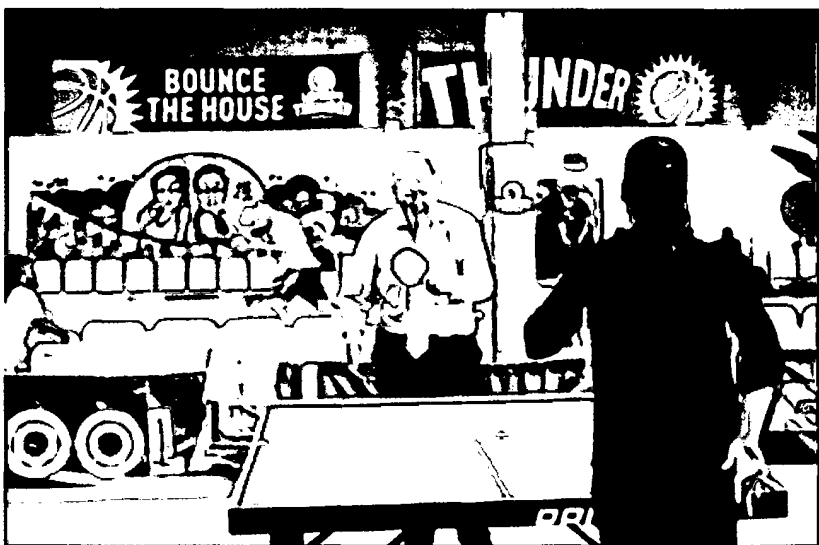
The Thunderdome: Thunder Basketball Club and Fusion Table Tennis Club

The Thunderdome (the interim facilities on site) is home to two basketball courts and fourteen table tennis tables. The Thunderdome has quickly established itself as one of London's most exciting new sports venues with 2,000 visits every month to London Thunder basketball Club and Fusion Table Tennis Club.

Since it first opened in April 2013, the venue has been transformed into a fully equipped facility with changing rooms, classrooms and a canteen. In May 2014, two hundred spectator seats which were part of the Aquatic Centre during the London 2012 Olympics were given to London Thunder to create a show court.

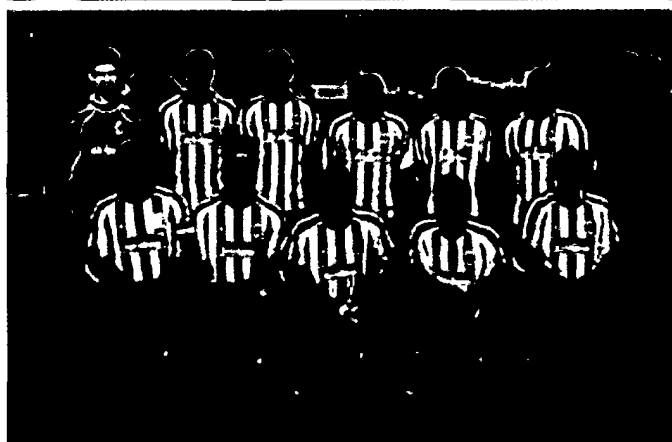
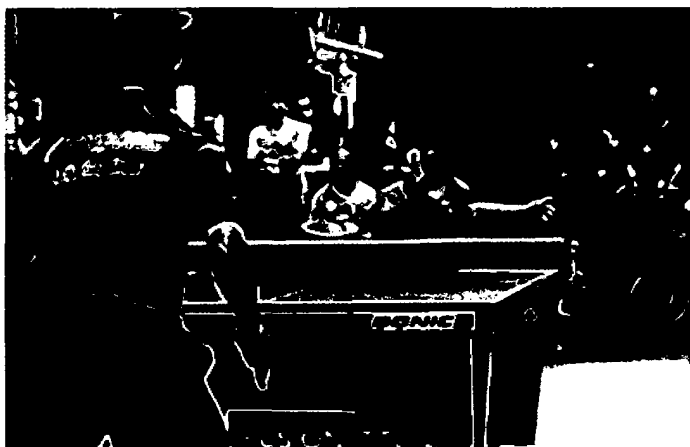
This transformation has been made possible through the support of Renewal, Lewisham Council, the L&Q Foundation and Basketball England in partnership with the Surrey Canal Sports Foundation.

The Thunderdome was officially opened by the elected Mayor of Lewisham and Foundation Trustee Sir Steve Bullock at a London Thunder family open day 'Bounce the House' on 17 July 2014.



Opening the Thunderdome, 17 June 2014

Fusion Table Tennis Club held their own celebration to open their new fourteen table home on 10th August 2014 with an exhibition match between former Swedish world champions Jan-Ove Waldner & Jorgen Persson.



Top left; Former World Champion Jan-Ove Waldner warms up against a junior member. Top Right; Former World Champion Jorgen Persson cuts the ribbon to open Fusion's home in Thunderdome. Bottom left; A Fusion member receives an award from Alan Smith, Deputy Mayor of Lewisham, and Neil Coyle, Deputy Mayor of Southwark. Bottom right; Lewisham Borough (Community) FC during the 2014/15 season.

