

# Statement of Accounts 2019/2020

**Kent & Medway Active Partnership  
hosted by Kent County Council**



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## Director's Report

Kent Sport is a hosted Active Partnership, with Kent County Council (KCC) acting as the Host Agency. The Kent & Medway Active Partnership Board oversees and provides independent scrutiny of the strategy, finances and performance of the partnership. The relationship between the Partnership Board and KCC is largely very positive and a memorandum of understanding is in place for KCC to continue to host the Active Partnership until March 2021, when the current funding award from Sport England ends<sup>1</sup>. Kent Sport is one of 43 Active Partnerships across England which works collaboratively across this network, and with the national Active Partnerships team, to improve the quality of life of people through sport and physical activity.

The board meets on a quarterly basis and has two committees – an Audit & Governance Committee and a Nomination Committee. In addition, board members support the Kent Sport team in other ways such as acting as champions for safeguarding, equalities and specific programmes of work.

As host agency, KCC has responsibility for the employment and related terms and conditions of Active Partnership staff, providing human resources, ICT and financial services, processes and systems to support to the team in its day-to-day operational work.

The year 2019-2020 was the second year of a three-year funding agreement with Sport England based upon the new Primary Role for Active Partnerships that had been established in the previous year. The Sport England funding and programme funding, alongside Kent County Council's budget allocation for sport and physical activity and other income generated, enabled the small team of 20.1 FTE, (reduced to 19.1 FTE when an officer left), to work on the following main objectives:

- Provide a strategic co-ordinating function for sport and physical activity, including communication, relationship brokering, information, insight, advice and resources to enhance the opportunities for all Kent and Medway residents to be active and to improve their experience and quality of life;
- Contribute to tackling inactivity by supporting and increasing participation by adults and young people, particularly from under-represented groups or disadvantaged communities, in sport and physical activity, in conjunction with Public Health and other partners;
- Develop opportunities for young people through a range of programmes, including Kent School Games, Satellite Clubs and The Daily Mile, and support primary schools to use their PE and sport premium funding effectively;

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<sup>1</sup> Sport England has recently indicated that it will roll forward its current funding of Active Partnerships to March 2022, due to the uncertainty caused by the coronavirus pandemic.

- Work with other sectors to promote the role of sport and physical activity in meeting their objectives;
- Support and build capacity within the voluntary sector workforce through governing bodies of sport, coach, club and volunteer development, including with other sectors;
- Lever funding into sport in Kent and Medway and support voluntary, statutory and other organisations through advising on funding sources, and facility development;
- Support the development of talented performers;
- Support sports events in the county.

Further information on the detailed work undertaken is available in Kent Sport's Annual Business Plan, on request.

In 2019-20, the Kent Active Partnership Board once again continued to build upon its work in previous years to develop further independence and improved governance arrangements.



Dick Fedorcio OBE  
Chair



Adam Lawrence  
Chair  
Audit and Governance Committee

**Kent & Medway Active Partnership  
West Malling**

**Date: 7 October 2020**

# Statement from the Auditors

## Independent auditor's report to the Partnership Director and board of Kent & Medway Active Partnership

### Opinion

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We have audited the non-statutory financial statements of Kent & Medway Active Partnership (the 'partnership') for the year ended 31 March 2020, which comprise Balance Sheet, Income and Expenditure Statement and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of Kent & Medway Active Partnership for the year ended 31 March 2020 are prepared, in all material respects, in accordance with the basis of accounting as described in [Note 1](#).

### Basis for Opinion

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We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) including ISA (UK) 800. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter – Basis of accounting and restriction on distribution and use

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We draw attention to [Note 1](#) to the financial statements, which describes the basis of accounting, and is a special purpose framework. The financial statements are prepared to assist the Partnership Director and board in reporting the performance of the partnership. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for Kent & Medway Active Partnership and should not be used by parties other than Kent & Medway Active Partnership. Our opinion is not modified in respect of this matter.

### The impact of macro-economic uncertainties on our audit

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Our audit of the financial statement requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as COVID-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by management and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All

of these depend on assessments of the future economic environment and the partnership's future prospects and performance.

COVID-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the partnership's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for an entity associated with these particular events.

### **Conclusions relating to going concern**

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

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

In our evaluation of the Partnership Director and Board's conclusions, we considered the risks associated with the partnership's business, including effects arising from macro-economic uncertainties such as COVID-19 and Brexit, and analysed how those risks might affect the partnership's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the partnership will continue in operation.

### **Other information**

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The Partnership Director and board are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Responsibilities of Partnership Director and board for the financial statements**

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The Partnership Director and board are responsible for the preparation of the financial statements which are prepared, in all material respects, in accordance with the basis of accounting described in [Note 1](#), which the Partnership Director and board have determined is acceptable in the circumstances, and for such internal control as the Partnership Director and board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Partnership Director and board are responsible for assessing the partnership'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

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This report is made solely to the Partnership Director and board, as a body, in accordance with our letter of engagement 25 February 2019. Our audit work has been undertaken so that we might state to the partnership's Partnership Director and board those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the partnership and the partnership's Partnership Director and board as a body, for our audit work, for this report, or for the opinions we have formed.