Lewisham Borough Community Football Club

The Surrey Canal Sports Foundation sponsored Lewisham Borough (Community) FC to the tune of £5,000 for the 2014/15 season. Lewisham Borough are a community club who play on the Ladywell Arena, Catford and this sponsorship provided their two teams with new kits, training equipment, transport and admin costs for the season.

REFERENCE & ADMINISTRATIVE INFORMATION

The Surrey Canal Sports Foundation

The Surrey Canal Sports Foundation was established in 2010 to raise capital funds for, and to oversee the running of, a £40 million indoor sports centre to be called Energize.

Energize will be located on Surrey Canal Road in the New Cross ward of Lewisham, 1.5 miles from London Bridge. Despite its proximity to central London, the New Cross ward is one of the most deprived wards in the country, suffering from high unemployment, poor health and low life expectancy. Today, the local area has a young and diverse population with 33% of people under 25 years old and 60% of the population are from Black, Asian and Minority Ethnic communities. Looking forward, the population of the New Cross ward is set to grow by over 60% in the next 15 years.

Energize will be at the heart of the wider New Bermondsey regeneration and will transform the opportunities available to this community, today and tomorrow.

Our objectives

The objectives of the charity are:

- The promotion of community participation in healthy recreation and in particular by the provision of facilities for the playing of basketball, netball, badminton, table tennis, boxing, football, swimming, gymnastics and fitness amongst other sports at Energize.
- To use sport as a focus for developing the confidence and capabilities of young people to enable them to participate in society as mature and responsible adults.
- The provision of world class sports facilities for community use, schools and elite performance in perpetuity.

Our vision

Our vision is to provide access to sport and exercise facilities at affordable rates for all Lewisham and Southwark residents, helping local people to lead healthier and happier lives by harnessing the benefits of participating in sport. By working closely with local schools, Further Education Colleges and the NHS we want to take sport into the local community to improve the physical health, mental wellbeing and individual self-esteem of local community.

As an integral part of the wider New Bermondsey regeneration we want to provide employment and training opportunities, open spaces, and a better environment for all residents in perpetuity.

Governing documents

The organisation is a charitable company limited by guarantee, incorporated on 9 February 2011. The company was established under a Memorandum of Association, which established the objectives and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

Public Benefit

The Directors of Surrey Canal Sports Foundation Limited have referred to the guidance in the Charity Commission's general guidance on Public Benefit when reviewing aims and objectives and in planning future activities. The objects of the charity comply with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit. The Directors consider how planned activities will contribute to the aims and objectives they have set to further the charity's charitable purposes for the public benefit.

Reserve Policy

The charity is at an early stage of its development. The current policy of the trustees is to raise funds and build reserves sufficient to begin the construction of Energize.

The charity's funds are currently in deficit as all monies to date have been received via a loan facility with Renewal Group Limited. Renewal Group Limited have confirmed their continued support to the charity and indeed have issued a letter to the trustees confirming that they will not request repayment of these monies until sufficient alternative funds are available.

Risk Review

The Surrey Canal Sports Foundation Limited Board of Directors have assessed the major strategic business and operational risks which the charity faces and confirm that the necessary steps have been taken to control these risks.

Trustees Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued March 2005) and in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

On behalf of the Board



Steve Norris, Director

26 November 2015
Date

THE SURREY CANAL SPORTS FOUNDATION

Charity Number 1141811

Company Number 7523847

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Guild House
Rollins Street
London
SE15 1EP

Telephone 020 7358 1933

Email info@surreycanalsportsfoundation.org.uk

Website www.surreycanalsportsfoundation.org.uk

Company secretary Martina Angelova

Independent Examiner Kingston Smith LLP
Orbital House
20 Eastern Road
Romford
Essex
RM1 3PJ

Bankers Barclays Bank
43 High Street
Sutton
Surrey
SM1 1DR

Trustees



Steven Norris
Chairman



Baroness Grey-Thompson
Paralympian



Sir Steve Bullock
Mayor, London Borough of
Lewisham



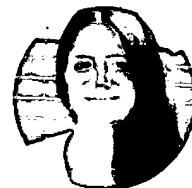
Brendan Jarvis
Head of Real Estate,
Europe, the Middle
East and Africa,
Barclays



John Inverdale
Broadcaster



Cllr Peter John
Leader, London Borough of
Southwark



Jordana Malik
Director Renewal

STATEMENT OF FINANCIAL ACTIVITY (INCLUDING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDING 28TH FEBRUARY 2015

	Notes	Unrestricted funds For the year ended 28 February 2015	Unrestricted funds For the year ended 28 February 2014
		£	£
<u>Incoming Resources</u>			
Incoming resources from generated funds			
- Voluntary income (donations)		-	-
Total incoming resources		-	-
Resources expended			
Charitable activities	2	207,421	190,542
Cost of generating funds	3	26,913	40,158
Governance Costs	4	1,740	1,500
Total resources expended		236,074	232,200
Net outgoing resources		(236,074)	(232,200)
Fund balances brought forward		(371,648)	(139,448)
Fund balances carried forward		(607,722)	(371,648)

All income and expenditure relates to continuing activities.