**Grant Thornton UK LLP**  
**Statutory Auditor, Chartered Accountants**  
**London**

**Date: October 8<sup>th</sup> 2020**

# Income & Expenditure Statement

for the year ended 31 March 2020

## Income

Name	Sport England	Kent County Council	Other local authorities	Other income	Total 2019/20
Primary Role	351,485	0	0	0	351,485
Satellite Clubs – Club Link Makers Capacity)	75,579	0	0	0	75,579
Satellite Clubs - Delivery	186,715	0	0	0	186,715
Primary Premium	64,624	0	0	0	64,624
Active Lives Survey	19,800	0	0	0	19,800
School Games	90,000	0	0	0	90,000
Workforce	39,300	0	0	0	39,300
The Daily Mile	77,561	0	0	0	77,561
DfE Volunteering	14,600	0	0	0	14,600
Subscriptions	0	10,000	34,500	<a href="#">*Note 2</a>	44,500
SE Project Income	0	0	0	39,850	39,850
Other Project Income	0	37,609	1,000	53,339	91,948
Other Income	0	0	0	0	0
<b>Total income</b>	<b>919,664</b>	<b>47,609</b>	<b>35,500</b>	<b>93,189</b>	<b>1,095,962</b>

## Expenditure

Name	Sport England	Kent County Council	Other local authorities	Other income	Total 2019/20
Primary Role – Staffing	281,409	0	0	0	281,409
Primary Role – Non-Staffing	70,129	0	0	11,197	81,326
Staffing Balance	0	20,846	34,500	24,222	79,568
Satellite Clubs – Club Link Makers (Capacity)	85,514	0	0	0	85,514
Satellite Clubs – Delivery	130,904	0	0	0	130,904
Primary Premium	68,709	0	0	0	68,709
Active Lives Survey	20,722	0	0	0	20,722
School Games	90,000	0	0	3,224	93,224
Workforce	35,876	0	0	0	35,876
The Daily Mile	40,176	0	0	0	40,176
DfE Volunteering	9,161	0	0	0	9,161
Project Delivery	0	26,763	1,000	52,086	79,849
Project Delivery – KCC	0	0	0	30,960	30,960
<b>Total expenditure</b>	<b>832,600</b>	<b>47,609</b>	<b>35,500</b>	<b>121,689</b>	<b>1,037,398</b>

## Excess

Excess	Sport England	Kent County Council	Other Local Authorities	Other income	TOTAL 2019/20
Excess Income/Expenditure Funded to/from Reserves	87,064	0	0	-28,500	58,564

## Balance Sheet

for the year ended 31 March 2020

Name	Balance (£)
Current Assets	0
Cash at bank and in hand	1,158,121
Total Current Assets	1,158,121
Liabilities	0
Total Assets less current liabilities	1,158,121
<b>Total Net Assets or Liabilities</b>	<b>1,158,121</b>
Restricted Reserves	893,807 - <a href="#">*Note 1</a>
Unrestricted Reserves	264,313 - <a href="#">*Note 1</a>
<b>Total Reserves</b>	<b>1,158,121</b>

# Notes to the Accounts

## 1 - Basis of preparation of financial statements

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These accounts have been prepared under the historical cost convention and in accordance with the following accounting policies. The accounting policies have been determined by the board members with the Host Agency (Kent County Council), taking guidance from the Code of Practice on Local Authority Accounting in the UK in terms of its requirements for recognising and measuring assets, liabilities, income and expenses, but without requiring full compliance in terms of the presentation and disclosure requirements of the standard.

These policies have been applied consistently to deal with matters, which are considered material to the Active Partnership.

Although the financial statements comply with the principles of Code of Practice on Local Authority Accounting in the UK, they do not comply with the presentational and disclosure requirements of the standard and have therefore not been prepared to fully meet the requirements of Code of Practice on Local Authority Accounting in the UK.

## 2 - District Contributions

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District contributions to Kent Sport have been received from the following:

Ashford Leisure Trust  
Canterbury City Council  
Dartford District Council  
Dover District Council  
Folkestone and Hythe District Council  
Gravesham Borough Council  
Maidstone Borough Council  
Medway Council  
Sevenoaks District Council  
Swale Borough Council  
Tonbridge & Malling Borough Council  
Tunbridge Wells Borough Council

# Reserves Note 1

for the year ended 31 March 2020

## Restricted Reserves

<b>Sport England Related Programme Reserves</b>	<b>31 March 2019</b>	<b>Movement</b>	<b>31 March 2020</b>
Primary Role	53	-53	0
Satellite Clubs - Club link makers (Capacity)	31,995	-9,934	22,061
Satellite Clubs - Delivery	57,211	55,810	113,021
Primary Premium	29,727	-3,995	25,732
Active Lives	26,810	-922	25,888
Workforce	157	3,424	3,581
The Daily Mile	13,361	37,385	50,746
DfE Volunteering	2,932	5,369	8,301
<b>Total Sport England Restricted Reserves</b>	<b>162,246</b>	<b>87,084</b>	<b>249,330</b>

<b>Other restricted reserves</b>	<b>31 March 2019</b>	<b>Movement</b>	<b>31 March 2020</b>
Commissioned Projects Reserves	139,765	-11,223	128,542
Redundancy / Winding Up Reserve	212,558	37,442	250,000
Tackling Inactivity Programme (Every Day Active (KMSB Campaign)	242,407	-46,472	195,935
Kent Sport Small Grants Fund	0	10,000	10,000
Underwriting Staff costs – 2018-21	87,705	-27,705	60,000
<b>Other Restricted Reserves</b>	<b>682,435</b>	<b>-37,958</b>	<b>644,477</b>

## Unrestricted Reserves

<b>Name</b>	<b>31 March 2019</b>	<b>Movement</b>	<b>31 March 2020</b>
<b>Operational / Income Generation Reserve</b>	254,875	9,438	264,313

## Totals

<b>Name</b>	<b>31 March 2019</b>	<b>Movement</b>	<b>31 March 2020</b>
Total Restricted Reserves	844,681	49,126	893,807
Total Unrestricted Reserves	254,875	9,438	264,313
<b>Total Reserves</b>	<b>1,099,556</b>	<b>58,565</b>	<b>1,158,121</b>