There are no recognised gains or losses other than the deficit for the year.

BALANCE SHEET AT 28TH FEBRUARY 2015

	Notes	2015	2014
		£	£
Current assets			
Debtors	6	25,510	50,010
Cash at bank and in hand		116	4,436
		25,626	54,446
Creditors: amounts falling	7		
Due within one year		633,348	426,094
Net current liabilities		(607,722)	(371,648)
		(607,722)	(371,648)
Net liabilities		(607,722)	(371,648)
Income funds			
Unrestricted funds		(607,722)	(371,648)

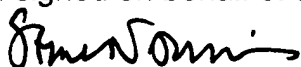
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 28 February 2015. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and accurate view of the state of affairs of the company at the end of the financial period and of its incoming resources and application of resources, including its income and expenditure, for the financial period in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006.

The accounts were approved and authorised for issue on 26 November 2015

And signed on behalf of the board by



S Norris

Director

Company number: 7523847

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards, the Charities Act 2011 and the Companies Act 2006. The accounting policies have not changed during the year.

In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005).

For the year ended 28 February 2015 the charity has incurred a deficit of £236,074 (2014: £232,200) and at 28 February 2015 has net liabilities of £607,722.

The charity is reliant on the support of Renewal Group Limited and has obtained written assurance from Renewal Group Limited that they will not withdraw funds due to them until sufficient alternative funds are available.

On the basis of the assurance obtained from Renewal Group Limited the trustees consider that it is appropriate to prepare the financial statements on a going concern basis. The financial statements do not include the adjustments that would result if the charity was unable to continue as a going concern.

1.2 INCOMING RESOURCES

Income from donations, grants and gifts is included in incoming resources when these are receivable and the charity is entitled to receipt.

1.3 RESOURCES EXPENDED

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes VAT which cannot be recovered.

Grants payable are charged in the year when the offer is conveyed to the recipients except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Costs of generating funds comprise the costs associated with attracting voluntary income. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include costs of the independent examination.

1.4 FUND ACCOUNTING

All funds held are unrestricted general funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

2. Charitable Activities**For the year
ended 28
February 2015****For the year
ended 28
February 2014****Grants payable**

	£	£
Fusion Table Tennis	850	
LBL Community Football	5,000	-
Total grants	5,850	-

Rent	156,234	141,253
Administration Fees	24,016	24,343
Property expenditure	21,321	18,718
Legal Fees	-	6,228
	207,421	190,542

3. Cost of Generating Funds**For the year
ended 28
February 2015****For the year
ended 28
February 2014**

	£	£
Marketing	26,913	40,158

4. Governance**For the year
ended 28
February 2015****For the year
ended 28
February 2014**

	£	£
Independent Examination	1,740	1,500

5. Trustees

None of the trustees (or any persons connected with them) received any remuneration or reimbursement of expenses during the period.

6. Debtors	For the year ended 28 February 2015	For the year ended 28 February 2014
	£	£
Loan to Lewisham Thunder Basketball Club	25,510	50,010
	<u>25,510</u>	<u>50,010</u>
7. Creditors	For the year ended 28 February 2015	For the year ended 28 February 2014
	£	£
Accruals	3,000	2,880
Loan from Renewal Group Limited	630,348	423,214
	<u>633,348</u>	<u>426,094</u>
8. Lease commitments	For the year ended 28 February 2015	For the year ended 28 February 2014
	£	£
Property leases which expire within 1-2 years	156,234	-
Property leases which expire within 2-5 years	-	156,234
	<u>156,234</u>	<u>156,234</u>

The charity rents a property at Unit 2B Stockholm Road SE16 3LP. The lease is with Renewal Group Ltd. The annual rent of £156,234 has been deferred by Renewal Group Ltd and is not due or payable until new sports facilities (to be known as "Energize") have been constructed and are operational.

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDING 28TH FEBRUARY 2015

I report on the accounts of Surrey Canal Sports Foundation for the year ended 28 February 2015, which comprise the Statement of Financial Activities, Balance Sheet and related notes.

Respective Responsibilities of Trustees and Examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England & Wales.

Having satisfied myself that the company is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

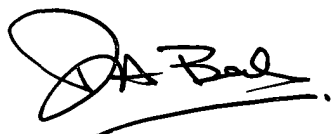
Basis of Independent Examiner's Report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanation from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In accordance with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities
- have not been met: or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



David A Benton
For and on behalf of Kingston Smith LLP
Chartered Accountants

26 November 2015

Orbital House, 20 Eastern Road
Romford, Essex, RM1 3PJ